



REANDA

Reanda Haroon Zakaria & Company
Chartered Accountants



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

Opinion

We have audited the annexed financial statements of **Nini Securities (Private) Limited** which comprise the statement of financial position as at June 30, 2021, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and 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, the statement of profit or loss and other 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 and 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 Directors' 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.

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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.

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- 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 and other 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, and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations 2016 as at the date on which the financial statements were prepared.

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

RH Zakaria Haroon Zakaria & Co
Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: October 01, 2021

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

<u>ASSETS</u>	Note	2021 Rupees	2020 Rupees
Non-Current Assets			
Property and equipment	4	11,178,052	7,215,189
Intangible assets	5	3,035,247	3,094,719
Long term deposits	6	300,000	300,000
Deferred taxation	7	-	-
		14,513,299	10,609,908
Current Assets			
Trade debts	8	6,688,903	9,109,483
Short term deposits	9	25,000	6,725,000
Loans, advances and prepayments	10	1,312,091	1,079,000
Short term investments	11	75,308,694	34,043,895
Tax refunds due from Government	12	-	239,421
Bank balances	13	36,461,407	41,233,863
		119,796,095	92,430,662
Total Assets		134,309,394	103,040,570
<u>CAPITAL & LIABILITIES</u>			
Share Capital and Reserves			
Authorized Capital			
10,000,000 Ordinary shares of Rs. 10 each		100,000,000	100,000,000
Issued, subscribed and paid-up capital	14	100,000,000	100,000,000
Unappropriated profit / (accumulated losses)		23,022,005	(5,298,391)
Shareholders' equity		123,022,005	94,701,609
Current Liabilities			
Trade and other payables	15	10,594,012	8,338,961
Income tax payable	16	693,377	-
		11,287,389	8,338,961
Contingencies & Commitments			
Total Equity and Liabilities	17	134,309,394	103,040,570

The annexed notes from 1 to 29 form an integral part of these financial statements.


 Chief Executive


 Director

NINI SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	<i>Note</i>	<i>2021</i> <i>Rupees</i>	<i>2020</i> <i>Rupees</i>
Operating revenue	18	7,655,425	3,186,571
Operating and administrative expenses	19	<u>(8,404,491)</u>	<u>(6,700,548)</u>
Operating loss		(749,066)	(3,513,977)
Other income	20	33,836,731	2,211,007
Other expenses	21	<u>(2,018,687)</u>	<u>(6,678,456)</u>
Profit / (loss) before taxation		31,068,978	(7,981,426)
Taxation - net	22	<u>(2,748,582)</u>	<u>(242,183)</u>
Profit / (loss) after taxation		28,320,396	(8,223,609)
Other comprehensive income		-	-
Total comprehensive income / (loss)		<u>28,320,396</u>	<u>(8,223,609)</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

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 Chief Executive


 Director

NINI SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

	<i>Share capital</i>	<i>Unappropriated profit / (Accumulated losses)</i>	<i>Total Shareholders' Equity</i>
	----- (Rupees) -----		
Balance as at June 30, 2019	100,000,000	2,925,218	102,925,218
Total comprehensive loss for the year	-	(8,223,609)	(8,223,609)
Balance as at June 30, 2020	100,000,000	(5,298,391)	94,701,609
Total comprehensive income for the year	-	28,320,396	28,320,396
Balance as at June 30, 2021	100,000,000	23,022,005	123,022,005

The annexed notes from 1 to 29 form an integral part of these financial statements.

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 Chief Executive


 Director

NINI SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	<i>Note</i>	<i>2021</i> <i>Rupees</i>	<i>2020</i> <i>Rupees</i>
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		31,068,978	(7,981,426)
Adjustment for:			
Depreciation	19	1,362,137	820,881
Amortization	19	59,472	50,802
Capital gain on disposal of investments	20	(12,767,166)	(1,303,695)
Remeasurement (gain) / loss on investments	20 & 21	(18,197,422)	6,047,788
Loss on disposal of operating fixed assets	21	-	105,297
Cash generated from / (used in) operating activities before working capital changes		1,525,999	(2,260,353)
Working capital changes			
(Increase) / decrease in current assets			
Trade debts		2,420,580	(3,451,710)
Short term deposits		6,700,000	(4,700,000)
Loans, advances and prepayments		(233,091)	(697,000)
Sales tax refundable		7,440	(6,180)
Increase in current liabilities			
Trade and other payables		2,255,051	5,728,874
		11,149,980	(3,126,016)
Cash generated from / (used in) operations		12,675,979	(5,386,369)
Income taxes paid	16	(1,823,224)	(120,614)
Net cash generated from / (used in) operating activities		10,852,755	(5,506,983)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Short term investments made - net		(10,300,211)	(14,370,154)
Proceeds from disposal of fixed assets		-	4,128,000
Capital expenditure incurred	4.1 & 5.2	(5,325,000)	(3,223,150)
Net cash used in investing activities		(15,625,211)	(13,465,304)
Net decrease in cash and cash equivalents (A+B)		(4,772,456)	(18,972,287)
Cash and cash equivalents at the beginning of the year	13	41,233,863	60,206,150
Cash and cash equivalents at the end of the year	13	36,461,407	41,233,863

The annexed notes from 1 to 29 form an integral part of these financial statements.


 Chief Executive

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 Director