

---

---

**AMPLE SECURITIES  
(PRIVATE) LIMITED**

Financial Statements  
For the year ended June 30, 2017

---

---



## AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Ample Securities (Private) Limited** as at June 30, 2017 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that -

- (a) in our opinion, proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion: -
  - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;



- (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
- iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss, statement of other comprehensive income, cash flow statement and statement of changes in equity account together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, 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, 2017 and of the profit, its comprehensive income, cash flow and changes in equity for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

*Haroon Zakaria & Co*  
**Haroon Zakaria & Company**  
Chartered Accountants

**Place:** Karachi  
**Dated:** 09 SEP 2017

**Engagement Partner:**  
**Muhammad Yameen**




**AMPLE SECURITIES (PRIVATE) LIMITED**  
**BALANCE SHEET**  
**AS AT JUNE 30, 2017**

	Note	2017 Rupees	2016 Rupees
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Property and equipment	4	606,743	1,019,786
Intangibles	5	1,690,000	6,001,052
Long-term investments	6	41,163,833	14,188,948
Long-term deposit	7	22,395,000	3,899,809
Deferred tax	8	-	-
		<b>65,855,576</b>	<b>25,109,595</b>
<b>Current Assets</b>			
Trade debts	9	6,105,402	56,182,688
Advances and other receivables	10	4,488,268	97,890
Short-term investments	11	112,446,055	22,879,458
Tax refunds due from government	12	12,423,889	8,739,365
Cash and bank balances	13	42,616,383	13,269,558
		<b>178,079,997</b>	<b>101,168,959</b>
<b>Total Assets</b>		<b>243,935,573</b>	<b>126,278,554</b>
<b><u>CAPITAL AND LIABILITIES</u></b>			
<b>Authorised Share Capital</b>			
30,000,000 Ordinary shares of Rs.10 each		<b>300,000,000</b>	<b>300,000,000</b>
<b>Issued, subscribed and paid-up capital</b>			
14		<b>70,000,000</b>	<b>70,000,000</b>
<b>Unappropriated profit</b>			
		<b>58,032,042</b>	<b>35,811,771</b>
<b>Gain / (loss) on re-measurement of investments - available for sale</b>			
		<b>39,887,025</b>	<b>(1,727,339)</b>
<b>Shareholders' equity</b>		<b>167,919,067</b>	<b>104,084,432</b>
<b>Current Liabilities</b>			
Short-term borrowing	15	57,500,000	5,829,441
Trade and other payables	16	18,516,506	16,364,681
		<b>76,016,506</b>	<b>22,194,122</b>
<b>Contingency and Commitment</b>			
17			
<b>Total Capital and Liabilities</b>		<b>243,935,573</b>	<b>126,278,554</b>

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

  
**Chief Executive**

  
**Director**

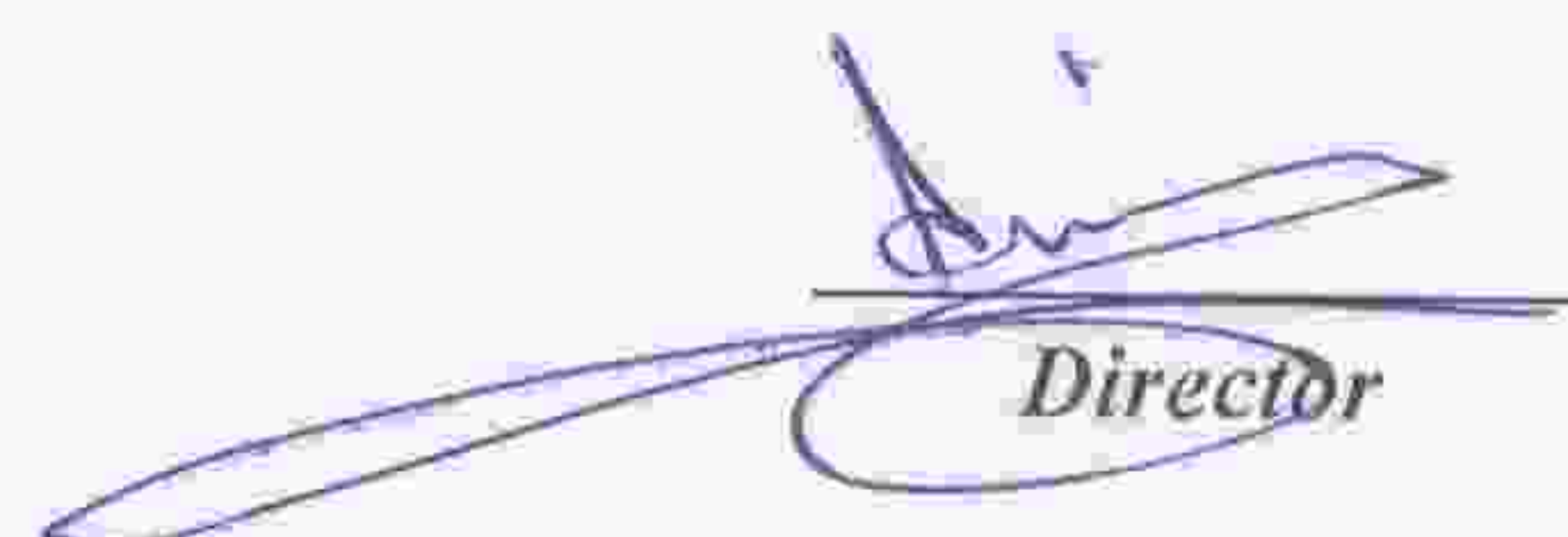


**AMPLE SECURITIES (PRIVATE) LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	Note	2017 Rupees	2016 Rupees
Operating revenue	18	43,627,380	10,977,864
Administrative and operating expenses	19	(16,384,704)	(11,561,217)
<b>Profit / (loss) from operation</b>		<b>27,242,676</b>	<b>(583,353)</b>
Other charges	20	(4,311,052)	-
Other income	21	47,014	-
Financial charges	22	(465,791)	(1,482,931)
<b>Profit / (loss) before taxation</b>		<b>(4,729,829)</b>	<b>(1,482,931)</b>
		<b>22,512,847</b>	<b>(2,066,284)</b>
Taxation	23	(292,576)	(94,653)
<b>Profit / (loss) after taxation</b>		<b>22,220,271</b>	<b>(2,160,937)</b>

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

  
**Chief Executive**

  
**Director**



**AMPLE SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<i>2017</i> <i>Rupees</i>	<i>2016</i> <i>Rupees</i>
<b>Profit / (loss) after taxation</b>	<b>22,220,271</b>	<b>(2,160,937)</b>
<b>Other comprehensive income:</b>		
<i>Item that may be reclassified subsequently to profit and loss account</i>		
Gain / (loss) on re-measurement of investments available for sale	<b>39,887,025</b>	<b>(1,727,339)</b>
<b>Total comprehensive income / (loss) for the year</b>	<b><u>62,107,296</u></b>	<b><u>(3,888,276)</u></b>

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

  
 \_\_\_\_\_  
*Chief Executive*

  
 \_\_\_\_\_  
*Director*




**AMPLE SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2017**

Description	Share capital	Reserves			Total
		Revenue	Capital		
		Accumulated (loss) / profit	Gain on remeasurement of Available for Sale investment	Total Reserves	
		----- Rupees -----			
Balance as at June 30, 2015	70,000,000	37,972,708	(5,976,070)	31,996,638	101,996,638
Loss for the year	-	(2,160,937)	-	(2,160,937)	(2,160,937)
Loss transferred to profit and loss account on disposal of investment available for sale	-	-	5,976,070	5,976,070	5,976,070
Loss on re-measurement of investments available for sale	-	-	(1,727,339)	(1,727,339)	(1,727,339)
Balance as at June 30, 2016	70,000,000	35,811,771	(1,727,339)	34,084,432	104,084,432
Profit for the year	-	22,220,271	-	22,220,271	22,220,271
Loss transferred to profit and loss account on disposal of investment available for sale	-	-	1,727,339	1,727,339	1,727,339
Gain on re-measurement of investments available for sale	-	-	39,887,025	39,887,025	39,887,025
Balance as at June 30, 2017	70,000,000	58,032,042	39,887,025	97,919,067	167,919,067

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

  
Chief Executive

  
Director



**AMPLE SECURITIES (PRIVATE) LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	2017 Rupees	2016 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (loss) after taxation	22,512,847	(2,066,284)
Adjustment for non-cash charges and other items		
Depreciation	89,557	191,510
Gain on disposal of vehicle	(47,014)	-
Impairment of trading right entitlement certificate	4,311,052	-
Capital gain / (loss) on disposal of shares	(26,708,366)	909,298
	(22,354,771)	1,100,808
	158,076	(965,476)
<b>Changes in Working Capital:</b>		
(Increase) / decrease in current assets		
Advance tax	(3,684,524)	34,051
Short-term investment	(115,100,536)	11,103,659
Trade debts	50,077,286	(2,445,819)
Advances	(4,390,378)	122,197
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	2,151,825	(111,176,279)
	(70,946,327)	(102,362,191)
Taxation	(292,576)	(94,653)
<b>Net cash used in operations</b>	(71,080,827)	(103,422,320)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(47,500)	-
Sales proceed from disposal of fixed assets	418,000	-
Sales proceed from long term investments	66,881,784	-
Long term deposit	(18,495,191)	5,400,000
<b>Net cash generated from investing activities</b>	48,757,093	5,400,000
<b>Net decrease in cash and cash equivalents (A+B)</b>	(22,323,734)	(98,022,320)
<b>Cash and cash equivalents at beginning of year</b>	7,440,117	105,462,437
<b>Cash and cash equivalents at end of year</b>	(14,883,617)	7,440,117

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

  
**Chief Executive**

  
**Director**



**AMPLE SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Ample Securities (Private) Limited was incorporated as a private limited company under the Companies Ordinance, 1984 (Now Companies Act, 2017) on June 12, 2002. The registered office is situated at 209, 2nd floor Business & Finance Centre, I.I Chundrigar Road, Karachi. The Company is a Trading Right Entitlement Certificate Holder of the Pakistan Stock Exchange Limited and member of Pakistan Mercantile Exchange Limited.

The principal activity of company is the business of stock brokerage and portfolio management.

**2 BASIS OF PREPARATION**

**2.1 Statement of Compliance**

During the year, the Companies Act 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan vide its circular no.17 of 2017 dated July 20, 2017 communicated that the Commission has decided that the companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, these financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the repealed Companies Ordinance, 1984, provisions of and directives issued under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.

**2.2 Basis of Measurement**

These financial statements have been prepared under the historical cost convention except for investment which are carried at fair value, without any adjustments for the effects of inflation or current values.

**2.3 Functional and presentation currency**

The financial statements are presented in Pak Rupees, which is also the Company's functional currency. All financial information presented in Pak Rupees has been rounded to the nearest rupee.

**2.4 Use of estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the 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 judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.



The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standard as, applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows: -

#### ***Property and equipment***

The Company reviews the rate of depreciation, useful life, residual value and value of assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding affect on the depreciation charge and impairment.

#### ***Intangible assets***

The Company reviews the rate of amortisation and value of intangible assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of intangible assets with a corresponding affect on the amortisation charge and impairment.

#### ***Trade debts***

Management reviews its trade debtors on a continuous basis to identify receivables where collection of the amount is no longer probable. These estimates are based on historical experience and are subject to change in condition at the time of actual recovery.

#### ***Income taxes***

In making the estimates for income taxes currently payable by the Company, the management looks at the current income tax laws and establish provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

### ***2.5 Standards, interpretations and amendments to approved accounting standards that are not yet effective***

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as follows :

#### ***2.5.1 New standards***

The Company has adopted the following revised standards and amendments of IFRSs which became effective for the current year:

IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements: Investment Entities: Applying the Consolidation Exception (Amendment)

IFRS 11 - Joint Arrangements: Accounting for Acquisition of Interest in Joint Operation (Amendment)

IFRS 1 - Presentation of Financial Statements: Disclosure Initiative (Amendment)



- IAS 16 - Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)

IAS 16 - Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)

IAS 27 - Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment)

The adoption of the above revised standards, amendments and improvements does not have any material effect on these financial statements.

*Standards, amendments and improvements to approved accounting standards that are not yet effective*

The following revised standards, amendments and improvements with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretations:

*Standard or Interpretation*

*Effective date  
(annual periods  
beginning on or after)*

IFRS 2 – Classification and Measurement of Share Based Payment Transactions (Amendment)

01 January 2018

IFRS 10 - Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)

Not yet finalised

IFRS 7 - Financial Instruments: Disclosures - Disclosure Initiative (Amendment)

01 January 2017

IAS 12 – Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

01 January 2017

IAS 40 - Investment Property: Transfers of Investment Property (Amendments)

01 January 2018

IFRS 4 - Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance

01 January 2018

IFRIC 22 - Foreign Currency Transactions and Advance Consideration

01 January 2018

IFRIC 23 - Uncertainty over Income tax treatment

01 January 2019

The Company expects that the adoption of the above standards and amendments will not have any material impact on the Company's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.



*Standard or Interpretation*

*Effective date  
(annual periods  
beginning on or after)*

IFRS 9 - Financial Instruments: Classification and Measurement	01 January 2018
IFRS 14 - Regulatory Deferral Accounts	01 January 2018
IFRS 15 - Revenue from Contracts with Customers	01 January 2018
IFRS 16 - Leases	01 January 2019
IFRS 17 - Insurance Contracts	01 January 2021

### **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **3.1 Property and Equipment**

These are initially measured at cost. Subsequent to initial recognition these are measured at cost less accumulated depreciation and impairment loss if any.

Depreciation is charged to income using the straight line method at the rates specified in the relevant note. Monthly depreciation is charged on additions during the month while no depreciation is charged on assets in the month of disposal.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

Gain or loss on disposal of an asset is charged to profit and loss account.

The Company reviews the useful lives and residual value of its assets on regular basis . Any change in the estimates in future years might affect the carrying amounts of the respective items of property, equipment with a corresponding effect on the depreciation charge.

#### **3.2 Intangible Assets**

An intangible asset is recognized as an assets if it is probable that economic benefits attributable to the assets will flow to the company and cost of the assets can be measured reliably.

Intangible assets having finite useful lives are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged from the date the asset is available for use while in the case of assets disposed of, it is charged till the date of disposal. The useful lives and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

Intangible assets having an indenite useful life are stated at cost less accumulated impairment losses, if any. An intangible asset is regarded as having an indefinite useful life, when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which asset is expected to generate net cash inflows for the Company.

An intangible asset with an indefinite useful life is not amortized. However, the carrying amount is reviewed at each reporting date or whenever there is an indication that the asset may be impaired, to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds the estimated recoverable amount, it is written down to its estimated recoverable amount.



- ✓ Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit and loss account when the asset is derecognised.

### **3.3 Investments**

Investments in securities are initially recognized at cost, being the fair value of the consideration given, including the transaction costs associated with the investment, except in case of investments at fair value through profit and loss, in which case these transaction costs are charged to the profit and loss account. These are classified and measured as follows:

#### ***Held to maturity investments***

Investments with a fixed maturity where the Company has the intent and ability to hold to maturity are classified as held-to-maturity investment. Held-to-maturity investments are carried at amortized cost using the effective interest rate method less any accumulated impairment losses.

#### ***Investments at fair value through profit or loss***

Investments which are acquired principally for the purposes of generating profit from short term fluctuations in price or are part of the portfolio in which there is recent actual pattern of short term profit taking are classified under this category. After initial recognition, these are re-measured at fair value. Gains or losses on re-measurement of these investments are recognized in the profit and loss account

#### ***Available-for-sale***

Investments which are not classified in preceding category is classified as available-for-sale investments. After initial recognition, these investments are re-measured at fair value. Surplus / deficit arising from re-measurement are taken to other comprehensive income until the investments are sold / disposed-off or until the investments are determined to be impaired, at which time, cumulative gain or loss previously reported in the other comprehensive income is included in the current year's profit and loss account

### **3.4 Advances**

Advances are carried at nominal amount. Provisions are made for doubtful amounts. Irrecoverable amounts are written off to profit and loss account,

### **3.5 Cash and cash equivalents**

These include cash in hand and bank balances and are carried at cost.

### **3.6 Trade and other payables**

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for client trade and services received up to the year end, whether or not billed to the Company. Trade payables in respect of securities purchased are recorded at settlement date of transaction.

### **3.7 Taxation**

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in statement of changes in equity or in which case it is recognised in equity.



### ***Current***

Provision for current taxation is based on taxability of certain income streams of the Company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credits and tax rebates available, if any.

### ***Deferred***

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the carrying amount of assets and liabilities used for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax is charged or credited to the profit and loss account.

### **3.8 Trade debts**

These are stated initially at fair value and subsequently measured at amortised cost less provision for impairment, if any.

A provision for impairment is recognised where there is objective evidence that the Company will not be able to collect all amounts due according to original terms of the receivable. The amount of provision is charged to profit and loss account.

Trade debts are written off when considered irrecoverable. Trade receivables in respect of securities sold on behalf of client are recorded at settlement date of transaction.

### **3.9 Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

However, provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

### **3.10 Revenue**

Brokerage, commission, consultancy and other income are recognised as and when such services are provided

Interest income is recognised on a time proportion basis using the effective interest rate of return.

Capital gain / (loss) on sale of securities are included in profit and loss account on the date at which the transaction takes place.



### **3.11 Financial instruments**

All financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instruments. All financial assets are derecognised at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognised at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gain or loss on derecognition of the financial assets and financial liabilities are taken to profit and loss account.

Financial assets and liabilities are initially measured at fair value plus directly attributable transaction costs and subsequently measured at fair value or amortised cost as the case may be.

### **3.12 Impairment**

#### ***Financial assets***

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

#### ***Non-Financial assets***

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the profit and loss account, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sale and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

### **3.13 Offsetting of financial assets and financial liabilities**

A financial asset and a financial liability are offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### **3.14 Related party transactions**

All transactions with related parties are carried out by the Company at arms' length price using the admissible pricing method.



#### 4 PROPERTY AND EQUIPMENT

Particular	Owned					Total
	Computer & allied	Remote Kats	Furniture & fixture	Office Equipment	Vehicle	
	Rupees					
<hr/>						
Net book value as at June 30, 2015	58,799	55,920	191,289	430,924	474,364	1,211,296
Depreciation charged	(17,640)	(16,776)	(19,129)	(43,092)	(94,873)	(191,510)
Net book value as at June 30, 2016	41,159	39,144	172,160	387,832	379,491	1,019,786
Additions	-	-	-	-	47,500	47,500
Disposal						
Cost					(1,769,000)	(1,769,000)
Accumulated depreciation					1,398,014	1,398,014
Depreciation charged	(12,348)	(11,743)	(17,216)	(38,783)	(9,467)	(89,557)
Net book value as at June 30, 2017	28,811	27,401	154,944	349,049	46,538	606,743
At June 30, 2016						
Cost	2,078,493	2,730,000	686,790	1,187,403	1,842,513	8,525,199
Accumulated depreciation	(2,037,334)	(2,690,856)	(514,630)	(799,571)	(1,463,022)	(7,505,413)
Net book value	41,159	39,144	172,160	387,832	379,491	1,019,786
At June 30, 2017						
Cost	2,078,493	2,730,000	686,790	1,187,403	121,013	6,803,699
Accumulated depreciation	(2,049,682)	(2,702,599)	(531,846)	(838,354)	(74,475)	(6,196,956)
Net book value	28,811	27,401	154,944	349,049	46,538	606,743
Rate of depreciation %	30%	30%	10%	10%	20%	



	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
<b>5 INTANGIBLES</b>			
<i>Trading Rights Entitlement Certificate (TREC)</i>			
Pakistan Stock Exchange Limited	5.1	1,000,000	5,311,052
<i>Membership</i>			
Pakistan Mercantile Exchange Limited		250,000	250,000
<i>Booths</i>			
Pakistan Stock Exchange Limited		440,000	440,000
		<u>1,690,000</u>	<u>6,001,052</u>

5.1 These represent Trading Right Entitlement Certificate (TREC) received from Pakistan Stock Exchange Limited (PSX) [formerly Karachi Stock Exchange Limited] in accordance with the requirements of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012 (The Act). The Company has also received shares of PSX after completion of the demutualisation process.

5.2 Trading right entitlement certificate is being impaired by Rs. 4.3 million.

## 6 LONG-TERM INVESTMENT

- Available for sale - at fair value

<i>2017 Number of Shares</i>	<i>2016 Number of Shares</i>		<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
1,602,953	4,007,383	Pakistan Stock Exchange Limited	6.1	<u>41,163,833</u>	<u>14,188,948</u>

6.1 Investment in shares of Pakistan Stock Exchange Limited is carried at the fair value. Sixty percent of the shares of Pakistan Stock Exchange Limited were sold during the year. While forty percent of the total shares have been credited to the Company's CDC account which are frozen.

	<i>2017 Rupees</i>	<i>2016 Rupees</i>
<b>7 LONG-TERM DEPOSITS</b>		
Central Depository Company of Pakistan Limited	100,000	100,000
Pakistan Stock Exchange Limited	18,200,000	204,809
Pakistan Mercantile Exchange Limited	750,000	750,000
Pakistan Mercantile Exchange Limited (Room Deposit)	2,500,000	2,500,000
National Clearing Company of Pakistan Limited	800,000	300,000
Telephone deposit	45,000	45,000
	<u>22,395,000</u>	<u>3,899,809</u>



		2017 Rupees	2016 Rupees
8	<b>DEFERRED TAX</b>		
	Deferred tax	-	-
	<i>Deferred taxation comprises differences relating to:</i>		
	<b>Credit arise in respect of the following:</b>		
	Tax losses	2,415,592	1,814,767
	Unrecognised deferred tax asset	2,415,592	1,814,767
		-	-

8.1 The deferred tax asset of Rs.1.136 million (2016 : Rs.1.814) has not been recognised owing to uncertainty regarding future profitability against which deferred tax asset could be set off.

	Note	2017 Rupees	2016 Rupees
9	<b>TRADE DEBTS</b>		
	<i>Considered good</i>		
	Receivable from clients	4,244,287	55,632,798
	Receivable from National Clearing Company of Pakistan Ltd.	1,861,115	549,890
		6,105,402	56,182,688
9.1	<i>Receivable from clients</i>		
	Considered good	4,244,287	55,632,798
	Considered doubtful	18,272	-
		4,262,559	55,632,798
	Provision for doubtful receivables	(18,272)	-
		4,244,287	55,632,798
9.2	<i>Clients securities pledged</i>		

The total value of securities pertaining to clients are Rs. 1,318.249 million held in sub-accounts of the company. Among which securities of Rs. 79.258 million are pledged by client to the financial institutions.

The above receivables include amounting to Rs. 3,446,900 which are due more than five days. Therefore provision is provided for amounting Rs. 18,272 where value of collateral in the form of listed shares decreased after applying hair cut.

		2017 Rupees	2016 Rupees
10	<b>ADVANCES AND OTHER RECEIVABLES</b>		
	<i>- Considered good</i>		
	Advances to staff	-	97,890
	Receivables from Chinese Consortium	4,488,268	-
		4,488,268	97,890



		Note	2017 Rupees	2016 Rupees
<b>11 SHORT-TERM INVESTMENTS</b>				
<i>Available for sale - through equity</i>				
In quoted securities		11.1	<u>112,446,055</u>	<u>22,879,458</u>
<b>11.1 Available for sale - through equity</b>				
<i>In quoted securities</i>				
2017 Number of Shares	2016	Name of Security	Market value	
			2017 Rupees	2016 Rupees
5,500	-	Al-Abid Silk Mills Limited	44,055	-
21,500	-	Adam Sugar Mills Limited	913,750	-
1,825,000	-	Askari Bank Limited	36,810,250	-
100,000	-	Azgard Nine Limited	1,113,000	-
615,000	-	Fauji Fertilizer Bin Qasim Limited	26,346,600	-
5,000	-	Gul Ahmed Textile Mills Limited	204,900	-
407,500	-	Habib Sugar Mills Limited	15,260,875	-
1,000,000	-	K-Electric Limited	6,900,000	-
75,500	-	Leiner Pak Gelatine Limited	2,416,000	-
150,000	-	National Bank Of Pakistan	8,851,500	-
22,500	-	Picic Growth Fund	697,500	-
25,000	-	Pakistan International Bulk Terminal Limited	579,000	-
5,000	-	Pakistan State Oil Company Limited	1,936,750	-
115,000	-	Quice Food Industries Limited	762,450	-
124,500	-	Sui Southern Gas Company Limited	3,071,880	-
50,000	-	Trg Pakistan Limited - Class 'A'	4,533,045	-
1,828,500	674,500	Silk Bank Limited	2,004,500	1,146,650
-	1,259,326	NIB Bank Limited	-	2,405,313
-	450,000	The Bank of Punjab	-	3,618,000
-	296,000	Engro Polymer and Chemicals Limited	-	2,516,000
-	592,500	Lotte Chemical Pakistan Limited	-	3,560,925
-	1,035,000	Media Times Limited	-	1,728,450
-	32,000	Maple Leaf Cement Factory Limited	-	3,376,320
-	100,000	Pace (Pakistan) Limited	-	625,000
-	492,000	Pakistan International Airlines Corp. Ltd.(A	-	3,483,360
-	214,000	World Call Telecom Limited	-	419,440
			<u>112,446,055</u>	<u>22,879,458</u>

Fair value of shares pledged with Pakistan Stock Exchange Limited and the banking company amounted to Rs.27.573 million (2016: 14.348 million).

	2017 Rupees	2016 Rupees
<b>12 TAX REFUNDS DUE FROM GOVERNMENT</b>		
Opening tax refund	8,739,365	8,773,416
Provision for the year	(292,576)	(253,117)
Refund during the year	<u>(2,771,849)</u>	<u>(3,203,775)</u>
	5,674,940	5,316,524
Tax paid during the year	<u>6,748,949</u>	<u>3,422,841</u>
	<u>12,423,889</u>	<u>8,739,365</u>



	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
<b>13 CASH AND BANK BALANCES</b>			
Cash in hand		3,685	11,121
Cash at bank	13.1	42,612,698	13,258,437
		<u>42,616,383</u>	<u>13,269,558</u>

**13.1 Balance pertaining to :**

- brokerage house	24,868,927	354,898
- clients	17,743,771	12,903,539
	<u>42,612,698</u>	<u>13,258,437</u>

**14 ISSUED, SUBSCRIBED AND PAID UP CAPITAL**

<i>2017</i>	<i>2016</i>			
<i>Number of Shares</i>				
4,050,000	4,050,000	Ordinary shares of Rs.10 each issued for cash	40,500,000	40,500,000
2,950,000	2,950,000	Ordinary shares of Rs.10 each issued for Consideration other than cash	29,500,000	29,500,000
<u>7,000,000</u>	<u>7,000,000</u>		<u>70,000,000</u>	<u>70,000,000</u>

**15 SHORT-TERM BORROWING**

<i>- Secured</i>				
<i>- From Banking Company</i>				
Running finance	15.1	-	5,829,441	
<i>- Unsecured</i>				
<i>- From Related Party</i>				
Loan from director	15.3	57,500,000	-	
		<u>57,500,000</u>	<u>5,829,441</u>	

**15.1** This represents running finance facility from banking company against sanction limit of Rs.90 million. It is secured against, pledge of shares quoted at Pakistan Stock Exchange Limited, trade receivables and personal guarantee of directors. It carries mark-up @ 3 months KIBOR + 2% per annum.

**15.2** The company has availed letter of guarantee facilities of Rs.10.00 (2016 : Rs.10.00) million from banking company. It is secured against personal deposits of director of the Company.

**15.3** This is unsecured and interest free loan obtained from director of the Company.



	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
<b>16 TRADE AND OTHER PAYABLES</b>			
Trade creditors		17,743,771	15,987,895
Accrued liabilities		772,735	376,786
		<u>18,516,506</u>	<u>16,364,681</u>

## **17 CONTINGENCY AND COMMITMENT**

### **Contingency**

Guarantee issued by bank on behalf of the Company	17.1	<u>10,000,000</u>	<u>10,000,000</u>
---	------	-------------------	-------------------

**17.1** The above guarantee has facility limit of Rs. 10 million secured against personal securities of director of the company. The aforesaid guarantee has been furnished to National Clearing Company of Pakistan.

### **Commitment**

Commitment against unrecorded transactions executed before the year end having settlement date subsequent to year end:

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
For purchase of shares		<u>91,461,319</u>	<u>55,187,218</u>
For sale of shares		<u>99,569,365</u>	<u>48,711,308</u>

## **18 OPERATING REVENUE**

Net Brokerage commission	18.1	14,452,529	9,465,289
Capital gain / (loss) on deposal of shares		26,708,366	(909,298)
Dividend income		1,074,062	1,282,363
Interest income		1,279,724	909,165
Share application commission		112,699	230,345
		<u>43,627,380</u>	<u>10,977,864</u>

**18.1** Brokerage commission income consists of Rs. 12.776 million from retail customers and Rs. 1.676 million from institutional customers.

Net brokerage commission represent net of commission expense related to dealers' amounting Rs.13.749 million.



	<i>Note</i>	<i>2017</i> <i>Rupees</i>	<i>2016</i> <i>Rupees</i>
<b>19 ADMINISTRATIVE AND OPERATING EXPENSES</b>			
Salaries and other benefits		5,448,290	5,799,598
Laga charges		1,351,531	1,261,040
Donation		250,000	-
PSX service charges		17,000	8,000
C.D.C charges		1,005,318	994,808
PSX brokers association		25,000	25,000
PMEX annual fee		52,000	55,000
NCC service charges		680,934	606,827
CGT tariff		40,000	-
SECP expenses		88,905	288,905
Rent, rate and taxes		12,000	22,000
Electricity		268,201	269,565
Telephone and mobile		200,816	227,721
Printing and stationery		55,305	72,981
Vehicle running expenses		5,560	98,000
Repair and maintenance - Office		167,736	149,544
Repair and maintenance - Generator		18,000	-
Travelling expense		97,000	65,500
Conveyance expense		5,150	-
Legal and professional charges		190,600	161,750
Professional tax		76,350	76,350
Auditors' remuneration	19.1	147,500	135,900
Entertainment and water charges		32,652	32,789
General expense		130,153	157,217
I.T Service charges		271,201	251,200
Computer supplies and expenses		204,065	65,090
Multi net and Internet expenses		285,600	283,200
Software expenses		25,426	261,722
Bad debts expense		5,142,854	-
Depreciation	4	89,557	191,510
		<u>16,384,704</u>	<u>11,561,217</u>

**19.1 Auditors' remuneration**

Statutory audit fee	85,000	81,000
Certification fee	60,000	53,400
Out of pocket expenses	2,500	1,500
	<u>147,500</u>	<u>135,900</u>

**20 OTHER CHARGES**

Impairment of trading right entitlement certificate	5.2	<u>4,311,052</u>	-
---	-----	------------------	---

**21 OTHER INCOME**

*Income from non-financial assets*

Gain on disposal of vehicles		<u>47,014</u>	-
------------------------------	--	---------------	---



	2017 Rupees	2016 Rupees
<b>22 FINANCIAL CHARGES</b>		
Mark up charges	158,998	1,203,876
Bank charges	306,793	279,055
	<u>465,791</u>	<u>1,482,931</u>

## 23 TAXATION

Current year	<u>292,576</u>	<u>94,653</u>
--------------	----------------	---------------

## 24 CASH AND CASH EQUIVALENTS

Cash and bank balances	42,616,383	13,269,558
Short term borrowing	(57,500,000)	(5,829,441)
	<u>(14,883,617)</u>	<u>7,440,117</u>

## 25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Followings are the financial assets and liabilities at year end.

### FINANCIAL ASSETS AND LIABILITIES

#### Financial assets

Long-term investments	41,163,833	14,188,948
Short-term investments	112,446,055	228,794,58
Trade debts	6,105,402	56,182,688
Advances and other receivables	4,488,268	97,890
Cash and bank balances	42,616,383	13,269,558
	<u>206,819,941</u>	<u>106,618,542</u>

#### Financial Liabilities

Short-term borrowing	57,500,000	5,829,441
Trade and other payables	18,516,506	16,364,681
	<u>76,016,506</u>	<u>22,194,122</u>

The Company's activities expose it to a variety of financial risks: capital risk, credit risk, liquidity risk and market risk (interest / mark-up rate risk and price risk). The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below.

Risk managed and measured by the Company are explained below: -

- Credit risk
- Liquidity risk
- Market Risk



The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. All treasury related transactions are carried out within the parameters of these policies.

### 25.1 Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Company believes that it is not exposed to major concentration of credit risk. To manage exposure to credit risk, Company applies credit limits and deal with credit worthy parties. It makes full provision against those balances considered doubtful and by dealing with variety of major banks and financial institutions.

The carrying amounts of financial assets represent the maximum credit exposure, as specified below: -

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
Long-term investments	6	41,163,833	14,188,948
Trade debts	9	6,105,402	56,182,688
Short-term investments	11	112,446,055	22,879,458
Advances and other receivables	10	4,488,268	97,890
Cash at banks	13.1	42,612,698	13,258,437
		<u>206,816,256</u>	<u>106,607,421</u>

The maximum exposure to credit risk for trade debtors and other receivables at the balance sheet date are as follows:

	<i>2017</i>	
	<i>Gross Rupees</i>	<i>Impairment Rupees</i>
Not past due	790,162	-
Past due 1-30 days	3,024,238	-
Past due 31 days - 180 days	182,535	-
More than 181 days	265,622	-
	<u>4,262,557</u>	<u>-</u>

	<i>2016</i>	
	<i>Gross Rupees</i>	<i>Impairment Rupees</i>
Not past due	21,602,453	-
Past due 1-30 days	24,873,349	-
Past due 31 days - 180 days	4,589,758	-
More than 181 days	5,117,128	-
	<u>56,182,688</u>	<u>-</u>



## 25.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of adequate funds through committed credit facilities and the ability to close out market positions due to dynamic nature of the business. Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

The following are the contractual maturities of financial liabilities, including estimated interest payments:-

2017				
<i>Carrying Amount</i>	<i>Contractual cash flows</i>	<i>Upto one year</i>	<i>More than one year</i>	
----- Rupees -----				
<b>Financial liabilities</b>				
Short-term borrowing	57,500,000	57,500,000	57,500,000	-
Trade and other payables	18,516,506	18,516,506	18,516,506	-
	76,016,506	76,016,506	76,016,506	-
2016				
<i>Carrying Amount</i>	<i>Contractual cash flows</i>	<i>Upto one year</i>	<i>More than one year</i>	
----- Rupees -----				
<b>Financial liabilities</b>				
Short-term borrowing	5,829,441	5,829,441	5,829,441	
Trade and other payables	16,364,681	16,364,681	16,364,681	
	22,194,122	22,194,122	22,194,122	-

## 25.3 Market risk

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and equity prices. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risk: foreign exchange or currency risk, interest / mark up rate risk and price risk. The market risks associated with the Company's business activities are discussed as under:-

### Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign Currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

Currently the Company is not exposed to any currency risk because the company is not dealing in any foreign currency transactions.



### *Interest / mark up rate risk*

Financial assets and liabilities include balances of Rs.42.613 million (2016 : Rs. 13.253 million) which are subject to interest rate risk. Applicable interest/mark-up rates for financial assets and liabilities have been indicated in respective notes.

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted.

At the balance sheet date, the interest rate profile of the Company's significant interest bearing financial instruments was as follows: -

	2017	2016
	<i>Carrying amount</i>	
<i>Financial assets</i>		
Cash and bank balances	42,612,698	13,258,437
<i>Financial liability</i>		
Short-term borrowing	57,500,000	5,829,441

### *Sensitivity analysis*

The Company does not account for any fixed rate financial asset and liabilities at fair value through profit or loss. Therefore, a change in interest rate will not effect fair value of any financial instrument and company does not have any variable rate instrument which effect profit and loss account and equity.

The following information summarizes the estimated effects of hypothetical increases and decreases in interest rates on cash flows from financial assets and liabilities that are subject to interest rate risk. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. The hypothetical changes in market rates do not reflect what could be deemed best or worst case scenarios. Variations in market interest rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

	<i>Profit and loss 100 bp</i>	
	<i>increase</i>	<i>decrease</i>
<i>As at June 30, 2017</i>		
Cash flow sensitivity -Variable rate financial instruments	(11,207)	11,207
<i>As at June 30, 2016</i>		
Cash flow sensitivity -Variable rate financial instruments	2,947	(2,947)

### *Price risk*

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest / mark up 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 or similar financial instruments traded in the market.



The Company's strategy is to hold its strategic equity investments for long period of time. Thus, Company's management is not concerned with short term price fluctuations with respect to its strategic investments provided that the underlying business, economic and management characteristics of the investee remain favorable which if not, impairment loss has been recognised and other opportunities may be considered. Company manages price risk by monitoring exposure in quoted equity securities and implementing the strict discipline in internal risk management and investment policies.

The carrying value of investments subject to equity price risk are, in almost all instances, based on quoted market prices as of the balance sheet date except for, unquoted associates which are carried at fair value determined through latest sales price. Market prices are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

### *Sensitivity analysis*

The table below summarizes Company's equity price risk as of June 30, 2017 and 2016 and shows the effects of hypothetical 10% increase and a 10% decrease in market prices as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worst because of the nature of the equity market and aforementioned concentrations existing in company's equity investment portfolio.

	<i>Fair Value Rupees</i>	<i>Hypothetical price change</i>	<i>Estimated fair value after hypothetical change in prices Rupees</i>	<i>Hypothetical increase (decrease) in Shareholders' Equity Rupees</i>
<b>June 30, 2017</b>	<b>112,446,055</b>	<b>10% increase</b>	<b>123,690,661</b>	<b>11,244,606</b>
		<b>10% decrease</b>	<b>101,201,450</b>	<b>(11,244,605)</b>
<b>June 30, 2016</b>	<b>22,879,458</b>	<b>10% increase</b>	<b>123,690,661</b>	<b>100,811,203</b>
		<b>10% decrease</b>	<b>101,201,450</b>	<b>78,321,992</b>

### *25.4 Fair value of financial instruments*

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

### *25.5 Fair value hierarchy*

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable).



	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>----- Rupees -----</i>		
<i>June 30, 2017</i>			
Investments available for sale	<u>153,609,888</u>	-	-
<i>June 30, 2016</i>			
Investments available for sale	<u>22,879,458</u>	-	<u>14,188,948</u>

## 26 CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development of the business and maximize shareholders value. The Company closely monitors the return on capital along with the level of distributions to ordinary shareholders. No changes were made in the objectives, policies or processes during the year ended June 30, 2017.

The Company monitors capital by effective control over expenses and investment. Therefore no debt is taken by the company.

<i>Chief Executive</i>		<i>Director</i>	
<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
<i>----- Rupees -----</i>		<i>----- Rupees -----</i>	

## 27 CHIEF EXECUTIVE REMUNERATION

Managerial remuneration	<u>563,334</u>	<u>520,000</u>	<u>476,667</u>	<u>440,000</u>
House rent allowance	<u>225,333</u>	<u>208,000</u>	<u>190,667</u>	<u>176,000</u>
Utilities	<u>56,333</u>	<u>52,000</u>	<u>47,666</u>	<u>44,000</u>
	<u>845,000</u>	<u>780,000</u>	<u>715,000</u>	<u>660,000</u>
No. of person	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

## 28 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise directors of the Company and key management Personnel. The Company continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions. Transaction with associated undertakings and key management personnel under the term of their employment, are as follows: -

	<i>2017</i>	<i>2016</i>
	<i>Rupees</i>	<i>Rupees</i>
Brokerage income earned from		
Director	<u>2,577,887</u>	<u>1,050,379</u>
Outstanding balances		
Directors -Trade creditors	<u>4,440,916</u>	<u>5,919,165</u>
Chief executive and director -Trade debts	<u>-</u>	<u>4,850,306</u>



## 29 PATTERN OF SHAREHOLDINGS

Following are the shareholders having more than 5% holding as at June 30, 2017:

<i>Sr. No.</i>	<i>Name of Shareholders</i>	<i>No. of Shares Held</i>	<i>Percentage %</i>
1	Muhammad Hussain	5,445,250	77.79%
2	Adbul Hameed	577,750	8.25%
3	Muhammad Amin	450,000	6.43%
4	Muhammad Zahid	350,000	5.00%
5	Other minor shareholders	177,000	2.53%
		<u>7,000,000</u>	<u>100.00%</u>

## 30 OPERATING SEGMENT

These financial statements have been prepared on the basis of a single reportable segment which is consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

The internal reporting provided to the chief operating decision-maker relating to the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of approved accounting standards as applicable in Pakistan. There were no change in the reportable segments during the year.

The Company is domiciled in Pakistan. The Company's revenue is generated from shares brokerage and portfolio management.

All non-current assets of the Company at June 30, 2017 are located in Pakistan.

## 31 NUMBER OF EMPLOYEES

Number of employees as at

2017

2016

12

13

Average number of employees

13

13

## 32 DATE OF AUTHORIZATION FOR ISSUE

The financial statements were approved by the Board of Directors and were authorized for issue on **09 SEP 2017**

## 33 GENERAL

Figures have been rounded off to the nearest rupee.

  
Chief Executive

  
Director