

SHERMAN SECURITIES (PVT.) LIMITED
UN-AUDITED
FINANCIAL STATEMENT
As at DECEMBER 2023

Sherman Securities (Private) Limited

Statement of Financial Position

As at December 31, 2023

	Note	31-Dec-23	30-Jun-23
		Rupees	
ASSETS			
Non-current assets			
Property and equipment	1	55,124,974	47,438,600
Intangible assets		3,749,796	3,777,551
Long term deposits	2	4,000,000	4,000,000
		62,874,770	55,216,151
Current assets			
Trade debts	3	72,297,653	22,890,568
Short term investments	4	1,214,672,926	916,685,918
Loans, prepayments and other receivables	5	146,755,695	22,023,434
Tax refundable due from government		28,432,364	28,767,666
Cash and bank balances	6	120,188,540	187,100,441
		1,582,347,178	1,177,468,027
Total assets		1,645,221,948	1,232,684,178
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital		150,000,000	150,000,000
Issued, subscribed and paid up capital		120,000,000	120,000,000
Unappropriated profit		1,051,744,693	478,633,141
		1,171,744,693	598,633,141
Current liabilities			
Short term borrowings - secured	7	213,903,550	403,806,643
Trade and other payables	8	242,481,765	212,898,204
Accrued markup		17,091,940	17,346,190
		473,477,255	634,051,037
Contingencies and commitments		-	-
Total equity and liabilities		1,645,221,948	1,232,684,178



CHIEF EXECUTIVE




DIRECTOR

Sherman Securities (Private) Limited

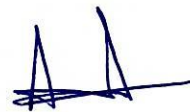
Statement of Profit or Loss

For the six month ended December 31, 2023

		December 31, 2023	December 31, 2022
	Note	Rupees	
Operating revenue	9	70,643,528	54,687,290
Capital gain / (loss) on sale of investment		-	-
Gain / (loss) on re-measurement of investments carried at fair value through profit or loss - net		619,477,016	(48,561,336)
		<u>690,120,544</u>	<u>6,125,954</u>
Operating Expenses			
Administrative expenses	10	(76,244,347)	(52,346,812)
Financial charges	10	(40,865,732)	(42,803,727)
		(117,110,079)	(95,150,539)
Other income	11	4,599,737	4,728,062
Profit / (loss) before taxation		<u>577,610,202</u>	<u>(84,296,523)</u>
Taxation	12	(4,293,300)	-
Profit / (loss) after taxation		<u><u>573,316,902</u></u>	<u><u>(84,296,523)</u></u>



CHIEF EXECUTIVE



DIRECTOR

Sherman Securities (Private) Limited

Statement of Changes in Equity

For the period ended December 31, 2023

	Issued, subscribed and paid up capital	Revenue reserve	Total
		Unappropriated profit	
	Rupees		
Balance as at June 30, 2022	<u>120,000,000</u>	<u>672,446,408</u>	<u>792,446,408</u>
<i>Total comprehensive loss for the period ended December 31, 2022</i>			
Loss after taxation	-	(84,296,523)	(84,296,523)
Other comprehensive income for the year	-	-	-
	-	(84,296,523)	(84,296,523)
Balance as at December 31, 2022	<u>120,000,000</u>	<u>588,149,885</u>	<u>708,149,885</u>
Balance as at June 30, 2023	<u>120,000,000</u>	<u>478,633,141</u>	<u>598,633,141</u>
<i>Total comprehensive loss for the period ended December 31, 2023</i>			
Loss after taxation	-	573,111,552	573,111,552
Other comprehensive income for the year	-	-	-
	-	573,111,552	573,111,552
Balance as at December 31, 2023	<u>120,000,000</u>	<u>1,051,744,693</u>	<u>1,171,744,693</u>

The annexed notes from 1 to 26 form an integral part of these financial statements.



Chief Executive




Director

Sherman Securities (Private) Limited

Statement of Cash Flows

For the period ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Profit / (loss) before tax

Adjustments for non-cash and other items:

Financial charges
Loss on sale of securities
Loss on re-measurement of investments carried
at fair value through profit or loss
Depreciation for property and equipment
Provision of impairment
Amortization of software
Gain on sale of vehicles
Interest income on cash margin placed with NCCPL

Operating profit / (loss) before working capital changes

Changes in working capital :

(Increase) / decrease in current assets

Sale and purchase of securities-net
Advance, prepayments and other receivables
Trade debts

(Decrease) / increase in current liabilities

Creditors, accrued and other liabilities

Finance cost paid

Income tax paid

Net cash generated from / (used in) operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Sale proceed of property and equipment
Interest income received on cash margin placed with NCCPL
Long term deposit refunded
Purchase of property and equipment

Net cash generated from / (used in) from operating activities

Net increase / (decrease) in cash and cash equivalent during the year

Cash and cash equivalent at the beginning of the year

Cash and cash equivalent at the end of the year

Note	2023	2022
	Rupees	
	577,610,202	(42,868,423)
	40,865,732	1,895,897
	-	49,686,596
	(619,477,016)	-
	4,130,654	-
	(1,594,704)	-
	27,755	-
	-	-
	(3,208,793)	(429,694)
	<u>(579,256,372)</u>	<u>51,152,799</u>
	(1,646,170)	8,284,376
	321,490,009	207,116,399
	(124,732,261)	(13,584,193)
	(47,812,381)	-
	<u>148,945,367</u>	<u>193,532,206</u>
	26,384,302	(62,860,758)
	<u>175,329,669</u>	<u>130,671,448</u>
	(41,184,871)	(31,971,176)
	<u>(3,957,998)</u>	<u>-</u>
	<u>128,540,630</u>	<u>106,984,648</u>
	-	-
	3,208,793	429,694
	-	-
	(11,957,490)	-
	<u>(8,748,697)</u>	<u>429,694</u>
	119,791,933	107,414,342
	<u>(216,706,202)</u>	<u>(448,022,908)</u>
	<u>(96,914,269)</u>	<u>(340,608,566)</u>

The annexed notes from 1 to 26 form an integral part of these financial statements.


Chief Executive




Director

Sherman Securities (Private) Limited

Notes to the Financial Position

For the six month ended December 31, 2023

	Note	31-Dec-23	30-Jun-23
		Rupees	
1 INTANGIBLE ASSETS			
Trading Right Entitlement Certificate - PSX		2,500,000	2,500,000
Membership Card - PMEX		1,000,000	1,000,000
- Software license		249,796	277,551
		<u>3,749,796</u>	<u>3,777,551</u>
2 LONG TERM DEPOSITS			
<i>Deposit placed with:</i>			
<i>Pakistan Mercantile Exchange Limited</i>		2,500,000	2,500,000
-Basic deposit			
<i>Central Depository Company of Pakistan Limited</i>		100,000	100,000
-Basic deposit			
<i>National Clearing Company of Pakistan Limited</i>		400,000	400,000
-Basic deposit		1,000,000	1,000,000
-Future market		1,400,000	1,400,000
		<u>4,000,000</u>	<u>4,000,000</u>
3 TRADE DEBT			
Considered good and secured		72,297,653	22,890,568
Considered doubtful- unsecured		12,266,193	13,860,897
		<u>84,563,846</u>	<u>36,751,465</u>
Less: Provision for expected credit losses		(12,266,193)	(13,860,897)
		<u>72,297,653</u>	<u>22,890,568</u>
3.1 Movement in provision for doubtful debts			
Balance at the beginning of the year		13,860,897	8,963,815
Charged during the year		-	4,897,082
Reversed during the year		(1,594,704)	-
Balance at the end of the year		<u>12,266,193</u>	<u>13,860,897</u>
4 SHORT TERM INVESTMENTS			
<i>Quoted equity securities carried at fair value through profit or loss</i>		<u>1,214,672,926</u>	<u>916,685,918</u>
5 LOANS, PREPAYMENT AND OTHER RECEIVABLES			



<i>Advances</i>		
-Staff loan (unsecured)	21,399,600	11,779,000
<i>Prepayment</i>		
-Prepaid insurance	-	-
<i>Other receivables</i>		
-Dividend	122,047,929	6,621,108
-Receivable from NCCPL	3,308,166	3,623,326
-Other Receivables	<u>146,755,695</u>	<u>22,023,434</u>
6 CASH AND BANK BALANCES		
Cash in hand	567,915	42,232
Cash at bank:	119,620,625	187,058,209
- current account	<u>120,188,540</u>	<u>187,100,441</u>
7 SHORT TERM BORROWINGS - SECURED		
JS Bank Limited	93,905,867	179,739,675
Habib Metropolitan Bank Limited	119,997,683	172,726,720
Murabaha -DIBL	-	51,340,248
	<u>213,903,550</u>	<u>403,806,643</u>
8 TRADE AND OTHER PAYABLES		
Creditors	131,225,526	185,980,245
Dealer commission payable	-	3,843,727
Exposure withheld	44,425,550	6,040,531
Profit withheld	48,925,890	10,285,785
Sindh sales tax payable	6,222,419	3,067,665
Withholding income tax payable	1,085,589	1,598,319
Accrued liabilities	7,397,532	2,081,932
	<u>239,282,506</u>	<u>212,898,204</u>
	<i>Note</i>	
	<u>31-Dec-23</u>	<u>31-Dec-22</u>
	<u>Rupees</u>	
9 OPERATING REVENUE		
Commission income	55,046,800	24,671,942
Dividend Income	15,425,914	30,015,304
IPO commission	170,814	44
	<u>70,643,528</u>	<u>54,687,290</u>
10 ADMINISTRATIVE EXPENSES		
Salaries, benefits and allowances	28,002,285	28,310,288
Service and transaction charges	8,179,912	4,524,054
Fees and subscription	8,500	5,000
Communication	343,390	369,177



Auditors' remuneration	1,255,393	810,000
Vehicle running expenses	116,740	102,770
Travelling and conveyance	8,706,300	2,796,245
Entertainment	999,308	274,515
Repair and maintenance	1,420,794	840,694
Depreciation	4,130,654	5,529,916
General expenses	2,541,365	809,577
Amortization of computer software	27,755	-
Insurance	278,800	-
Donation	450,000	4,524,200
Impairment against receivables	3,302,378	-
Legal and professional	15,482,282	2,353,034
Electricity Charges	-	-
Internet and Software charges	998,491	1,097,342
	<u>76,244,347</u>	<u>52,346,812</u>

10 FINANCIAL CHARGES

Mark up on short term running finance	40,458,165	40,868,157
Mark up on Murabaha finance	-	1,866,126
Bank charges	407,567	69,444
	<u>40,865,732</u>	<u>42,803,727</u>

11 OTHER INCOME

Interest income on cash margin placed with NCCPL	3,208,793	429,694
Other income	1,390,944	-
Gain on disposal of vehicle	-	4,298,368
	<u>4,599,737</u>	<u>4,728,062</u>

12 TAXATION

Current	4,293,300	-
Prior	-	-
	<u>4,293,300</u>	<u>-</u>

