



# Khawaja Securities PVT. LTD.

TREC HOLDER PAKISTAN STOCK EXCHANGE LTD.

## Statement by the Chief Executive Officer for the year ended June 30, 2025

This is certify that to the best of my knowledge and belief during the financial year ended June 30, 2025:

- Khawaja Securities Private Limited did not enter into any transaction that was fraudulent, illegal, or in violation of any applicable laws, rules or regulation governing the Pakistan Stock Exchange Limited (PSX), the Pakistan Mercantile Exchange (PMEX), The Securities Exchange and Commission of Pakistan (SECP) or any other relevant market regularity authority;
- All business operation were conduct in good faith, with proper authorization, and in full compliance with the future market act 2016, the Securities Act 2015 and the Companies Act 2017;
- Internal control and compliance mechanisms remind effective throughout the year to ensure transparency and adherence to all legal and ethical standard.

**Chief Executive Officer**



Dated: December 15, 2025

Place: Lahore

### Head Office:

Room # G-3, (+92-42-36280811-14) Ground Floor,  
LSE Building, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore-Pakistan.  
Tel: +92-42-36300214, 36300215, 36280837, 36280835  
E-mail: settlement@khawajasec.com

### Branch Office: (PMEX)

Office No. 1231, Floor 12<sup>th</sup>  
ISE Building, Jinnah Avenue, Blue Area, Islamabad-44000  
[www.khawajasecurities.com](http://www.khawajasecurities.com)  
Ph# +92 51-2726898-99



# Khawaja Securities PVT. LTD.

TREC HOLDER PAKISTAN STOCK EXCHANGE LTD.

## STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE For the Year Ended June 30, 2025

This statement is being presented to comply with the requirements of the **Code of Corporate Governance** ("the Code") applicable to **Securities Brokers** and **Future Brokers** under the **Securities Brokers (Licensing and Operations) Regulations, 2016**, the **PSX Rulebook, Futures Brokers (Licensing and Operations) Regulations, 2018**, the **PMEX Rulebook** and relevant directives issued by SECP.

The board of Directors of **Khawaja Securities (Private) Limited** hereby confirms that:

### Board Structure & Oversight

- The Board is duly constituted in accordance with the companies Act, 2017 and SECP's fit & proper criteria.
- The directors possess **adequate business, financial, and regulatory experience** relevant to securities brokerage activities.  
The Board held all **required number of meetings** during the year with proper attendance recorded.
- Appropriate information was provided to the Board in a timely manner to enable informed decision-making.

### Internal Control, Audit & Risk Management

- An independent **Internal Audit function** is in place to ensure the adequacy of internal controls and regulatory compliance.
- The Board has established a sound **risk management framework** covering operational, market, credit, and compliance risks.
- The Company has effective **client asset segregation controls**, reviewed periodically by internal and external auditors.
- **IT governance** and cyber security controls are periodically assessed and strengthened.

### Policies & Regulatory Compliance

- A comprehensive **AML/CFT framework** is implemented in compliance with regulatory requirements.
- The Company maintains proper **books of accounts**, record-keeping, and statutory filings under applicable laws.
- The Company has established and disseminated **Code of Conduct**, ensuring ethical behavior and non-discriminatory practices.

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## Investor Protection & Transparency

The Company has implemented:

- Client Assets Protection Mechanisms
- Client Complaints & Dispute Resolution procedures
- Segregated bank accounts for client funds
- Real-time surveillance and compliance monitoring
- The company ensured timely submission of statutory, regulatory, and financial information to **SECP, PSX, PMEX, CDC & NCCPL**.

## Human Resource & Succession Planning

- The Company maintains a robust structure for **staff competence**, including regular training in trading systems, AM/CFT, KYC, and risk management.
- Key positions are staffed with individuals meeting the **Fit & Proper Criteria** issued by SECP.

## Overall Compliance

The Board confirms that:

- The Company has **materially complied** with the Code of Corporate Governance during the year ended June 30, 2025.
- Any areas requiring further enhancement are being actively addressed under Board supervision.

For and on Behalf of the Board of Directors

Khawaja Securities (Private) Limited

Chief Executive Officer



Dated: December 15, 2025

Place: Lahore

### Head Office:

Room # G-3, (+92-42-36280811-14) Ground Floor,  
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# Khawaja Securities PVT. LTD.

TREC HOLDER PAKISTAN STOCK EXCHANGE LTD.

## DIRECTOR'S REPORT

On behalf of the Board of Directors of "Khawaja Securities (Private) Limited" (the company), I am pleased to present our report, the audited financial statements and auditor's report for the year ended June 30, 2025.

In current year, the financial performance of the company was not satisfactory. A brief view of the company's affairs is given below for your consideration:

- 1- During the year, the company although earned a profit after tax of Rs. 2,894,468/- (2024: loss after tax 4,849,841/-) but it is majorly due to unrealized gain on short-term investments. Excluding that, the company was in operational loss.

### Future outlook:

The management is of the view that besides the above stated facts there is room for improvement and good results in the future.

### Profit Appropriations:

No dividend was declared and nor any other appropriation was made out of the profits.

### Acknowledgement:

In the end, we would like to thank and appreciate the cooperation and dedication of the company's executive and staff dedicated in the smooth management of company's affairs during this harsh year.

On behalf of the board



Lahore.

December 15, 2025

**KHAWAJA USMAN ARIF**  
CHIEF EXECUTIVE

### Head Office:

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF KHAWAJA SECURITIES (PRIVATE) LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the annexed financial statements of **KHAWAJA SECURITIES (PRIVATE) LIMITED** (the Company), which comprises the statement of financial position as at June 30, 2025, and the statement of profit or loss, the 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 material accounting policy information 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 purpose 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, the statement of profit or loss, the 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, 2025 and of the profit and other comprehensive Income, its cash flows and the changes in equity for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with the 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 Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the information included in the director's report but does not include the financial statements and our auditor's 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 on 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 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 is 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 IASs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk 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 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 those charged with governance and the board of directors, 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 accounts 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, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity 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 accounts and returns;
- (c) Investment made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).
- (e) The Company was in compliance with the requirement of section 78 of the Securities Act 2015 and relevant requirements of the Securities Brokers (Licensing and Operation) Regulation 2016 as of the date on which the statement of financial position was prepared.

#### **Other Matter**

The financial statements of the **KHAWAJA SECURITIES (PRIVATE) LIMITED** for the year ended June 30, 2024 were audited by M/s Alam and Aulakh, Chartered Accountants who expressed a modified opinion on those statements on September 14, 2024.

The engagement partner on audit resulting in this independent auditor's report is Jamil Akhter Baig (FCA).

  
**Akhter Mahmood Mian**  
Chartered Accountants

Place: Lahore  
Date: December 15, 2025

UDIN: AR202510464BXm74pGKC

**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2025**

	Note	2025 ----- Rupees -----	2024 ----- Rupees -----
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property and equipment	4	8,222,682	9,137,799
Intangible assets	5	21,118,980	21,118,980
Long term deposits	6	1,500,000	1,400,000
Deferred taxation	7	-	-
		<b>30,841,662</b>	<b>31,656,779</b>
<b>CURRENT ASSETS</b>			
Trade debts	8	9,939,580	11,007,667
Short term investments	9	11,171,331	5,614,365
Tax refunds due from Government	10	776,209	776,209
Deposits, prepayments and other receivables	11	2,492,202	1,996,377
Cash and bank balances	12	1,374,961	2,475,402
		<b>25,754,283</b>	<b>21,870,020</b>
		<b>56,595,945</b>	<b>53,526,799</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL</b>			
<b>Authorized capital</b>			
8,500,000 (2024: 8,500,000) Ordinary shares of Rs.10 each	13	<b>85,000,000</b>	<b>85,000,000</b>
<b>Issued, subscribed and paid-up capital</b>			
8,380,185 (2024: 8,380,185) Ordinary shares of Rs.10 each	13	<b>83,801,850</b>	<b>83,801,850</b>
Accumulated losses		<b>(35,943,954)</b>	<b>(38,838,422)</b>
Loan from director	14	<b>2,300,000</b>	<b>2,300,000</b>
		<b>50,157,896</b>	<b>47,263,428</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	<b>6,321,778</b>	<b>6,249,039</b>
Provision for levi and taxation	16	<b>116,271</b>	<b>14,332</b>
		<b>6,438,049</b>	<b>6,263,371</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	17	<b>-</b>	<b>-</b>
		<b>56,595,945</b>	<b>53,526,799</b>

The annexed notes from 1 to 32 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**



  
**DIRECTOR**

**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 ----- Rupees -----	2024 (Restated)
Brokerage and commission	18	9,232,363	5,312,086
Operating and administrative expenses	19	(12,172,015)	(8,151,477)
Other income	20	6,611,937	1,544,925
<b>Operating income / (loss)</b>		<b>3,672,285</b>	<b>(1,294,466)</b>
Other expenses	21	-	(3,382,921)
Finance cost	22	(517,528)	(17,397)
<b>Profit / (loss) before levies and taxation</b>		<b>3,154,757</b>	<b>(4,694,784)</b>
Levies	23	(260,289)	(155,057)
<b>Profit / (loss) before taxation</b>		<b>2,894,468</b>	<b>(4,849,841)</b>
Income tax	24	-	-
<b>Profit / (loss) after taxation</b>		<b>2,894,468</b>	<b>(4,849,841)</b>

*The annexed notes from 1 to 32 form an integral part of these financial statements.*

  
**CHIEF EXECUTIVE**



  
**DIRECTOR**

**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2025**

Note	2025 ----- Rupees -----	2024
Profit / (loss) after taxation	2,894,468	(4,849,841)
<b>Other comprehensive income:</b>	-	-
<b>Total comprehensive income / (loss) for the year</b>	<b>2,894,468</b>	<b>(4,849,841)</b>

*The annexed notes from 1 to 32 form an integral part of these financial statements.*

  
**CHIEF EXECUTIVE**



  
**DIRECTOR**

**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2025**

PARTICULARS	SHARE CAPITAL	RESERVES		LOAN FROM DIRECTOR	TOTAL
		REVENUE RESERVE ACCUMULATED LOSSES	CAPITAL RESERVES INVESTMENTS AT FVOCI		
Balance as at June 30, 2023	83,801,850	(33,441,597)	(546,984)	2,300,000	52,113,269
Loss for the year	-	(4,849,841)	-	-	(4,849,841)
Other comprehensive income for the year	-	-	-	-	-
Fair value reserve transferred on derecognition	-	-	546,984	-	-
<b>Balance as at June 30, 2024</b>	<b>83,801,850</b>	<b>(38,838,422)</b>	<b>-</b>	<b>2,300,000</b>	<b>47,263,428</b>
Profit for the year	-	2,894,468	-	-	2,894,468
Other comprehensive income for the year	-	-	-	-	-
<b>Balance as at June 30, 2025</b>	<b>83,801,850</b>	<b>(35,943,954)</b>	<b>-</b>	<b>2,300,000</b>	<b>50,157,896</b>

*The annexed notes from 1 to 32 form an integral part of these financial statements.*

*K. H. Khan*  
**CHIEF EXECUTIVE**



*K. H. Khan*  
**DIRECTOR**

**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	2025	2024
	----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) after taxation	3,154,757	(4,694,784)
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation	915,117	1,017,222
Dividend income	(965,899)	(577,153)
Gain sale on investment	-	(801,105)
Unrealized loss on remeasurement of investment	(5,556,966)	3,382,921
Finance cost	517,528	17,397
	(5,090,220)	3,039,282
<b>Loss before working capital changes</b>	(1,935,463)	(1,655,502)
<b>Effect on cash flow due to working capital changes</b>		
<b>Decrease / (increase) in current assets:</b>		
Trade debts	1,068,087	(1,687,282)
Deposits, prepayments and other receivables	(495,825)	611,879
<b>Increase / (decrease) in current liabilities:</b>		
Trade and other payables	72,739	(61,974,161)
	645,001	(63,049,564)
<b>Cash used in operations</b>	(1,290,462)	(64,705,066)
Income tax paid	(158,350)	(140,725)
Finance cost paid	(517,528)	(17,397)
<b>Net cash used in operating activities</b>	(1,966,340)	(64,863,188)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investments- net	-	657,705
Long term deposits	(100,000)	-
Payment for acquisition of fixed assets	-	(10,000,000)
Dividend received	965,899	577,153
<b>Net cash generated from / (used in) investing activities</b>	865,899	(8,765,142)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Net decrease increase in cash and cash equivalents</b>	(1,100,441)	(73,628,330)
<b>Cash and cash equivalents at the beginning of the year</b>	2,475,402	76,103,732
<b>Cash and cash equivalents at the end of the year</b>	1,374,961	2,475,402

Note

12

The annexed notes from 1 to 32 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**



  
**DIRECTOR**

**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**1 COMPANY AND ITS OPERATION**

Khawaja Securities (Private) Limited ("the Company") is an incorporated private limited company under the Companies Act, 2017, limited by shares. The Company was incorporated on December 27, 2006 under the repealed Companies Ordinance, 1984. The Company is principally engaged in brokerage of shares, stocks, purchase and sale of securities, financial consultancy, brokerage, underwriting, portfolio management and securities research. The registered office of the company is situated at Room No. G3, Ground Floor, Lahore Stock Exchange Building, 19-Khyayaban-e-Aiwan-e-Iqbal, Lahore.

The company is holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange.

**2 BASIS OF PREPARATION**

**2.1 STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.
- Provisions of and directives issued under the Securities Brokers (Licensing and Operations) Regulations.

Where provisions of and directives issued under the Companies Act, 2017 and Securities Brokers (Licensing and Operations) Regulations, 2016, differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 and Securities Brokers (Licensing and Operations) Regulations, 2016, have been followed.

**2.2 BASIS OF MEASUREMENT**

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy notes.

These financial statements have been prepared on accrual basis accounting concept.

**2.3 FUNCTIONAL AND PRESENTATION CURRENCY**

The financial statements are presented in Pakistani Rupee, which is the company's functional and presentation currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

**2.4 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Judgments and estimates made by management that may have a significant risk of material adjustments to the financial statements in subsequent years are as follows:

- Useful lives, residual values and depreciation method of property and equipment- **Note 3.1**
- Useful lives, residual values and amortization method of intangible assets- **Note 3.2**
- Valuation of investment in quoted securities- **Note 3.3**
- Provision for doubtful account receivables- **Note 3.7**
- Current income tax expense, provision for current tax and recognition of deferred tax asset / liabilities- **Note 3.11**
- Estimation of provisions - **Note 3.13**
- Estimation of contingent liabilities- **Note 3.14**



**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**3 MATERIAL ACCOUNTING POLICY INFORMATION**

**3.1 PROPERTY AND EQUIPMENT**

**Initial Recognition**

All items of property and equipment are initially recorded at cost.

**Subsequent measurement**

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any).

**Depreciation, Judgments and estimates**

Depreciation is charged on reducing balance method at the rates mentioned in the relevant notes to the financial statements. Depreciation on additions is charged for the month in which an asset is acquired while no depreciation is charged for the month in which an asset is disposed off. Normal repair and maintenance is charged to revenue as and when incurred, while major renewals and replacements are capitalized. The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

**Disposal**

The gain or loss arising on disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized as income or expense in the statement of profit or loss.

**Impairment**

The assets that are subject to depreciation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognized in the statement of profit or loss.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized. The Company recognizes the reversal immediately in the statement of profit or loss.

**3.2 INTANGIBLE ASSETS**

Intangible assets with finite useful life are stated at cost less amortization and impairment, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where carrying value exceeds estimated recoverable amount, it is written down to estimated recoverable amount. The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

Intangible assets with indefinite useful life are not amortized. These are annually tested for impairment to assess whether their carrying value is in excess of their recoverable amounts, and where the carrying value exceeds the recoverable amounts, the carrying value is written down to the estimated recoverable amounts. Intangible assets with definite useful life are amortized in straight line basis.

**3.2.1 Membership card and offices**

This is stated at cost less impairment, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

Amortization is charged when asset is available for use until asset is disposed off.

**3.3 FINANCIAL ASSETS**

Financial assets are classified in the following categories: Held-to-maturity, at fair value through profit or loss, available-for-sale and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

**3.3.1 Held to Maturity**

The investments with fixed maturity, if any, that the company has to positive intent and ability to hold to maturity. Held to maturity investments are initially measured at fair value plus transaction costs and are subsequently stated at amortized cost using the effective interest rate method less impairment, if any. These are classified as current and non-current assets in accordance with nature of investment.



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**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**3.3.2 At fair value through profit or loss**

Investments classified as held for trading are included in the category of financial assets at fair value through profit or loss. These are listed securities that are acquired principally for the purpose of generating a profit from short term fluctuations in price or dealer's margin.

All investments are initially recognized at cost, being the fair value of the consideration given excluding acquisition charges with the investment. After initial recognition, investments are measured at their fair values. Unrealized gains and losses on investments are recognized in profit or loss of the period.

Fair values of these securities representing listed equity and debt securities are determined by reference to stock exchange quoted market prices at the close of the business on reporting date.

**3.3.3 Available-for-sale**

Investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity or changes in interest rates are classified as available-for-sale.

Subsequent to initial recognition at cost, these are premeasured at fair value. The Company uses latest stock exchange quotations to determine the fair value of its quoted investments whereas fair value of investments in un-quoted companies is determined by applying the appropriate valuation techniques. Gains or losses on available-for-sale investments are recognized directly in statement of profit or loss until the investments are sold or disposed-off, or until the investments are determined to be impaired, at that time cumulative gain or loss previously recognized in statement of profit or loss, is re-classified from equity to profit or loss as re-classification adjustment.

**3.4 FINANCIAL LIABILITIES**

Financial liabilities are initially measured at cost, which is the fair value, of the consideration given and subsequently carried at amortized cost using effective interest rate method.

**3.5 OFF-SETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

A financial asset and a financial liability is offset and the net amount is reported in the financial statements if the Company has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**3.6 LONG TERM DEPOSITS**

These are initially stated at cost which represents the fair value of consideration paid. These are subsequently measured at amortized cost, if any.

**3.7 TRADE DEBTS AND OTHER RECEIVABLES**

Trade and other receivables are recognised and carried at transaction price less an allowance for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

The allowance for doubtful debts of the Company is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer.

**3.8 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**

These are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets.

**3.9 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise of cash balances and call deposits. For the purpose of statement of cash flows; cash and cash equivalents comprise cash in hand, bank balances and running finances. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

**3.10 SHARE CAPITAL**

Ordinary shares are classified as equity and recognized at their face value.



**AHAWAJA SECURITIES (PRIVATE) LIMITED**  
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**3.11 TAXATION**  
**Levies**

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid /payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/IAS 37.

**Current**

Provision for current taxation is based on taxable income at the current rates of taxation after considering rebates and tax credits available, if any. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessment framed / finalized during the year.

**Deferred**

Deferred tax is provided using the statement of financial position liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statement. The amount of deferred tax provided is based on the expect manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the financial reporting dates.

The company recognizes a deferred tax asset only to the extent that it is probable that future taxable profit for the foreseeable future will be available against which the asset can be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The carrying amount of all deferred tax assets are reviewed at each financial reporting date and reduced to the extent, if it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

**Off-setting**

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority.

**3.12 TRADE AND OTHER PAYABLES**

Trade and other payables are recognised initially at cost, which is the fair value of the consideration to be paid, in the future for goods and services received and subsequently measured at amortized cost.

**3.13 PROVISIONS**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as finance cost in the statement of profit or loss.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

**3.14 CONTINGENT LIABILITIES**

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.



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**3.15 IMPAIRMENT OF NON-FINANCIAL ASSETS**

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

**3.16 REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses and sales tax. Revenue is recognized on the following basis:

- Brokerage, consultancy and advisory fee, commission etc. are recognized as and when such services are provided, and thereby the performance obligations are satisfied.
- Profit on saving accounts, profit on exposure deposits and markup on marginal financing is recognized at effective yield on time proportion basis.
- Gains/(losses) arising on sale of investments are included in the profit or loss in the period in which they arise.
- Dividend income is recorded when the right to receive the dividend is established.
- Unrealised gains / (losses) arising on revaluation of securities classified as 'fair value through profit or loss' are included in profit or loss in the period in which they arise.
- Other revenues are recorded, as and when due, on accrual basis.

**3.17 RELATED PARTY TRANSACTIONS**

Transactions and contract with related parties are carried at arm's length and at market rate. Non-arm's length transactions are made after obtaining the approval from board of directors.

**3.18 METHOD OF PREPARATION OF CASH FLOW STATEMENT**

The cash flow statement is prepared using indirect method.

**3.19 TRADE DATE ACCOUNTING**

All "regular way" purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the Company commits to purchase or sell an asset. Regular way purchases or sales of financial assets are those, the contract for which requires delivery of assets within the time frame generally established by regulation or convention in the market.



**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
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**3.20 CHANGE IN ACCOUNTING POLICY**

During the year the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 and issued guidance - "Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax (which is not adjustable against future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of applicable reporting framework. There has been no effect on the statement of financial position, the statement of changes in equity, the statement of cash flows and earning per share as a result of this change except the following effect on statement of profit or loss:

	Had there been no change in accounting	Impact of change in accounting policy	After incorporating effects of change in accounting policy
<b>For the year ended June 30, 2025</b>			
Levies	-	(260,289)	(260,289)
Profit before taxation	3,154,757	(260,289)	2,894,468
Income tax	-	260,289	260,289
Profit after taxation	<u>3,154,757</u>	<u>-</u>	<u>3,154,757</u>
<b>For the year ended June 30, 2024</b>			
Levies	-	(155,057)	(155,057)
Profit before taxation	(4,694,784)	(155,057)	(4,849,841)
Income tax	-	155,057	155,057
Profit after taxation	<u>(4,694,784)</u>	<u>-</u>	<u>(4,694,784)</u>



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**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**5. Intangible assets**

	2025	2024
Note	----- Rupees -----	
Trading Rights Entitlement Certificate ("TREC")	2,500,000	2,500,000
PMEX Trading Certificate	2,700,000	2,700,000
Rooms - LSE Financial Services Limited (LSEFSL)	15,918,980	15,918,980
	<u>21,118,980</u>	<u>21,118,980</u>

**5.1 Trading Right Entitlement Certificate (TREC)**

It represents Trading Right Entitlement Certificate (TREC) received from the Pakistan Stock Exchange Limited without any additional payment, in lieu of TREC issued by the Lahore Stock Exchange Limited, surrendered on, January 10, 2016 on the consequence of Scheme(s) of Integration approved by the Securities and Exchange Commission of Pakistan vide Order No. 01/2016 dated January 11, 2016 under regulation 6 (8) of the Stock Exchange (Corporatization, Demutualization and Integration) Regulations, 2012. The Trading Right Entitlement Certificate is pledged/mortgaged with the Pakistan Stock Exchange Limited as a collateral for running the brokerage business and to meet partly, the Base Minimum Capital Requirement.

5.2. This represents cost of offices given by LSE Financial Services Limited with indefinite useful life.

**6. Long term deposits**

PMEX clearing deposit and margin	1,000,000	1,000,000
NCCPL security and basic deposit	500,000	400,000
	<u>1,500,000</u>	<u>1,400,000</u>

**7. Deferred taxation**

	2025	2024
Note	----- Rupees -----	
<b>Taxable temporary difference</b>		
Unrealized gain on short term investment	242,630	507,438
Accelerated tax depreciation	-	2,621,510
	<u>242,630</u>	<u>3,128,948</u>
<b>Deductible temporary difference</b>		
Accelerated tax depreciation	(2,199,742)	-
Provision for doubtful debts	(15,870,500)	(15,890,087)
Minimum taxes	(301,970)	(186,566)
Un-used tax losses	(7,306,075)	(6,839,109)
	<u>(25,678,287)</u>	<u>(22,915,762)</u>
	<u>(25,435,657)</u>	<u>(19,786,814)</u>
Net deferred tax asset	25,435,657	19,786,814
Deferred tax asset not recognised	-	-
Deferred tax asset	<u>-</u>	<u>-</u>

**7.1. Unrecognised deferred tax assets**

Deferred tax assets have not been recognised, because it is not probable that future taxable profits under normal tax regime will be available against which the Company can use the benefits therefrom.

- 7.2. Deferred tax asset on minimum taxes will lapse after 3 years of occurrence.  
7.3. Deferred tax asset on ACT will lapse after 10 years of occurrence.  
7.4. Deferred tax asset on unused business losses will lapse after 6 years of loss occurred.



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**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 ----- Rupees -----	2024																				
<b>8. Trade debts</b>																							
Trade Debts-Considered good		9,939,580	11,007,667																				
Trade Debts-Considered doubtful		<u>54,725,862</u>	<u>53,106,121</u>																				
		<u>64,665,442</u>	<u>64,113,788</u>																				
Less: Provision for doubtful debts	8.1	<u>(54,725,862)</u>	<u>(53,106,121)</u>																				
		<u><u>9,939,580</u></u>	<u><u>11,007,667</u></u>																				
<b>8.1. Provision for doubtful debts</b>																							
Opening balance		53,106,121	53,106,121																				
Allowance for ECL during the year		1,619,741	-																				
Allowance no longer required/recovered		-	-																				
Closing balance		<u>54,725,862</u>	<u>53,106,121</u>																				
<b>9. Short term investments</b>																							
<b>Investments in listed securities</b>																							
Quoted equity securities		<u>11,171,331</u>	<u>5,614,365</u>																				
<b>9.1. Quoted equity securities</b>																							
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">2025</th> <th colspan="2" style="text-align: center;">2024</th> </tr> <tr> <th style="text-align: center;">Cost</th> <th style="text-align: center;">Carrying value</th> <th style="text-align: center;">Cost</th> <th style="text-align: center;">Carrying value</th> </tr> <tr> <th colspan="2" style="text-align: center;">---Rupees---</th> <th colspan="2" style="text-align: center;">---Rupees---</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">9,553,797</td> <td style="text-align: right;">11,171,331</td> <td style="text-align: right;">9,553,797</td> <td style="text-align: right;">5,614,365</td> </tr> <tr> <td style="text-align: right;"><u>9,553,797</u></td> <td style="text-align: right;"><u>11,171,331</u></td> <td style="text-align: right;"><u>9,553,797</u></td> <td style="text-align: right;"><u>5,614,365</u></td> </tr> </tbody> </table>	2025		2024		Cost	Carrying value	Cost	Carrying value	---Rupees---		---Rupees---		9,553,797	11,171,331	9,553,797	5,614,365	<u>9,553,797</u>	<u>11,171,331</u>	<u>9,553,797</u>	<u>5,614,365</u>	
2025		2024																					
Cost	Carrying value	Cost	Carrying value																				
---Rupees---		---Rupees---																					
9,553,797	11,171,331	9,553,797	5,614,365																				
<u>9,553,797</u>	<u>11,171,331</u>	<u>9,553,797</u>	<u>5,614,365</u>																				
Investment in quoted equity securities																							
		<u>9,553,797</u>	<u>5,614,365</u>																				
<b>9.2. Investment in quoted equity securities</b>																							
Cost of investment		9,553,797	9,553,797																				
<b>Accumulated loss on remeasurement of investments held at fair value through profit and loss</b>																							
Balance as at July 01,		(3,382,921)	(556,511)																				
Unrealised gain for the year		5,556,966	(3,382,921)																				
Balance at June 30,		<u>2,174,045</u>	<u>(3,939,432)</u>																				
<b>Carrying value</b>		<u>11,171,331</u>	<u>5,614,365</u>																				
<b>9.3.</b> This includes shares having carrying value of Rs. 4,465,628 (2024: Rs. 2,244,588) pledged with Pakistan Stock Exchange.																							
<b>9.4.</b> This includes shares having carrying value of Rs. 6,698,445 (2024: Rs. 3,366,884) are deposited with Pakistan Stock Exchange Limited against Base Minimum Capital (BMC) requirements.																							
	Note	2025 ----- Rupees -----	2024 (Restated)																				
<b>10. Tax refunds due from Government</b>																							
Opening balance		776,209	776,209																				
Add: Payment during the year		158,350	140,725																				
		<u>934,559</u>	<u>916,934</u>																				
Adjusted against provision for the year		<u>(158,350)</u>	<u>(140,725)</u>																				
Closing balance		<u><u>776,209</u></u>	<u><u>776,209</u></u>																				



**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 ----- Rupees -----	2024 ----- Rupees -----
<b>11. Deposits, prepayments and other receivables</b>			
Staff advances - unsecured, considered good		-	-
Eclear receivable		2,492,202	1,996,377
		<u>2,492,202</u>	<u>1,996,377</u>
<b>12. Cash and bank balances</b>			
Cash in hand		30,934	54,794
Cash at bank			
Current		15,889	18,065
Saving		1,328,138	2,402,543
		<u>1,374,961</u>	<u>2,475,402</u>
12.1. Saving account carries markup which ranges from 9.5% (2024: 19%).			
<b>13. Share capital</b>			
13.1. There is no variation in the voting rights of shareholders.(2024: same)			
13.2. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares rank equally with regard to the Company's residual assets. (2024: same)			
<b>13.3. Reconciliation of number of shares outstanding</b>		2025	2024
<b>Ordinary shares</b>		----- Numbers -----	
Number of shares outstanding at the beginning of the year		8,380,185	8,380,185
Issued for cash		-	-
Issued for consideration other than cash		-	-
Number of shares outstanding at the end of the year		<u>8,380,185</u>	<u>8,380,185</u>
<b>14. Loan from director</b>			
During the year ended June 30, 2022 Company entered into an agreement with its director, Mr. Khawaja Usman Arif holder of 2.7% of equity and pursuant to the agreement Company received a subordinated loan of Rs. 2,300,000 from the director. This loan is unsecured, interest free and only payable at the discretion of the company. As per agreement the loan shall be utilized towards meeting running expenses of the company. The loan is presented under equity as per Technical Release-32 of The Institute of Chartered Accountants of Pakistan.			
	Note	2025 ----- Rupees -----	2024 ----- Rupees -----
<b>15. Trade and other payables</b>			
Trade creditors		3,543,348	3,543,348
Accrued expenses		2,697,959	2,644,220
Worker welfare fund -Punjab		42,471	42,471
Short term loan		19,000	19,000
		<u>6,321,778</u>	<u>6,249,039</u>
<b>16. Provision for levi and taxation</b>			
Opening balance		14,332	-
Provision made during the year			
Levies		260,289	155,057
Income tax		-	-
		<u>274,621</u>	<u>155,057</u>
Tax paid / adjusted during the year		(158,350)	(140,725)
Closing balance		<u>116,271</u>	<u>14,332</u>
<b>17. Contingencies and commitments</b>			
There were no known contingencies or commitments of the Company as at June 30, 2025 and June 30, 2024.			



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**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

		2025	2024
		----- Rupees -----	
<b>18. Brokerage and commission</b>			
Brokerage income		30,350,115	21,761,359
Less: Commission		<u>(21,117,752)</u>	<u>(16,449,273)</u>
		<u>9,232,363</u>	<u>5,312,086</u>
<b>19. Operating and administrative expenses</b>			
Staff salaries, allowances and other benefits	25	8,361,381	5,607,345
Office Electricity, Water, Gas		339,159	101,424
Telephone and internet charges		248,857	286,527
Rent, rates & taxes		1,028,246	590,041
Repair and maintenance		-	80,352
PSX charges		-	27,507
CDC & NCCPL Charges		5,760	14,855
Fee & subscription		150,050	140,775
Recognition of provision for doubtful debts		870,326	-
Auditors' remuneration			
- Statutory audit		147,990	143,711
- System audit		50,000	35,000
- Certification charges		-	500
		<u>197,990</u>	<u>179,211</u>
Depreciation	4	915,117	1,017,222
EClear charges		39,479	-
Miscellaneous expenses		15,650	106,218
		<u>12,172,015</u>	<u>8,151,477</u>
<b>20. Other income</b>			
<b>Income from financial assets</b>			
Profit on PLS saving accounts		35,275	56,744
Profit on Eclear Exposure deposit		53,797	109,923
Dividend income		965,899	577,153
Realised gain on sale of short term investments		-	801,105
Unrealized gain on remeasurement of short term investments		5,556,966	-
		<u>6,611,937</u>	<u>1,544,925</u>
<b>21. Other expenses</b>			
Unrealized loss on remeasurement of short term investments		-	3,382,921
		<u>-</u>	<u>3,382,921</u>
<b>22. Finance cost</b>			
Bank and other charges		15,725	17,397
Eclear markup charges		501,803	-
		<u>517,528</u>	<u>17,397</u>



**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

		2025	2024
		----- Rupees -----	
		(Restated)	
<b>23. Levies</b>			
<b>Current year</b>			
Minimum tax		115,404	68,484
Final tax		144,885	86,573
		<u>260,289</u>	<u>155,057</u>
<b>24. Income tax</b>			
Current year		-	-
		<u>-</u>	<u>-</u>
<b>24.1</b>	Reconciliation between current tax charged under applicable income tax law and its categorization as 'Income Tax' and 'levies' is as follows:		
	<b>Classified as:</b>		
	Levies	23	260,289
	Income tax	24	155,057
		<u>-</u>	<u>-</u>
		<u>260,289</u>	<u>155,057</u>

**24.2** Reconciliation of applicable rate and effective rate of tax has not been made due to the application of minimum tax u/s 113 in current year.

**25. Remuneration of Chief Executive, Director and Executives** 2025 2024  
----- Rupees -----

Managerial remuneration	No of Persons	2025	2024
Chief Executive Officer	1	-	5,181,345
Director	0	-	-
		<u>-</u>	<u>5,181,345</u>

Executive means an employee, other than chief executive officer and directors, whose annual gross salary equals or exceed Rs. 1,200,000 during a financial year. There was no person employed during the year whose gross salary exceeds Rs. 1,200,000 per annum.

		2025	2024
		----- Rupees -----	
<b>26. Financial instruments</b>			
<b>Financial assets</b>	Note		
<b>At amortized cost</b>			
Long term deposits		1,500,000	1,400,000
Trade debts		9,939,580	11,007,667
Cash and bank balances		1,374,961	2,475,402
		<u>12,814,541</u>	<u>14,883,069</u>
<b>Fair value through P&amp;L</b>			
Short term investments		11,171,331	5,614,365
		<u>11,171,331</u>	<u>5,614,365</u>
<b>Total financial assets</b>		<u>23,985,872</u>	<u>20,497,434</u>
<b>Financial liabilities</b>			
<b>At amortized cost</b>			
Trade and other payables		6,321,778	6,249,039
Provision for levi and taxation		116,271	14,332
<b>Total financial liabilities</b>		<u>6,438,049</u>	<u>6,263,371</u>



**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**27. Transactions with related parties**

Related parties from the Company's perspective comprise of key management personnel, directors and key shareholders of the Company. Transactions with related parties, other than those which have specifically been disclosed else where in these financial statements are as follows:

Name	Relation With party	Shares Percentage	Nature of transaction	2025 Rupees	2024 Rupees
Mr. Kahwaja Usman Arif	Director	2.70%	Opening	2,300,000	2,300,000
			Loan received	-	-
			Loan repaid	-	-
			Closing	2,300,000	2,300,000

**28. Number of employees**

Total number of employees as at June 30,

2025                      2024

----- Numbers -----

9                                      3

Average number of employees during the year June 30,

9                                      3

**29. Corresponding figures**

The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and better presentation. However, there was no major reclassification to report except the following:

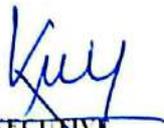
Reclassification from statement of profit & loss	Reclassification to statement of profit & loss	Head	2025 Rupees	2024 Rupees
STATEMENT OF PROFIT OR LOSS	Other income	Realised gain on sale of short term investments	-	801.105
		Unrealized gain on remeasurement of short term investments	5,556,966	-
	Other expenses	Unrealized loss on remeasurement of short term investments	-	3,382,921
Brokerage and commission	Other income	Dividend income	965,899	577,153



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**KHAWAJA SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

30. **Events after the reporting date**  
There were no events after the end of the reporting date that might need reporting in these financial statements (2024: same).
31. **Date of authorization of issue**  
These financial statements were authorized by the board of directors of the Company for issuance on December 15, 2025.
32. **General**
- Amounts have been rounded off to the nearest rupee, unless otherwise stated.

  
CHIEF EXECUTIVE



  
DIRECTOR  
