

GENEVA GROUP INTERNATIONAL  
SWITZERLAND

MUDASSAR EHTISHAM & Co.  
Chartered Accountants  
Incorporated in Pakistan  
(Chartered)

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of KHAWAJA SECURITIES PRIVATE LIMITED ("THE COMPANY") as at June 30, 2015 and the related profit and loss account, 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, in our best of our knowledge and belief, were necessary for the purposes of our audit.

**KHAWAJA SECURITIES  
(PRIVATE) LIMITED**

**Financial Statements  
for the Year Ended 30 June, 2015**

It is the responsibility of the Company's management to prepare and present the financial statements in accordance with the accounting standards and the requirements of the Companies Ordinance, 1984, and to express an opinion on these statements based on that audit.

We conducted our audit in accordance with the standards of the Institute of Chartered Accountants of Pakistan. These standards require us to plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of material misstatement. An audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also involves 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 basis for our opinion. After due verification, we report that:

a. The financial statements have been prepared by the Company as required by the Companies Ordinance, 1984.

b. The balance sheet and profit and loss account together with the notes thereto have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and the returns in support thereof and are in accordance with accounting principles generally accepted in Pakistan.

**MUDASSAR EHTISHAM & CO.  
CHARTERED ACCOUNTANTS**

c. In our opinion, Khatam-e-Karim is a private company and the financial statements for the year ended 30 June 2015 are in accordance with the Companies Ordinance, 1984, and are in agreement with the books of account and the returns in support thereof and are in accordance with accounting principles generally accepted in Pakistan.

Mudassar Ehtisham & Co.  
Chartered Accountants  
Incorporated in Pakistan

Lahore  
1 June 2015

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GENEVA GROUP INTERNATIONAL  
SWITZERLAND

**MUDASSAR EHTISHAM & Co.**

Chartered Accountants

Independent Member of Geneva Group International  
(Switzerland)

### AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **KHAWAJA SECURITIES PRIVATE LIMITED ("THE COMPANY")** as at June 30, 2015 and the related profit and loss account, 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 account 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 account, cash flow statement and statement of changes in equity 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, 2015 and of the profit, its cash flows and changes in equity for the year then ended; and
- d. in our opinion, Zakat deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

*Mudassar Ehtisham*

Mudassar Ehtisham & Co.  
Chartered Accountants  
Engagement Partner: Muhammad Ehtisham

Lahore  
August 24, 2015

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Khawaja Securities Private Limited  
Balance Sheet  
As at 30 June 2015

		2015	2014
	Note	Rupees	Rupees
<b>Non-Current Assets</b>			
Fixed Assets			
Property and Equipment	4.1	366,499	421,204
Intangible Asset	4.2	6,700,000	6,700,000
Rooms		8,275,200	6,566,400
		<u>15,341,699</u>	<u>13,687,604</u>
Long Term Deposits	5	430,000	430,000
Long Term Investments	6	9,553,797	9,553,797
		<u>9,983,797</u>	<u>9,983,797</u>
<b>Current Assets</b>			
Short Term Investment	7	35,938,172	13,039,413
Accounts Receivables	8	32,132,530	51,447,335
Advances, Loans and Other Receivables	9	2,383,774	2,913,618
Cash and Bank Balances	10	9,742,157	9,647,125
		<u>80,196,633</u>	<u>77,047,491</u>
		<u>105,522,129</u>	<u>100,718,892</u>
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized Share Capital	11		
8,000,000 (2014:8,000,000) Ordinary Shares of Rs 10/- each		<u>80,000,000</u>	<u>80,000,000</u>
Issued, Subscribed and paid up share capital			
4,630,185 (2014:4,630,185) Ordinary Shares of Rs10/- each fully paid	12	46,301,850	46,301,850
Capital Reserve		30,000,000	30,000,000
Accumulated Loss		(12,948,726)	(26,200,900)
		<u>63,353,124</u>	<u>50,100,950</u>
<b>Non Current Liabilities</b>			
Loan from Directors- unsecured	13	30,472,829	30,472,829
<b>Current Liabilities</b>			
Trade & Other Payables	14	9,678,410	17,444,978
Provision for Taxation	15	2,017,766	2,700,135
		<u>11,696,176</u>	<u>20,145,113</u>
<b>Contingencies and commitments</b>	16	-	-
		<u>105,522,129</u>	<u>100,718,892</u>

The annexed notes.1 to 25 form an integral part of these financial statements.

Lahore: -

Chief Executive

Director





# Khawaja Securities Private Limited

## Profit and Loss Account

For the year ended 30 June 2015

	Note	2015 Rupees	2014 Rupees
<b>Revenue</b>			
Income From Brokerage	17	7,968,815	8,732,538
Income From Investment -Net		14,998,137	25,477,713
		<b>22,966,952</b>	<b>34,210,251</b>
<b>Expenditure</b>			
Administrative Expenses	18	(8,426,571)	(8,421,001)
		<b>14,540,381</b>	<b>25,789,250</b>
Other Operating Income	19	619,648	1,352,456
		<b>15,160,029</b>	<b>27,141,706</b>
Financial Charges	20	(5,550)	(303,180)
Gain/ (Loss) on re-measurement of investments carried at Value through profit and loss account - net		115,461	-
<b>Profit / (Loss) before taxation</b>		<b>15,269,940</b>	<b>26,838,526</b>
Taxation	15	(2,017,766)	(2,700,135)
<b>Profit / (Loss) after taxation</b>		<b>13,252,174</b>	<b>24,138,391</b>

The annexed notes 1 to 25 form an integral part of these financial statements.

Lahore:

Chief Executive



Director



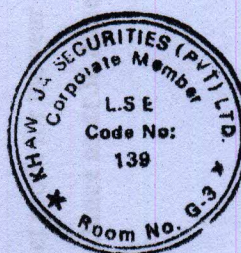
**Khawaja Securities Private Limited**  
**Cash Flow Statement**  
*For the year ended 30 June 2015*

	Note	2015 Rupees	2014 Rupees
<b>Cash flows from operating activities</b>		15,269,940	26,838,526
Profit before taxation			
Adjustments for non cash items:			
Depreciation		54,705	64,811
Finance cost		5,550	303,180
		<b>60,255</b>	<b>367,991</b>
<b>Operating profit before working capital changes</b>		<b>15,330,195</b>	<b>27,206,517</b>
<b>Changes in operating assets and liabilities</b>			
(Increase)/decrease in:			
Accounts Receivable		19,314,805	(25,215,813)
Advances, Deposits and other receivables		529,844	(1,239,491)
Trade Creditors & Other Payable		(7,766,568)	(27,957,739)
		<b>12,078,081</b>	<b>(54,413,043)</b>
<b>Cash utilized in operations</b>		<b>27,408,276</b>	<b>(27,206,526)</b>
Financial charges paid		(5,550)	(303,180)
Long Term security deposits		-	-
Taxes paid		(2,700,136)	(2,700,135)
		<b>(2,705,686)</b>	<b>(3,003,315)</b>
<b>Net cash used in operating activities</b>		<b>24,702,590</b>	<b>(30,209,841)</b>
<b>Cash flows from investing activities</b>			
Purchase of Assets		(1,708,800)	(62,960)
Investment in Short term Securities		(22,898,759)	33,150,822
<b>Net cash used in investing activities</b>		<b>(24,607,559)</b>	<b>33,087,862</b>
<b>Cash flows from financing activities</b>			
Loans from Directors		-	-
<b>Net cash generated from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>95,031</b>	<b>2,878,021</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>9,647,125</b>	<b>6,769,104</b>
<b>Cash and cash equivalents at the end of the year</b>	10	<b>9,742,157</b>	<b>9,647,125</b>

The annexed notes 1 to 25 form an integral part of these financial statements.

Lahore:

Chief Executive



Director



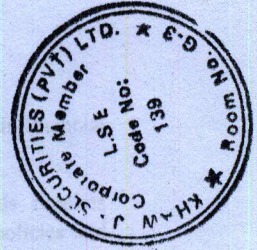
# Khawaja Securities Private Limited

## Statement of Changes in Equity

For the year ended 30 June 2015

	Share capital Rupees	Share premium Rupees	General Reserve Rupees	Unappropriated profit/ (Loss) Rupees	Total Rupees
Balance as at 1st July, 2013	46,301,850	-	30,000,000	(50,339,291)	25,962,559
Net Loss for the year ended 30 June 2014	-	-	-	24,138,391	24,138,391
<b>Balance as at 30 June 2014</b>	<b>46,301,850</b>	<b>-</b>	<b>30,000,000</b>	<b>(26,200,900)</b>	<b>50,100,950</b>
Balance as at 1st July, 2014	46,301,850	-	30,000,000	(26,200,900)	50,100,950
Net profit for the year ended 30 June 2015	-	-	-	13,252,174	13,252,174
<b>Balance as at 30 June 2015</b>	<b>46,301,850</b>	<b>-</b>	<b>30,000,000</b>	<b>(12,948,726)</b>	<b>63,353,124</b>

The annexed notes 1 to 25 form an integral part of these financial statements.



Lahore:

Chief Executive

Director



# Khawaja Securities Private Limited

## Notes to the Financial Statements

For the year ended 30 June 2015

### 1 The Company's operations and registered office

Khawaja Securities (Pvt) Ltd ("the Company") was incorporated in 3rd March, 2006 as a SMC private limited Company under the Companies Ordinance, 1984. The Company is mainly engaged in the business of share brokerage, portfolio management, investment advisory and consultancy services. The Company is a member of Lahore Stock Exchange (Guarantee) Limited. The registered Office of the Company is situated at Room No.M-2, Stock Exchange Building, 19- Khayabane-Aiwan-e-Iqbal, Lahore.

### 2 Statement of compliance

These accounts have been prepared in accordance with the approved International Accounting Standards (IAS) issued by the International Accounting Standards Committee (IASC) and interpretations issued by the Standards Interpretations Committee of the IASC, as applicable in Pakistan. Approved Accounting Standards comprise of Accounting and Financial Reporting Standard for Medium-Sized Entities (MSEs) issued by The Institute of Chartered Accountants of Pakistan and the requirements of the Companies Ordinance, 1984, along with the requirements of the Securities and Exchange Commission of Pakistan (SECP). Wherever, the requirements of the Companies Ordinance, 1984, the Rules, the Regulations or the directives issued by the SECP differ with the requirements of these IAS, the requirements of the Ordinance, the Rules, the Regulations or the requirements of the said directives take precedence.

### 3 Significant accounting policies

#### 3.1 Accounting Convention

The financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at their fair value or amortized cost as applicable.

The preparation of financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

#### 3.2 Property and equipment

These are stated at historical cost less accumulated depreciation and impairment losses, if any, except freehold land and capital work in progress are stated at Cost.

Depreciation is calculated using the reducing balance method, at the rates specified in the fixed assets schedule, which are considered appropriate to write off the cost of the assets over their estimated useful lives. The Depreciation on property and equipment is charged on monthly basis.

#### 3.3 Intangible assets

This is stated at cost less impairment losses, if any. The carrying amounts are reviewed at each balance sheet date to assess whether these are recorded in excess of their recoverable amounts, and where carrying value is in excess of recoverable amount, these are written down to their estimated recoverable amount.

#### 3.4 Long Term Deposits and Loans

Long term deposits and Loans are stated at Cost.

#### 3.5 Loans and Receivables

These are non derivative financial Assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in income when the loans and receivables are de-recognised or impaired as well as through the amortization process.

MB/KS.



**3.6 Taxation**  
**Current**

The charge for current taxation is based on taxable income at current rate of taxation of the Income Tax Ordinance, 2001 after taking into account applicable tax credits and rebates, if any. On Income subject to Normal Taxation and no presumptive basis on Income subject to Final Taxation.

**Deffered Taxation**

The company accounts for deffered taxation, using the liability method on all temporary timing differences. However, deffered tax is no provided if it can be established with reasonable accuracy that these differences will not reserve in the foreseeable future.

**3.7 Trade and settlement date accounting**

All " regular way" purchases and sales of listed securities are recognized on the trade date, i.e. the date that the Company commits to purchase/ sell the asset. Regular way purchase or sale of financial assets are those, the contract for which requires delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

**3.8 Securities under repurchase/reverse repurchase agreements**

Transactions of repurchase/ reverse repurchase of investment securities are entered into at contracted rate for specified periods of time and are accounted for as follows.

**3.9 Revenue recognition**

- a) Brokerage, advisory fees, commission and other income are accrued as and when due.
- b) Dividend income on equity investments is recognized, when the right to receive the same is established.
- c) Gains or losses on sale of investments are recognized in the period in which they arise.
- d) Underwriting commission is recognized when the agreement is executed. Take-up commission is recognized at the time commitment is fulfilled.
- e) Consultancy, advisory fee and service charges are recognized as and when earned.
- f) Unrealized capital gains/(losses) arising from marking to market of investments classified as 'financial assets at fair value through profit or loss - held for trading' are included in profit and loss account in the period in which they arise.

**3.10 Return on financing and borrowings**

Return on financing and borrowings is recognized on a time proportionate basis taking into account the relevant issue date and final maturity date.

**3.11 Provisions**

A provision is recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

**3.12 Cash and cash equivalents**

For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand, balance with banks on current and deposit accounts and short term running finance account.

**3.13 Contingencies and Commitments**

Capital commitments and Contingences, unless those are actual liabilities, are not incorporated in the accounts.

4	Fixed assets	Note	2015	2014
			Rupees	Rupees
	Property and equipment	4.1	366,499	421,204
	Intangible	4.2	6,700,000	6,700,000
			<u>7,066,499</u>	<u>7,121,204</u>

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## 4.1 Tangible

PARTICULARS	COST			DEPRECIATION			Book value	Depreciation rate %
	As at 01 July 2014	Additions during the year	As at 30 June 2015	As at 01 July 2014	For the year	Deletions	As at 30 June 2015	
OWNED								
Office equipments	590,150	-	590,150	302,822	28,733	-	331,555	10
Computer accessories	85,285	-	85,285	71,887	4,019	-	75,906	30
Furniture and fixtures	425,431	-	425,431	326,381	19,810	-	346,191	20
Vehicle	54,000	-	54,000	32,572	2,143	-	34,715	10
	1,154,866	-	1,154,866	733,662	54,705	-	788,367	366,499
Rupees 2015	1,154,866	-	1,154,866	733,662	54,705	-	788,367	366,499
Rupees 2014	1,091,906	62,960	1,154,866	668,851	64,811	-	733,662	421,204

## 4.2 Intangible

	June 2015	June 2014
Pakistan Mercantile Fee	2,700,000	2,700,000
Membership Card Value	4,000,000	4,000,000
Transfer to Long term Investment ( LSE Shares )	-	-
Impairment for the year	4,000,000	4,000,000
Membership Card Value	<u>6,700,000</u>	<u>6,700,000</u>

M. J. Khan



	2015	2014
	Rupees	Rupees
	400,000	400,000
	30,000	30,000
	430,000	430,000

5.1

5.1

5.1 Long term deposits represent security deposit Rs.430,000 (2014: Rs. 430,000) to Lahore Stock Exchange Limited.

#### 6 Long Term Investments

Lahore Stock Exchange Shares - Unquoted  
Rate

6.1

	843,975	843,975
	11.32	11.32
	9,553,797	9,553,797

6.1 The Company has pledged/ hypothecated TREC Certificate of Lahore Stock Exchange Limited (LSE) and 337,590 ordinary shares of LSE with LSE in compliance with Base Minimum Capital (BMC) requirement under Regulation 2.1 of the Regulations Governing Risk Management of the LSE.

#### 7 Short Term Investment

Sr. No.	Symbol	Company Name ( Listed)	Qty	Price	Amount
1	ATRL	Attock Refinery Limited	35,000	228.45	7,995,750
2	BOP	The Bank Of Punjab	100,000	9.13	913,000
3	CHCC	Cherat Cement Company Limited	15,000	87.03	1,305,450
4	EFERT	Engro Fertilizer Limited	35,000	88.69	3,104,150
5	ENGRO	Engro Corporation Limited	15,000	296.8	4,452,000
6	FABL	Faysal Bank Limited	100,000	15.72	1,572,000
7	GHNI	Gandahara Industries Limited	10,000	71.23	712,300
8	HBL	Habib Bank Limited	15,000	215.15	3,227,250
9	KAPCO	Kot Adu Power Company Limited	27,500	86.04	2,366,100
10	KEL	K-Electric Company	2,000	8.42	16,840
11	LPCL	Lafarge Pakistan Cement Limited	400,000	19.46	7,784,000
12	MLCF	Maple Leaf Cement Factory Limited	10,000	78.56	785,600
13	SPEL	Synthetic Products Enterprise Limited	31,000	54.87	1,700,970
14	AKBL	Askari Bank Limited	128	21.21	2,715
15	JOVC	Javed Omer Vohra & Company Limited	16	1.9	30
16	KEL	K-Electric Company	2	8.42	17

	35,938,172	13,039,413
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2014/10/10



7.1 Short Term Investments

2013  
Rupees

2014  
Rupees

S.N.	Symbol	Company Name ( Listed)	Qty	Price	Amount
1	EFERT	ENGRO FERTILIZER LIMITED	4,000	57.15	228,600
2	IGIIL	IGI INSURANCE LIMITED	17,000	227.72	3,871,240
3	MSOT	MASOOD TEXTILE MILLS LIMITED	7,000	133.4	933,800
4	MTL	MILLAT TRACTORS LIMITED	500	499.13	249,565
5	PIOC	PIONERS CEMENT LIMITED	12,500	46.66	583,250
6	RMPL	RAFHAN MAIZE PRODUCTS COMPANY LIMITED	200	11799.99	2,359,998
7	SNGPL	SUI NURTHEM GAS PIPELINE LIMITED	100,000	22.65	2,265,000
8	UBL	UNITED BANK LIMITED	3,500	168.56	589,960
9	WYETH	WYETH PAKISTAN LIMITED	440	4450	1,958,000

46,190,235

13,039,413

M. J. Khan



# Khawaja Securities Private Limited

	Note	2015 Rupees	2014 Rupees
<b>8 Accounts Receivables</b>			
Considered Good		32,132,530	51,447,335
Considered Doubtful		46,012,930	46,012,930
		<u>78,145,460</u>	<u>97,460,265</u>
Less: Provision for doubtful debts		(46,012,930)	(46,012,930)
	8.1	<u>32,132,530</u>	<u>51,447,335</u>
<b>8.1</b> Receivables from clients relate to operating revenues and are secured but considered good by the Management.			
<b>9 Advances, Loans and Other Receivables</b>			
Deposits & Prepaid Expenses		186,542	130,000
Advance Taxation		2,180,232	2,720,618
Advance to Employee		17,000	63,000
		<u>2,383,774</u>	<u>2,913,618</u>
<b>10 Cash and Bank Balances</b>			
Cash in Hand		69,731	70,731
Cash in Bank		9,672,426	9,576,394
		<u>9,742,157</u>	<u>9,647,125</u>
<b>11 Share capital</b>			
Authorized			
8,000,000 (2014: 8,000,000) Ordinary Shares of Rs 10/- each		80,000,000	80,000,000
		<u>80,000,000</u>	<u>80,000,000</u>
<b>12 Issued, subscribed and paid up</b>			
Ordinary shares of Rs. 10 each fully paid-up in cash		46,301,850	46,301,850
4,630,185 (2014 :4,630,185) Ordinary Shares of Rs10/- each fully paid		<u>46,301,850</u>	<u>46,301,850</u>
<b>13 Loan from Directors</b>			
Loan from Directors ---Unsecured	13.1	30,472,829	30,472,829
		<u>30,472,829</u>	<u>30,472,829</u>

13.1 This unsecured and markup free loan has been obtained from directors of the company and is repayable at the option of the Company.

*Handwritten signature/initials*



# Khawaja Securities Private Limited

		2015 Rupees	2014 Rupees
14	<b>Trade &amp; Other Payables</b>		
	Creditors	9,498,177	17,114,876
	Accrued Liabilities	166,193	166,193
	WHT & FED Payables	14,040	163,909
		<u>9,678,410</u>	<u>17,444,978</u>
15	<b>Provision for Taxation</b>		
	Opening Balance	2,700,135	1,587,746
	Add: Taxation for the year	2,017,766	2,700,135
		<u>4,717,901</u>	<u>4,287,881</u>
	Less:		
	Paid/ Adjusted against Advance Tax	(2,700,135)	(1,587,746)
		<u>2,017,766</u>	<u>2,700,135</u>
16	<b>Contingencies and Commitments</b>		
	The Company has pledged/hypothecated TRE Certificate of Lahore Stock Exchange Limited (LSE) and 337,590 ordinary shares of LSE with LSE in compliance with Base Minimum Capital (BMC) requirement under Regulation 2.1 of the Regulations Governing Risk Management of the LSE.		
17	<b>Income From Brokerage</b>		
	Commission Income- net	7,968,815	8,732,538
		<u>7,968,815</u>	<u>8,732,538</u>
18	<b>Administrative Expenses</b>		
	Salaries & Benefits	6,050,500	5,845,588
	Electricity and Water Charges	233,877	252,289
	Rent, Rates and Taxes	743,827	544,713
	Telephone, Postage & Internet	177,156	155,540
	Repair & Maintenance	56,520	45,000
	Legal & Professional Charges	130,000	107,041
	Auditor Remuneration	75,000	75,000
	Depreciation	54,705	64,811
	CDC & NCCPL Charges	226,399	270,854
	Fee & Subscription	131,877	54,681
	Petty Expenses	505,000	502,200
	Client settlement and Other Expenses	41,710	503,284
		<u>8,426,571</u>	<u>8,421,001</u>
18.1	<b>Auditor Remuneration</b>		
	Audit Fee	65,000	65,000
	Out of Pocket	10,000	10,000
		<u>75,000</u>	<u>75,000</u>

18.1



# Khawaja Securities Private Limited

	2015 Rupees	2014 Rupees
<b>19 Other Operating Income</b>		
Dividend Income	565,463	189,894
Other Income	54,185	1,162,562
	<b>619,648</b>	<b>1,352,456</b>
<b>20 Financial Charges</b>		
Bank and Other charges	5,550	303,180
	<b>5,550</b>	<b>303,180</b>

## 21 Taxation

21.1 This represent Current Taxation which has been provided Under Section 233A of Income Tax Ordinance, 2001 and Normal Taxation on other Income.

21.2 Deferred Taxation has not been provided as the Company is subject to Presumptive Taxation.

## 22 Remuneration of Chief Executive, Directors and Executives

### Managerial Remuneration including House Rent & Utility

Chief Executive	1,284,000	1,284,000
Executives	-	-
Directors	-	-
	<b>1,284,000</b>	<b>1,284,000</b>

Managerial remuneration has been paid to Chief Executive Rs. 1,284,000 of the company during the year. (2014: Rs. 1,284,000).

## 23 Accounting Estimates And Judgments

### **Property, plant and equipment**

The Company reviews the rate of depreciation/useful life, residual values 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, plant and equipment with a corresponding affect on the depreciation charge and impairment.

### **Intangible assets**

The Company reviews the rate of amortization 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 respective items of intangible asset with a corresponding affect on the amortization charge and impairment.

### **Investment stated at fair value**

The Company has determined fair value of certain investments by using quotations from active market. Fair value estimates are made at a specific point in time based on market conditions and information about financial instruments. These estimates are subjective in nature and involve uncertainties and matter of judgments (e.g. valuation, interest rates, etc.) and therefore cannot be determined with precision.

### **Trade debts**

The Company reviews its debts portfolio regularly to assess amount of any provision required against such debtors.

*M. H. No.*



24 Authorization

These financial statements were authorized for issue on 24 August, 2015. by the Board of Directors.

25 General

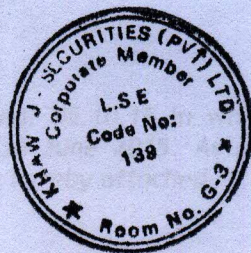
Figures have been rounded off to the nearest of rupee.

Corresponding figures have been rearranged, wherever necessary for the purposes of comparison. However, no significant rearrangement / reclassification have been made in these financial statements.

The annexed notes 1 to 25 form an integral part of these financial statements.

Lahore:

Chief Executive



Director