

AHSAM SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Notes	2019 RUPEES	2018 RUPEES
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b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from borrowings and investments.

17 CAPITAL ADEQUACY LEVEL

Total Assets	65,992,530	65,067,543
Less: Total Liabilities	(5,582,392)	(10,826,717)
Less: Revaluation Reserves (Created upon Revaluation of Fixed Assets)	-	-
Capital Adequacy Level	60,410,137	54,240,826

Note: While determining the value of Total Assets of M/S AHSAM SECURITIES (PRIVATE) LIMITED, Notional value of the TRE Certificate held by such Participation as at year ended June 30, 2019 as determine by Pakistan Stock Exchange has been considered.

18 TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings of the Company comprise of associated companies, transactions with related parties and associated undertakings involve advances as long term, details are as follows:

Name of the related party	Relationship and percentage shareholding	Transactions during the year and year end balances	2019	2018
Abbas Ali Raza	Director by Holding 62% Share	Payable at year end	2,381,772	8,112,234
Abbas Ali Raza	Director by Holding 62% Share	Loan Received	2,620,020	494,902
		Payable at year end	5,001,792	2,381,772

19 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transactions.

