
**VECTOR SECURITIES
(PRIVATE) LIMITED**

**Financial Statements
For the year ended June 30, 2021**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VECTOR SECURITIES (PRIVATE) LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Opinion

We have audited the annexed financial statements of **Vector Securities (Private) Limited** which comprise the statement of financial position as at June 30, 2021, and the statement of profit or loss, statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2021 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat is deductible at source under the Zakat and Ushr Ordinance, 1980.
- e) the Company was in compliance with the requirement of section 78 of the Securities Act 2015, section 62 of the Futures Market Act 2016 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations 2016 as at the date on which the balance sheet was prepared.

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Yameen**.



Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: 06 OCT 2021

VECTOR SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
<u>ASSETS</u>			
Non-Current Assets			
Property and equipment	4	7,874,708	7,740,473
Intangible assets	5	6,388,054	6,072,789
Long term loans and advances	6	1,921,708	1,921,708
Long term deposits	7	2,000,000	2,000,000
Deferred tax asset	8	-	-
		<u>18,184,470</u>	<u>17,734,970</u>
Current Assets			
Trade debts	9	39,110,680	25,013,346
Advances, deposits and other receivables	10	73,033,761	46,859,611
Short term investment	11	24,544,389	17,109,997
Tax due from government	12	4,251,790	3,915,740
Cash and bank balances	13	69,182,861	34,344,925
		<u>210,123,481</u>	<u>127,243,619</u>
Total Assets		<u><u>228,307,951</u></u>	<u><u>144,978,589</u></u>
<u>EQUITY AND LIABILITIES</u>			
Share Capital and Reserves			
Authorized Capital			
20,000,000 Ordinary shares of Rs.10 each		<u>200,000,000</u>	<u>200,000,000</u>
Issued subscribed and paid up capital			
12,000,000 Ordinary shares of Rs.10 each fully paid in cash	14	150,000,000	120,000,000
Unappropriated loss		(71,376,345)	(79,343,023)
Shareholders' Equity		<u>78,623,655</u>	<u>40,656,977</u>
Non-Current Liabilities			
Long term financing	15	21,730,646	31,289,852
Current Liabilities			
Trade and other payables	16	69,330,019	38,292,708
Short term loan	17	58,623,631	34,739,052
Commitments	18		
Total Equities and Liabilities		<u><u>228,307,951</u></u>	<u><u>144,978,589</u></u>

The annexed notes from 1 to 35 forms an integral part of these financial statements


Chief Executive


Director

VECTOR SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2021

	<i>Note</i>	<i>2021 Rupees</i>	<i>2020 Rupees</i>
Commission income	19	51,463,500	23,456,439
Gain on sale of investments- net		3,942,665	424,491
Gain/(loss) on remeasurement of investment - net		<u>11,964,927</u>	<u>(4,485,414)</u>
		67,371,092	19,395,516
Operating expenses	20	<u>(47,996,385)</u>	<u>(34,508,938)</u>
Profit/(loss) from operation		19,374,707	(15,113,422)
Other income	21	<u>5,456,127</u>	<u>6,377,918</u>
Other charges	22	<u>-</u>	<u>(225,147)</u>
Finance cost	23	<u>(6,317,550)</u>	<u>(5,276,157)</u>
		(861,423)	876,614
Profit/(loss) before taxation		18,513,284	(14,236,808)
Taxation	24	<u>(2,413,427)</u>	<u>(402,483)</u>
Profit/(loss) after taxation		<u>16,099,857</u>	<u>(14,639,291)</u>

The annexed notes from 1 to 35 forms an integral part of these financial statements


 Chief Executive


 Director