

Zillion Capital Securities (Private) Limited  
Financial Statements  
For the year ended  
June 30, 2020



**ZILLION CAPITAL SECURITIES (PVT) LTD.**  
TREC Holder : Pakistan Stock Exchange Limited.

**DIRECTOR'S REPORT**

On behalf of the Board of Directors I am pleased to present the Annual report together with the company's Audited Financial Statement and Auditors Report for the Financial year ended 30<sup>th</sup> June 2020. The Summarized results for the year ended 30<sup>th</sup> June 2020 are as under:

Financial results	2020
Operating Revenue	3,082,652
Loss before Taxation	(9,768,523)
Taxation	(193,315)
Loss after Tax	(9,961,838)

**AUDITORS:**

The auditors M/S UHY Hassan Naeem & co retire at the conclusion of the meeting being eligible, they have offered themselves for re-appointment.

**CONCLUSION:**

The Directors appreciate assistance and co-operation extended by customers and employees of the company.

For and on behalf of the Board

Mr. Imtiaz Ibrahim

Chief Executive

Date: 24 SEP 2020

Karachi



Mr. Asif Ibrahim

Executive Director

## INDEPENDENT AUDITOR'S REPORT

To the members of **ZILLION CAPITAL SECURITIES (PRIVATE) LIMITED**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the annexed financial statement of **ZILLION CAPITAL SECURITIES (PRIVATE) LIMITED**, which comprise the statement of financial position as at **June 30, 2020** and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flow 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, statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flow 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, 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, 2020 and of the loss for the year then ended; 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan / Institute of Cost and management Accountants (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.

#### 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 requirement of Companies Act, 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

operation, or has no realistic alternative but to do so. Boards 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.
- 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.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**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;
- 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 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 was deductible at source under the Zakat and Ushr Ordinance, 1980.

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

*UHY Hassan Naeem & Co.*  
KARACHI

DATE: 24<sup>TH</sup> September, 2020

**ZILLION CAPITAL SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2020**

	Note	2020 (Rupees)	2019 (Rupees)
<b><u>ASSETS</u></b>			
<b><u>NON CURRENT ASSETS</u></b>			
Property and equipment	4	1,869,756	2,179,609
Intangible assets	5	2,750,000	2,750,000
Investment at fair value through comprehensive income	6	10,703,821	14,055,522
Long term deposits	7	7,450,000	7,450,000
		22,773,577	26,435,131
<b><u>CURRENT ASSETS</u></b>			
Trade debts	8	38,325,630	61,140,687
Investment at fair value through profit & loss	9	40,705,626	35,390,556
Advances, deposits, prepayments and other receivables	10	14,286,451	14,937,876
Cash and bank balances	11	8,769,933	4,874,589
		102,087,640	116,343,708
		<u>124,861,217</u>	<u>142,778,839</u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>CAPITAL RESERVES</u></b>			
Authorized capital	12.1	150,000,000	150,000,000
Issued, subscribed and paid-up capital	12.2	101,500,000	101,500,000
Unappropriated profit		(25,141,663)	(15,179,826)
Surplus/(Deficit) - Investment through other comprehensive income		1,976,110	5,327,811
		78,334,446	91,647,985
<b><u>LIABILITIES</u></b>			
<b><u>NON-CURRENT LIABILITIES</u></b>			
Long term loan	13	7,500,000	7,500,000
<b><u>CURRENT LIABILITIES</u></b>			
Trade and other payable	14	10,736,585	8,330,867
Short term running finance	15	28,290,186	35,299,987
		39,026,771	43,630,854
Contingencies and commitments	16	-	-
		<u>124,861,217</u>	<u>142,778,839</u>

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



Chief Executive





Director


**ZILLION CAPITAL SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Note	2020 (Rupees)	2019 (Rupees)
Revenue from contract with customers	17	3,082,652	3,783,814
Operating and administrative expenses	18	(10,560,239)	(11,629,109)
Operating (Loss)		<u>(7,477,587)</u>	<u>(7,845,295)</u>
loss Allowance		(5,000,000)	-
Finance cost	19	(5,694,051)	(5,548,260)
Other income	20	8,403,116	(38,420,434)
<b>NET(LOSS) BEFORE TAXATION</b>		<u>(9,768,523)</u>	<u>(51,813,989)</u>
Taxation	21	(193,315)	(332,074)
<b>NET (LOSS) AFTER TAXATION</b>		<u><u>(9,961,838)</u></u>	<u><u>(52,146,063)</u></u>
<b>(loss) per share-basic and diluted</b>		<u><u>(9.81)</u></u>	<u><u>(51.38)</u></u>

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

  
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 Chief Executive



  
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 Director