FINANCIAL STATEMENT

TARIQ VOHRA SECURITIES (PRIVATE) LIMITED

FOR THE YEAR ENDED JUNE 30, 2015

DIRECTOR'S REPORT

To
The Members,

The Directors of M/s. Tariq Vohra Securities (Private) Limited are pleased to present the Annual Report together with the company's Audited Financials Statements and Auditors' Report of your company for the financial year ended June 30, 2015. The summarized financial results for the year ended June 30, 2015 are as under:

FINANCIALS RESULTS	**2015 (Rupees)**
Operating revenue	**9,578,039**
Profit before taxation	**4,347,299**
Taxation	**418,737**
Profit after taxation	**3,928,562**
Earning per share (Rs.)	**3.89**

During the year under review, the Company has profit Rs. 4.347 million including unrealized loss of Rs.0.258 million (2014: unrealized loss Rs.0.926million) as compared to last year loss Rs. 0.127 million. The realized capital gain during the year was Rs. 1.490 million (2014: loss Rs. 0.728 million)

Total expenditure during the year was Rs.6.462 million as compared to last year Rs. 5.374 million. The tax paid for the year Rs. 0.419 million as compared to Rs. 0.145million for corresponding year.

AUDITORS

The present auditors, M/s. A. G. Habib & Co, Chartered Accountants, retired, The Board recommends M/s. Nasir Javaid Maqsood Imran , Chartered Accountants their appointment as statutory auditors of the company for the year ending June 30, 2016

CONCLUSION

The Directors appreciates and acknowledging the dedicated services, loyalty and hard work of all the employees of the Company and hope this spirit of devotion and dedication will continue.

For & on behalf of the Board

MUHAMMAD ASIF VOHRA
Chief Executive/Director
Karachi: October 15, 2015

A.G. HABIB & CO.
CHARTERED ACCOUNTANTS

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Adjacent to Govt. Women College
Shahra-e-Liaquat, Frere Road,
Karachi-74200
Phone: 2633948, 2215955
Cell: 0303-6286635, (Res) 0303-7272629

Ref:_____ Date:_____

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **"TARIQ VOHRA SECURITIES (PRIVATE) LIMITED"** (the Company) as at June 30, 2015; and the related profit and loss account, Cash flow statement and the 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 purpose 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 polices 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 agreement with the books of account and are further in accordance with accounting policies consistently applied;

(ii) the expenditure incurred during the period was for the purpose of the company's business; and

(iii) the business conducted, investments made and the expenditure incurred during the period 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 standard 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 affair as at June 30, 2015 and of the Profit for the Year then ended: and

(d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Karachi
Dated: **October 15, 2015**

A. G. HABIB & CO.
Chartered Accountant

TARIQ VOHRA SECURITIES (PRIVATE) LIMITED
BALANCE SHEET
AS AT JUNE 30, 2015

	Note	2015 RUPEES	2014 RUPEES
EQUITIES AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share Capital	4	101,030,000	101,030,000
Unappropriated (loss)/profit		(32,575,471)	(36,503,801)
Shareholders' equity		68,454,529	64,526,199
CURRENT LIABILITIES			
Creditors	5	524,764	320,728
Accrued and other liabilities	6	385,570	224,557
Taxation		418,969	144,986
		1,329,303	690,271
Contingencies and commitments	7	-	-
		69,783,832	65,216,470
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	8	53,796	39,991
Intangible assets	9	15,000,000	15,000,000
Investment-available for sale	10	40,073,830	40,073,830
Long term deposits	11	450,809	446,000
CURRENT ASSETS			
Short Term Investments	12	12,089,539	8,625,794
Trade debts - Unsecured considered good	13	7,106	-
Advances, deposits, prepayments and other receivables	14	1,032,833	568,590
Cash and bank balances	15	1,075,919	462,265
		14,205,397	9,656,649
		69,783,832	65,216,470

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

CHIEF EXECUTIVE

DIRECTOR

TARIQ VOHRA SECURITIES (PRIVATE) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2015

	Note	2015 RUPEES	2014 RUPEES
Operating revenue	16	9,578,039	6,900,468
Capital Gain/(Loss) on Investment		1,489,576	(728,148)
Gain / (Loss) on revaluation on held for trading investments to fair value		(258,075)	(925,898)
		10,809,540	5,246,422
OPERATING EXPENSES			
Administrative expenses	17	6,457,218	5,371,493
Financial charges	18	5,023	2,328
		6,462,241	5,373,821
Profit/(Loss) before taxation		4,347,299	(127,399)
Taxation			
- Current	19	418,969	144,986
- Prior year		-	-
		418,969	144,986
Profit/Loss) after taxation		3,928,330	(272,385)
Earning per share	20	3.89	(0.27)

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

CHIEF EXECUTIVE

DIRECTOR

TARIQ VOHRA SECURITIES (PRIVATE) LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2015

	2015 RUPEES	2014 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	4,347,299	(127,399)
Adjustments for :		
Depreciation	13,195	10,497
Finance cost	5,023	2,328
	18,218	12,825
Operating profit before Working Capital Changes	4,365,517	(114,574)
Change in Working Capital		
(Increase)/Decrease in Current Assets		
Advance and Payments	(464,243)	(315,356)
Trade debts	(7,106)	5,290,520
	(471,349)	4,975,164
Increase/(Decrease) in Current Liabilities		
Trade and other payable	639,032	492,079
	639,032	492,079
	167,683	5,467,243
Cash generated from operations	4,533,200	5,352,669
Financial charges paid	(5,023)	(2,328)
Income tax paid	(418,969)	(144,986)
Net cash inflow / (outflow) from operating activities	4,109,208	5,205,355
CASH FLOW FROM INVESTING ACTIVITIES		
Short term Investment	(3,463,745)	(5,467,277)
Fixed Capital Expenditure	(27,000)	-
Long term deposit & Deferred cost	(4,809)	-
Net cash (outflow) from operating activities	(3,495,554)	(5,467,277)
CASH FLOW FROM FINANCING ACTIVITIES		
Net cash (outflow) / inflow from financing activities	-	-
Net increase in cash & cash equivalents	613,654	(261,922)
Cash and cash equivalents at the beginning	462,265	724,187
Cash and cash equivalents at the end of the year	1,075,919	462,265

CHIEF EXECUTIVE

DIRECTOR

TARIQ VOHRA SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2015

	Share Capital (Rupees)	Unappropriated Profit (Rupees)	Total (Rupees)
Balance as at June 30, 2013	101,030,000	(36,231,416)	64,798,584
(Loss) for the year ended June 30, 2014	-	(272,385)	(272,385)
Balance as at June 30, 2014	101,030,000	(36,503,801)	64,526,199
Profit for the year ended June 30, 2015		3,928,330	3,928,330
Balance as at June 30, 2015	**101,030,000**	**(32,575,471)**	**68,454,529**

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

CHIEF EXECUTIVE

DIRECTOR

TARIQ VOHRA SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2015

	2015 (Rupees)	2014 (Rupees)
Profit/(Loss) after taxation	3,928,330	(272,385)
Other comprehensive income	-	-
Total comprehensive profit/(loss) for the year transferred to equity	3,928,330	(272,385)

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

CHIEF EXECUTIVE **DIRECTOR**

TARIQ VOHRA SECURITIES (PRIVATE) LIMITED
NOTES FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

1 STATUS AND NATURE OF BUSINESS

Tariq Vohra Securities (Private) Limited ("Compnay") was incorporated under the Companies Ordinance, 1984 on 27th March 2006 as a private limited company. The Company is a corporate TRE Certificate holder of Karachi Stock Exchange Limited. The registered office of the Company is located at Plot 91-C, Office # 3, Mezzanine floor Jami Commercial Street-II, Phase-VII, DHA, Karachi. The Principle activities include trading and brokerage for equities, underwriting of public issues, etc.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with requirements of the Companies Ordinance, 1984 (the Ordinance), directives issued by the Securities and Exchange Commission of Pakistan (SECP) and approved financial reporting standards as applicable in Pakistan. Approved financial reporting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Boards are notified under the provisions of the Ordinance. Wherever the requirements of the Ordinance, or the directives issued by the SECP differ with the requirements of these standards, the requirements of Ordinance or of the said directives have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, expect for certain short term investment which are stated at fair value.

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgements

The preparation of financial statement in conformity with approved financial reporting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets,liabilities, income and

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 judgements 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, Revision to accounting estimates are recognised in the period in which the estimate is 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.

2.5 Initial application of standards, amendments or an interpretation to existing standards

(a) Standards, amendments to published standards and interpretations that are effective in 2009 and are relevant to the Company

IAS 1 (revised), Presentation of financial statements (effective from January 1, 2009). The revised standard prohibits the presentation of items of income and expenses (that is,'non-owner changes in equity') in the statement of changes in equity requiring non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and the statement of comprehensive income) Where entities restate or reclassify comparative information, they are required to present a restated balance sheet as at beginning of comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period.

The Company has preferred to present two statement a profit and loss account (income statement) and a statement of other comprehensive income. Comparative information has also been represented so that it is in conformity with the revised standard. As this change only impacts presentation aspects, there is no impact on profit for the year.

IAS 36 (Amendment), 'Impairment of assets' (effective from January 1,2009). In accordance with new requirements, disclosures equivalent to those for value-in-use calculation should be made where fair value less costs to sell is calculated on the basis of discounted cash flow projections of the amendment is not expected to have any effect on the Company's financial statements.

IAS 23 (amendment), 'Borrowing costs' (effective from January 1,2009). The amendment requires an entity to capitalize borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the coast of that asset. The option of immediately expensing those borrowing costs is removed. The company's current accounting policy is in compliance with this amendment, and therefore there is no effect on the Company's financial statements.

IFRS 7 'Financial instruments-Disclosures' (amendment)-effective from January 1, 2009. The amendment requires enhanced disclosure about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of the fair value measurement by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on profit for the year.

IFRIC 17,'Distribution of non-cash assets to owners' (effective on or after 1 July 2009). The interpretation is part of the IASB's annual improvements project published in April 2009. This interpretation provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends.IFRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable. The Company will apply IFRIC 17 from 1 January 2010. It is not expected to have a material impact on the Company's financial statements.

Number of other amendments in other IFRS and IAS which were part of the International accounting Standards Board's (IASB's) annual improvements project, published in April 2009.

b) Standards, amendments to published standards and interpretations that are effective in 2009 but not relevant to the Company

The other new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after July 1, 2009 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations.

c) Standards, amendments to published standards and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

Following new standards, amendments and interpretation to existing standards have been issued but are not effective for the financial year beginning July 1, 2009 and have not been early adopted by the Company:

IAS 1 (amendment), 'Presentation of financial statements' The amendment is part of the IASB's annual improvements project published in April 2009. The amendment provides clarification that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counter party to settle in shares at any time. The Company will apply IAS 1 (amendment) from July 1, 2010. It is not expected to have a material impact on the Company's financial statements.

Prepayments of a minimum funding requirement (amendments to IFRIC 14), effective from January 1, 2011. The amendments correct an unintended consequence of IFRIC 14, 'IAS 19- The limit on a defined benefit asset, minimum funding requirements and their interaction'. Without the amendments,entities are not permitted to recognize as an some voluntary prepayments for minimum funding contributions. This was not intended when IFRIC 14 was issued, and the amendments correct the problem. The company's does not have any defined benefit plan, hence, these amendments will have no impact on the Company's financial statements.

IAS 24 9revised), 'Related Party Disclosures', effective from January 1, 2011. The revised standard supersedes IAS 24, 'Related party disclosures', issued in 2003.Application of the revised standard will only impact the format and extent of disclosures presented in the Company's financial statements.

IAS 38 (amendment), 'Intangible assets'. The amendment is part of the IASB's annual improvements project published in April 2009 and the company will apply IAS 38 (amendment) from the date IFRS 3 (revised) is adopted. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. The amendment will not result in any impact on the Company's financial statements.

IAS 39 (amendment): 'Cash flow hedge accounting'. This amendment provides clarification when to recognise gains or losses on hedged instruments as a reclassification adjustments in a cash flow hedge of a forecast transaction that results subsequently in the recognition of a financial instrument. The amendment clarifies that gains or losses should be reclassified from equity to profit or loss in the period in which the hedged forecast cash flow affects profit or loss. The Company will apply IAS 39 (Amendment) from July 1, 2010. It is not expected to have any affect on the Company's financial statements.

IFRS 2 (amendments), 'Group cash-settled and share-based payment transactions' In addition to incorporating IRFIC 8, 'Scope of IFRS 2', and IFRIC 11 IFRS 2- Group and treasury share transactions', the amendment expend on the guidance in IFRIC 11 to address the classification of the Company's arrangement that were not covered by that interpretation The new guidance is not expected to have any material impact on the Company's financial statements.

IRFS 5 (amendment), 'Measurement of non-current assets (or disposal groups) classified as held-for-sale'. The amendment is part of the IASB's annual improvements project published in April 2009. The amendment provides clarification that IFRS 5 specifies the disclosures required in respect of non-current assets(or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirement of IAS 1 still apply,particularly paragraph 15 (to achieve a fair presentation) and paragraph 125 (source of estimation uncertainty) of IAS 1. The Company will apply IFRS 5 (amendment) from July 1, 2010. It is not expected to have a material impact on the Company's financial statements.

IFRS 9, 'Financial Instruments', effective from January 1, 2013. IFRS 9 addresses the classification and measurement of financial assets. The Company is yet to asses the full impact of IFRS 9.

IFRIC 18, 'Transfers of assets from customers' (effective for periods beginning on or after July 1, 2009). The interpretation provides guidance on how to account for items of property, plant and equipment received from customers or cash that is received and used to acquire or construct specific assets. This interpretation is only applicable to such assets that are used to connect the customer to a network or to provide ongoing access to a supply of goods or services or both. This interpretation is not expected to have any impact on the company's financial statements.

IFRIC 19 (interpretation), 'Extinguishing Financial Liabilities with Equity Instruments', effective from annual periods beginning on or after July 1, 2010. The interpretation clarifies the requirements of IFRS when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. The Company has not offered its shares to the creditors, therefore, this interpretation will have no impact on the Company's financial statements.

There are a number of minor amendments in other IRFS and IAS which are part of annual improvement project published in April 2009 and May 2010 (not addressed above). These amendments are unlikely to have any impact on the Company's financial statements and therefore have not been analysed in detail.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment

Owned

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset included borrowing costs (note 3.17).

Where major components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent costs are included in the carrying amount or recognised as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is de recognised. All other repairs and maintenance are charged to the profit and loss account during the year in which they are incurred.

Disposal of an item of property and equipment is recognised when significant risks and rewards incidental to ownership have been transferred to buyers. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within 'Other operating expenses/income' in the profit and loss account.

Depreciation is charged to profit and loss account using reducing balance method whereby the cost of the asset less its estimated residual value is written off over the estimated useful life at rates given in note 8. Depreciation on additions is charged from the month in which asset is available for use and on disposals up to the month preceding the month of disposal.

3.2 Intangible assets

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

Trading Rights Entitlement Certificate

This is stated at cost less impairment if any. The carrying amount is reviewed at each balance sheet date to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

Computer Software

Expenditure incurred to acquire identifiable computer software and having probable economic benefits exceeding the cost beyond one year is recognised as an intangible asset. Such expenditure includes the purchase cost of software (license fee) and related overhead cost.

Cost associated with maintaining computer software programmes are recognised as an expense when incurred.

Cost which enhance or extend the performance of computer software beyond its original specification and useful life is recognised as capital improvement and added to the original cost of

Computer software and license costs are stated at cost less accumulated amortization and any identified impairment loss and amortized over a period of four years using the straight line method.

Amortization is charged from the quarter in which the related asset is available for use while no amortization is charged for the quarter in which such asset is disposed off.

3.3 Impairment of non-financial assets

Assets that are subject to depreciation/amortization are reviewed at each balance sheet date to identify circumstances indicating occurrence of impairment loss or reversal of previous impairment losses. An impairment loss is recognised 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. Reversal of impairment loss is restricted to the original cost of the asset.

3.4 Financial assets

3.4.1 Classification

The Company classifies its financial assets in the following categories at fair value through profit or loss, held to maturity, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivable comprise 'trade debts', 'trade deposits and other receivables' and cash and cash equivalents' in the balance sheet.

b) Held to maturity financial assets

Held to maturity financial assets are non-derivative financial assets with fixed or determinable payment and fixed maturity with a positive intension and ability to hold to maturity.

c) Available-for-sale financial assets

available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in current assets as the management intends to dispose off the same within 12 months.

d) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. A financial assets is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.

3.4.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date--the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit and loss account. Financial assets are de recognised when the rights to receive cash flows from the investment have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivable are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss ' categories are presented in the profit and loss account within income/expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit and loss account as part of operating income when the company's right to receive payment is established.

Changes in fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the profit and loss account as 'gains and losses investment securities'.

Interest on available -for- securities calculated using the effective interest method is recognised in the profit and loss account as part of other income. Dividends on available for sale equity instruments are recognised in the profit and loss account as part of other income when the Company's right to receive payments is established.

3.4.3 Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial assets or a group of financial asset is impaired. If any such evidence exists for available - for sale financial assets, the cumulative loss is remove from equity and recognised in the profit and loss account. Impairment losses recognised in the profit and loss account on equity instruments are not reversed through the profit and loss account. Impairment testing of trade debts and other receivables is described in notes 3.6.

3.5 Offsetting financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle either on a net basis, or realise the asset and settle the liability simultaneously.

3.6 Trade debts and other receivables

Trade debts and other receivables are recognised at fair value and subsequently measured at amortized cost. A provision for impairment in trade debts and other receivable is made when there is objective evidence that the Company will not be able to collect all amounts due according to original terms of receivables. Trade debts and other receivable considered irrecoverable are written off.

3.7 Fiduciary assets

Assets held in trust or in a fiduciary capacity by the company are not treated as assets of the company and accordingly are not included in these financial statements.

3.8 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows includes cash in hand, balance with banks, other short-term highly liquid investment with original maturities of three months or less, and bank overdrafts/ short term borrowings, Bank overdraft are shown within borrowings in current liabilities on the balance sheet.

3.9 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attribute to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.10 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowing using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

3.11 Trade and other payables

Trade and other payable are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured amortized cost using the effective interest method.

These are classified as current liabilities if payment is due within one year or less(or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

3.12 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account,expect to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current

The current income tax charge is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred

Deferred tax is recognised using balance sheet liability method, providing for all temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax 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 it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.13 Provisions

Provisions are 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 will be required to settle the obligation, and a reliable estimate of the amount can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

3.14 Financial Instruments

All Financial assets and liabilities are recognised at the time when the company becomes a party to the contractual provisions of the instruments. Any gain or loss on the recognition and de recognizing of the financial assets and liabilities is taken to profit and loss account currently.

3.15 Foreign currency transactions and translation

Monetary assets and liabilities in foreign currencies are translated into Pak rupees at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are translated into functional currency using the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

3.16 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses. Revenue is recognised on the following basis:

- Brokerage consultancy and advisory fee, commission etc, are recognised as and when such services are provided.
- Income from bank deposits is recognised at effective yield on time proportion basis.
- Dividend income is recorded when the right to receive the dividend is established.
- Gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which they arise.
- Unrealized capital gains / (losses) arising from mark 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 for the period in which they arise.
- Rental income from investment properties is recognised on accrual basis.

3.17 Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred except where such costs are directly attributable to the acquisition or construction of qualifying asset in which such costs are capitalized as part of the cost of that asset. Borrowing costs included exchange differences arising from foreign currency borrowings to the extent these are regarded as an adjustment to borrowing costs.

		2015 Rupees	2014 Rupees
4	**SHARE CAPITAL**		
	ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
	1,010,300 ordinary shares of Rs. 100/- each fully paid (2014: 1,010,300 shares)	**101,030,000**	101,030,000
	AUTHORIZED CAPITAL		
	1,500,000 Ordinary shares of Rs. 100/ each	**150,000,000**	150,000,000
5	**CREDITORS**		
	Creditors	**524,764**	320,728
6	**ACCRUED AND OTHER LIABILITIES**		
	Accrued Expenses	**165,000**	120,000
	SST Payable	**196,544**	104,557
	CGT Payable	**24,026**	-
		385,570	224,557
7	**CONTINGENCIES AND COMMITMENTS**	-	-

There are no material contingencies including Pending "or" Threatened law suit and unasserted claims, further no claims in connection with litigation have been "or" are expected to be received / paid. There are no commitments other than future lease payments against assets subject to finance lease.

8 PROPERTY AND EQUIPMENT

Particulars	COST			Rate	DEPRECIATION			W.D.V
	As at July 01, 2014	Additions/ (Deletions)	As at June 30, 2015	%	As At July 01, 2014	For the year	As at June 30, 2015	As at June 30, 2015
Furniture and Fixture	81,450	-	81,450	15	55,104	3,952	59,056	22,394
Computers	165,800	27,000	192,800	30	152,155	9,244	161,399	31,402
Rupees 2015	**247,250**	**27,000**	**274,250**		**207,259**	**13,195**	**220,454**	**53,796**
Rupees 2014	247,250	-	247,250		196,762	10,497	207,259	39,991

			2015 Rupees	2014 Rupees
9	**INTANGIBLE ASSETS**			
	Trading Right Entitlement Certificate - KSE	10.1	**15,000,000**	15,000,000
			15,000,000	15,000,000

		2015 Rupees	2014 Rupees
10 INVESTMENT-AVAILABLE FOR SALE			
Shares of Karachi Stock Exchange Ltd	10.1	**40,073,830**	40,073,830
		40,073,830	40,073,830

10.1 Pursuant of the promulgation of the Stock Exchanges (Corporatization, Demutualization and integration) Act, 2012 (The Act) the ownership in a Stock Exchange has been segregated from the right to trade on the Exchange. Accordingly, the company has received equity shares of KSE and Trading Right Entitlement (TRECs) in lieu of it membership card of KSE. The Company's entitlement in respect of KSE's shares is determined on the basis of valuation of assets and liabilities of KSE as approved by SECP and the Company has been allotted 4,007,383 shares of the face value of Rs. 10/- each, out of which 2,404,430 shares are kept in the blocked account and the divestment of the same will be made in accordance with the requirements of the Act within two years from the date of Demutualization.

In the absence of an active market of the shares of KSE and TREC, the Company has taken the cost of the shares and TREC at Rs: 40.073 million and Rs: 15 million respectively, which is the value approved by the Board of Directors of KSE and endorsed by the SECP.

During the year KSEL, through a notice, instructed all TRE Certificate holders to maintain/comply with Base Minimum Capital (BMC) requirement under Regulation Governing Risk Management of KSEL ("the Regulation") in the form calculated in the schedule-1 to the above Regulation. Total BMC requirement determined by the Board of Directors of KSEL in their meeting held on 10th December 2012 was Rs. 30.955 million for each individual TRE Certificate Holder. Accordingly, the Company has complied with above requirement in the following manner:

1 Creating mortgage or charge over TRE Certificate amounting to Rs. 15 million being notional value assigned / decided by KSEL.

2 Pledging / Lien marked over 40% shares (No. of shares: 1,602,953) of KSEL amounting to Rs. 15.955 million.

11 LONG TERM DEPOSITS			
Deposits - KSE		**114,809**	110,000
Central Depository Company of Pakistan		**100,000**	100,000
National Clearing Company of Pakistan		**200,000**	200,000
Office Deposit		**36,000**	36,000
		450,809	446,000
12 SHORT TERM INVESTMENT			
Available for Trading Securities	12.1	**12,089,539**	**8,625,794**
Cost of Shares Investment		**11,948,402**	**8,226,582**
Changes due to fair Market Value			
Opening			
During the Year		**399,212**	1,325,110
		(258,075)	(925,898)
		141,137	399,212
		12,089,539	8,625,794
13 TRADE DEBTS - (Unsecured Considered Good)		**7,106**	-
14 ADVANCES, DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES			
Advance tax		**609,229**	327,074
Income tax refundable		**421,592**	239,504
Other Receivables		**2,012**	2,012
		1,032,833	568,590

		2015 Rupees	2014 Rupees
15	**CASH AND BANK BALANCES**		
	Cash in Hand	**8,706**	9,830
	Cash at bank - In current account	**1,067,213**	452,435
		1,075,919	462,265
16	**OPERATING REVENUE**		
	Commission income	**8,334,429**	6,049,179
	Commission on IPO	**11,563**	9,176
	Dividend Income	**1,232,047**	835,765
	Return profit on cash margin on future contract		6,348
		9,578,039	6,900,468
17	**ADMINISTRATIVE EXPENSES**		
	Salaries, benefits and allowances	**3,120,000**	2,680,000
	Directors' remuneration **17.1**	**1,500,000**	1,095,000
	KSE rent, electricity and service charges	**308,089**	255,639
	C.D.C charges	**193,700**	131,267
	Printing and stationery	**107,425**	143,890
	Legal and Professional	**185,000**	80,000
	Communication expenses	**208,014**	119,925
	Auditor remuneration **17.2**	**40,000**	40,000
	Traveling and conveyance expenses	**126,970**	64,225
	Entertainment and sales promotion	**120,280**	97,780
	Fuel, Water & Power	**131,692**	163,998
	Insurance, Rent & Taxes	**285,745**	342,687
	Repair and maintenance	**91,195**	123,745
	Depreciation **8**	**13,195**	10,497
	General expenses	**25,912**	22,840
		6,457,218	5,371,493
	17.1 DIRECTORS' REMUNERATION		
	Chief Executive		
	Managerial Remuneration	**1,000,000**	730,000
	House Rent	**400,000**	292,000
	Utilities	**100,000**	73,000
	Total	**1,500,000**	1,095,000
	No. of persons	One	One
	17.2 AUDITORS REMUNERATION		
	Statutory audit fee	**40,000**	40,000
		40,000	40,000
18	**FINANCIAL CHARGES**		
	Bank charges	**5,023**	2,328
		5,023	2,328
19	**TAXATION**		
	Current for the year	**418,969**	144,986
		418,969	144,986

	2015 Rupees	2014 Rupees

20 EARNINGS PER SHARE

Profit/(Loss) after taxation	3,928,330	(272,385)
Number of ordinary shares in issue	1,010,300	1,010,300
Earning per share (in Rupee)	3.89	(0.27)

21 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party a exercise significant influence over other party in making financial and operating decisions.

The related parties comprise of major shareholders, associated companies with or without common directors, directors of the company and key management personnel, staff provident fund, and financial institution having nominee on the Board of Directors. The remuneration of Director is disclosed in note 16.1 to the financial statements.

22 CAPITAL RISK MANAGEMENT

The Board's policy of capital risk management is to maintain a strong capital base, rations and credit rating so as to maintain investor, creditor and market confidence, sustain future development of the business, safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optional capital structure to reduce the cost of capital. The board of Directors monitors the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. There were no changes in Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

23 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorized for issue on 15 OCT 2015

24 GENERAL

Figures have been rounded off to the nearest rupee and corresponding figures have been re-arranged, where necessary, for the purpose of comparison.

CHIEF EXECUTIVE

DIRECTOR