

**AUDITORS' REPORT TO THE MEMBERS**

We have audited the annexed balance sheet of **KHAWAJA SECURITIES PRIVATE LIMITED ("THE COMPANY")** as at June 30, 2016 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.

**KHAWAJA SECURITIES  
 (PRIVATE) LIMITED**

**Financial Statements**

**For the Year Ended 30 June, 2016**

It is the responsibility of the Company to prepare and present the above said statements in accordance with the requirements of the Companies Ordinance, 1984 and to maintain a system of internal control, and approved accounting standards and the requirements of the Companies Ordinance, 1984, and 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 give a true and fair view of the state of affairs of the Company as at June 30, 2016 and of its profit, its cash flows and changes in equity for the year then ended, and
- d. in our opinion, no Zakat deductible at source under Zakat and Ushr Ordinance, 1980 (CVIII of 1980).

**MUDASSAR EHTISHAM & CO.**  
**CHARTERED ACCOUNTANTS**

*Mudassar Ehtisham*

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

Lahore  
 August 23, 2016



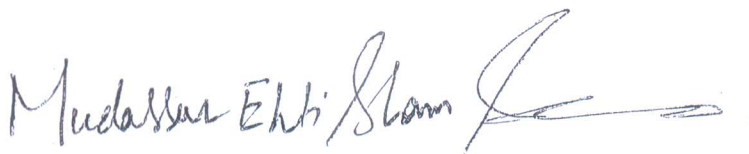
### AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **KHAWAJA SECURITIES PRIVATE LIMITED ("THE COMPANY")** as at June 30, 2016 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, 2016 and of the profit, its cash flows and changes in equity for the year then ended; and
- d. in our opinion, no Zakat deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980).



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

Lahore  
August 22, 2016

# Khawaja Securities Private Limited

## Balance Sheet

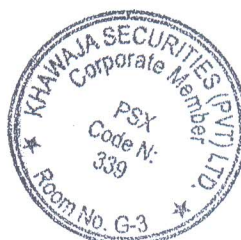
As at 30 June 2016

		2016	2015
	Note	Rupees	Rupees
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Property and Equipment	4.1	320,049	366,499
Intangible Asset	4.2	6,700,000	6,700,000
Rooms		8,417,600	8,275,200
		<u>15,437,649</u>	<u>15,341,699</u>
Long Term Deposits	5	530,000	430,000
Long Term Investments	6	9,553,797	9,553,797
		<u>10,083,797</u>	<u>9,983,797</u>
<b>Current Assets</b>			
Short Term Investment	7	20,352,227	35,938,172
Accounts Receivables	8	74,240,449	32,132,530
Advances, Deposits & Pre-payments	9	8,762,878	2,383,774
Cash and Bank Balances	10	37,146,620	9,742,157
		<u>140,502,174</u>	<u>80,196,633</u>
		<u>166,023,621</u>	<u>105,522,129</u>
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized Share Capital</b>	11		
8,000,000 (2015:8,000,000) Ordinary Shares of Rs 10/- each		<u>80,000,000</u>	<u>80,000,000</u>
<b>Issued, Subscribed and paid up share capital</b>			
7,630,185 (2015:4,630,185) Ordinary Shares of Rs10/- each fully paid	12	76,301,850	46,301,850
Capital Reserve		30,000,000	30,000,000
Accumulated Loss		(6,084,282)	(12,948,726)
		<u>100,217,568</u>	<u>63,353,124</u>
<b>Non Current Liabilities</b>			
Loan from Directors- unsecured	13	-	30,472,829
<b>Current Liabilities</b>			
Account Payable	14	65,282,318	9,498,177
Accrued and other Liabilities	15	443,157	180,233
Provision for Taxation	16	80,578	2,017,766
		<u>65,806,053</u>	<u>11,696,176</u>
<b>Contingencies and commitments</b>	17	-	-
		<u>166,023,621</u>	<u>105,522,129</u>

The annexed notes 1 to 27 form an integral part of these financial statements.

Lahore:

Chief Executive



Director

# Khawaja Securities Private Limited

## Profit and Loss Account

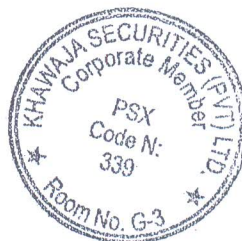
For the year ended 30 June 2016

	Note	2016 Rupees	2015 Rupees
<b>Revenue</b>			
Income From Brokerage	18	8,057,822	7,968,815
Income From Investment -Net		8,985,438	14,998,137
		<u>17,043,260</u>	<u>22,966,952</u>
Administrative Expenses	19	(9,839,762)	(8,426,571)
<b>Gross Profit</b>		<b>7,203,498</b>	<b>14,540,381</b>
Financial Charges	21	(8,927)	(5,550)
Other Income	20	1,098,266	735,109
<b>Profit / (Loss) before taxation</b>		<b>8,292,837</b>	<b>15,269,940</b>
Taxation	16	(1,428,393)	(2,017,766)
<b>Profit / (Loss) after taxation</b>		<b>6,864,444</b>	<b>13,252,174</b>

The annexed notes 1 to 27 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 2016

	Note	2016 Rupees	2015 Rupees
<b>Cash flows from operating activities</b>			
Profit before taxation		8,292,837	15,269,940
Adjustments for non cash items:			
Depreciation		46,450	54,705
Capital gain on investment		-	-
Finance cost		8,927	5,550
		<u>55,376</u>	<u>60,255</u>
<b>Operating profit before working capital changes</b>		<b>8,348,214</b>	<b>15,330,195</b>
<b>Changes in operating assets and liabilities</b>			
(Increase)/decrease in:			
Accounts Receivable		(42,107,919)	19,314,805
Advances, Deposits and other receivables		(6,379,104)	529,844
Trade Creditors & Other Payable		55,784,141	(7,766,568)
		<u>262,924</u>	
		<u>7,560,042</u>	<u>12,078,081</u>
<b>Cash utilized in operations</b>		<b>15,908,256</b>	<b>27,408,276</b>
Financial charges paid		(8,927)	(5,550)
Long Term security deposits		(100,000)	-
Taxes paid		(3,365,581)	(2,700,135)
		<u>(3,474,508)</u>	<u>(2,705,685)</u>
<b>Net cash (used in)/ from operating activities</b>		<b>12,433,748</b>	<b>24,702,591</b>
<b>Cash flows from investing activities</b>			
Purchase of Assets		(142,400)	(1,708,800)
Investment in Short term Securities		15,585,945	(22,898,759)
<b>Net cash (used in) /from investing activities</b>		<b>15,443,545</b>	<b>(24,607,559)</b>
<b>Cash flows from financing activities</b>			
Capital introduced during the year		30,000,000	-
Loans from Directors		(30,472,829)	-
<b>Net cash (used in) / from financing activities</b>		<b>(472,829)</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>27,404,463</b>	<b>95,032</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>9,742,157</b>	<b>9,647,125</b>
<b>Cash and cash equivalents at the end of the year</b>	10	<b>37,146,620</b>	<b>9,742,157</b>

The annexed notes 1 to 27 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 2016*

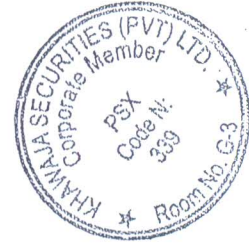
	Share capital Rupees	Share premium Rupees	General Reserve Rupees	Unappropriated profit/(Loss) Rupees	Total Rupees
Balance as at 1st July, 2014	46,301,850	-	30,000,000	(26,200,900)	50,100,950
Net Profit/ (Loss) for the year ended 30 June 2014	-	-	-	13,252,174	13,252,174
<b>Balance as at 30 June 2015</b>	<b>46,301,850</b>	<b>-</b>	<b>30,000,000</b>	<b>(12,948,726)</b>	<b>63,353,124</b>
Balance as at 1st July, 2015	46,301,850	-	30,000,000	(12,948,726)	63,353,124
Share Issued During the Year	30,000,000	-	-	6,864,444	30,000,000
Net profit for the year ended 30 June 2016	-	-	-	6,864,444	6,864,444
<b>Balance as at 30 June 2016</b>	<b>76,301,850</b>	<b>-</b>	<b>30,000,000</b>	<b>(6,084,282)</b>	<b>100,217,568</b>

The annexed notes 1 to 27 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 2016

### 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 carries at amortised cost using the 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.



**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	2016 Rupees	2015 Rupees
	Property and equipment	4.1	320,049	366,499
	Intangible	4.2	6,700,000	6,700,000
			7,020,049	7,066,499



4 Property and Equipment

4.1 Tangible

PARTICULARS	COST			DEPRECIATION			Book value as at 30 June 2016	Depreciation rate %
	As at 01 July 2015	Additions during the year	As at 30 June 2016	As at 01 July 2015	For the year	Deletions		
<b>OWNED</b>								
Office equipments	590,150	-	590,150	331,555	25,860	-	357,414	10
Computer accessories	85,285	-	85,285	75,906	2,814	-	78,720	30
Furniture and fixtures	425,431	-	425,431	346,191	15,848	-	362,039	20
Vehicle	54,000	-	54,000	34,715	1,929	-	36,643	10
	<b>1,154,866</b>	<b>-</b>	<b>1,154,866</b>	<b>788,367</b>	<b>46,450</b>	<b>-</b>	<b>834,817</b>	<b>320,049</b>
	<i>Rupees</i> 2016		<i>Rupees</i> 2016					
	<b>1,154,866</b>	<b>-</b>	<b>1,154,866</b>	<b>788,367</b>	<b>46,450</b>	<b>-</b>	<b>834,817</b>	<b>320,049</b>
	<i>Rupees</i> 2015		<i>Rupees</i> 2015					
	<b>1,154,866</b>	<b>-</b>	<b>1,154,866</b>	<b>733,662</b>	<b>54,705</b>	<b>-</b>	<b>788,367</b>	<b>366,499</b>

4.2 Intangible

	June 2016	June 2015
Pakistan Mercantile Membership	2,700,000	2,700,000
TRE Certificate of Pakistan Stock Exchange Limited	4,000,000	4,000,000
	<b>6,700,000</b>	<b>6,700,000</b>

	2016	2015
	Rupees	Rupees
5 Long Term Deposits		
National Clearing Depository	100,000	100,000
Pakistan Stock Exchange Limited	430,000	330,000
	<u>530,000</u>	<u>430,000</u>

5.1

5.1

5.1 Long term deposits represent security deposit Rs.430,000 to PSX (2015: Rs. 430,000) .

6 Long Term Investments

Lahore Stock Exchange Financial Services Limited Shares - Unquoted  
Rate

6.1

843,975	843,975
11.32	11.32
<u>9,553,797</u>	<u>9,553,797</u>

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

7 Short Term Investment

Sr. No.	Symbol	Company Name ( Listed)	Qty	Price	Amount
1	AKBL	ASKARI BANK LIMITED	128	18.68	2,391
2	AKZO	AKZO NOBEL PAKISTAN LIMITED	12,000	184.65	2,215,800
3	CHCC	CHERAT CEMENT COMPANY LIMITED	500	119.57	59,785
4	DAWH	DAWOOD HERCULES CORPORATION LIMITED	15,000	148.87	2,233,050
5	FCCL	FAUJI CEMENT COMPANY LIMITED	30,000	35.8	1,074,000
6	GHNL	GHANDHARA NISSAN LIMITED	45,500	156.15	7,104,825
7	HBL	HABIB BANK LIMITED	5,000	197.56	987,800
8	KEL	K-ELECTRIC LIMITED	2	8.06	16
9	MARI	MARI PETROLEUM COMPANY LIMITED	500	908.22	454,110
10	MUGHAL	MUGHAL IRON AND STEEL INDUSTRIES LTD	10,000	67.19	671,900
11	NICL	NIMIR INDUSTRIAL CHEMICALS LIMITED	114,500	30	3,435,000
12	PIBTL	PAKISTAN INTERNATIONAL BULK TERMINAL LTD	25,000	32.07	801,750
13	PNSC	PAKISTAN NATIONAL SHIPPING CORPORATION	14,000	93.7	1,311,800
					<u>20,352,227</u>
					<u>35,938,172</u>



**Khawaja Securities Private Limited**

			<u>2016</u>	<u>2015</u>
	<i>Note</i>		Rupees	Rupees
<b>8</b>		<b>Accounts Receivables</b>		
		Considered Good	74,240,449	32,132,530
		Considered Doubtful	46,012,930	46,012,930
			<u>120,253,379</u>	<u>78,145,460</u>
		Less: Provision for doubtful debts	(46,012,930)	(46,012,930)
	8.1		<u><u>74,240,449</u></u>	<u><u>32,132,530</u></u>
8.1 Receivables from clients relate to operating revenues and are secured but considered good by the Management.				
<b>9</b>		<b>Advances, Deposits &amp; Pre-payments</b>		
		Other advances	30,000	186,542
		Advance Taxation	3,479,951	2,180,232
		Advance/ Loans to Employee	5,252,927	17,000
			<u>8,762,878</u>	<u>2,383,774</u>
<b>10</b>		<b>Cash and Bank Balances</b>		
		Cash in Hand	667,731	69,731
		Cash in Bank		
		In saving/ Profit Accounts	36,478,889	9,672,426
		In Current Accounts	<u>36,478,889</u>	<u>9,672,426</u>
			<u><u>37,146,620</u></u>	<u><u>9,742,157</u></u>
<b>11</b>		<b>Share capital</b>		
		<b>Authorized</b>		
		8,000,000 (2015: 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</b>		<b>Issued, subscribed and paid up</b>		
		Ordinary shares of Rs. 10 each fully paid-up in cash	76,301,850	46,301,850
		7,630,185 (2015 :4,630,185) Ordinary Shares of Rs10/- each fully paid	<u>76,301,850</u>	<u>46,301,850</u>
<b>13</b>		<b>Loan from Directors</b>		
		Loan from Directors ---Unsecured	13.1	
			-	30,472,829
			-	<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.

Khawaja Securities Private Limited

	2016	2015
	Rupees	Rupees
<b>14 Account Payable</b>		
Trade Creditors	65,282,318	9,498,177
	65,282,318	9,498,177
<b>15 Accrued and other Liabilities</b>		
Accrued Liabilities	91,193	166,193
WHT & FED Payables	351,964	14,040
	443,157	180,233
<b>16 Provision for Taxation</b>		
Opening Balance	2,017,766	2,700,135
Add: Taxation for the year	1,428,393	2,017,766
	3,446,159	4,717,901
Less:		
Paid/ Adjusted against Advance Tax	(3,365,581)	(2,700,135)
	80,578	2,017,766
<b>17 Contingencies and Commitments</b>		
The Company has pledged/hypothecated TRE Certificate of Pakistan Stock Exchange Limited (PSX) and 337,590 ordinary shares of LSEFSL with PSX in compliance with Base Minimum Capital (BMC) requirement under Regulation 2.1 of the Regulations Governing Risk Management of the PSX.		
<b>18 Income From Brokerage</b>		
Commission Income- net	8,057,822	7,968,815
	8,057,822	7,968,815
<b>19 Administrative Expenses</b>		
Salaries & Benefits	6,715,500	6,050,500
Electricity and Water Charges	245,848	233,877
Rent, Rates and Taxes	891,026	743,827
Telephone, Postage & Internet	314,643	177,156
Repair & Maintenance	92,851	56,520
Legal & Professional Charges	-	130,000
Auditor Remuneration	75,000	75,000
Depreciation	46,450	54,705
CDC & NCCPL Charges	448,828	226,399
Fee & Subscription	269,091	131,877
Petty Expenses	740,525	505,000
Client settlement and Other Expenses	-	41,710
	9,839,762	8,426,571
<b>19.1 Auditor Remuneration</b>		
Audit Fee	65,000	65,000
Out of Pocket	10,000	10,000
	75,000	75,000



**Khawaja Securities Private Limited**

	2016	2015
	Rupees	Rupees
<b>20 Other Operating Income</b>		
Dividend Income	632,088	565,463
Other Income	617,788	54,185
Gain/ (Loss) on re-measurement of investments carried at Value through profit and loss account - net	(151,610)	115,461
	<b>1,098,266</b>	<b>735,109</b>
<b>21 Financial Charges</b>		
Bank and Other charges	8,927	5,550
	<b>8,927</b>	<b>5,550</b>

**22 Taxation**

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

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

**23 Remuneration of Chief Executive, Directors and Executives**

Managerial Remuneration including House Rent & Utility

Chief Executive	2,588,000	1,284,000
Executives	-	-
Directors	-	-
	<b>2,588,000</b>	<b>1,284,000</b>

Managerial remuneration has been paid to Chief Executive Rs. 2,588,000 of the company during the year. (2015: Rs. 1,284,000).

**24 Accounting Estimates And Judgments**

**24.1 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.

**24.2 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.

**24.3 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.

**24.4 Trade debts**

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

**25 Number of employees**

Total number of employees at the end of year was 13 (2015: 11). Average number of employees was 12 (2015: 11)

**26 Authorization**

These financial statements were authorized for issue on 22 August, 2016 by the Board of Directors.

**27 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 27 form an integral part of these financial statements.



Lahore:

Chief Executive



Director