

HORIZON SECURITIES LIMITED

Financial Statements

For the Period Ended on March 31, 2023

HORIZON SECURITIES LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2023

Assets	Note	Mar-23 Rupees	Jun-22 Rupees
Non current assets			
Property, plant and equipment	5	1,870,046	2,115,344
Right-of-use assets		18,546,378	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
		41,003,298	44,993,196
Current assets			
Trade debts - net	7	34,563,618	40,934,941
Short term deposit		3,739,573	15,982,792
Advances and other receivables		80,119,632	68,287,504
Income tax refundable		4,265,303	3,475,147
Short term investments	8	468,646	460,986
Cash and bank balances		19,600,599	38,229,860
		142,757,372	167,371,230
Total Assets		183,760,680	212,364,426
Equity and Liabilities			
Share Capital and Reserves			
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		22,387,506	34,969,053
		150,249,190	162,830,738
Liabilities			
Non current liabilities			
		11,754,160	14,050,011
Current liabilities			
Trade and other payables	9	18,090,395	30,738,583
Current portion of non-current liabilities		3,666,934	4,745,095
		21,757,329	35,483,678
Total Liabilities		21,757,329	35,483,678
Contingencies and commitments	11	0	0
Total Equity and Liabilities		183,760,680	212,364,426

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

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Chief Executive

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Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED ON MARCH 31, 2023

	Nine months ended		Quarter ended on	
	Mar-23 Rupees	Mar-22 Rupees	Mar-23 Rupees	Mar-22 Rupees
Commission Income	11,889,165	12,703,692	4,016,795	3,642,601
Gain/(Loss) on sale of short term investments - net	135	(156,779)	3,380	(941)
Fair value (loss) / gain on remeasurement of investments through profit or loss	7,660	(72,040)	0	0
Dividend Income	453,487	1,421,557	0	632,980
Other income	1,459,480	9,308,288	414,374	457,848
	13,809,927	23,204,718	4,434,549	4,732,488
Administrative and operating expenses	(23,539,162)	(23,833,974)	(7,317,834)	(8,094,291)
Finance cost	(2,852,312)	(1,900,871)	(885,378)	(772,209)
Profit/(Loss) before taxation	(12,581,547)	(2,530,127)	(3,768,663)	(4,134,012)
Taxation				
Current				
Prior year				
Profit/(Loss) after taxation	(12,581,547)	(2,530,127)	(3,768,663)	(4,134,012)

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

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Chief Executive

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Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AIDITED)
FOR THE PERIOD ENDED ON MARCH 31, 2023

	Nine months ended		Quarter ended on	
	Mar-23 Rupees	Mar-22 Rupees	Mar-23 Rupees	Mar-22 Rupees
Profit/(Loss) after taxation	(12,581,547)	(2,530,127)	(3,768,663)	(4,134,012)
Other Comprehensive Income				
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
Total comprehensive income/ (loss)	(12,581,547)	(2,530,127)	(3,768,663)	(4,134,012)

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

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Chief Executive

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Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY(UN-AUDITED)
FOR THE PERIOD ENDED ON MARCH 31, 2023

	Share Capital	Capital Reserve	Revenue Reserve	
	Paid up ordianry share capital	Resever for Financial Assets measured at FVTOCI	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				
Profit for the three months	-	-	(2,530,127)	(2,530,127)
Other comprehensive income	-	-	-	-
	-	-		
Balance as at March 31, 2022	139,650,000	(7,661,278)	26,607,352	158,596,074
Balance as at June 30, 2022	139,650,000	(11,788,316)	34,969,053	162,830,737
Total comprehensive (loss) / income				
Profit for the three months	-	-	(12,581,547)	(12,581,547)
Other comprehensive income	-	-	-	-
	-	-	(12,581,547)	(12,581,547)
Balance as at March 31, 2023	139,650,000	(11,788,316)	22,387,506	150,249,190

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

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Chief Executive

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Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT(UN-AUDITED)
FOR THE PERIOD ENDED ON MARCH 31, 2023

	<u>Mar-23</u> <u>Rupees</u>	
Cash flow from operating activities		
Profit/(Loss) before taxation	(12,581,547)	
Adjustments for non-cash charges and other items:		
Depreciation	3,989,898	
Fair value loss / (gain) on remeasurement of investments through profit or loss	(7,660)	
Reversal of Impairment allowances for expected credit losses	0	
Finance cost	2,838,543	
Profit/(Loss) before working capital changes	(5,760,766)	
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets:		
Trade receivables	6,371,323	
Short term deposits	12,243,219	
Advances and prepayments	(11,832,128)	
(Decrease) / increase in current liabilities:		
Trade payables & other Payables	(12,648,188)	
	(5,865,774)	
Cash used in operations	(11,626,540)	
Income tax paid	(790,156)	
Net cash used in operating activities	(12,416,696)	
Net cash (used in) / generated from investing activities - fixed capital expenditure	0	
Cash flow from financing activities		
Lease finances - net	(3,374,012)	
Finance cost paid	(2,838,543)	
Net cash (used in) / generated from financing activities	(6,212,555)	
Net (decrease) / increase in cash and cash equivalents	(18,629,251)	
Cash and cash equivalents - at beginning of the period	38,229,860	
Cash and cash equivalents - at end of the period	19,600,599	

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

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Chief Executive

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Director

HORIZON SECURITIES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED ON MARCH 31, 2023

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 nine months period ended March 31, 2023 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)	(Audited)
	March 31	June 30,
	2023	2022
	Rupees	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	(245,298)	(434,188)
	1,870,046	2,115,344

	(Un-Audited) March 31 2023 Rupees	(Audited) June30, 2022 Rupees
6 LONG TERM INVESTMENTS		
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>
7 TRADE DEBTS		
Trade Debts- Gross	38,664,296	45,035,619
Less Provision for doubtful debts	<u>(4,100,678)</u>	<u>(4,100,678)</u>
	<u>34,563,618</u>	<u>40,934,941</u>
8 SHORT TERM INVESTMENT		
At fair value through profit or loss		
Investment in Listed Securities-At Cost	417,930	524,710
Unrealized gain/(loss) on re-measurement of investments	7,660	(106,780)
Mutual Fund	<u>43,056</u>	<u>43,056</u>
Carrying value	<u>468,646</u>	<u>460,986</u>
9 TRADE AND OTHER PAYABLES		
Payable to Clients	16,176,444	28,809,249
Payable to NCCPL	0	0
Accrued and other Payables	<u>1,913,951</u>	<u>1,929,334</u>
	<u>18,090,395</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 _____

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.

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Chief Executive

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Director