

ANNUAL REPORT

2022



**CORDOBA LOGISTICS
& VENTURES LIMITED**

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COMPANY INFORMATION

Board of Directors:

Independent Director/Chairman

: Mr. Zeshan Afzal

Independent Directors

: Mr. Muneer Kamal
: Ms. Maleeha Humayun Bangash

Non- Executive Directors

: Mr. Danish Elahi
: Mr. Sohail Ilahi
: Mrs. Anum Raza

Executive Director/CEO

: Mr. Misbah Khalil Khan

Nominee Director (NIT)

: Ms. Ambereen Israr

Company Secretary

: Mr. Syed Ali Jawwad Jafri

Chief Financial Officer

: Mr. Wajahat Hussain

Auditors

: Parker Russell-A.J.S.
Chartered Accountants

Audit Committee

: Ms. Maleeha Humayun Bangash	Chairperson
: Mr. Sohail Ilahi	Member
: Mrs. Anum Raza	Member

HR & Remuneration Committee

: Mr. Zeshan Afzal	Chairman
: Mr. Sohail Ilahi	Member
: Mrs. Anum Raza	Member

Investment Committee

: Mr. Muneer Kamal	Chairman
: Mr. Danish Elahi	Member

Bankers

: Meezan Bank Ltd.
: Dubai Islamic Bank Pak Ltd.

Registered Office

: Office No. 420, 4th Floor, Eden Towers,
Main Boulevard, Gulberg III, Lahore.
Phone: 042-35790290-2
Email: info@cordobalv.com
Website: www.cordobalv.com

Shares Registrar

: Hameed Majeed Associates (Pvt.) Ltd.
H.M House, 7-Bank Square, Lahore.
Tel: 042-37235081-82 Fax: 042-37358817

VISION, MISSION AND VALUES

OUR VISION

Our vision is to be a trusted partner for our shareholders and a respected leader in the area of logistics and ventures.

OUR MISSION

Our mission is to add value with active portfolio management to help our shareholders reach their long-term financial goals. We achieve this through our investment strategies, adhering to our values and investment principles, and offering employees a challenging and rewarding place to build a career.

OUR CORE VALUES

We do the right thing

We act with integrity and put our shareholders first.

We think for the long term

We engage in thoughtful decision making and believe that investment excellence should drive our decisions.

We work together to achieve common goals

We show respect and humility towards each other and our shareholders. We believe in creating a supportive work environment that fosters teamwork, collegiality, and effective communication.

We strive for excellence

We make the extra effort, practice continuous improvement, and stay flexible to adapt to changing circumstances.

We are committed to employees

We make the extra effort, practice continuous improvement, and stay flexible to adapt to changing circumstances.

We are community minded

We support philanthropic giving and encourage employee volunteerism.

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: Cordoba Logistics & Ventures Limited
Year ending: June 30, 2022

The company has complied with the requirements of the Regulations in the following manner:-

1. The total number of directors are eight (8) as per the following:
 - a. Male 5
 - b. Female 3
2. The composition of the Board is as follows:

Category	Name
Independent directors	Zeshan Afzal
	Muneer Kamal
	Maleeha Humayun Bangash (Female)
Non-Executive directors	Danish Elahi
	Sohail Ilahi
	Anum Raza (Female)
Executive director	Misbah Khalil Khan
Nominee director	Ambereen Israr (Female)*

*The company has a NIT nominee director.

Female directors	Maleeha Humayun Bangash
	Anum Raza
	Ambereen Israr

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. Out of eight (8) directors, six (6) directors are duly certified from the Directors' Training Program. However, the Company intends to arrange Director's training program for other directors in near future;
10. No new appointment of chief financial officer, company secretary and head of internal audit were made during the year;
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:-

a) Audit Committee:

Name of Members	Category	Designation
Maleeha Humayun Bangash	Independent Director	Chairperson
Sohail Ilahi	Non-Executive Director	Member
Anum Raza	Non-Executive Director	Member

b) Human Resource and Remuneration Committee:

Name of Members	Category	Designation
Zeshan Afzal	Independent Director	Chairman
Sohail Ilahi	Non-Executive Director	Member
Anum Raza	Non-Executive Director	Member

c) Investment Committee:

Name of Members	Category	Designation
Muneer Kamal	Independent Director	Chairman
Danish Elahi	Non-Executive Director	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;
14. The minimum frequency of meetings (quarterly/half yearly/yearly) of the board/committees were as per following:-

Board of Directors	Quarterly meetings
Audit Committee	Quarterly meetings
Human Resource and Remuneration Committee	Annual meeting
Investment Committee	As and when required

15. The Board has outsourced the internal audit function to M/s Zafar Qamar & Co. who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

Lahore
October 03, 2022


Director

For and on behalf of the Board


Chief Executive

Parker Russell-A.J.S.
CHARTERED ACCOUNTANTS

901, Q.M. House,
Eleanor Road, Karachi - Pakistan.
Tel: + 92-21-32621701-03
E-mail: khr@parkerRussell.com.pk
Offices also at Faisalabad, Lahore & Islamabad

Independent Auditor's Review Report To The Members Of Cordoba Logistics & Ventures Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019.

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Cordoba Logistics & Ventures Limited** (the Company) for the year ended June 30, 2022 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2022.

Chartered Accountants

Place: Karachi
Date:

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 36th Annual General Meeting of the Shareholders of Cordoba Logistics & Ventures Limited will be held on **Friday October 28, 2022 at 11:00 AM** at **Pakistan Stock Exchange Limited (PSX) Regional Office building, Khayaban-e-Aiwan-e-Iqbal, Lahore** to transact the following business:-

Ordinary Business:

- To confirm the minutes of the Extra Ordinary General Meeting of the Shareholders of the Company held on May 23, 2022.
- To receive, consider and adopt the Reports of Directors and Auditors together with Audited Annual Financial Statements of the Company for the year ended 30 June 2022.
- To appoint Company's Auditors and fix their remuneration. The members are hereby notified that the Audit Committee and the Board of directors have recommended the name of M/s Parker Russell-A.J.S. Chartered Accountants for re-appointment as auditors of the Company.

Special Business:

- To approve the proposal for an equity investment in Cordoba Leasing Limited ("CLL"), an associated company of the Company, up to Rs. 1,000,000,000/- divided into 100,000,000 ordinary shares of Rs. 10/- each, which may be invested at such intervals as required by CLL to meet its business operations and working capital requirements and for this purpose, to pass with or without modification, the following resolution as a "**SPECIAL RESOLUTION**":

"**RESOLVED THAT** approval be and is hereby granted under section 199 of the Companies Act, 2017 that the Company makes an equity investment of up to Rs. 1,000,000,000/- (Rupees One Billion only) in CLL for issuance of a total of 100,000,000 ordinary shares of Rs. 10/- each in CLL, as and when so required by CLL to meet its business operations and working capital requirements (the Transaction)."

RESOLVED FURTHER THAT the Chief Executive of the Company and the Company Secretary of the Company, be and is/are hereby authorised to do all such things, acts, deeds, etc., which may be necessary to bring the Transaction to a successful conclusion."

A statement under section 134(3) of the Companies Act, 2017, setting out all material facts concerning the special business described in the Agenda and information as required under Regulation 3(1) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, are annexed to this notice.

By order of the Board

Syed Ali Jayward Jafri
Company Secretary

Lahore:
Dated: October 03, 2022

Notes:

- The Share Transfer Books of the Company will remain closed from October 21, 2022 to October 28, 2022 (both days inclusive). Transfers received in order at the office of our Share Registrar, M/s Hameed Majeed

Associates (Pvt.) Ltd. - H. M. House 7, Bank Square, Lahore by the close of business on October 20, 2022, will be treated in time for the entitlement to attend the Annual General Meeting of the Company.

- A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote instead of him/her and a proxy so appointed shall have the same rights, as respects attending, speaking and voting at the AGM as are available to the members.
- The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarial attested copy of the power of attorney must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting. Proxy Forms, in English and Urdu languages, have been dispatched to the members along with the notice of AGM.
- Members who have deposited their shares into Central Depository Company of Pakistan Limited ("CDC") will further have to follow the under mentioned guidelines for appointment of proxies:
 - In case of individuals, the account holder and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
 - The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
 - Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
 - The proxy shall email a valid copy of his CNIC (both sides) / original passport as per above instructions.
 - In case of corporate entity, the attested copy of the Board's resolution/power of attorney with specimen signature shall be furnished along with proxy form to the Company.
- Members are requested to provide by mail or email, photocopy of their CNIC and their email address to enable the Company to comply with the relevant laws.
- In view of the SECP instructions due to Coronavirus Pandemic, the AGM will also be conducted virtually via video link for safety and well-being of the shareholders of the Company and general public. The AGM can be attended using smart phones/tablets/computers. To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information along with valid copy of Computerized National Identity Card (both sides)/passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) through email at info@cordobaiv.com by 26th October 2022:

Name Member	of Folio/CDC Account No.	CNIC No.	Cell Number	Email Address

The members who are registered after the necessary verification shall be provided a video link by the Company on the same email address that they email with the Company with. The Login facility will remain open from start of the meeting till its proceedings are concluded.

The shareholders who wish to send their comments/suggestions on the agenda of the AGM can email the Company at email: info@cordobaiv.com The Company shall ensure that comments/suggestions of the

shareholders will be read out at the meeting and the responses will be made part of the minutes of the meeting.

7. Conversion of Physical Shares into Book Entry Form Shares:

Attention of the shareholders, having shares in physical scrips of the Company, is invited towards Sub Section (2) of the Section 72 of the Companies Act, 2017. As per provisions of the above Section, every existing company is required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act, i.e. 31st May, 2017.

In view of the above and as per the instructions issued by SECP vide its Letter No. CSD/ED/Misc./2016-639-640 dated 26th March, 2021; such shareholders are requested to arrange to convert their shares held in physical form into book-entry-form. For this purpose, the shareholder shall be required to open an account with either Central Depository Company (CDC) or any Trading Rights Entitlement Certificate holder (Securities Broker) of Pakistan Stock Exchange.

The benefits associated with the Book-Entry-Form shares Includes readily available for trading, whereas trading of physical scrips is currently not permitted, no risk of damaged, lost, forged or duplicate certificates, Instant transfer of ownership, Instant receipt/credit of dividends and other corporate entitlements etc.

8. Unclaimed Dividend and Shares

Shareholders, who by any reason, could not claim their dividend or right/bonus shares or did not collect their physical shares, if any, are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend or pending shares, if any.

9. Placement of Financial Statements

The Company has placed the Annual Report containing, Notice of Annual General Meeting, Audited Annual Financial Statements for the year ended 30 June 2022 along with Auditors and Directors Reports thereon on its website: www.cordobalv.com

STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Special Business, as specified in the Agenda of the notice, to be transacted at the Company's AGM, to be held on October 28, 2022:

- CLL was incorporated as a Non-Banking Financial Company ("NBFC") with the Company owing 4,999,997 ordinary shares in CLL of Rs. 10/-, making the Company a majority shareholder of CLL.
- The Board of Directors of the Company, in its meeting held on October 03, 2022, resolved and approved that in order to support CLL's business operations and as working capital an equity investment of up to Rs. 1,000,000,000/- (Rupees One billion only) in CLL for issuance of a total of 100,000,000 ordinary shares of Rs. 10/- each in CLL which may be invested at such intervals as required by CLL to meet its business operations and working capital requirements. In this respect, the Board certifies that due diligence on the proposal was carried out and accordingly, the Board recommends to the shareholders to approve the same.

- That as per the definition of associated companies provided in the Companies Act, the Company and CLL squarely fall within the definition of associated companies and the current shareholding structure of CLL is as follows:

Name of Shareholders	No. of Shares Held
Cordoba Logistics & Ventures Ltd.	4,999,997
Danish Elahi	1
Misbah Khalil Khan	1
Naveen Ahmed	1
Total	5,000,000

- The directors of the Company do not have any interest in the proposed investment, except that Mr. Danish Elahi and Mr. Misbah Khalil Khan serve on the Board of CLL as the nominee directors of the Company and hold one share each in CLL.
- The information required under Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, is provided in the enclosed Annexure-A. It is clarified that CLL was incorporated on 07-09-2022 and is still in the process of receiving its license to commence business as a Leasing NBFC. Therefore, since no business has been commenced, no audited or interim financial statements have been prepared as of date.

ANNEXURE A

Information required under Regulation 3(1) of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

Serial No.	Description	Information Required
1	Name of the associated company or associated undertaking	Cordoba Leasing Limited
2	Basis of relationship	Majority shareholding & common management/Associated Company
3	Earnings per share for the last three years	N/A
4	Break-up value per share, based on the latest audited financial statements	Rs. 10/share
5	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	CLL was incorporated on 07-09-2022 and is still in the process of receiving its license to commence business as a Leasing NBFC. Since no business has been commenced, no audited or interim financial statements have been prepared as of date.

Serial No.	Description	Information Required
6	In case of investment in relation to a project of the associated company that has not commenced operations – (I) Description of the project and its history since conceptualization; (II) Starting and expected date of completion of work; (III) Time by which such project shall become commercially operational; (IV) Expected time by which the project shall start paying return on investment; (V) Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts.	(I) The primary objective of Cordoba Leasing Limited (CLL) is to underwrite quality leases to ensure safety of capital and maximum return to the shareholders. In pursuit of this objective the company will develop a diversified portfolio of customers from creditworthy public and private sector enterprises. The management of CLL is also committed to breaking new grounds in the financial sector. (II) Approx. from November, 2022 and 3-5 years (extendable being Associated Concern). (III) CLL will commence its commercial operations expected from November, 2022. (IV) After completion of its 1 st year operations. (V) 100% Cash
7	The maximum amount of investment to be made	PKR 1,000,000,000/-
8	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	Approx. 20% return of Investment. 3-5 years (extendable being Associated Concern).
9	Sources of funds to be utilised for investment and where the investment is intended to be made using borrowed funds – (I) Justification for investment through borrowings; (II) Detail of collateral, guarantees provided and assets pledged for obtaining such funds; (III) Cost-benefit analysis.	Company's Internal Resources N/A N/A
10	Salient features of the agreement(s), if any, with the associated company concerning the proposed investment	N/A
11	The direct/indirect interest of directors, sponsors, majority shareholders and their relatives, in the associated company or the transaction under consideration	The directors, sponsors, majority shareholders and their relatives of the Company do not have any interest in the proposed investment, except that Mr. Danish Elahi and Mr. Misbah Khalil Khan serve on the Board of CLL as the nominee directors of the Company and hold one share each in CLL.

12	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write-offs	N/A
13	Any other important details necessary for the members to understand the transaction	N/A
14	The maximum price at which securities will be acquired	PKR 10/share
15	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	N/A
16	Maximum number of securities to be acquired	100,000,000 shares
17	Number of securities and percentage thereof held before and after the proposed investment	Before Proposed Investment 99.99% After the proposed Investment 99.99%
18	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities	N/A
19	Fair value determined in terms of Sub-Regulation (1) of Regulation 5 for investments in unlisted securities	The fair value of a share of CLL, as of 30-09-2022, as determined by the valuer, comes to PKR 10/ share.

CHAIRMAN'S REVIEW

I am pleased to report on the performance of the Board of Directors (hereinafter "the Board"). The Board consists of competent and efficient members having immense experience in various business sectors and has been constituted in accordance with the provisions of Listed Companies (Code of Corporate Governance) Regulations, 2019.

The Board is responsible for the management of Company affairs, for formulating and approving significant policies and strategies. The Board acknowledges its responsibility for the corporate and financial reporting framework and is committed to good Corporate Governance. There are three Committees of the Board, the Audit Committee, Human Resource & Remuneration Committee and Investment Committee; that comprise of suitably qualified persons having relevant competencies. The Committees perform their functions in line with the Terms of Reference assigned to the respective Committees.

The Board also monitored the compliance with best corporate practices and governance, encouraging diversity and ethical behavior and development of skills to attain advancement and excellence. The Board is also well aware of its corporate social responsibility especially towards education, health safety and environment. We are very satisfied with our efforts towards ensuring our corporate social responsibility and hope to improve our efforts with each passing year.

The overall performance of the Board on the basis of approved criteria was satisfactory.

Chairman

Lahore
October 03, 2022

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Board of Directors of Cordoba Logistics & Ventures Limited ('the Company') is pleased to present their annual report including the annual audited financial statements of the Company together with Auditor's Report thereon for the financial year ended June 30, 2022.

The Financial results for the year ended are summarized below:

	2022 (Rs. in '000')	2021 (Rs. in '000')
Revenue	8,300	-
Gross profit	3,372	-
Operating Loss	(10,009)	(10,631)
Loss before taxation	(8,085)	(5,490)
Taxation	-	-
Loss after taxation	(8,085)	(5,490)
Total comprehensive loss	(8,085)	(5,490)
L.P.S	(0.37)	(0.24)

The company during the year has earned its revenue under its principal line of business of providing commercial vehicles on rental & logistics services. The sponsors injected PKR 147.42 Million during the year in addition to PKR 25.00 Million already been injected in FY 2020-21.

Furthermore, the company procured new commercial vehicles in March-2022 and simultaneously entered into a rental agreement with a renowned logistics & transportation company for these vehicles.

During the year, the company incurred loss of Rs. 8.085 Million against loss of Rs. 5.490 Million in the corresponding period.

The loss amount for the current year includes:

- SECP Fee of PKR 3.4 Million paid in May-2022 for increase of Authorized Share Capital of the company, in order to undertake the right share issue of PKR 500 Million for raising capital of the company as approved by the board of directors; and
- Depreciation of PKR 2.9 Million accounted for on commercial vehicles procured during the year for generation of revenue for the company.

The company has undertaken further following commercial activities during the year through investments in:

- Finox (Pvt.) Ltd. amounting to Rs. 31.35 Million by purchasing of its 32.5% equity/ordinary shares.
- Children Clothing Retail (Pvt.) Ltd. amounting to Rs. 65.00 Million by purchasing of its 50% equity/ordinary shares.

With the company successfully resuming its commercial activity/operations in line with its new principal line of business, while other projects and investments are also in the pipeline; the management is confident to create value for its stakeholders in the forthcoming fiscal years and become profitable.

Future outlook

In order to further expand its operations, after increasing the Authorized share capital from Rs. 225 Million to Rs. 1,000 Million, the board of directors in their meeting held on 6th June-2022 approved the 226.19% rights issue of Rs. 500 Million.

Due to current political instability in the country and uncertainty faced by the economy and various industries/businesses, there could be a hindrance for businesses to expand or achieve their forecasted revenues, profitability for the next few years. The company's management remains abreast with all the latest developments and shall continue to make decisions for the benefit of the company and its stakeholders.

Dividend

In view of the brought forward losses and operational loss sustained during this fiscal year, the directors have not recommended any dividend for the period ended June 30, 2022.

CORPORATE AND FINANCIAL REPORTING FRAME WORK

The directors also confirm compliance with Corporate and Financial Reporting Framework of the SECP's Code of Corporate Governance for the following:

- The financial statements prepared by the management, present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- Proper books of accounts have been maintained by the Company;
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- International Accounting Standards/International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from (if any) has been adequately disclosed;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no doubts on the Company's ability to continue as a going concern;
- All the directors on the Board are fully conversant with their duties and responsibilities as directors of a corporate body;
- There has been no material departure from the best practices of corporate governance as detailed in the listing regulations;
- Operating and financial data of six years are annexed;
- A statement showing pattern of shareholding is annexed;
- During the year, the trading in shares of the company by the Directors, CEO, CFO, Company Secretary and their spouses and minor children is as follows:

Sr. No.	Name	No. of Shares	
		Purchase	Sale
1	Danish Elahi	200,000	(1,105,000)
2	Talha Yaseen	-	(500)
3	Misbah Khalil Khan	11,000	-
4	Zeshan Afzal	500	-
5	Maleeha Humayun Bangash	500	-
6	Muneer Kamal	500	-
7	Afshan Sohail	100,000	-

BOARD MEETING

The Board of Directors meets at least four (4) times during the year as required by Regulatory framework.

During the financial year under consideration, eight (8) meetings of the Board of Directors were held and the attendance by the respective directors was as follows:

Name of Director	No. of Meetings attended
Danish Elahi	3
Sohail Ilahi	5
Zeshan Afzal	7
Muneer Kamal	4
Maleeha H. Bangash	6
Anum Raza	5
Misbah Khalil Khan	6
Ambereen Israr	7
Afshan Sohail	-
Raza Elahi	3
Wajahat Hussain	2
Talha Yaseen	2

Leave of absence was granted to Directors who could not attend the Board meetings.

COMPOSITION OF THE BOARD OF DIRECTORS ("THE BOARD")

Category	Names
Independent Directors	Zeshan Afzal
	Muneer Kamal
	Maleeha Humayun Bangash
Non-Executive Directors	Danish Elahi
	Sohail Ilahi
	Anum Raza
Executive Director	Misbah Khalil Khan
Nominee Director (NIT)	Ambereen Israr

The total numbers of directors are eight (8) comprising of three (3) female and five (5) male directors. No remuneration is paid to Non-executive directors. Meeting fee is paid to the Independent & Nominee directors.

The board has formed following committees comprising of the members given below:

AUDIT COMMITTEE

1. Maleeha H. Bangash	Chairperson	Independent Director
2. Sohail Ilahi	Member	Non-Executive Director
3. Anum Raza	Member	Non-Executive Director

HUMAN RESOURCE & REMUNERATION COMMITTEE

1. Zeshan Afzal	Chairman	Independent Director
2. Sohail Ilahi	Member	Non-Executive Director
3. Anum Raza	Member	Non-Executive Director

INVESTMENT COMMITTEE

1. Muneer Kamal	Chairman	Independent Director
2. Danish Elahi	Member	Non-Executive Director

As the Company has been recently acquired by new management and the business plan implementation is in progress, there does not appear to be any risk factors which may have an impact on the future performance of the company except normal business risks. Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate actions for new requirements.

The Company is fully committed to maintaining a fresh and pollution free environment for the health of its staff and officers.

The Board has the ultimate responsibility to establish and maintain adequate internal controls over our financial reporting. Our internal controls are designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of our external financial statements in accordance with the International Financial Reporting Standards. Due to inherent limitations of any internal control system, the Management acknowledges that there may be limitations as to the effectiveness of internal controls over financial reporting and, therefore, recognize that only reasonable assurance can be gained from any internal control system. The Company, however, maintains an effective internal control framework comprising of clear structures, authority limits and accountabilities, well understood policies and procedures for review processes.

The transactions between the related parties were made at arm's length prices. The same are disclosed in the attached financial statements. The related party transactions were approved by the Board on the recommendation of Audit Committee.

The Company is determined to provide clean environment working atmosphere and ensures that every employee is treated with respect and dignity. The Company is committed to encourage a positive professional work atmosphere that is essential for the professional growth of its staff. Harassment, therefore, has no place at the Company. As such, any offender must be ready to confront disciplinary and corrective action, ranging from a warning to termination of job if such situation arises.

We have provided corruption free environment. It includes corruption of all forms including extortion and bribery.

The Company recognizes that the key to successful and sustainable business is to give back to the society from where we derive economic benefits. We create value for our local community, employers and the government by providing a vast array of facilities to our employees, promoting a better work life balance amongst our employees, contributing regularly to the national exchequer as per law. We work continuously to ensure that our employees work in safe and healthy working environment.

The Management is committed to conduct all business activities with integrity, honesty, and observance of laws and regulations.

A Code of Conduct has been developed and approved by the Board.

Annual evaluation of performance of the Board as a whole and its committees were duly undertaken during the year.

AUDITORS

The auditors M/s Parker Russell-A.J.S. Chartered Accountants will retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for the re-appointment. The auditors of the Company shall be appointed in the forthcoming AGM for the next year ending on 30th June 2023 and their remuneration shall be fixed.

As recommended by the Audit Committee, the Board has approved the proposal to appoint M/S Parker Russell-A.J.S. Chartered Accountants as the statutory auditors of the Company for the year ending June 30, 2023, subject to the approval of the Shareholders in the forthcoming Annual General Meeting of the Company.

PATTERN OF SHAREHOLDINGS

A statement-showing pattern of shareholding as on June 30, 2022 is annexed.

ACKNOWLEDGEMENT

We like to place on record our gratitude to the customers, vendors, business partners and the shareholders for their continued support. We also appreciate the efforts and contribution made by employees at all levels.

Lahore:
October 03, 2022

Director

Chief Executive Officer

PERFORMANCE OF LAST SIX YEARS AT GLANCE

(RUPEES IN '000')

FINANCIAL DATA

PROFIT OR LOSS

	2022	2021	2020	2019	2018	2017
Revenue	8,300	-	-	-	-	-
Direct cost	4,928	-	-	-	-	-
Gross profit/(loss)	3,372	-	-	-	-	-
Rental income from investment property	-	-	-	-	-	17,179
Trading income	-	-	-	2,116	18,958	-
Operating profit/(loss)	(10,009)	(10,631)	(14,199)	(21,312)	(24,525)	(30,518)
Profit/(loss) before taxation	(8,085)	(5,490)	(14,614)	93,828	43,521	40,687
Profit/(loss) after taxation	(8,085)	(5,490)	(14,614)	93,802	43,488	42,858
Comprehensive income/(loss) for the year	(8,085)	(5,490)	(14,614)	93,802	43,488	42,858

FINANCIAL POSITION

	2022	2021	2020	2019	2018	2017
Paid up capital	221,052	221,052	221,052	221,052	221,052	221,052
Property and equipment	41,379	-	2,635	3,267	304,334	328,213
Investments	109,861	13,515	-	-	-	-
Current assets	32,099	28,409	27,039	77,292	28,095	27,707
Current liabilities	5,138	3,268	8,501	44,005	352,219	419,000

**Pattern of Shareholding for Cordoba Logistics & Ventures Limited
As on 30-June-2022**

No. of Share Holders	Shareholding From	To	Total Number of Share Held	Percentage of Total Capital
346	1 -	100	22,789	0.10
776	101 -	500	334,817	1.51
252	501 -	1000	235,385	1.06
259	1001 -	5000	700,694	3.17
62	5001 -	10000	484,906	2.19
13	10001 -	15000	167,299	0.76
20	15001 -	20000	363,300	1.64
11	20001 -	25000	255,100	1.15
6	25001 -	30000	177,000	0.80
5	30001 -	35000	170,100	0.77
4	35001 -	40000	150,000	0.68
3	40001 -	45000	125,500	0.57
4	45001 -	50000	195,000	0.88
3	50001 -	55000	158,300	0.72
1	55001 -	60000	80,000	0.27
2	60001 -	65000	124,500	0.56
3	65001 -	70000	203,795	0.92
1	75001 -	80000	77,500	0.35
3	95001 -	100000	296,500	1.34
2	100001 -	105000	203,500	0.92
1	125001 -	130000	125,500	0.57
1	130001 -	135000	133,500	0.60
1	175001 -	180000	179,000	0.81
1	180001 -	185000	181,511	0.82
1	205001 -	210000	209,417	0.95
1	240001 -	245000	241,000	1.09
1	295001 -	300000	300,000	1.36
1	505001 -	510000	505,578	2.29
1	1100001 -	1105000	1,105,000	5.00
1	14565001 -	14570000	14,618,709	66.13
1,786			22,105,200	100.00

Cordoba Logistics & Ventures Limited

Form 34

**Pattern of Holding of Shares
Held by the Shareholders as at 30/06/2022**

Categories of Shareholders	Numbers	Shares Held	%
- Individuals	1,752	6,488,481	29.35
- Investment Companies	3	526,478	2.38
- Financial Institutions	6	135,371	0.61
- Joint Stock Companies	8	188,561	0.85
- Modaraba Companies	4	21,000	0.10
- CEO, Directors, Spouses & Sponsors/Relatives	10	14,733,709	66.65
- Others	3	11,600	0.05
Total	1,786	22,105,200	100.00

**CATEGORIES OF SHAREHOLDERS
AS ON JUNE 30, 2022**

	No. of Shares	%
1 Associated Company	Nil	-
2 NIT and Investment Companies		
i) National Investment (Unit) Trust	505,578	
ii) Pakistan Kuwait Investment Company (Pvt) Ltd.	20,700	
iii) Saudi Pak Industrial & Agricultural & Investment Co. (Pvt) Ltd.	200	
	526,478	2.38
3 Directors		
i) Danish Elahi	14,618,709	
ii) Sohail Iahi	500	
iii) Anum Raza	500	
iv) Zeshan Afzal	500	
v) Muneer Kamal	500	
vi) Maleeha Humayun Bangash	500	
vii) Misbah Khalil Khan	11,000	
	14,632,209	66.19
4 Directors' Spouses/Minor Childrens & Sponsors/Relatives	101,500	0.46
5 Public Sector Companies and Corporations	188,561	0.85
6 Banks Development Financial Institutions Non Banking Financial Institutions, Insurance Companies, Modarabas and Mutual Funds Etc.	167,971	0.76
7 General Public	6,488,481	29.35
	22,105,200	100.00
8 Shareholders Holding Five Percent or More:		
Danish Elahi	14,618,709	66.13

9 During the year, the trading in shares of the company by the Directors, CEO, CFO, Company Secretary and their spouses and minor children is as follows:

Sr. No.	Name	No. of Shares	
		Purchase	Sale
1	Danish Elahi	200,000	(1,105,000)
2	Taliba Yaseen	-	(500)
3	Misbah Khalil Khan	11,000	-
4	Zeshan Afzal	500	-
5	Maleeha Humayun Bangash	500	-
6	Muneer Kamal	500	-
7	Afshan Sohail	100,000	-

Independent Auditor's Report To the members of Cordoba Logistics & Ventures Limited Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Cordoba Logistics & Ventures Limited** (the Company), which comprise the statement of financial position as at June 30, 2022, and the statement of cash profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows 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 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 June 30, 2022 and of the profit 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 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key Audit Matters	How the matter was addressed in our audit
1. Revenue Recognition The Company's revenue is generated from rendering of logistics services to various customers in accordance with the terms of respective agreements and rental service. During the year, the Company generated revenue by Rs. 8.3 million. We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators and the Company entered	Our key audit procedures in this area amongst others included the following: <ul style="list-style-type: none"> • Obtained an understanding of the Company's process with respect to revenue recognition and tested design and operating effectiveness of controls relevant to such process. • Reviewed the terms and conditions of agreements with logistics customers, on sample basis, and assessed the appropriateness of

Key Audit Matter	How the matter was addressed in our audit
into new revenue generating agreements during the year. In addition, revenue was also considered as an area of significant risk as part of the audit process.	revenue recognition policies followed by the Company. <ul style="list-style-type: none"> • Tested on a sample basis, specific revenue transactions with the underlying documentation including the agreements and invoices. • Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognized in the correct period. Assessed the adequacy of disclosures made in the financial statements related to revenue.
2. Contingencies As at June 30, 2022, the Company has contingencies in respect of income tax assessments and legal suites against the customers which are pending in different courts as disclosed in note 17 of the financial statements. Contingencies require management to make judgements and estimates in relation to interpretation of laws, statutory rules, regulations and probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provision that may be required against such contingencies. Due to the significance of the amounts involved in such matters and the inherent uncertainties in respect of their ultimate outcome, the management judgments and estimates in relation to such contingencies may be complex. Accordingly, we have considered this as a key audit matter.	Our key audit procedures in this area amongst others included the following: <ul style="list-style-type: none"> • Obtained an understanding of the management's processes and controls over litigations through meetings with the management and review of the minutes of the Board of Directors and Audit Committee; • Obtained and reviewed confirmations from the Company's external advisors for their views on the legal position of the Company in relation to the contingencies; and • Evaluated the adequacy of disclosures made in respect of the contingencies in accordance with the requirements as set out in the applicable financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

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 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 is 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.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 (XIX of 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 (XIX of 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 (XVIII of 1980).

Other Matter

The financial statements of Cordoba Logistics & Ventures Limited for the year ended June 30, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on July 08, 2021.

The engagement partner on the audit resulting in this independent auditors' report is Mr. Muhammad Shabbir Kasbati.

Place: Karachi
Date:

CHARTERED ACCOUNTANTS

**STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022**

	Note	June 30, 2022	June 30, 2021
		Rupees	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	6	41,378,810	-
Long term investments	7	109,861,060	13,515,060
Long term deposits		37,500	37,500
		<u>151,277,370</u>	<u>13,552,560</u>
CURRENT ASSETS			
Trade debts	8	717,600	-
Short term advances, prepayments and other receivables	9	7,582,198	98,731
Taxation - net	10	17,030,069	16,767,409
Cash and bank balances	11	6,769,124	11,542,505
		<u>32,098,991</u>	<u>28,408,645</u>
TOTAL ASSETS		<u>183,376,361</u>	<u>41,961,205</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
100,000,000 (2021: 22,500,000) ordinary shares of Rs. 10/- each	12.1	1,000,000,000	225,000,000
Issued, subscribed and paid-up capital	12.2	221,052,000	221,052,000
Advance against future issuance of share capital		172,420,000	-
Accumulated loss		(215,443,419)	(207,358,878)
		<u>178,028,581</u>	<u>13,693,122</u>
NON-CURRENT LIABILITIES			
Sponsor's loan	13	-	25,000,000
Deferred liabilities (Gratuity)		210,000	-
CURRENT LIABILITIES			
Trade and other payables	14	3,324,636	904,940
Advance from customer	15	1,150,000	-
Unclaimed dividend		415,333	415,333
Short-term borrowings	16	247,811	1,947,810
		<u>5,137,780</u>	<u>3,268,083</u>
TOTAL EQUITY AND LIABILITIES		<u>183,376,361</u>	<u>41,961,205</u>
CONTINGENCIES AND COMMITMENTS	17		

The annexed notes from 1 to 32 form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022**

	Note	June 30, 2022	June 30, 2021
		Rupees	
Revenue	18	8,300,000	-
Direct cost	19	(4,927,788)	-
Gross profit		<u>3,372,212</u>	<u>-</u>
Administrative expenses	20	(13,381,143)	(10,631,307)
Operating loss		<u>(10,008,931)</u>	<u>(10,631,307)</u>
Other income / expenses	21	1,982,409	5,143,082
Finance cost	22	(58,019)	(1,500)
Loss before taxation		<u>(8,084,541)</u>	<u>(5,489,725)</u>
Taxation	10	-	-
Loss after taxation		<u>(8,084,541)</u>	<u>(5,489,725)</u>
Other comprehensive income		-	-
Total comprehensive loss		<u>(8,084,541)</u>	<u>(5,489,725)</u>
Loss per share - Basic & diluted (Rupees)	23	<u>(0.37)</u>	<u>(0.24)</u>

The annexed notes from 1 to 32 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

**CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2022**

Note	June 30, 2022	June 30, 2021
	—Rupees—	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(8,084,541)	(5,489,725)
Adjustments for:		
Depreciation	2,946,296	339,756
Reversal of provision for doubtful debt	(1,808,000)	-
Bad debts written off	108,000	-
Provision for gratuity	210,000	358,552
Gain on disposal of property and equipment	-	(2,221,664)
Finance costs	58,019	1,500
	1,514,315	(1,521,856)
Operating loss before working capital changes	(6,570,226)	(7,011,581)
Changes in working capital		
(Decrease) / Increase in current assets		
Trade debts	982,400	1,701,921
Short-term advances, prepayments and other receivables	(7,483,467)	1,569,402
Stores and spares	-	604,649
Loans and advances	-	641,867
Tax refunds due from government	-	(72,406)
	(6,501,067)	4,445,433
Increase / (decrease) in current liabilities		
Trade and other payables	2,419,696	(6,590,256)
Advance from customers	1,150,000	-
Net changes in working capital	(2,931,371)	(2,144,823)
Finance costs paid	(58,019)	(1,500)
Gratuity paid	-	(1,851,167)
Income tax paid	(262,660)	(13,724)
Net cash used in operating activities	(9,822,276)	(11,022,795)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(44,325,106)	-
Investments made	(96,346,000)	(13,515,060)
Proceeds from disposal of property and equipment	-	1,770,194
Net cash used in investing activities	(140,671,106)	(11,744,866)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed against future issuance of shares	147,420,000	-
Proceeds from sponsors loan	(1,699,999)	25,000,000
Net cash generated from financing activities	145,720,001	1,357,545
Net (decrease) / Increase in cash and cash equivalents	(4,773,381)	3,589,883
Cash and cash equivalents at the beginning of the year	11,542,505	7,952,622
Cash and cash equivalents at the end of the year	6,769,124	11,542,505

The annexed notes from 1 to 32 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2022**

	Issued subscribed and paid-up capital	Advance against future issuance of share capital	Accumulated loss	Total
Balance as at June 30, 2020	221,052,000	-	(201,849,153)	19,182,847
Loss for the period after taxation	-	-	(5,489,725)	(5,489,725)
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(5,489,725)	(5,489,725)
Balance as at June 30, 2021	221,052,000	-	(207,338,878)	13,693,122
Advance against future issuance of share capital	-	147,420,000	-	147,420,000
Classification of long-term loan to equity	-	25,000,000	-	25,000,000
Loss for the period after taxation	-	-	(8,084,541)	(8,084,541)
Other comprehensive income	-	-	(8,084,541)	(8,084,541)
Total comprehensive loss	-	-	(16,169,082)	(16,169,082)
Balance as at June 30, 2022	221,052,000	172,420,000	(215,443,419)	178,028,581

The annexed notes from 1 to 32 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

1. THE COMPANY AND ITS OPERATIONS

1.1 Cordoba Logistics & Ventures Limited (the Company) was incorporated in Pakistan on December 01, 1986 as a Public Limited Company under the Companies Ordinance, 1984 (the Ordinance), [Repealed with the enactment of Companies Act, 2017]. In the year 2021, the Company changed its principal line of business from manufacturing, sale and export of textile products to logistics and other ventures and accordingly Memorandum and Articles of Association of the Company was altered. During the current year, Securities and Exchange Commission of Pakistan has issued a new Certificate of Incorporation dated August 09, 2021 pursuant to change of name from Mian Textile Industries Limited to Cordoba Logistics & Ventures Limited.

1.2 The registered office of the Company is situated at Office No. 420, 4th Floor, Eden Towers, Main Boulevard, Gulberg III, Lahore.

2. 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 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 the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. CHANGE IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS

- a) **Amendments to published accounting and reporting standards which became effective during the year:**
There were certain amendments to the accounting and reporting standards which became mandatory for the Company during the year. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.
- b) **Amendments to published accounting and reporting standards that are not yet effective:**
There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2022. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of preparation

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policy notes.

4.2 Property and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Assets having cost exceeding the minimum threshold as determined by the management are capitalised. All other costs are charged to the statement of profit or loss in the year in which such costs are incurred.

Subsequent costs are included in the asset's carrying amount or recognised 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. The carrying amount of the replaced part is derecognised.

All repairs and maintenance are charged to the statement of profit or loss during the financial period in which such costs are incurred. Major renewals and improvements, if any, are capitalised in accordance with IAS 16 'Property, Plant and Equipment' and depreciated in a manner that best represents the consumption pattern.

Disposal of assets is recognised when significant risk and rewards incidental to ownership have been transferred to buyer. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of profit or loss for the year.

Depreciation is charged to the statement of profit or loss by applying the reducing balance method, whereby the depreciable amount of an asset is written off over its estimated useful life. Depreciation is charged on additions from the month the asset is available for use and on disposals up to the month preceding the month of disposal. The rates of depreciation are stated in note 6 to these financial statements.

Gains and losses on disposal or retirement of property and equipment are recognised in the statement of profit or loss.

4.3 Right-of-use assets

The Company assesses whether a contract contains a lease at inception of the contract. If the Company assesses contract contains a lease and meets requirements of IFRS 16, the Company recognises right-of-use asset and a lease liability at the commencement date of the lease i.e. the date the underlying asset is available for use. Right-of-use assets are initially measured at cost, which comprises of the amount of the initial measurement of lease liabilities, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use assets are depreciated over the underlying assets' useful life.

4.4 Intangible assets

Intangible assets acquired by the Company are stated at cost less accumulated amortisation. Intangible assets are only capitalised when it is probable that future economic benefits attributable to the asset will flow to the Company and the amortisation is charged to the statement of profit or loss.

4.5 Impairment of non-financial assets

The Company assesses at each reporting date, or wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount for which the assets' carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels, for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment, are reviewed for possible reversal of the impairment at each statement of financial position date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. An impairment loss or reversal of impairment loss is recognised in profit or loss for the year.

4.6 Investments

Investment in subsidiary, associate and joint venture companies are initially recognized at cost. At subsequent reporting dates, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognized as an expense. Where impairment losses subsequently reverse, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. A reversal of impairment loss is recognized in the statement of profit or loss and other comprehensive income.

4.7 Trade debts and other receivable

Trade debts are recognised when the performance obligation is satisfied and the right to receive consideration becomes unconditional. Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case they are recognised at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method.

4.8 Loans, advances and deposits

These are stated at cost less estimates made for any doubtful receivables based on a review of all outstanding amounts at the reporting date. Balances considered doubtful and irrecoverable are written off when identified.

4.9 Cash and cash equivalents

Cash and cash equivalents are stated at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand and balances held with banks.

4.10 Financial Instruments

Financial assets and financial liabilities are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the profit or loss.

a) Financial assets

The Company classifies its financial assets in the following measurement categories:

- amortised cost;
- fair value through profit or loss (FVTPL);
- fair value through other comprehensive income (FVTOCI)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income (OCI). For investment in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commit to purchase or sell the asset. Further financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

i) Amortised cost

Assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and other comprehensive income. Impairment losses are presented as separate line item in the profit or loss.

ii) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the contractual terms of

the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses, if any are presented in other income and impairment expenses are presented as separate line item in the statement of profit or loss.

iii) Fair value through profit and loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented in finance income/cost in the period in which it arises.

Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognized as other gains/losses in the profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured as FVTOCI are not reported separately from other changes in fair value.

i) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit or loss.

ii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and fair value recognised in other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies the simplified approach to recognise lifetime expected credit losses for trade receivables while general 3-stage approach for advance and deposits, other receivables, and bank balances, etc i.e. to measure expected credit losses through loss allowance at an amount equal to 12-month expected credit losses if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

b) Financial liabilities

Classification, initial recognition and subsequent measurement

Financial liabilities are classified in the following categories:

- fair value through profit or loss; and
- other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

i) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

ii) Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in profit or loss for the year, when the liabilities are derecognized as well as through effective interest rate amortization process.

Derecognition of financial liabilities

The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or they expire.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

4.11 Staff retirement benefits

The Company operates an un-funded gratuity scheme for all its employees according to the terms of their employment. Under this scheme, gratuity is paid to the retiring employees on the basis of their last drawn basic salary for each completed year of service.

4.12 Functional and presentation currency

Items included in the financial statement are measured using the currency of the primary economic environment in which the Company operates. The financial statement are presented in Pakistan Rupee, which is the Company's functional and presentation currency.

4.13 Foreign currency transactions and translation

Transactions in foreign currencies are converted into Pakistani Rupees at the rates of exchange ruling on the date of the transaction. All assets and liabilities denominated in foreign currencies are translated into functional currency at exchange rate prevailing at the date of statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary items at year-end exchange rates, are charged to profit or loss for the year.

4.14 Lease Liabilities

The Company assesses whether a contract contains a lease at inception of the contract. If the Company assesses contract contains a lease and meets requirements of IFRS 16, the Company recognises right-of-use asset and a lease liability at the commencement date of the lease i.e. the date the underlying asset is available for use. The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

- a) fixed payments including in-substance fixed payments less any lease incentive receivable;
- b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- c) amounts expected to be payable under a residual value guarantee; and
- d) the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liabilities are measured at amortised cost using the effective interest method. These are remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liabilities are remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets, or is recorded in profit or loss if the carrying amount of the right-of-use assets have been reduced to zero.

Variable lease payments are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

The Company has elected to apply the practical expedient for not recognising right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

4.15 Trade and other payables

Liabilities for creditors and other amounts payable are carried at amortised cost which is the fair value of the consideration to be paid in the future for the goods and/or services received whether or not billed to the Company.

4.16 Provisions

Provisions are recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.17 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss as incurred.

Current

Provision for current taxation is based on the taxable income for the year determined in accordance with prevailing law for taxation on income at the applicable rates of taxation after taking into account tax credits and tax rebates, if any and taxes paid under the final tax regime and any adjustment to tax payable in respect of previous years.

Deferred

Deferred tax is accounted for using the statement of financial position liability method in respect of all temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on the tax rates that have been enacted. Deferred tax is charged or credited to profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in the equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

4.18 Contingencies and commitments

The assessment of the contingencies inherently involves the exercise of significant judgement as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities (if any) which may differ on the occurrence / non occurrence of the uncertain future events.

4.19 Revenue recognition

Revenue is recognized when or as performance obligations are satisfied by transferring control of a promised good or service to a customer at a point in time. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and government levies. Revenue is recognized on following basis:

- a) Revenue from logistic services is recognised when the services are rendered.
- b) Rental income from the assets is recognised on accrual basis.
- c) Profit on bank deposits is recognised on time proportion basis on the outstanding balance amount and at the applicable rate.

4.20 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilute potential ordinary shares.

4.21 Finance cost

Finance costs comprise of unwinding of lease liabilities, bank charges and borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss and other comprehensive income

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

- Estimated useful life of operating fixed assets - note 6
- Provision for taxation and deferred tax - note 4.18
- Contingencies and commitments - note 4.19 & 17

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years if affected.

6. PROPERTY AND EQUIPMENT

Operating fixed assets

6.1 Operating fixed assets

	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022
				Rs
				41,378,810
Cost	As at July 01, 2021	As at June 30, 2021	As at July 01, 2020	As at June 30, 2020
Additions				
Office equipment	-	225,266	-	17,140
Furniture & fixtures	-	15,700	-	1,368
Vehicles	-	44,084,140	-	2,927,788
Total	-	44,325,106	-	2,946,296
Depreciation on vehicles has been charged to cost of logistics services rental services				
Accumulated depreciation				
Charge for the year				
Office equipment	-	-	-	10%
Furniture & fixtures	-	-	-	10%
Vehicles	-	-	-	20%
Total	-	-	-	41,378,810

The statement of operating fixed assets for the last year is as follows:

Cost	As at July 01, 2020	As at June 30, 2021	As at July 01, 2020	As at June 30, 2021	Disposal during the year	Depreciation as at June 30, 2021	Depreciation rate per annum
Disposals							
Office equipment	350,679	(350,679)	-	261,922	5,917	(267,839)	10%
Furniture & fixtures	346,164	(346,164)	-	261,613	5,637	(267,250)	10%
Vehicles	5,704,140	(5,704,140)	-	3,242,802	328,178	(3,570,980)	20%
Arms and ammunition	6,000	(6,000)	-	5,644	24	(5,668)	10%
Total	6,406,983	(6,406,983)	-	3,771,981	339,756	(4,111,737)	

		June 30, 2022	June 30, 2021
	Note	—Rupees—	
7. LONG TERM INVESTMENT			
Associated company - at cost			
Children Clothing Retail (Private) Limited 650,000 ordinary shares of Rs. 100/- each equity held 50% (2021: Nil)	7.1	65,000,000	-
Finox (Private) Limited 4,815 ordinary shares of Rs. 6,510/- each equity held 32.5% (2021: Nil)	7.2	31,346,000	-
Other investments - at cost			
Trukkr (Private) Limited 5,556 (2021: 5,556) ordinary shares of Rs. 2,433/- each equity held 5% (2021: 5%)	7.3	13,515,060	13,515,060
		109,861,060	13,515,060

- 7.1 During the year, the Company made an investment in Children Clothing Retail (Private) Limited amounting Rs. 65.00 million (June 30, 2021: Rs. Nil) comprising 650,000 ordinary shares (par value Rs. 100/-) at par. The associated company is engaged in the trading of consumer products of various brands.
- 7.2 During the year, the Company made an investment in Finox (Private) Limited amounting to Rs. 31.346 million (June 30, 2021: Rs. Nil) comprising 4,815 ordinary shares (par value Rs. 10/- each) at Rs. 6,510/- per share. The associated company is engaged in the business of providing financial analysis of stocks for investment.
- 7.3 This represents an investment made by the Company in Trukkr (Private) Limited amounting to Rs. 13.515 million (June 30, 2021: Rs. 13.515 million) comprising 5,556 ordinary shares par value Rs. 10/- each ordinary share. The purchase value of each ordinary share is Rs. 2,433/- per share.

8. TRADE DEBTS - un-secured

Considered good	717,600	-
Considered doubtful	17,403,832	19,211,832
	18,121,432	19,211,832
Less: Provision for doubtful debts	(17,403,832)	(19,211,832)
	717,600	-

8.1 Movement of provision for doubtful debts is as follows:

Balance as at July 01,	19,211,832	19,273,560
Reversal of provision for doubtful debts	(1,700,000)	(61,728)
Provision written off	(108,000)	-
Balance as at June 30	17,403,832	19,211,832

9. SHORT TERM ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

Prepaid insurance	390,133	-
Advance against expenses	250,000	-
Sales tax receivable - net	6,942,065	98,731
	7,582,198	98,731

- 9.1 As at June 30, 2022, the Company has made a provision of Rs. 0.64 million (2021: Rs. 0.64 million) against the sales tax receivable

10. TAXATION - NET

	Note	June 30, 2022	June 30, 2021
Income tax:			
Opening advance tax	10.2	16,767,409	16,753,685
Tax paid during the period		262,660	13,724
		17,030,069	16,767,409
		17,030,069	16,767,409

- 10.1 During the year, provision for taxation has not been made as the Company has taxable business losses and minimum turnover is less than Rs. 100 million as defined u/s 113 of the Income Tax Ordinance, 2001.
- 10.2 This includes payment of Rs. 5.11 million made by the Company to avail amnesty against the tax demand of the year 2006 and 2010 of Rs. 9.08 million. The appeals for these tax years are pending before the appellate authorities, therefore Company has accounted for these amounts as advance tax till the finalisation of appeals.

11. CASH AND BANK BALANCES

Cash in hand	45,977	-
Cash at bank	-	11,542,506
Current account	6,723,147	6,723,147
Saving account	6,723,147	11,542,506
	6,769,124	11,542,506

- 11.1 This carries profit at the rate of 4.25% during the year (2021: Nil).

12. SHARE CAPITAL AND RESERVES

12.1 AUTHORISED SHARE CAPITAL

100,000,000 (June 30, 2021: 22,500,000 of Rs. 10/- each) ordinary shares of Rs. 10/- each

1,000,000,000 225,000,000

- 12.1.1 The members in the Extra Ordinary General Meeting held on May 23, 2022 approved increase of authorized capital of the Company from Rs. 225,000,000/- to Rs. 1,000,000,000/- divided into the 100,000,000 ordinary shares of Rs. 10/- each.

12.2 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

22,105,200 (2021: 22,105,200) ordinary shares of Rupees 10 each, fully paid up in cash

221,052,000 221,052,000

- 12.2.1 All ordinary shares rank equally with regard to residual assets of the Company. The ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. Voting rights, board selections, right of first refusal and block voting are in proportion to shareholding. As at reporting date, directors/sponsors held 66.65% (2021: 70.24%) and the balance of 33.35% (2021: 29.76%) held by individuals and others.

13. SPONSOR'S EQUITY LOAN

Sponsor's equity loan

13.1 - **25,000,000**

- 13.1 The Board of Directors in their meeting held on June 06, 2022 has approved the conversion of amount injected by the Sponsor (Mr. Danish Elahi) into equity through issuance of right shares, announced by the Company.

		June 30, 2022	June 30, 2021
		-----Rupees-----	
14. TRADE AND OTHER PAYABLES	Note		
Creditors		1,985,803	30,940
Accrued liabilities		372,000	674,000
Others		966,833	200,000
		<u>3,324,636</u>	<u>904,940</u>
15. ADVANCE FROM CUSTOMER			
This represent rentals received in advance from customer			
16. SHORT-TERM BORROWINGS			
This represents loan from ex-director of the Company mainly for the purpose of running finance.			
17. CONTINGENCIES AND COMMITMENTS			
17.1 The Company received demand notice of Rs 9.086 million for the tax year 2006 and 2010 for collection of additional tax and various curtailments & add backs, against which the Company has filed an appeal before ATIR. Further, in 2019 Company had also made a payment of Rs. 5.112 million to avail the amnesty against the demand, however the appeals are still pending. Tax advisor and the management expects a favorable outcome against the demand therefore additional provision has not been made in these financial statements.			
17.2 The Company filed reference against the NHA which was decided by the senior civil judge 2018. Total land was acquired by the NHA measuring 203-Marla out of which the land owned by the Company was 100-Marla. Honorable Court while accepting the reference granted the compensation of the acquired land @ 35,000/- per Marla along with 15% compulsory charges and 8% of compound interest from the date of taking over possession till payment. The Company is aggressively pursuing the case for the recoverability of the amount.			
17.3 The Company filed a case against Tariq Anwar Bhutta of JS Textile in respect of dishonored cheques issued in favor of the company for Rs. 7.4 million. This suit has been decreed in favor of the Company and the execution of the same was pending before the Court of Additional Session Judge Lahore. However, the Company has opted for out of court settlement with Tariq Anwar Bhutta for Rs. 4 million out of which Rs. 1.70 million has been received till close of financial year.			
17.4 The Company filed a case against Green Corporation for the recovery of Rs. 25.80 million. The case is pending adjudication before the Civil Court Lahore wherein defendant had been proceeded ex parte and case has been decreed in favor of the Company. However, the execution proceedings of the said decree is pending.			
18. REVENUE			
Logistics services		6,000,000	-
Rental income		<u>2,300,000</u>	-
		<u>8,300,000</u>	-
19. DIRECT COST			
Cost related to logistics services			
Logistics / loading and unloading cost		2,000,000	-
Depreciation on vehicles	6.1	<u>2,927,788</u>	-
		<u>4,927,788</u>	-

		June 30, 2022	June 30, 2021
		-----Rupees-----	
20. ADMINISTRATIVE EXPENSES	Note		
Salaries and other benefits	20.1	3,924,000	5,566,097
Directors meeting fee		1,150,000	-
Traveling and conveyance		110,350	84,918
Rent, rate and taxes		940,200	855,450
Repair and maintenance		44,467	68,370
Insurance		195,067	150,400
Utilities		3,330	923,670
Printing and stationery		147,427	135,899
Fee and subscription		4,556,514	603,464
Vehicles running and maintenance		-	602,575
Entertainment		22,944	207,680
Newspapers and journals		-	6,977
Postage and telegram		57,432	49,383
Telecommunication & internet charges		40,729	143,889
Advertisement expenses		227,900	94,780
Legal and professional charges		894,275	539,121
Auditor's remuneration	20.2	1,047,000	200,000
Depreciation	6.1	18,508	339,756
Miscellaneous expense		1,000	58,878
		<u>13,381,143</u>	<u>10,631,307</u>
20.1 This includes Rs. 0.210 million in respect of gratuity expense for the year (2021: Rs. 0.358 million).			
20.2 Auditor's remuneration			
Audit fee			
- Annual		324,000	150,000
- Half yearly review		81,000	50,000
Review of Statement of Compliance with CCG		108,000	-
Other services		506,000	-
Out of pocket		<u>28,000</u>	-
		<u>1,047,000</u>	<u>200,000</u>
21. OTHER INCOME / EXPENSES			
Income / (Expense) from financial assets			
Income on saving accounts		282,409	-
Reversal of provision for doubtful debts		1,808,000	61,728
Bad debts written off		(108,000)	-
Income from non-financial assets			
Gain on disposal of fixed assets		-	2,221,664
Profit on compulsory disposal of land	21.1	-	2,839,091
Miscellaneous Income		-	20,599
		<u>1,982,409</u>	<u>5,143,082</u>
21. No tax was charged as the Company had carried forward losses to be adjusted against gain on disposal of fixed assets other than land and gain on disposal of land is exempt due to time constraints.			
22. FINANCE COST			
Bank charges		58,019	1,500

23 LOSS PER SHARE - BASIC & DILUTED

Loss after tax for the year
Weighted average number of shares
Loss per share (Rupees)

Note	June 30, 2022	June 30, 2021
	—Rupees—	
	(8,084,541)	(5,489,725)
	22,105,200	22,105,200
	(0.37)	(0.24)

23.1 There is no dilutive effect on the basic earnings of the Company

24 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER AND DIRECTORS

	2022		2021	
	Chief executive officer	Directors	Chief executive officer	Directors
	—Rupees—			
Managerial remuneration	722,581	-	821,333	-
Other perquisites and benefits				
Meeting fee	-	1,150,000	-	7,000
House rent allowance	325,161	-	328,534	-
Medical	72,258	-	82,133	-
Reimbursed expenses	-	-	112,695	-
	1,120,000	1,150,000	1,344,695	7,000
Number of persons	1	8	2	7

24.1 No remuneration has been paid to the directors of the Company

25 FINANCIAL INSTRUMENTS BY CATEGORY

	As at June 30, 2022			
	At FVTOCI	At FVTPL	At Amortized cost	Total
	—Rupees—			
Financial assets				
Investments	-	-	109,861,060	109,861,060
Long-term deposits	-	-	37,500	37,500
Trade debts	-	-	717,600	717,600
Cash and bank balances	-	-	6,769,124	6,769,124
	-	-	117,385,284	117,385,284
Financial liabilities				
Sponsor's loan	-	-	-	-
Trade and other payables	-	-	3,324,636	3,324,636
Short-term borrowings	-	-	247,811	247,811
	-	-	3,572,447	3,572,447

	As at June 30, 2021			
	At FVTOCI	At FVTPL	At Amortized cost	Total
	—Rupees—			
Financial assets				
Investments	-	-	13,515,060	13,515,060
Long-term deposits	-	-	37,500	37,500
Cash and bank balances	-	-	11,542,505	11,542,505
	-	-	25,095,065	25,095,065
Financial liabilities				
Trade and other payables	-	-	1,320,274	1,320,274
	-	-	1,320,274	1,320,274

Financial assets

Investments
Long-term deposits
Cash and bank balances

Financial liabilities

Trade and other payables

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to certain financial risks. Such financial risks emanate from various factors that include, but are not limited to market risk, credit risk and liquidity risk.

The Company currently finances its operations with a view to maintain an appropriate mix between various sources of finance to minimise risk. The Company's risk management policies and objectives are as follows:

26.1 Credit risk

Credit risk represents the risk of a loss if the counter party fails to discharge its obligation and causes the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. The table below analysis the Company's maximum exposure to credit risk.

	June 30, 2022	June 30, 2021
	—Rupees—	
Investments	109,861,060	13,515,060
Long-term deposits	37,500	37,500
Trade debts	717,600	-
Short term advances, prepayments and other receivables	7,582,198	-
Cash and bank balances	6,769,124	11,542,505
	124,967,482	25,095,065

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

The credit quality of financial assets that are neither past nor impaired can be assessed by reference to external credit ratings or to historical information about counter party default rates as follows:

Trade debts

Customers with no defaults in the past one year

717,600

Bank balances

Rating	Long-term	Short-term	Agency

June 30, 2012 June 30, 2021

—Rupees—

Habib Bank Limited	AAA	A-1+	JCR-VIS	-	6,861
United Bank Limited	AAA	A-1+	JCR-VIS	-	10,764
Sonari Bank Limited	AA-	A1+	PACRA	-	3,414
Bank Alfalah Limited	AA-	A1+	PACRA	-	13,163
Askari Commercial Bank Limited	AA-	A1+	PACRA	-	8,073
Muslim Commercial Bank Limited	AAA	A1+	PACRA	-	15,292
Dubai Islamic Bank Limited	AA	A-1+	JCR-VIS	6,641,992	6,484,940
Meezan Bank Limited	AAA	A-1+	JCR-VIS	81,155	5,000,000
				6,723,147	11,542,507

26.2 Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its funding requirements. To guard against this risk, the Company has diversified funding sources and assets are managed with liquidity in mind, maintaining a healthy balance of cash and cash equivalents. The maturity profile of trade debts is monitored to ensure adequate liquidity is maintained. The management forecasts the liquidity of the Company on the basis of expected cash outflows considering the level of liquid assets necessary to meet such outflows.

26.3 The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Less than 3 months	3 to 12 months	1 to 5 Years	Greater than 5 years	Total
	—Rupees—				
Sponsor's loan	-	-	-	-	-
Trade and other payables	-	3,324,636	-	-	3,324,636
Short-term borrowings	-	247,811	-	-	247,811
June 30, 2022	-	3,572,447	-	-	3,572,447
	—Rupees—				
Trade and other payables	-	1,320,274	-	-	1,320,274
June 30, 2021	-	1,320,274	-	-	1,320,274

26.4 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. Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk.

26.4.1 Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company manages its exposure against foreign currency risk by entering into foreign exchange contracts where considered necessary.

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. Currently the Company is not exposed to currency risk.

26.4.2 Interest rate risk

Interest / mark-up rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark-up rate risk rises from mismatches of financial assets and financial liabilities that mature or reprice in a given period. The Company manages these mismatches through risk management strategies where following:

As at June 30, 2022

Effective interest / mark-up rate	Maturity upto one year	Interest / mark-up bearing Maturity after one year	Non-interest / mark-up bearing Sub-total	Maturity upto one year	Interest / mark-up bearing Maturity after one year	Non-interest / mark-up bearing Sub-total	Total June 30, 2022
—Rupees—							

On statement of financial position

Financial instruments

Financial assets

Investments	-	-	-	-	109,861,060	109,861,060	109,861,060
Long-term deposits	-	-	-	-	37,500	37,500	37,500
Trade debts	-	-	-	717,600	-	717,600	717,600
Short-term advances, prepayments and other receivables	-	-	-	7,582,198	-	7,582,198	7,582,198
Cash and bank balances	-	-	-	6,769,124	-	6,769,124	6,769,124
	-	-	-	15,068,922	109,898,560	124,967,482	124,967,482

Financial liabilities

Sponsor's loan	-	-	-	-	-	-	-
Trade and other payables	-	-	-	3,324,636	-	3,324,636	3,324,636
Short-term borrowings	-	-	-	247,811	-	247,811	247,811
	-	-	-	3,572,447	-	3,572,447	3,572,447

As at June 30, 2021

Effective interest / mark-up rate	Maturity upto one year	Interest / mark-up bearing Maturity after one year	Non-interest / mark-up bearing Sub-total	Maturity upto one year	Interest / mark-up bearing Maturity after one year	Non-interest / mark-up bearing Sub-total	Total June 30, 2021
—Rupees—							

On statement of financial position

Financial instruments

Financial assets

Investments	-	-	-	-	13,515,060	13,515,060	13,515,060
Long-term deposits	-	-	-	-	37,500	37,500	37,500
Trade debts	-	-	-	-	-	-	-
Short-term advances, prepayments and other receivables	-	-	-	98,731	-	98,731	98,731
Cash and bank balances	-	-	-	11,542,505	-	11,542,505	11,542,505
	-	-	-	11,641,236	13,552,560	25,193,796	25,193,796

Financial liabilities

Sponsor's loan	-	-	-	-	25,000,000	25,000,000	25,000,000
Trade and other payables	-	-	-	904,940	-	904,940	904,940
Short-term borrowings	-	-	-	1,947,810	-	1,947,810	1,947,810
	-	-	-	2,852,750	25,000,000	27,852,750	27,852,750

26.4.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

26.4.4 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences may arise between the carrying value and the fair value estimates.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (level 3).

The level in the fair value hierarchy within which the fair value measurement of a financial instrument is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement of that financial instrument.

27. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company is currently financing its operations primarily through equity and working capital. The Company has no material gearing risk in the current year.

28. TRANSACTIONS WITH RELATED PARTIES

The related parties include subsidiary companies, entities having directors in common with the Company, major shareholders of the Company, directors and other key management personnel.

Transactions with related parties, other than those disclosed elsewhere in the financial statements are as under:

Name	Nature of transaction	June 30, 2022	June 30, 2021
		—Rupees—	
Relationship: Associated undertaking			
Children Clothing Retail (Private) Limited	Investment made	65,000,000	-
Finox (Private) Limited	Investment made	31,346,000	-
Relationship: Other investment			
Name	Nature of transaction		
Trukkr (Private) Limited	Investment made	-	13,515,060
Relationship: Director			
Mr. Danish Elahi	Sponsors loan		
	Rent expense	147,420,000	25,000,000
		600,000	840,000
Relationship: Chief Executive Officer			
Mr. Mubashir Khalil Khan	Remuneration	1,120,000	-
Directors	Meeting fee	1,150,000	-

June 30,
2022

June 30,
2021

—Numbers—

4	3
4	5

29. NUMBER OF EMPLOYEES

Total employees of the Company at year end
Average employees of the Company during the year

30. CORRESPONDING FIGURES

Corresponding figures have been reclassified / rearranged wherever necessary for better presentation, however, there were no material reclassifications of corresponding figures.

31. AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 03, 2022 by the board of directors of the Company.

32. GENERAL

Figures in these financial statements have been rounded off to the nearest rupees, unless otherwise stated.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Form of Proxy
Cordoba Logistics & Ventures Limited

Shareholder Folio No.

CDC Participant
I.D.No.

& Sub Account
No.

IMPORTANT:

This form of proxy, in order to be effective, must be deposited duly completed, at the Company's registered office not less than 48 hours before the time of holding the meeting. A Proxy must be member of the Company. Signature should agree with the specimen register with the Company. Please quote registered Folio / CDC Account numbers.

OR

I/We _____

of _____

being a member of the Company entitled to vote and holder

of _____

ordinary shares, hereby appoint Mr./Mrs./Mst. _____

of _____

Who is also a member of the Company, as my/our proxy in my / our absence to attend and vote for me / us on my / our behalf at the Annual General Meeting of the Company to be held at Pakistan Stock Exchange Limited (PSX) Regional Office building, Khayaban-e-Aiwan-e-Iqbal, Lahore on October 28, 2022 at 11:00 am and at any Adjournment thereof.

As witness my / our hand this _____ day of _____

Signed by the said _____ in the presence of _____

(Member's Signature)
(Attach CNIC)

Affix Rs. 50
Revenue Stamp which
must be cancelled
either by signature over
it or by some other
means

Place _____

(Witness's Signature)
(Attach CNIC)

Date _____

پراکسی فارم

کورڈوبا لاجسٹکس اینڈ ونٹرس لمیٹڈ

حصہ دار کا فوئیو نمبر

سی ڈی سی
اکاؤنٹ نمبر

اور ذیلی اکاؤنٹ نمبر

ضروری ہدایات:

نمائندگی کا یہ فارم، اس وقت مؤثر ہوگا، جب یہ بہر صورت مکمل کر کے، کمپنی کے رجسٹرڈ دفتر میں اجلاس کے انعقاد کے وقت سے ۴۸ گھنٹے قبل جمع کرایا گیا ہو۔ نمائندہ کا کمپنی کا ممبر ہونا ضروری ہے۔ دستخط کمپنی کے نمونہ رجسٹر کے مطابق ہوں۔ برائے مہربانی رجسٹرڈ فوئیو نمبر / سی ڈی سی اکاؤنٹ کا حوالہ دیں

میں / ہم

از

بحیثیت ممبر ووٹ ڈالنے کے اہل ہیں اور عام حصص

رکھتے ہیں، محترم / محترمہ / مسات

از

کا تقرر کرتے ہیں، جو کہ کمپنی کا بھی ممبر ہے، کہ بطور میرے / ہمارے نمائندے کے، میری / ہماری غیر حاضری میں کمپنی کے معمولی / غیر معمولی

اجلاس عام میں جو کہ مندرجہ ----- کو بوقت ----- بجے، بمقام ----- پر

منعقد ہوگا میری / ہماری طرف سے شرکت کرے اور میرا / ہمارا ووٹ ڈالے اور اس کے کسی بھی التوا میں۔

بطور ثبوت میرے / ہمارے بدست آج بروز -----

دستخط از مذکور بالا ----- روبرو موجودگی

(دستخط ممبر)

مبلغ ۵۰ روپے کا ٹکٹ

جو کہ دستخط کر کے یا کسی اور طرح

منسوخ کیا گیا ہو چسپاں کریں۔

مقام

تاریخ

(دستخط گواہ)



If undelivered please return to:
**CORDOBA LOGISTICS
& VENTURES LIMITED**

Office No. 420, 4th Floor, Eden Towers,
Main Boulevard, Gulberg III, Lahore.

Phone: 042-35790290-2

Independent Auditor's Report To the members of Cordoba Logistics & Ventures Limited Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Cordoba Logistics & Ventures Limited** (the Company), which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows 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 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 June 30, 2022 and of the profit 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 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key Audit Matters	How the matter was addressed in our audit
1. Revenue Recognition The Company's revenue is generated from rendering of logistics services to various customers in accordance with the terms of respective agreements and rental service. During the year, the Company generated revenue by Rs. 8.3 million. We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators and the Company entered	Our key audit procedures in this area amongst others included the following: <ul style="list-style-type: none"> Obtained an understanding of the Company's process with respect to revenue recognition and tested design and operating effectiveness of controls relevant to such process. Reviewed the terms and conditions of agreements with logistics customers, on sample basis, and assessed the appropriateness of



Key Audit Matter	How the matter was addressed in our audit
into new revenue generating agreements during the year. In addition, revenue was also considered as an area of significant risk as part of the audit process.	<p>revenue recognition policies followed by the Company.</p> <ul style="list-style-type: none"> • Tested on a sample basis, specific revenue transactions with the underlying documentation including the agreements and invoices. • Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognized in the correct period. <p>Assessed the adequacy of disclosures made in the financial statements related to revenue.</p>
<p>2. Contingencies</p> <p>As at June 30, 2022, the Company has contingencies in respect of income tax assessments and legal suites against the customers which are pending in different courts as disclosed in note 17 of the financial statements.</p> <p>Contingencies require management to make judgements and estimates in relation to interpretation of laws, statutory rules, regulations and probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provision that may be required against such contingencies.</p> <p>Due to the significance of the amounts involved in such matters and the inherent uncertainties in respect of their ultimate outcome, the management judgments and estimates in relation to such contingencies may be complex. Accordingly, we have considered this as a key audit matter.</p>	<p>Our key audit procedures in this area amongst others included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the management's processes and controls over litigations through meetings with the management and review of the minutes of the Board of Directors and Audit Committee; • Obtained and reviewed confirmations from the Company's external advisors for their views on the legal position of the Company in relation to the contingencies; and • Evaluated the adequacy of disclosures made in respect of the contingencies in accordance with the requirements as set out in the applicable financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

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 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 is 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.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 (XIX of 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 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made and expenditure incurred 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 (XVIII of 1980).

Other Matter

The financial statements of Cordoba Logistics & Ventures Limited for the year ended June 30, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on July 08, 2021.

The engagement partner on the audit resulting in this independent auditors' report is Mr. Muhammad Shabbir Kasbati.

(Chartered Accountants)

Date: October 6, 2022

Karachi.

UDIN: AR202210192Qig5MsR8N



Parker Russell-A. J. S.

CHARTERED ACCOUNTANTS

901, Q. M. House,

Elander Road, Karachi - Pakistan.

Tel: + 92-21-32621701-03

E-mail: khi@parkerrussellajs.com.pk

Offices also at Faisalabad, Lahore & Islamabad

Independent Auditor's Review Report to the Members of Cordoba Logistics & Ventures Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019.

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Cordoba Logistics & Ventures Limited** (the Company) for the year ended June 30, 2022 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2022.

(Chartered Accountants)

Place: Karachi

Date: October 6, 2022

UDIN: CR2022101927NILEiguZ