

TED SOLUTIONS (PRIVATE) LIMITED

**AUDITED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the members of

TED SOLUTIONS (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of TED SOLUTIONS (PRIVATE) LIMITED which comprise the statement of financial position as at DECEMBER 31, 2021 and the profit or loss account, the statement of changes in equity and the statement of cash flows along with 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, profit or loss account, 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 DECEMBER 31, 2021 and of the loss for the half 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 Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the director's report only.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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, however 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.*
- 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:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of 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;
- investments made, expenditure incurred and guarantees extended during the half year were for the purpose of the Company's business; and
- in our opinion, no Zakat was deductible at source under Zakat and Ushr Ordinance, 1980.

The engagement partner on the audit resulting in this independent auditor's report is Badrur Rahman.

Place: Karachi

Date:

10 MAR 2022

Rahim Jan & Co.
Chartered Accountants

TED SOLUTIONS (PRIVATE) LIMITED.
STATEMENT OF FINANCIAL POSITION
AS AT 31 Dec, 2021

	NOTE	Dec-21 Rupees	Jun-21 Rupees
ASSETS			
CURRENT ASSETS			
Advance Tax - Refundable		2,911	7,018
Cash and bank balances		4,646,103	3,049
NET ASSETS		<u><u>4,649,014</u></u>	<u><u>10,067</u></u>
 <i>EQUITIES AND LIABILITIES</i>			
SHARE CAPITAL AND RESERVES			
Authorized Capital 10,000,000 million shares of Rs. 10 each		<u>100,000,000</u>	<u>100,000,000</u>
Issued, Paid up and Subscribed Capital	5	5,000,000	-
Accumulated Loss		<u>(2,753,137)</u>	<u>(2,439,269)</u>
		<u><u>2,246,863</u></u>	<u><u>(2,439,269)</u></u>
CURRENT LIABILITIES			
Accrued Expense	6	24,480	98,600
Payable to Related Party	7	2,377,671	2,350,736
		2,402,151	2,449,336
CONTINGENCIES AND COMMITMENTS			
	8	-	-
NET EQUITIES AND LIABILITIES		<u><u>4,649,014</u></u>	<u><u>10,067</u></u>

CHIEF EXECUTIVE

DIRECTOR

MS

TED SOLUTIONS (PRIVATE) LIMITED.
STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR ENDED DEC 31, 2021

	Note	Dec-21	2021
		Rupees in '000	
Sales		-	-
Cost of Sales		-	-
Gross Loss		-	-
Administrative Expenses	9	<u>(313,868)</u>	<u>(46,601)</u>
		<u>(313,868)</u>	<u>(46,601)</u>
Loss before Taxation		<u>(313,868)</u>	<u>(46,601)</u>
Taxation		-	-
Loss for the Year		<u><u>(313,868)</u></u>	<u><u>(46,601)</u></u>

CHIEF EXECUTIVE

DIRECTOR

RLS

TED SOLUTIONS (PRIVATE) LIMITED.
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DEC 31, 2021

	Accumulated Loss	Share Capital	Total Equity
Balance as at June 30,2018	(1,676,879)	-	(1,676,879)
Loss for the Year	(700,789)	-	(700,789)
Balance as at June 30,2019	(2,377,668)	-	(2,377,668)
Loss for the Year	(15,000)	-	(15,000)
Balance as at June 30,2020	(2,392,668)	-	(2,392,668)
Loss for the Year	(46,601)	-	(46,601)
Balance as at June 30,2021	(2,439,269)	-	(2,439,269)
Share Capital Issued During the Year	-	5,000,000	
Loss for the Year	(313,868)		4,686,132
Balance as at Dec 31,2021	<u>(2,753,137)</u>	<u>5,000,000</u>	<u>2,246,863</u>

CHIEF EXECUTIVE

DIRECTOR

RSC

TED SOLUTIONS (PRIVATE) LIMITED.
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED Dec 31, 2021

	Dec-21 Rupees	Jun-21 Rupees
<i>CASH FLOWS FROM OPERATING ACTIVITIES</i>		
Loss before taxation	(313,868)	(46,601)
Changes in working capital:-		
Increase/ (decrease) in Tax Refundable:	4107	-
Increase/ (decrease) in accrued Liabilities:	(74,120)	42,400
Increase/ (decrease) in Payable to Related Party	26,935	4,201
	(43,078)	46601
Tax Paid	-	-
<i>CASH FLOWS FROM FINANCING ACTIVITIES</i>		
Initial Subscription	5,000,000	-
<i>NET CASH FLOWS FROM OPERATING ACTIVITIES</i>	<u>4,643,054</u>	<u>-</u>
Net (decrease) / increase in cash and cash equivalents	4,643,054	-
Cash and Cash Equivalent at the Begining of the Year	3,049	3,049
Cash and Cash Equivalent at the end of the Half Year	<u>4,646,103</u>	<u>3,049</u>

CHIEF EXECUTIVE

DIRECTOR

BJD

TED SOLUTIONS (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

1. THE COMPANY AND ITS OPERATIONS

TED Solutions (Private) Limited (the Company) was incorporated in Pakistan as a private limited company on 20 March, 2017 under the repealed Companies Ordinance, 1984. The primary activity of the Company is to provide services in the field of software development, Project Management & IT Management etc for Domestic & International Markets . The registered office of the Company is situated at 44-45/B, Korangi Creek Road, Korangi, Karachi.

2. SIGNIFICANT TRANSACTIONS AND EVENTS THAT AFFECTED THE COMPANY'S FINANCIAL POSITION AND FINANCIAL PERFORMANCE

There was no significant transaction during the year as company has not commences its operations yet.

3. BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.2 Basis of preparation

These financial statements have been prepared under the historical cost convention except for certain financial and non financial assets which are measured at fair value.

3.3 Going Concern

These financial statements have been prepared on going concern basis, in spite of the continuous losses that may cast significant doubt about the company's ability to continue as a going concern. The reasons for following going concern basis of accounting are discussed below:

- TED Solutions (Pvt) Ltd. Has approached its related party that is Genix Pharma (Pvt.) Limited for financial assistance and Genix Pharma (Pvt) Ltd. Has ensured its full cooperation until TED Solutions (Pvt) Ltd attains profitable operations.

3.4 Critical judgments and accounting estimates

The preparation of financial statements in conformity with accounting and reporting standards require the use of certain accounting estimates. It also requires management to exercise its judgments in the process of applying the Company's accounting policies. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognized in the period in which the estimates is revised and in any future periods effective. the areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows.

- useful lives and depreciation rates of property and equipment

3.5 Presentation and functional currency

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

4. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below.

4.1 Financial assets

All purchases and sales of investments that require delivery within the time frame established by regulation or market convention ('regular way' purchases and sales) are recognized at trade date, which is the date the Company commits to purchase or sell the investment

Investments are derecognized when the right to receive cash flows from the investments have expired or investments have been realized or transferred, and the Company has transferred substantially all the risks and rewards of ownership.

The investment portfolio of the Company is categorized below:

Financial assets at fair value through profit or loss

An investment is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's investment

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. Loans and receivables comprise trade debts, loans, advances, deposits, other receivables and cash and bank balances in statement of financial position.

4.2 Financial Liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are recognized initially at fair value less directly attributable transaction costs, if any, and subsequently measured at amortized cost using effective interest rate method, where applicable. The Company derecognizes the financial liabilities when it ceases to be a party to the contractual provisions of such instruments.

4.3 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents consist of cash in hand and at banks.

4.4 Accrued and other liabilities

Liabilities for amounts payable are carried at cost which is the fair value of the consideration to be paid in future for services received, whether or not billed to the

4.5 Taxation

Current

Provision for current taxation is computed on taxable income at the current rates of taxation, after taking into account tax credit and rebates available, if any, or minimum turnover tax or alternate corporate tax whichever is higher in accordance with provision of the Income Tax Ordinance, 2001. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

4.6 Provisions

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

4.7 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable.

4.8 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument: the particular recognition methods adopted are disclosed in the individual policy statements associated with each item. The Company de-recognizes the financial asset and liabilities when it ceases to be a party to such contractual provisions of the instruments. The Company recognizes the regular way purchase or sale of financial assets using settlement date accounting.

4.9 Offsetting

A financial asset and a financial liability are offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

TED SOLUTIONS (PRIVATE) LIMITED.
NOTES TO THE ACCOUNTS
FOR THE HALF YEAR ENDED DEC 31, 2021

	Dec-21	Jun-21
	Rupees	Rupees
5 ISSUED, PAID UP AND SUBSCRIBED CAPITAL		
Each of the two sponsors / directors have subscribed 250,000 shares of Rs. 10/- each through Memorandum of Association of the company. This amount has not yet been paid by		
Issued Subscribed and Paidup Capital	<u>5,000,000</u>	<u>-</u>
6 ACCRUED EXPENSE		
Accrued liabilities	15,000	93,600
Withholding Tax Payable	9,480	-
Provision for taxation	-	5,000
	<u>24,480</u>	<u>98,600</u>
7 PAYABLE TO RELATED PARTY		
Payable to Genix Pharma (Pvt.) Ltd.	<u>2,377,671</u>	<u>2,350,736</u>
	<u>2,377,671</u>	<u>2,350,736</u>
Represents amount payable to a related party Genix Pharma (Pvt.) Ltd. In respect of expenses incurred on behalf of the Company. This amount is interest free and is repayable on demand.		
8 CONTINGENCIES AND COMMITMENTS		
There are no contingencies and commitments as at the balance sheet date.		
9 ADMINISTRATIVE EXPENSES		
Legal and Professional Charges	250,000	28,735
Utilities	-	2,866
Fees and Subscription	47,470	-
Auditors Remuneration	16,200	15,000
Bank Charges	198	-
	<u>313,868</u>	<u>46,601</u>
10 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES		
No amount has been paid or is payable by the Company on account of remuneration to Chief Executive and Director for the period.		

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11 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of associated companies having common directors. Amounts due from and due to related parties and directors are disclosed in the relevant notes. Other material transactions with related parties are given below:

Relationship with the Company	Nature of transactions
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Associated Company- Common
Directorship

Genix Pharma (Pvt.) Ltd.

12 FINANCIAL INSTRUMENTS BY CATEGORY

FINANCIAL ASSETS

Trade Debtors

FINANCIAL LIABILITIES

Financial liabilities measured at amortized cost

Accrued and other liabilities

2,402,151

2,449,336

13 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, market risk (including price risk, interest rate risk and currency risk) and liquidity risk.

13.1 Credit risk and concentration of credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter party to the financial instrument fails to perform as contracted.

13.2 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity risk. Financial instruments affected by market risk include short term investments designated at fair value through profit or loss.

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13.2.1 Interest rate and currency risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in the market interest rates. As the company neither hold any interest bearing instrument, therefore it is not exposed to interest risk.

13.2.2 Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings. However, as the company has not entered into any foreign currency transactions, therefore it is not exposed to any foreign currency risk.


13.3 Liquidity risk management

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Management closely monitors the Company's liquidity and cash flow position. This includes maintenance of balance sheet liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix.

13.3.1 Liquidity risk table

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	2021
	Maturity up to one year
	-- Rupees ----
Accrued and other liabilities	2,402,151
	2020
	Maturity up to one year
	-- Rupees ---
Accrued and other liabilities	2,402,735

 The Company do not have sufficient resources and liquid funds (e.g., cash and bank and short term investment) to pay the above obligations and as such there is high level of liquidity risk.

14 CAPITAL RISK MANAGEMENT

The objective of the Company when managing capital is to safeguard the Company's ability to continue as going concern so that it can continue to provide returns for shareholders and benefit for other stake holders and to maintain a strong capital base to support the sustained development of its business.

15 NUMBER OF PERSONS EMPLOYED

The total average number of employees during the year and as at June 30, 2021 and June 30, 2020 respectively are as follows:

	Dec-21 Rupees	Jun-21 Rupees
Average number of employees during the year	-	-
Number of employees as at Dec. 31	-	-

16 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors have proposed to re open Bank account of the company to pay subscription money. Correspondence with the Bank in this respect is initiated.

17 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 10 MAR 2022 by the Board of Directors of the Company.

18 GENERAL

Figures have been rounded off to the nearest Rupee unless otherwise mentioned.




CHIEF EXECUTIVE


DIRECTOR