

**HORIZON SECURITIES LIMITED**

**Financial Statements**

**For the Half Year Ended December 31, 2022**

**HORIZON SECURITIES LIMITED**  
**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT DECEMBER 31, 2022**

<b>Assets</b>	<b>Note</b>	<b>Dec-22 Rupees</b>	<b>Jun-22 Rupees</b>
<b>Non current assets</b>			
Property, plant and equipment	5	1,951,812	2,115,344
Right-of-use assets		19,794,578	22,290,978
Intangible asset		2,500,000	2,500,000
Long term investment	6	16,406,874	16,406,874
Long term Security deposits		1,680,000	1,680,000
		<u>42,333,264</u>	<u>44,993,196</u>
<b>Current assets</b>			
Trade debts - net	7	46,348,313	40,934,941
Short term deposit		4,990,717	15,982,792
Advances and other receivables		78,336,341	68,287,504
Income tax refundable		4,175,994	3,475,147
Short term investments	8	465,266	460,986
Cash and bank balances		13,192,888	38,229,860
		<u>147,509,520</u>	<u>167,371,230</u>
		<u>189,842,784</u>	<u>212,364,426</u>
<b>Total Assets</b>			
<b>Equity and Liabilities</b>			
<b>Share Capital and Reserves</b>			
Authorised capital		200,000,000	200,000,000
Issued, subscribed and paid-up capital		139,650,000	139,650,000
Capital Reserve		(11,788,316)	(11,788,316)
Unappropriated profit		26,156,170	34,969,053
		<u>154,017,854</u>	<u>162,830,738</u>
<b>Liabilities</b>			
<b>Non current liabilities</b>			
		11,754,160	14,050,011
<b>Current liabilities</b>			
Trade and other payables	9	19,308,865	30,738,583
Current portion of non-current liabilities		4,761,905	4,745,095
		<u>24,070,770</u>	<u>35,483,678</u>
<b>Total Liabilities</b>		<u>24,070,770</u>	<u>35,483,678</u>
<b>Contingencies and commitments</b>	11	0	0
<b>Total Equity and Liabilities</b>		<u>189,842,784</u>	<u>212,364,426</u>

The annexed notes form an integral part of these financial statements.

  
**Chief Executive**  


  
**Director**

**HORIZON SECURITIES LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED ON DECEMBER 31, 2022**

	Half year ended		Quarter ended on	
	Dec-22 Rupees	Dec-21 Rupees	Dec-22 Rupees	Dec-21 Rupees
Commission Income	7,872,371	9,061,091	3,925,670	3,963,260
Gain/(Loss) on sale of short term investments - net	135	(155,838)		(177,928)
Fair value (loss) / gain on remeasurement of investments through profit or loss	4,280	(72,040)	34,300	(27,670)
Dividend Income	453,487	788,577	16,000	776,577
Other income	1,045,106	8,850,440	616,378	416,020
	<b>9,375,379</b>	<b>18,472,229</b>	<b>4,592,348</b>	<b>4,950,259</b>
Administrative and operating expenses	(16,221,328)	(15,739,683)	(9,648,698)	(6,678,012)
Finance cost	(1,966,934)	(1,128,662)	(895,096)	(725,406)
<b>Profit/(Loss) before taxation</b>	<b>(8,812,883)</b>	<b>1,603,884</b>	<b>(5,951,446)</b>	<b>(2,453,159)</b>
<b>Taxation</b>				
Current				
Prior year				
<b>Profit/(Loss) after taxation</b>	<b>(8,812,883)</b>	<b>1,603,884</b>	<b>(5,951,446)</b>	<b>(2,453,159)</b>

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**Chief Executive**

  
**Director**

**HORIZON SECURITIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AIDITED)**  
**FOR THE HALF YEAR ENDED ON DECEMBER 31, 2022**

	Half year ended		Quarter ended on	
	Dec-22 Rupees	Dec-21 Rupees	Dec-22 Rupees	Dec-21 Rupees
<b>Profit/(Loss) after taxation</b>	(8,812,883)	1,603,884	(5,951,446)	(2,453,159)
<b>Other Comprehensive Income</b>				
Items that may be reclassified subsequently to profit and loss account				
Fair value gain on remeasurement of available for sale investment	0	0	0	0
<b>Total comprehensive income/ (loss)</b>	<b>(8,812,883)</b>	<b>1,603,884</b>	<b>(5,951,446)</b>	<b>(2,453,159)</b>

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**Chief Executive**

  
**Director**

**HORIZON SECURITIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY(UN-AUDITED)**  
**FOR THE HALF YEAR ENDED ON DECEMBER 31, 2022**

	Share Capital	Capital Reserve	Revenue Reserve	
	Paid up ordianry share capital	Fair value (loss) / gain on remeasure- ment of available- for-sale investments	Unappr- opriated profit	Total Equity
----- Rupees -----				
Balance as at June 30, 2021	139,650,000	(7,661,278) *	29,137,479	161,126,201
Total comprehensive (loss) / income for the six months ended December 31, 2021				
Profit for the six months	-	-	1,603,884	1,603,884
Other comprehensive income	-	-	-	-
	-	-		
<b>Balance as at December 31, 2021</b>	<b>139,650,000</b>	<b>(7,661,278)</b>	<b>30,741,363</b>	<b>162,730,085</b>
<b>Balance as at June 30, 2022</b>	<b>139,650,000</b>	<b>(11,788,316)</b>	<b>34,969,053</b>	<b>162,830,737</b>
Total comprehensive (loss) / income for the six months ended December 31, 2022				
Profit for the six months	-	-	(8,812,883)	(8,812,883)
Other comprehensive income	-	-	-	-
	-	-	(8,812,883)	(8,812,883)
<b>Balance as at December 31, 2022</b>	<b>139,650,000</b>	<b>(11,788,316)</b>	<b>26,156,170</b>	<b>154,017,854</b>

The annexed notes form an integral part of these financial statements.

  
**Chief Executive**

  
**Director**

**HORIZON SECURITIES LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED ON DECEMBER 31, 2022**

	Dec-22 Rupees	Dec-21 Rupees
<b>Cash flow from operating activities</b>		
Profit/(Loss) before taxation	(8,812,883)	1,603,884
Adjustments for non-cash charges and other items:		
Depreciation	2,659,932	2,475,170
Fair value loss / (gain) on remeasurement of investments through profit or loss	(4,280)	72,040
Reversal of Impairment allowances for expected credit losses	0	(8,000,000)
Finance cost	1,966,934	1,128,662
<b>Profit/(Loss) before working capital changes</b>	<b>(4,190,297)</b>	<b>(2,720,244)</b>
<b>Effect on cash flow due to working capital changes</b>		
(Increase) / decrease in current assets:		
Trade receivables	(5,413,372)	5,731,283
Investment in Financing	0	8,225,175
Short term deposits	10,992,075	2,488,789
Advances and prepayments	(10,048,837)	(328,826)
Short term investments - net	0	180,000
(Decrease) / increase in current liabilities:		
Trade payables & other Payables	(11,429,718)	(8,444,677)
	(15,899,852)	7,851,744
<b>Cash used in operations</b>	<b>(20,090,149)</b>	<b>5,131,500</b>
Income tax paid	(700,848)	(334,276)
<b>Net cash used in operating activities</b>	<b>(20,790,997)</b>	<b>4,797,224</b>
<b>Net cash (used in) / generated from investing activities - fixed capital expenditure</b>	<b>0</b>	<b>(38,500)</b>
<b>Cash flow from financing activities</b>		
Lease finances - net	(2,279,040)	(6,642,697)
Finance cost paid	(1,966,934)	(1,128,662)
<b>Net cash (used in) / generated from financing activities</b>	<b>(4,245,974)</b>	<b>(7,771,359)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(25,036,971)</b>	<b>(3,012,635)</b>
<b>Cash and cash equivalents - at beginning of the period</b>	<b>38,229,860</b>	<b>36,167,875</b>
<b>Cash and cash equivalents - at end of the period</b>	<b>13,192,888</b>	<b>33,155,239</b>

The annexed notes form an integral part of these financial statements.

  
Chief Executive

  
Director

**HORIZON SECURITIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED ON DECEMBER 31, 2022**

**1. LEGAL STATUS AND OPERATIONS**

Horizon Securities Limited (the Company) was incorporated in Pakistan on January 08, 2007 as a Single Member Company under the Companies Ordinance, 1984. The Company was incorporated pursuant to the corporatisation policy of the Securities and Exchange Commission of Pakistan to enable the individual members of Stock Exchanges to transfer their membership along with all entitlements related thereto to a corporate entity. The status of the Company was first converted into a Private Limited Company with effect from May 27, 2011 and then a Public Limited Company with effect from June 27, 2011.

The Company is a Trading Right Entitlement Certificate holder of Pakistan Stock Exchange Limited and registered with SECP in Trading and Slef Clearing Category. The Company is principally engaged in shares brokerage services. The Company's registered office is located at 2nd Floor, Plaza 79-A, Banker Cooperative Housing Society, Lahore.

**2 Basis of measurement**

**2.1 Statement of compliance**

This condensed interim financial report of the company for the six months period ended December 31, 2022 has been prepared in accordance with the requirements of the International Accounting/Financial Reporting Standard and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements are unaudited. These condensed interim financial statements do not include all of the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2022.

**2.2 Functional and presentation currency**

These financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency. All financial information presented in Pak Rupees has been rounded to the nearest to rupees unless otherwise stated.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2022.

**4 ESTIMATES**

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2022.

**5 PROPERTY, PLANT AND EQUIPMENT-OWNED**

	(Un-Audited) Dec 31 2022 Rupees	(Audited) June 30, 2022 Rupees
Opening Cost	2,115,344	2,681,262
Addition during the period	0	38,500
Disposals during the period	0	(170,230)
Accumulated Depreciation	(163,532)	(434,188)
	<b>1,951,812</b>	<b>2,115,344</b>

	(Un-Audited) Dec 31 2022 Rupees	(Audited) June30, 2022 Rupees
<b>6 LONG TERM INVESTMENTS</b>		
LSE Financial Services Limited 843,975 ordinary shares of Rs.10 each	16,406,874	20,533,912
Adjustment on remeasurement to fair value	-	(4,127,038)
	<u>16,406,874</u>	<u>16,406,874</u>
<b>7 TRADE DEBTS</b>		
Trade Debts- Gross	50,448,991	45,035,619
Less Provision for doubtful debts	<u>(4,100,678)</u>	<u>(4,100,678)</u>
	<u>46,348,313</u>	<u>40,934,941</u>
<b>8 SHORT TERM INVESTMENT</b>		
At fair value through profit or loss		
Investment in Listed Securities-At Cost	460,986	524,710
Unrealized gain/(loss) on re-measurement of investments	<u>(38,776)</u>	<u>(106,780)</u>
Mutual Fund	43,056	43,056
Carrying value	<u>465,266</u>	<u>460,986</u>
<b>9 TRADE AND OTHER PAYABLES</b>		
Payable to Clients	17,814,084	28,809,249
Payable to NCCPL	0	0
Accrued and other Payables	<u>1,494,781</u>	<u>1,929,334</u>
	<u>19,308,865</u>	<u>30,738,583</u>

**10 FINANCIAL RISK MANAGEMENT**  
The financial risk management objectives and policies are consistent with those disclosed in the Annual Financial Statements of the Company as at and for the year ended 30 June 2022

**11 CONTINGENCIES AND COMMITMENTS**

There are no major changes in the status of contingencies as reported in the annual financial in the annual financial statements of the statements for the year ended June 30, 2022

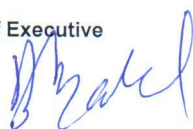
**12 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements were authorized for issue by the Board of Directors of the Company on 24-02-2023

**13 GENERAL**

Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison; however, no material re-arrangements have been made in these financial statements.

Chief Executive



Abida  
Director