
TAURUS

SECURITIES LIMITED

FINANCIAL STATEMENTS

(Un-audited)

For The Period Ended March 31, 2022

TAURUS SECURITIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

		March 31,	December 31,
		2022	2021
	<i>Note</i>	----- (Rupees) -----	-----
		(Unaudited)	(Audited)
ASSETS			
Non-current Assets			
Property and equipment	4	45,544,105	42,977,588
Intangible assets	5	469,552	550,548
Long term deposits	6	3,518,177	3,669,518
Taxation - net	7	55,414,676	52,223,003
Deferred taxation - net		2,202,660	2,202,660
		107,149,170	101,623,317
Current assets			
Trade debts	8	167,981,076	411,085,584
Loans and advances	9	3,543,727	3,614,268
Deposits and prepayments	10	58,076,852	165,230,762
Other receivables	11	5,653,217	4,732,229
Investments	12	165,812,855	160,209,174
Cash and bank balances	13	458,816,567	482,941,062
		859,884,294	1,227,813,079
Total assets		967,033,464	1,329,436,396
EQUITY AND LIABILITIES			
Share capital and Reserves			
Share capital	14	135,023,060	135,023,060
Reserves			
Accumulated profits		158,347,257	162,074,718
Unrealised gain on re-measurement of available-for-sale investments	15	14,982,481	16,700,495
		173,329,738	178,775,213
Total equity		308,352,798	313,798,273
Non-current liabilities			
Liabilities against assets subject to ROUA		11,109,704	16,255,327
Liabilities against assets subject to finance lease		7,765,761	-
Current liabilities			
Trade and other payables	16	467,554,382	813,957,580
Short term running finance	17	164,000,000	175,000,000
Lease liabilities		8,250,819	10,425,216
Total liabilities		639,805,201	999,382,796
Total equity and liabilities		967,033,464	1,329,436,396

TAURUS SECURITIES LIMITED
STATEMENT OF PROFIT OR LOSS
For The Period Ended March 31, 2022

		March 31, 2022	March 31, 2021
	<i>Note</i>	----- (Rupees) ----- (Unaudited)	(Unaudited)
INCOME			
Brokerage and commission	18	20,443,309	38,780,635
Capital gain on sale of securities		2,512,146	4,308,101
Dividend Income		584,768	-
Other income	19	5,744,478	1,927,671
		29,284,701	45,016,407
EXPENSES			
Administrative	20	(30,625,380)	(35,611,997)
Other Expenses	21	-	(8,972)
Finance cost	22	(2,009,961)	(1,038,421)
		(32,635,341)	(36,659,390)
PROFIT/(LOSS) BEFORE TAXATION		(3,350,640)	8,357,017
Taxation	23	(376,821)	(1,946,215)
PROFIT/(LOSS) FOR THE PERIOD		(3,727,461)	6,410,802
Earnings/(Loss) per share	24	(0.28)	0.47

Taurus Securities Limited
Statement of Other Comprehensive Income
For The Period Ended March 31, 2022

	March 31, 2022 ----- (Rupees) ----- (Unaudited)	March 31, 2021 ----- (Unaudited)
Profit for the year	(3,727,461)	6,410,802
<i>Items to be reclassified to profit or loss in subsequent periods</i>		
Unrealised gain / (loss) on re-measurement of available-for-sale investments	(1,718,014) (1,718,014)	(2,168,779) (2,168,779)
Total comprehensive income/(loss) for the period	(5,445,475)	4,242,023

TAURUS SECURITIES LIMITED
STATEMENT OF CASH FLOWS
For The Period Ended March 31, 2022

	March 31, 2022	March 31, 2021
	----- (Rupees) -----	
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(3,350,640)	8,357,017
Adjustments for:		
Depreciation on property and equipment	3,559,158	2,418,676
Amortisation on intangible assets	80,996	55,138
Gain/(loss) on disposal of property and equipment	-	8,972
Ijarah charges	-	365,097
Finance cost	2,009,961	1,038,421
Mark-up income on bank deposits and cash margin	(5,554,953)	(1,927,671)
Capital gain on sale of securities	(2,512,146)	(4,308,101)
Unrealized loss / (gain) on investments classified as fair value through profit and loss	-	-
	(2,416,984)	(2,349,468)
Net cash (used in) / generated from operating activities before working capital changes	(5,767,624)	6,007,549
Decrease / (Increase) in current assets:		
Trade debts	243,104,508	(5,989,288)
Loan and advances	70,541	(314,452)
Deposits and prepayments	107,153,910	94,569,077
Other receivables	(920,988)	(7,738,871)
	349,407,971	80,526,466
	343,640,347	86,534,015
Increase in current liabilities:		
Trade and other payables	(346,567,249)	10,690,203
Net cash flows (used in) / generated from operations	(2,926,902)	97,224,218
Income tax paid	(3,568,494)	(1,981,937)
Contribution paid to gratuity fund	-	-
Financial cost paid	(1,845,910)	(559,195)
	(5,414,404)	(2,541,132)
Net cash (used in)/ generated from operating activities	(8,341,306)	94,683,086
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale/(purchase) of investments	(4,809,549)	11,769,561
Profit received on bank deposits and term deposit receipts	5,554,953	1,927,671
Capital expenditures	(6,125,675)	(8,821,165)
Proceeds from disposal of property and equipment	-	68,552
Long term deposits	151,341	-
	(5,228,930)	4,944,619
Net cash generated from investing activities	(5,228,930)	4,944,619
CASH FLOWS FROM FINANCING ACTIVITIES		
Ijara rentals paid	-	(791,097)
Lease rentals paid	445,741	6,140,373
Dividends paid	-	-
Net cash used in investing activities	445,741	5,349,276
Net increase in cash and cash equivalents	(13,124,495)	104,976,981
Cash and cash equivalents comprise		
Cash and bank balances	482,941,062	313,227,316
Short term running finance	(11,000,000)	(50,000,000)
	458,816,567	368,204,297

TAURUS SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY
For The Period Ended March 31, 2022

	Issued, subscribed and paid-up capital	Reserves	Unrealised gain on remeasurement of available-for- sale investments	Total
	----- (Rupees) -----			
Balance as at January 01, 2021	135,023,060	154,516,601	19,739,673	309,279,334
Profit/(Loss) for the period ended March 31, 2021	-	6,410,802	-	6,410,802
Other comprehensive income	-	-	(2,168,779)	(2,168,779)
Balance as at March 31, 2021	135,023,060	160,927,403	17,570,894	313,521,357
Gain realized on disposal of investments in equity instruments at FVOCI		1,725,507	(1,725,507)	
Interim cash dividend paid @ Rs.0.50 per share (5%)	-	(6,751,158)		(6,751,158)
Profit/(Loss) for the fourth quarter ended December 31, 2021	-	6,172,966		6,172,966
Other comprehensive income			855,108	855,108
Balance as at Decemr 31, 2021	135,023,060	162,074,718	16,700,495	313,798,273
Profit/(Loss) for the half year ended March 31, 2021	-	(3,727,461)	-	(3,727,461)
Other comprehensive income	-	-	(1,718,014)	(1,718,014)
Balance as at March 31, 2022	135,023,060	158,347,257	14,982,482	308,352,799

Taurus Securities Limited
Notes to the Financial Statements
For The Period Ended March 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

Taurus Securities Limited (the Company) is a public unquoted company, incorporated in Pakistan on June 27, 1993 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the Company is situated at 6th Floor, Progressive Plaza, Beaumont Road, Civil Lines, Karachi. The Company is a subsidiary of National Bank of Pakistan, which holds 58.32% (2018: 58.32%) of the shareholding of the Company. The Company is engaged in the business of stock brokerage, investment counseling and fund placements. The Company holds a Trading Rights Entitlement Certificate (TREC) from Pakistan Stock Exchange Limited (PSEL).

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 and under ijarah arrangements in accordance with IFAS - 2 "Ijarah". The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRSs), issued by International Accounting Standard Board (IASB) as notified under Companies Act, 2017 (the Act) and, provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IFRSs, the requirements of the Companies Ordinance, 1984 and said directives shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for available-for-sale investments, investments at fair value through profit and loss and commitments in respect of derivative financial instruments that are carried at fair value.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements for the year ended December 31, 2021.

TAURUS SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Period Ended March 31, 2022

4 PROPERTY AND EQUIPMENT

PROPERTY AND EQUIPMENT	2022							
	Owned					ROUA	ROUA	Total
	Vehicles	*Building	Furniture and fixtures	Office equipment	Computer equipment	Building	Vehicles Leased	
	----- (Rupees) -----							
Net carrying value basis as at January 1, 2022								
Opening net book value	9,193,073	635,746	1,917,968	1,250,221	1,149,462	11,541,486	17,289,632	42,977,588
Additions / Transfer in	-	-	43,200	112,042	251,583	-	5,718,850	6,125,675
Disposals / write-off								
Cost	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Depreciation charge	(659,842)	(19,615)	(70,944)	(94,509)	(161,368)	(1,378,603)	(1,174,277)	(3,559,158)
Closing net book value	8,533,231	616,131	1,890,224	1,267,754	1,239,677	10,162,883	21,834,205	45,544,105
Rate of depreciation (%)	20	5	10	20	33	33	20	

* The rights to occupy room no. 618 at Pakistan Stock Exchange building were acquired through Lease and License agreement for the purpose of the Company's business. The Pakistan Stock Exchange Limited as the lessee of the building has sub-leased the said room in favour of the Company.

TAURUS SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Period Ended March 31, 2022

5 INTANGIBLE ASSETS

Rupees

5.1 Computer softwares

Net carrying value basis as at March 31, 2022

Opening net book value	550,548
Additions during the year	-
Amortisation for the year	<u>(80,996)</u>
Closing net book value	<u>469,552</u>

Gross carrying value basis as at March 31, 2022

Cost	8,816,473
Accumulated amortisation	<u>(8,346,921)</u>
Net Book Value	<u>469,552</u>

Rate of amortization (%)

33%

Net carrying value basis as at December 31, 2021

Opening net book value	246,537
	-
Additions during the year	600,000
Amortisation for the year	<u>(295,989)</u>
Closing net book value	<u>550,548</u>

Gross carrying value basis as at December 31, 2021

Cost	8,816,473
Accumulated amortisation	<u>(8,265,925)</u>
Net Book Value	<u>550,548</u>

Rate of amortisation (%)

33%

TAURUS SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Period Ended March 31, 2022

	<u>March 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
	----- (Rupees) -----	
6 LONG TERM DEPOSITS		
Security deposits against rental property	342,498	342,498
National Clearing Company of Pakistan Limited (NCCPL)	1,400,000	1,400,000
Advance to employees	1,620,421	1,771,762
Other deposits	155,258	155,258
	<u>3,518,177</u>	<u>3,669,518</u>
6.1 This represents basic deposit with NCCPL for trading in ready and future market.		
7 TAXATION - net		
Opening balance	52,223,003	48,791,187
Provision for taxation	(376,821)	(4,840,302)
OCI recognition	-	(639,707)
Tax paid during the year	3,568,494	8,911,825
	<u>55,414,676</u>	<u>52,223,003</u>
8 TRADE DEBTS		
<i>Secured, considered good</i>		
Due from clients against trading of securities	47,006,112	44,833,674
Due from associated companies/persons against trading of securities	1,606,985	1,377,824
Trade debts - gross	48,613,097	46,211,498
Due from NCCPL against unsettled trades (Net)	127,730,169	373,236,276
Provision for doubtful debts	(8,362,190)	(8,362,190)
Trade debts - net	<u>167,981,076</u>	<u>411,085,584</u>
8.1 The aging analysis of trade debts are as follows		
Due from NCCPL against unsettled trades (Net)	127,730,169	373,236,276
Due from clients within 5 days	26,548,459	17,836,037
Due from clients over 5 days	22,064,638	28,375,461
Provision for doubtful debts	(8,362,190)	(8,362,190)
	<u>167,981,076</u>	<u>411,085,584</u>
The market value of securities held as collateral after applying VaR based haircuts for more than 5 days	9,000,057	13,439,404

TAURUS SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Period Ended March 31, 2022

		<u>March 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
		----- (Rupees) -----	
9	LOANS AND ADVANCES		
	Secured - considered good		
	Employees laons (current portion)	3,543,727	3,614,268
		3,543,727	3,614,268
		<u>3,543,727</u>	<u>3,614,268</u>
9.1	This represents interest-free loans to executives and employees whose recovery is made in 24 equal monthly installments. The facility is secured against retirement benefits of the respective executives and employees		
10	DEPOSITS AND PREPAYMENTS		
	Prepayments	3,825,349	5,281,783
	Deposit -		
	Pakistan Stock Exchange	16,794,926	15,794,926
	National Clearing Company of Pakistan Limited (NCCPL)	37,456,577	144,154,053
		<u>58,076,852</u>	<u>165,230,762</u>
10.1	This represents deposits maintained with NCCPL in respect of future, ready and margin trading transactions.		
11	OTHER RECEIVABLES		
	Accrued interest income on savings accounts	377,000	377,000
	Receivable under gratuity scheme	3,387,674	3,245,197
	Other receivables	1,888,543	1,110,032
		<u>5,653,217</u>	<u>4,732,229</u>
12	INVESTMENTS		
	Available for sale - in shares	12.1 19,161,990	20,880,004
	Available for sale - in mutual funds	40,567,375	-
	Fair value through profit and loss - in shares	12.3 106,083,490	139,329,170
		<u>165,812,855</u>	<u>160,209,174</u>

TAURUS SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Period Ended March 31, 2022

12.1 Available for sale - in shares

2022	2021	Name of investee	2022		2021
Number of shares			Cost	Market value	Market value
----- (Rupees) -----					
INVESTMENT COMPANY					
13,400	13,400	Jahangir Siddiqui & Company Limited	752,426	179,694	214,400
1,502,953	1,602,953	Pakistan Stock Exchange Ltd	4,125,507	18,982,296	20,665,604
			4,877,933	19,161,990	20,880,004
		Provision for impairment in value of investments	(698,424)		
		Unrealized gain on re-measurement of investment	14,982,481		
		Carrying value	19,161,990		

12.2 Movement in unrealized gain / (loss) on FVOCI - net

	March 31, 2022	December 31, 2021
	----- (Rupees) -----	
Balance as on January 1,	16,700,495	16,700,495
Surplus/(Deficit) on remeasurement of investment	(1,718,014)	-
Balance as on March 31,	14,982,481	16,700,495

12.3 Fair value through profit and loss

2022	2021	Name of investee	2022		2021
Number of shares			Cost	Market value	Market value
----- (Rupees) -----					
CHEMICAL					
110,000	856,500	Ghani Global Holdings Limited	1,584,890	1,901,900	20,658,780
ENGINEERING					
6,000	-	International Industries Limited.	672,100	715,020	-
10,500	-	International Steel Limited.	602,175	684,285	-
REFINERY					
-	1,500	National Refinery	-	-	426,885
-	66,000	Pak Refinery	-	-	951,720
-	66,000	Attock Refinery Limited	-	-	9,505,980
CABLE & ELECRICAL GOODS					
-	9,500	Pak Elektron Limited	-	-	213,940
TECHNOLOGY & COMMUNICATION					
689,500	169,500	TRG Pakistan Limited	49,811,164	53,677,575	19,984,050
1,000	328,500	Avanceon Limited	86,000	88,510	29,932,920
100,000	-	Hum Network	663,000	676,000	-
CEMENT					
19,000	218,500	Maple Leaf Cement Factory Limited	643,041	684,950	7,855,075
-	66,000	D. G. Khan Cement Company Ltd	-	-	5,474,040
POWER GENERATION & DISTRIBUTION					
-	10,500	Hub Power Company Limited	-	-	749,070
OIL AND GAS					
39,000	81,500	Pak Petroleum Limited	2,842,075	2,839,200	6,441,760
168,000	43,000	Oil & Gas Development Company Ltd	13,956,839	13,965,840	3,706,600
134,000	162,500	Pakistan State Oil Limited	20,977,496	22,333,780	29,557,125
-	109,500	Sui Northern Gas Limited	-	-	3,662,775
FOOD & PERSONAL CARE PRODUCTS					
251,000	5,000	Treet Corporation Limited	7,664,670	8,516,430	208,450
			99,503,450	106,083,490	139,329,170
Unrealised loss on re-measurement to fair value			6,580,040		
Carrying value			106,083,490		

TAURUS SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Period Ended March 31, 2022

	<u>March 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
	<u>----- (Rupees) -----</u>	
13 CASH AND BANK BALANCES		
Savings accounts	455,903,249	478,226,217
Current accounts	2,839,697	4,671,229
Cash in hand	73,621	43,616
	<u>458,816,567</u>	<u>482,941,062</u>
13.2 Savings accounts	20,273,859	25,134,977
-pertaining to brokerage house		
-pertaining to the clients	<u>435,629,390</u>	<u>453,091,240</u>
	<u>455,903,249</u>	<u>478,226,217</u>
14 SHARE CAPITAL		
14.2 Authorized share capital		
40,000,000 Ordinary shares of Rs. 10 each	<u>400,000,000</u>	<u>400,000,000</u>
14.3 Issued, subscribed and paid-up share capital	135,023,060	135,023,060
13,502,306 Ordinary shares of Rs. 10 each fully paid in cash		
14.4 Pattern of shareholding of the Company is as follows:		
	<u>Number of</u> <u>shares</u>	<u>Percentage of</u> <u>holding</u>
National Bank of Pakistan (Holding Company)	7,875,002	58.32
The Bank of Khyber (Associated Company)	4,050,374	30.00
Saudi Pak Industrial and Agricultural Investment Company Lim	1,125,001	8.33
The Bank of Khyber - Employees Gratuity Fund	449,627	3.33
Other shareholders	2,302	0.02
	<u>13,502,306</u>	<u>100.00</u>

TAURUS SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Period Ended March 31, 2022

		<u>March 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
		----- (Rupees) -----	
15	UNREALISED GAIN ON RE-MEASUREMENT OF AFS INVESTMENT		
	Balance as on January 1,	16,700,495	16,700,495
	Surplus/(Deficit) on remeasurement of investment	(1,718,014)	-
	Balance as on March 31,	<u>14,982,481</u>	<u>16,700,495</u>
16	TRADE AND OTHER PAYABLES		
	Due to clients against trading of securities	437,534,498	778,818,369
	Due to associated against trading of securities	3,289,637	2,703,201
	Amounts allocated subsequent to balance sheet date	1,201,078	5,102,518
	Accrued and other liabilities	25,529,169	27,333,492
		<u>467,554,382</u>	<u>813,957,580</u>
16.1	Accrued markup	1,177,042	1,012,991
	Dividend payable	12,566	11,846
	Salaries, benefits and allowances payable	-	3,526,741
	Accrued and other liabilities	<u>24,339,561</u>	<u>22,781,914</u>
		<u>25,529,169</u>	<u>27,333,492</u>
17	SHORT TERM RUNNING FINANCE FACILITY		
	Running finance facility of Rs. 240 million (2021: Rs. 240 million) has been obtained by the Company from National Bank of Pakistan (Holding Company) which is secured against hypothecation of amounts due from customers. The mark-up is payable quarterly. During the period, mark-up structure of the facility was on floating rate which is KIBOR plus 2.5% (based on timely payment rebate ranges from 0.5% to 0.1%) per annum [2021: KIBOR plus 2.5% (based on timely payment rebate ranges from 0.5% to 0.1%) per annum]		
18	BROKERAGE AND COMMISSION	<u>March 31,</u> <u>2022</u>	<u>March 31,</u> <u>2021</u>
	Equity Brokerage (Commission)	----- (Rupees) -----	
	- Local Corporate Clients	11,588,961	23,315,991
	- Individuals Clients	8,854,348	15,464,644
		<u>20,443,309</u>	<u>38,780,635</u>

TAURUS SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Period Ended March 31, 2022

	March 31, 2022	March 31, 2021
	----- (Rupees) -----	
19 OTHER INCOME		
<i>Income from financial asset</i>		
Mark-up income on bank PLS deposits	4,852,570	1,789,253
Income on margin trading system	-	-
National Clearing Company of Pakistan Limited	702,383	138,418
Gain on disposal of property and equipment	-	-
Miscellaneous income	189,525	-
	5,744,478	1,927,671
20 ADMINISTRATIVE EXPENSES		
Salaries, benefits and allowances	16,381,455	19,748,324
Staff retirement benefit	1,542,893	1,465,288
Rent	69,732	94,665
Telephone and fax	771,013	836,192
Pakistan Stock Exchange Limited service charges	1,707,153	3,185,646
Depreciation	3,559,158	2,418,676
Electricity and utilities	340,069	330,663
Vehicle running expenses	964,122	1,246,020
Insurance	604,113	635,240
Legal and professional	529,524	579,320
CDC charges	363,017	776,739
Repairs and maintenance	919,878	900,180
Amortisation	80,996	55,138
Printing and stationery	259,188	377,973
Entertainment	572,891	437,089
Postage / courier	277,425	468,819
Umrah facility to employees	225,000	225,000
Subscriptions	284,969	295,324
SECP transactions fees	89,331	168,773
Office supplies	314,027	281,825
Auditor's remuneration	450,000	150,000
Ijarah charges	-	365,097
Computer expenses	10,908	38,900
Travelling and conveyance	124,500	3,000
Professional tax	59,376	46,092
Advertising and business promotion	118,662	476,214
Library and periodicals	5,980	5,800
Seminar and training	-	-
	30,625,380	35,611,997

TAURUS SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Period Ended March 31, 2022

	<u>March 31,</u> <u>2022</u>	<u>March 31,</u> <u>2021</u>
	<u>----- (Rupees) -----</u>	
21 OTHER EXPENSES		
Loss on disposal of property and equipment	<u>-</u>	<u>8,972</u>
22 FINANCE COST		
Mark-up on short term running finance	<u>1,177,042</u>	<u>498,097</u>
Finance lease charges	<u>739,871</u>	<u>440,912</u>
Bank charges	<u>93,048</u>	<u>99,412</u>
	<u>2,009,961</u>	<u>1,038,421</u>
23 TAXATION		
Current	<u>376,821</u>	<u>1,946,215</u>
Deferred	<u>-</u>	<u>-</u>
	<u>376,821</u>	<u>1,946,215</u>
24 EARNINGS PER SHARE		
Profit/(Loss) for the year	<u>(3,727,461)</u>	<u>6,410,802</u>
	(Number of shares)	
Weighted average number of ordinary shares outstanding during the year	<u>13,502,306</u>	<u>13,502,306</u>
	<u>----- (Rupees) -----</u>	
Profit/(Loss) per share - Basic	<u>(0.28)</u>	<u>0.47</u>

25 TRANSACTIONS WITH RELATED PARTIES

The Company is a Government-related entity as defined in IAS 24 'Related Party Disclosures' and is indirectly controlled by the Government of Pakistan, consequently, all entities owned or controlled, whether directly or indirectly, by the Government of Pakistan are related parties of the Company.

The disclosures required under Para 18 of IAS 24 are impracticable for all entities owned or controlled by the Government of Pakistan. Nonetheless, under IAS 24, the Company, being a government entity, is required to disclose the nature and amount of each individually significant transaction and for other transactions that are collectively, but not individually, significant, a qualitative or quantitative indication of their extent.

The related parties and associated undertakings comprise parent company, its subsidiaries and associated companies, directors and their related concerns and key management personnel. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Transactions with the key management personnel are made under the terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes and actuarial advice. Details of transactions and balances with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Holding Company

National Bank of Pakistan (NBP)

Transactions during the period

Brokerage earned	338,310
Running finance - net	11,000,000
Financial charges on running finance	1,177,042

Balances

Trade debts	180,555
Trade payable	-
Short term running finance	164,000,000
Bank balances	5,071,519
Accrued mark-up	1,177,042

Associated Companies

The Bank of Khyber, First Credit Investment Bank Limited and
First National Bank Modaraba, NBP Funds

Transactions during the period

Brokerage earned	774,974
------------------	---------

Balances

Trade debts	1,426,431
Trade payable	7,731
Bank balance	43,033,295

Chairman / Directors / Chief Executive Officer and Key Management Personnel

Transactions during the period

Brokerage earned	157,663
------------------	---------

Balances

Trade debts	-
Trade payable	3,281,906