

FIRST STREET CAPITAL (PVT.) LIMITED

Financial Statements

For The Half Year Ended December 31 2024

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FIRST STREET CAPITAL (PVT.) LIMITED**Statement of Financial Position***As at December 31, 2024*

		Dec-24 (Unaudited) Rupees	Jun-24 (Audited) Rupees
ASSETS	<i>Note</i>		
Non-current assets			
Property and equipment	6	732,425	800,369
Intangible assets	7	2,500,000	2,500,000
Long term investments	8	-	-
Long term deposits	9	300,000	300,000
		3,532,425	3,600,369
Current assets			
Trade debts	10	597,263	262,173
Deposits, prepayments and other receivables	11	53,835,044	11,709,498
Income tax refundable	12	2,608,640	2,051,071
Short term investments	13	49,098,111	29,235,885
Cash and bank balances	14	5,591,817	34,543,444
		111,730,875	77,802,071
		115,263,300	81,402,440
EQUITY AND LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital	15	93,000,000	93,000,000
Unappropriated profit /(loss)		15,657,283	(14,091,586)
Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI		-	-
Total equity		108,657,283	78,908,414
Current liabilities			
Trade and other payables	16	6,051,899	2,058,299
Provision for taxation	17	554,118	435,727
		6,606,017	2,494,026
Contingencies and commitments	18		
		115,263,300	81,402,440

The annexed notes from 1 to 33 form an integral part of these financial statements.


Chief Executive Officer




Director

FIRST STREET CAPITAL (PVT.) LIMITED
Statement of Profit or Loss
For The Half Year Ended December 31, 2024

	Note	Six Months Ended		Three Months Ended	
		Dec-24 (Unaudited) Rupees	Dec-23 (Unaudited) Rupees	Dec-24 (Unaudited) Rupees	Dec-23 (Unaudited) Rupees
Operating revenue	19	2,232,452	3,544,859	1,920,632	2,110,578
Gain / (loss) on sale of investments		4,707,371	1,520,823	523,560	985,058
Unrealized gain / (loss) on remeasurement of investments classified at FVTPL		21,544,220	4,655,706	21,061,948	8,937,970
		28,484,043	9,721,388	23,506,140	12,033,606
Operating and administrative expenses	20	(4,483,983)	(3,391,411)	(3,361,769)	(3,038,213)
Operating profit / (loss)		24,000,060	6,329,977	20,144,371	8,995,393
Financial charges	21	(3,568)	(731)	(3,000)	(244)
Other income and (loss)	22	5,870,768	3,021,634	2,502,184	1,487,246
Profit / (loss) before levies and taxation		29,867,260	9,350,880	22,643,555	10,482,395
<i>Levies</i>	23	-	-	-	-
Profit / (loss) before taxation		29,867,260	9,350,880	22,643,555	10,482,395
Taxation	24	(118,391)	-	(118,391)	-
Profit / (loss) for the year		29,748,869	9,350,880	22,525,164	10,482,395
Earnings/(loss) per share - basic	25	3.20	1.01	2.42	1.13

The annexed notes from 1 to 33 form an integral part of these financial statements.


Chief Executive Officer




Director

FIRST STREET CAPITAL (PVT.) LIMITED
Statement of Comprehensive Income
For The Half Year Ended December 31, 2024

	<i>Note</i>	Dec-24 (Unaudited) Rupees	Dec-23 (Unaudited) Rupees
Profit / (loss) for the year		29,748,869	9,350,880
Other comprehensive income: Items that will not be reclassified subsequently to profit/(loss)			
Unrealized gain / (loss) during the period in the market value of investments measured at FVOCI		-	-
Total comprehensive income / (loss) for the year		29,748,869	9,350,880

The annexed notes from 1 to 33 form an integral part of these financial statements.


 Chief Executive Officer




 Director

FIRST STREET CAPITAL (PVT.) LIMITED**Statement of Cash Flows****For The Half Year Ended December 31, 2024**

	Note	Dec-24 Rupees	Dec-23 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before levies and taxation		29,867,260	9,350,880
Adjustments:			
Depreciation and impairment	6	67,945	85,243
Provision for doubtful debts	10	13,646	7,820
Realized loss / (gain) on sale of short-term investments		(4,707,371)	(1,520,823)
Unrealized loss / (gain) on short-term investments		(21,544,220)	(4,655,706)
Interest income		(1,982,305)	(968,256)
		(28,152,305)	(7,051,723)
Operating profit / (loss) before working capital changes		1,714,956	2,299,157
(Increase)/decrease in current assets			
Trade debts		(348,736)	(30,339)
Deposits, prepayments and other receivables		(42,125,546)	(2,292,599)
Increase/(decrease) in current liabilities			
Trade and other payables		4,111,991	(1,374,407)
		(38,362,291)	(3,697,345)
Cash generated from / (used in) operations		(36,647,335)	(1,398,188)
Taxes paid		(675,961)	(616,998)
Proceeds from sale of / (acquisition of) short-term investments		(19,862,226)	(297,602)
		5,713,404	(914,600)
Net cash generated from / (used in) operating activities		(30,933,932)	(2,312,788)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		1,982,305	968,256
Acquisition of property and equipment/ Proceeds from sale of assets		-	(200,000)
Decrease / (increase) in long-term deposits		-	-
Net cash generated from / (used in) investing activities		1,982,305	768,256
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from / (repayment of) loans		-	-
Net cash generated from / (used in) financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		(28,951,627)	(1,544,531)
Cash and cash equivalents at the beginning of the year		34,543,444	6,103,990
Cash and cash equivalents at the end of the year	13	5,591,817	4,559,459

The annexed notes from 1 to 33 form an integral part of these financial statements.


 Chief Executive Officer
 


 Director

FIRST STREET CAPITAL (PVT.) LIMITED
Statement of Changes in Equity
For The Half Year Ended December 31, 2024

	Issued, subscribed and paid-up capital	Unappropriated profit/ (loss)	Unrealized surplus / (deficit) on re- measurement of investments measured at FVOCI	Total
Rupees.....			
Balance as at June 30, 2023	93,000,000	(33,766,645)	24,448,283	83,681,638
Total comprehensive income for the year				
Profit / (loss) for the year	-	(6,454,141)	-	(6,454,141)
Other comprehensive income/(loss)	-	-	1,680,917	1,680,917
Transfer of reserve on disposal of investment	-	26,129,200	(26,129,200)	-
	-	19,675,059	(24,448,283)	(4,773,224)
Balance as at June 30, 2024	93,000,000	(14,091,586)	-	78,908,414
Total comprehensive income for the year				
Profit / (loss) for the year	-	29,748,869	-	29,748,869
Other comprehensive income/(loss)	-	-	-	-
Transfer of reserve on disposal of investment	-	-	-	-
	-	29,748,869	-	29,748,869
Balance as at December 31, 2024	93,000,000	15,657,283	-	108,657,283

The annexed notes from 1 to 33 form an integral part of these financial statements.


 Chief Executive Officer




 Director

FIRST STREET CAPITAL (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Half Year Ended December 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

FIRST STREET CAPITAL (PVT.) LIMITED (the "Company") was incorporated in Pakistan on **March 31, 2006** as a private limited company, limited by shares, under the Companies Ordinance 1984 (Now Companies Act, 2017). The Company is a holder of Trading Rights Entitlement Certificate ("TREC") of Pakistan Stock Exchange Limited.

The Company is principally engaged in brokerage of shares, stocks, purchase and sale of securities, financial consultancy, brokerage, underwriting, portfolio management and securities research.

2 The geographical location of Company's offices are as follows:

Registered Office: Ground Floor 63-A, Agora Eden City opposite Lahore Airport, DHA, Phase-8, Lahore.

Corporate Office: Ground Floor 63-A, Agora Eden City opposite Lahore Airport, DHA, Phase-8, Lahore.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards ("IFRS" or "IFRSs") issued by the International Accounting Standards Board ("IASB") as are notified under the Companies Act, 2017, provisions of or directives issued under the Companies Act, 2017, and relevant provisions of the Securities Brokers (Licensing and Operations) Regulations 2016 (the "Regulations"). In case requirements differ, the provisions or directives of the Companies Act, 2017 and/or the Regulations shall prevail.

3.2 Accounting convention

These financial statements have been prepared on trade base under the historical cost convention, except:

- Short Term Investments in quoted equity securities (whether classified as assets at fair value through profit or loss, or at fair value through other comprehensive income), which are carried at fair value;
- Investments in unquoted equities, measured at fair value through other comprehensive income;
- Investments in associates, which are recorded in accordance with the equity method of accounting for such investments; and
- Derivative financial instruments, which are marked-to-market as appropriate under relevant accounting and reporting standards.

3.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

3.4 Accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are continually evaluated and are based on historical experience as well as expectations of future events and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Company's financial statements are as follows:

- 1- Estimates of useful lives and residual values of items of property, plant and equipment;
- 2- Estimates of useful lives of intangible assets;
- 3- Allowance for credit losses;
- 4- Fair values of unquoted equity investments;
- 5- Classification, recognition, measurement / valuation of financial instruments; and
- 6- Provision for taxation;

3.5 New accounting pronouncements

3.5.1 Amendments to approved accounting standards and interpretations which became effective during the Half year ended December 31, 2024

Standards, interpretations and amendments to accounting and reporting standards not yet effective

Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the company

FIRST STREET CAPITAL (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Half Year Ended December 31, 2024

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of financial statements (Amendments)	1-Jan-24
IAS 7	Statement of Cash flows (Amendments)	1-Jan-24
IFRS 16	Leases (Amendments)	1-Jan-24
IAS 21	The Effects of changes in Foreign Exchange Rates (Amendments)	1-Jan-25
IFRS 7	Financial Instruments: Disclosures (Amendments)	1-Jan-26
IFRS 17	Insurance Contracts	1-Jan-26
IFRS 9	Financial Instruments – Classification and Measurement of Financial Instruments (Amendments)	1-Jan-26

The management anticipates that adoption of above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at 30 June 2024;

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRIC 12	Service Concession Arrangement
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

4 Material Accounting Policy Information

Significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented.

4.1 Property and equipment

Items of property and equipment are stated at cost less accumulated depreciation (if any) and impairment losses (if any). Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of profit or loss account during the year in which they are incurred. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Where such subsequent costs are incurred to replace parts and are capitalized, the carrying amount of replaced parts is derecognized. All other repair and maintenance expenditures are charged to profit or loss during the year in which they are incurred.

Depreciation on all items of property and equipment is calculated using the reducing balance method, in accordance with the rates specified in relevant note to these financial statements and after taking into account residual value, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged on an asset from when the asset is available for use until the asset is disposed of.

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on asset derecognition (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account in the year in which the asset is derecognized.

FIRST STREET CAPITAL (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Half Year Ended December 31, 2024

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each financial year end. The Company's estimate of residual value of property and equipment as at December 31, 2024 did not require any adjustment.

4.2 Intangible assets

Intangible assets with indefinite useful lives, including Trading Right Entitlement Certificate ("TREC"), are stated at cost less accumulated impairment losses, if any. An intangible asset is considered as having an indefinite useful life when, based on an analysis of all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortized. However, it is tested for impairment at each balance sheet date or whenever there is an indication that the asset may be impaired. Gains or losses on disposal of intangible assets, if any, are recognized in the profit and loss account during the year in which the assets are disposed of.

4.2.1 Membership cards 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.

4.3 Investment property

Investment properties are held for capital appreciation and are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value at each reporting date. The changes in fair value are recognized in the statement of profit or loss.

4.4 Investment in associates

Associates are all entities over which the Company has significant influence but not control. Investments in associates where the Company has significant influence are accounted for using the equity method of accounting. Under the equity method of accounting, investments in associates are initially recognized at cost and the carrying amount of investment is increased or decreased to recognize the Company's share of the associate's post-acquisition profits or losses in income, and its share of the post-acquisition movement in reserves is recognized in other comprehensive income.

4.5 Financial instruments

4.5.1 The Company classifies its financial assets in the following three categories:

- (a) Financial assets measured at amortized cost;
- (b) Financial assets measured at fair value through other comprehensive income (FVOCI); and
- (c) Financial assets measured at fair value through profit or loss (FVTPL).

(a) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(b) Financial assets at FVOCI

A financial asset is classified as at fair value through other comprehensive income when either:

- (i) It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; or
- (ii) It is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the Company at initial recognition. Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

FIRST STREET CAPITAL (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Half Year Ended December 31, 2024

(c) Financial assets at FVTPL

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income, as aforesaid.

Such financial assets are initially measured at fair value.

4.5.2 Initial recognition

The Company recognizes an investment when and only when it becomes a party to the contractual provisions of the instrument evidencing investment.

Regular way purchase of investments are recognized using settlement date accounting i.e. on the date on which settlement of the purchase transaction takes place. Trade date is the date on which the Company commits to purchase or sell its asset.

Transactions of purchase under resale (reverse-repo) of marketable securities including the securities purchased under margin trading system are entered into at contracted rates for specified periods of time. Amounts paid under these agreements in respect of reverse repurchase transactions are recognized as a receivable. The difference between purchase and resale price is treated as income from reverse repurchase transactions in marketable transactions / margin trading system and accrued on a time proportion basis over the life of the reverse repo agreement.

4.5.3 Subsequent measurement

(a) Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

"Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the profit and loss account.

(b) Financial assets at FVOCI

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income is recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment (except for investments in equity instruments which are designated as at fair value through other comprehensive income in whose case the cumulative gain or loss previously recognized in other comprehensive income is not so reclassified). Interest is calculated using the effective interest method and is recognized in profit or loss.

(c) Financial assets at FVTPL

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in profit and loss account.

4.5.4 Impairment

Financial assets

The Company applies a three-stage approach to measure allowance for credit losses, using an expected credit loss approach as required under IFRS 9, for financial assets measured at amortized cost. The Company's expected credit loss impairment model reflects the present value of all cash shortfalls related to default events, either over the following twelve months, or over the expected life of a financial instrument, depending on credit deterioration from inception. The allowance / provision for credit losses reflects an unbiased, probability-weighted outcomes which considers multiple scenarios based on reasonable and supportable forecasts.

FIRST STREET CAPITAL (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Half Year Ended December 31, 2024

Where there has not been a significant decrease in credit risk since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to the remaining term to maturity is used.

When a financial instrument experiences a significant increase in credit risk subsequent to origination but is not considered to be in default, or when a financial instrument is considered to be in default, expected credit loss is computed based on lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue effort or cost. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessments, including forward-looking information.

Forward-looking information includes reasonable and supportable forecasts of future events and economic conditions. These include macro-economic information, which may be reflected through qualitative adjustments or overlays. The estimation and application of forward-looking information may require significant judgment.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. The Company makes this assessment on an individual asset basis, after consideration of multiple historical and forward-looking factors. Financial assets that are written off may still be subject to enforcement activities in order to comply with the Company's processes and procedures for recovery of amounts due.

Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount - defined as the higher of the asset's fair value less costs of disposal and the asset's value-in-use (present value of estimated future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and asset-specific risk) - is estimated to determine the extent of the impairment loss.

For the purpose of assessing impairment, assets are grouped into cash-generating units: the lowest levels for which there are separately identifiable cash flows.

4.6 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal 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.

4.7 Trade debts and other receivables

Trade debts and other receivables are stated initially at amortized cost using the effective interest rate method.

Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the trade debts and other receivables. Bad debts are written off when considered irrecoverable.

4.8 Cash and cash equivalents

Cash and cash equivalents are carried at cost and include cash in hand, balances with banks in current and deposit accounts, stamps in hand, other short-term highly liquid investments with original maturities of less than three months and short-term running finances.

4.9 Borrowings

Borrowings are recognized initially at fair value, net of attributable transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss account over the period of the borrowings using the effective interest method.

FIRST STREET CAPITAL (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Half Year Ended December 31, 2024

4.10 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost using the effective interest method. They are classified as current if payment is due within twelve months of the reporting date, and as non-current otherwise.

4.11 Staff retirement benefits

The Company did not have any retirement benefits plan.

4.12 Taxation

Income tax expense comprises current and deferred tax.

Current

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using rates enacted or substantively enacted at the reporting date, and takes into account tax credits, exemptions and rebates available, if any. The charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessments framed / finalized during the year.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences at the reporting date between the tax base and carrying amount of assets and liabilities for financial reporting purposes

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carried forward unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carried forward unused tax losses can be utilized. Carrying amount of all deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax is charged or credited in the statement of profit or loss account, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

Levy

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.

4.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.14 Revenue recognition

Revenue is recognized to the extent that it is probable that 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. Revenue is recognized on the following basis:

- Brokerage and commission income is recognized when brokerage services are rendered.
- Dividend income is recognized when the right to receive the dividend is established.
- Return on deposits is recognized using the effective interest method.
- Income on fixed term investments is recognized using the effective interest method.
- Gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which they arise.

- Unrealized capital gains / (losses) arising from marking to market financial assets are included in profit and loss (for assets measured at FVTPL) or OCI (for assets measured at FVOCI) during the period in which they arise.
- Income / profit on exposure deposits is recognized using the effective interest rate.

4.15 Dividend income

Dividends are received from investments measured at fair value through profit or loss and at fair value through other comprehensive income. Dividends are recognized in the statement of profit or loss when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of a part of the cost of an investment. In this case, dividend is recognized in other comprehensive

FIRST STREET CAPITAL (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For The Half Year Ended December 31, 2024

income if it relates to an investment measured at fair value through other comprehensive income.

4.16 Mark up / interest income

Mark-up / interest income is recognized on a time proportion basis on the principal amount outstanding and at the rate applicable.

4.17 Borrowings

These are recorded at the proceeds received. Finance costs are accounted for on accrual basis and are disclosed as accrued interest / mark-up to the extent of the amount unpaid at the reporting date.

4.18 Borrowing costs

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of the relevant asset.

4.19 Fiduciary assets

Assets held in trust or in a fiduciary capacity by the Company are not treated as assets of the Company.

4.20. Foreign currency transactions and translation

Monetary assets and liabilities in foreign currencies are translated into functional currency at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are translated into functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in income.

4.21 Derivative financial instruments

Derivative financial instruments are recognized at their fair value on the date on which a derivative contract is entered into. Subsequently, any changes in fair values arising on marking to market of these instruments are taken to the profit and loss account.

4.22 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted and recorded at rates that are not less than market.. Transactions with related parties have been disclosed in the relevant notes to the financial.

4.23 Trade Date Accounting

All "Regular Way" Purchases and Sales of financial assets are recognized on trade date on which the company commits to purchase and sale of financial assets.

5 Impact of Change in Accounting Policy

During the year the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 IAS 12, Income Taxes (Revised 2012) and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum 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 International Accounting Standard (IAS 8) - 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the statement of profit or loss as a result of this change.

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6 Property and equipment

	31-Dec-24			
	Furniture & Fixture	Computers & Office Equipments	Vehicle	Total Rupees
As at July 1, 2024				
Cost	590,657	651,375	2,132,003	3,374,035
Accumulated Depreciation	(248,391)	(550,963)	(1,774,312)	(2,573,666)
Net book value	342,266	100,412	357,691	800,369
Movement during the period				
Additions	-	-	-	-
Disposals				
Cost	-	-	-	-
Depreciation	-	-	-	-
Depreciation charge for the period	17,114	15,062	35,769	67,945
As at December 31, 2024				
Cost	590,657	651,375	2,132,003	3,374,035
Accumulated Depreciation	(265,505)	(566,025)	(1,810,081)	(2,641,611)
Net book value	325,153	85,350	321,922	732,425
Depreciation rate per annum	10%	30%	20%	
	30-Jun-24			
	Furniture & Fixture	Computers & Office Equipments	Vehicle	Total Rupees
As at July 1, 2023				
Cost	590,657	651,375	2,132,003	3,374,035
Accumulated Depreciation	(210,361)	(507,929)	(1,684,889)	(2,403,179)
Net book value	380,296	143,446	447,114	970,856
Movement during the period				
Additions	-	-	-	-
Disposals				
Cost	-	-	-	-
Depreciation	-	-	-	-
Depreciation charge for the period	38,030	43,034	89,423	170,487
As at June 30, 2024				
Cost	590,657	651,375	2,132,003	3,374,035
Accumulated Depreciation	(248,391)	(550,963)	(1,774,312)	(2,573,666)
Net book value	342,266	100,412	357,691	800,369
Depreciation rate per annum	10%	30%	20%	

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7 INTANGIBLE ASSETS

	Note	Dec-24 (Unaudited) Rupees	Jun-24 (Audited) Rupees
Trading Rights Entitlement Certificate ("TREC")	7.1	2,500,000	2,500,000
		2,500,000	2,500,000
Impairment		-	-
		2,500,000	2,500,000

7.1 Pursuant to the Stock Exchange (Corporatization, Demutualization and Integration Act, 2012), operating as guarantee limited companies were converted to public limited companies. Ownership rights in exchanges were segregated from the right to trade on an exchange. As a result of such demutualization and corporatization, the Company received shares of the relevant exchange and a Trading Rights Entitlement Certificate ("TREC") against its membership card.

The TREC has been recorded as an indefinite-life intangible asset pursuant to the provisions and requirements of IAS 38. As the TREC is not a commonly tradable instrument, the value approved by the Board of Directors of the Pakistan Stock Exchange Limited ("PSX") post-mutualization was used as the initial value of the intangible. PSX vide notice. PSX/N-225 dated February 16, 2021 have notified the notional fees of a Trading Right Entitlement Certificate which amounts to Rs. 2.5 million. Since then there is no change in the notional value of the TREC Certificate till 30 June 2024.

8 LONG-TERM INVESTMENTS

Investments at fair value through OCI

ISE Towers REIT Mgmt Ltd (unquoted) - opening		-	35,225,929
Purchase of Shares		-	-
		-	35,225,929
Adjustment for remeasurement to fair value	8.1	-	1,680,917
		-	36,906,846
Loss on sale of shares		-	(9,595,416)
Sale Proceeds		-	27,311,430
		-	-

8.1 As a result of the demutualization and corporatization of stock exchanges, the Company received 1,820,762 shares of ISE Towers REIT Management Limited.

These shares are neither listed on any exchange nor they are actively traded. As a result, fair value has been estimated by reference to the latest break-up or net asset value per share of these shares which was 19.35 per share notified by ISE Towers REIT Management Limited (2023). These shares are sold @ Rs. 15 / share in financial year 2024.

These 1,820,762 shares of ISE Towers REIT Management Limited were pledged with the PSX to meet BMC requirements.

9 LONG-TERM DEPOSITS

Central Depository Company Limited		100,000	100,000
National Clearing Company of Pakistan Limited		200,000	200,000
		300,000	300,000

10 TRADE DEBTS

Unsecured

Considered good	10.1	597,263	262,173
Considered doubtful		529,430	515,784
		1,126,693	777,957
Less: Provision for doubtful debts	10.2	(529,430)	(515,784)
		597,263	262,173

10.1 The Doubtful trade debts amounting to Rs: 529,430.

10.2 Movement in provision against trade debts is as under:

Opening balance (as at July 1)		515,784	348,025
Charged to profit and loss during the year		13,646	167,759
		529,430	515,784
Amounts written off during the year		-	-
Closing balance (as at December 31 2024)		529,430	515,784

10.3 Trade debts include due from related party as follows: Nil(2023:Nil)

10.4 Aging Analysis

Particulars	Not past due	Past due 0 - 30 days	Past due 31 - 90 days	Past due 91 - 1 year	Past due more than 1 year	Total Gross Amount Due
Client Debits	-	547,815	27,111	22,337	529,430	1,126,693

11 TRADE DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES

	Note	Dec-24 (Unaudited) Rupees	Jun-24 (Audited) Rupees
Balance due from NCCPL	11.1	42,678,275	3,949,121
PSX Exposure	11.2	1,200,000	5,200,000
Other Receivables		9,956,769	2,560,377
		53,835,044	11,709,498

11.1 This receivable balance is with National Clearing company of Pakistan Limited against trade.

11.2 This represents deposits with National Clearing Company of Pakistan Limited against the exposure margin in ready and future market.

12 INCOME TAX REFUNDABLE

Opening balance (as at July 1)		2,051,071	2,337,181
Add: Current year additions		557,569	903,185
		2,608,640	3,240,366

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Less: Adjusted	-	(1,189,295)
Closing balance (as at June 30)	2,608,640	2,051,071

13 SHORT TERM INVESTMENTS

Investments at fair value through profit/(loss)

Investments in listed securities	27,553,891	26,251,021
Gain / (Loss) on remeasurement	21,544,220	2,984,864
Investments in listed securities	49,098,111	29,235,885

13.1 Investments at fair value through profit/(loss)

Dec-24	Jun-24	Symbol	Name of Investee	Dec-24	Jun-24
Number of Shares		Market value in rupees			
-	5,500	EMCO	EMCO INDUSTRIES LIMITED	-	189,585
1,000,000	1,000,000	PSX	PAKISTAN STOCK EXCHANGE LIMITED	27,750,000	12,810,000
500,000	-	PASL	PERVEZ AHMED CONSULTANCY LIMITED	755,000	-
1,515,000	1,200,000	TPL	TPL CORP LIMITED	10,044,450	5,628,000
595,000	595,000	TPLP	TPL PROPERTIES LIMITED	9,305,800	5,200,300
2,000	-	MTL	MILLAT TRACTORS LIMITED	1,242,580	-
10	-	TREET	TREET CORPORATION LIMITED	281	-
-	650,000	FLYNG	FLYING CEMENTS LIMITED	-	5,408,000
3,612,010	3,450,500			49,098,111	29,235,885

13.2 Value of Pledge securities of house with NCCPL	10,548,380	5,200,300
13.3 425,000 shares of PSX are pledged with the PSX to meet BMC requirements.	11,793,750	

14 CASH AND BANK BALANCES

Cash in hand	113,866	-
Cash at bank		
Current Accounts	14.1	930
Saving Accounts	14.2	34,542,514
	5,591,817	34,543,444

14.1 Saving account carries markup which ranges from 9.50 % to 20.50% (2023: 8.50 % to 19.75%) per annum.

14.2 Balance pertaining to:

Brokerage house	2,821,592	32,095,859
Clients	2,656,359	2,447,585
	5,477,951	34,543,444

15 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Note	Dec-24 (Unaudited) Rupees	Jun-24 (Audited) Rupees
15.1 Authorized capital 10,000,000 (2024: 10,000,000) ordinary shares of PKR 10 each.	100,000,000	100,000,000

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	Note	Dec-24 (Unaudited) Rupees	Jun-24 (Audited) Rupees
15.2 Issued, subscribed and paid-up share capital			
2,600,000 (2024: 2,600,000) ordinary shares of PKR 10/- each, issued for cash		26,000,000	26,000,000
6,700,000 (2024: 6,700,000) ordinary shares of PKR 10/- each, issued for consideration other than cash & 4,300,000 Bonus shares of PKR 10/-each to existing		67,000,000	67,000,000
		93,000,000	93,000,000

15.3 The shareholders' are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the company. All shares carry "one vote" per share without restriction. There is no movement in share capital during the year.

15.4 Pattern of Shareholding

	Number of Shares		Percentage	
	Dec-24	Jun-24	Dec-24	Jun-24
Mr. Nasir Mahmood Khan	9,292,560	9,292,560	99.92%	99.92%
Muhammad Idrees	3,720	3,720	0.04%	0.04%
Faisal Ali Asghar	3,720	3,720	0.04%	0.04%
	9,300,000	9,300,000	100%	100%

16 TRADE AND OTHER PAYABLES

Trade creditors	16.1	5,446,849	1,475,251
Accrued expenses		605,050	583,048
		6,051,899	2,058,299

16.1 This includes NIL/- (2023: NIL) due to directors and shareholders.

17 PROVISION FOR TAXATION

Opening balance (as at July 1)		435,727	699,994
Add: Current Year Provision		118,391	435,727
		554,118	1,135,721
Less: Adjustment against advance tax		-	699,994
Closing balance (as at December 31, 2024)		554,118	435,727

18 CONTINGENCIES AND COMMITMENTS

18.1 There are no contingencies of the Company as at December 31, 2024 (2023: Nil).

	Note	Six Months Ended		Three Months Ended	
		Dec-24 (Unaudited) Rupees	Dec-23 (Unaudited) Rupees	Dec-24 (Unaudited) Rupees	Dec-23 (Unaudited) Rupees
19 OPERATING REVENUE					
Brokerage income		1,429,644	891,402	1,067,933	480,829
Less: Sales tax on services		(197,192)	(142,624)	(147,301)	(66,321)
Net Brokerage Commission excluding sales tax on services		1,232,452	748,778	920,632	414,508
Dividend income		1,000,000	2,796,081	1,000,000	1,696,070
		2,232,452	3,544,859	1,920,632	2,110,578
20 OPERATING & ADMINISTRATIVE EXPENSES					
Staff Salaries & Other Benefits		1,244,000	870,000	589,000	680,000
Travelling/ Conveyance/ Vehicles Running / Maintenance		744,000	805,000	640,000	805,000
Fuel and power		315,400	-	315,400	-
Provision for / (reversal of provision for) doubtful debts	10.2	13,646	7,820	13,646	7,820
Bad Debts and receivables written off		-	-	-	-
Auditors' Remuneration	20.1	110,000	157,500	110,000	157,500
Regulatory Charges		408,945	243,243	77,489	90,561
Insurance		-	5,450	-	5,450
Communication		63,622	69,636	32,074	59,120
Stationery/ Printing/ Photocopies/ Office Supplies		282,431	90,000	282,431	90,000
Fees & Subscription		597,684	-	597,684	-
Misc Expenses		210	-	-	-
Repair / Maintenance		190,600	125,000	190,600	125,000
Other Expenses		445,500	932,519	445,500	932,519
Depreciation	6	67,945	85,243	67,945	85,243
		4,483,983	3,391,411	3,361,769	3,038,213
20.1 Auditor's remuneration					
Statutory audit		110,000	157,500	110,000	157,500
Certifications and other charges		-	-	-	-
		110,000	157,500	110,000	157,500

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	Six Months Ended		Three Months Ended		
	Note	Dec-24 (Unaudited) Rupees	Dec-23 (Unaudited) Rupees	Dec-24 (Unaudited) Rupees	Dec-23 (Unaudited) Rupees
21 FINANCE COST					
Bank and other charges		3,568	731	3,000	244
		<u>3,568</u>	<u>731</u>	<u>3,000</u>	<u>244</u>
22 OTHER INCOME / LOSSES					
Income from financial assets					
Mark-up on:					
Bank balances		1,982,305	968,256	918,490	548,232
MTS exposure		3,864,645	2,052,885	1,559,876	938,521
Profit on PSX exposure		23,818	493	23,818	493
		<u>5,870,768</u>	<u>3,021,634</u>	<u>2,502,184</u>	<u>1,487,246</u>
Income from non-financial assets/liabilities					
Gain on sale of assets		-	-	-	-
Sundry / miscellaneous income		-	-	-	-
		<u>5,870,768</u>	<u>3,021,634</u>	<u>2,502,184</u>	<u>1,487,246</u>
23 Levies					
Levies-Minimum Tax		-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
24 TAXATION					
Current tax expense / (income) for the year prior years		118,391	-	118,391	-
		<u>118,391</u>	<u>-</u>	<u>118,391</u>	<u>-</u>
24.1 The Provision made in the financial statements is considered sufficient .					

25 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit after tax for the year by the weighted average number of shares outstanding during the period, as follows:

Note	Dec-24 (Unaudited) Rupees	Dec-23 (Unaudited) Rupees
Profit / (loss) after taxation, attributable to ordinary shareholders	29,748,869	9,350,880
Weighted average number of ordinary shares in issue during the year	9,300,000	9,300,000
Earnings per share	3.20	1.01

No figure for diluted earnings per share has been presented as the Company has not issued any dilutive instruments carrying options which would have an impact on earnings per share when exercised.

26 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

No remuneration was paid to the Chief Executive, Directors or other Executives of the Company during the year (2023: Nil).

	Dec-24		Dec-23	
	Remuneration	No. of persons	Remuneration	No. of persons
Chief Executive Officer	Nil	1	Nil	1
Directors	Nil	1	Nil	1

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27 **FINANCIAL INSTRUMENTS BY CATEGORY**

Dec-24				
Amortized cost	FVOCI	FVTPL	Total	
Rupees				
ASSETS				
Non-current assets				
Long term deposits	300,000	-	-	300,000
Long term investment	-	-	-	-
Current assets				
Short-term investments	-	-	49,098,111	49,098,111
Trade debts - net	597,263	-	-	597,263
Deposits, prepayments and other receivables	53,835,044	-	-	53,835,044
Cash and bank balances	5,591,817	-	-	5,591,817
LIABILITIES				
Current liabilities				
Trade and other payables	6,051,899	-	-	6,051,899

Jun-24				
Amortized cost	FVOCI	FVTPL	Total	
Rupees				
ASSETS				
Non-current assets				
Long term deposits	300,000	-	-	300,000
Long term investment	-	-	-	-
Current assets				
Short-term investments	-	-	29,235,885	29,235,885
Trade debts - net	262,173	-	-	262,173
Deposits, prepayments and other receivables	11,709,498	-	-	11,709,798
Cash and bank balances	34,543,444	-	-	34,543,444
Non current Liabilities				
	0			
Trade and other payables	2,058,299	-	-	2,058,299

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28 RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of shareholders/ directors, key management personnel, entities with common shareholding, entities over which the directors are able to exercise influence and entities under common directorship. Transactions with related parties and the balances outstanding at year end are disclosed in the respective notes to the financial statements.

29 EVENTS AFTER REPORTING PERIOD

No events occurred after the reporting period that would require adjustment or disclosure in the financial statements.

30 NUMBER OF EMPLOYEES

The total no of employees and average number of employees at year end and during the year respectively are as follows:

	Dec-24	Dec-23
Total No. of employees as at	<u>8</u>	<u>7</u>
Average number of employees during the year	<u><u>8</u></u>	<u><u>7</u></u>

31 RE-CLASSIFICATION AND RE-ARRANGEMENTS

Corresponding figures have been reclassified and re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison, and in order to improve compliance with disclosure requirements.

32 GENERAL


Amounts have been rounded off to the nearest rupee, unless otherwise stated.

33 AUTHORIZATION

These financial statements were authorized for issue on February 10, 2025 by the Board of Directors of the Company.


Chief Executive Officer




Director