TSBL

ANNUAL REPORT
JUNE 30, 2013

TRUST SECURITIES & BROKERAGE LIMITED

CONTENTS

COMPANY INFORMATION

Board of Directors

Mr. Naveed Gilani	Chairman
Mr. Abdul Basit	Chief Executive
Mrs. Neena Jaffar	Director
Mr. Syed Javed Hussain	Director
Mr. Aftab Ahmed Qaiser	Director
Mr. Syed Mahmood Ali	Director
Mr. Muhammad Usama Khan	Director

Audit Committee

Mr. Aftab Ahmed Qaiser	Chairman
Mr. Syed Javed Hussain	Member
Mr. Naveed Gilani	Member

HR & Remuneration Committee

Mr. Aftab Ahmed Qaiser	Chairman
Mr. Abdul Basit	Member
Mr. Syed Mahmood Ali	Member

Company Secretary

Ms. Nadia Haider

Auditors

Haroon Zakaria & Company
Chartered Accountants

Legal Advisor

Mr. Abdul Majid
Advocate

Bankers

Bank Alfalah Limited
MCB Bank Limited
Habib Metropolitan Bank Limited
Al Baraka Bank (Pakistan) Limited

Registered Office

3rd Floor, Associated House, Building # 1& 2,
7-Kashmir Road, Lahore-Pakistan.
Telephone : (042) 3637 3041-43
Fax : (042) 3637 3040

Lahore Stock Exchange Office

Room # 607, Lahore Stock Exchange Building,
19-Khayaban-e-Aiwan-e-Iqbal, Lahore - Pakistan.
Telephone : (042) 3637 4710, 3630 0181

Website: www.trustsecu.com **E-mail:** info@trustsecu.com & tsbl@brain.net.pk

Our Mission

To provide our clients premium quality service and deliver optimal return to our shareholders

Our Vision

To become a leading securities firm and contribute its role in the growth of domestic capital markets and economy

CODE OF ETHICS

We are strong believer of the fact that Ethics and Good Practices play a vital role in advancement and betterment of the Company. To support our belief, we endeavour our best to follow these ethical and good practices:

1. Trust & Integrity.
2. Fair Treatment.
3. Respectful Treatment.
4. Observance of the Rules and Regulations.
5. Observance of the Interests of the Contracting Parties.
6. Preserve the confidentiality of information communicated by clients within the scope of the Manager-client relationship.
7. Use reasonable care and prudent judgment when managing client assets.
8. Not engage in practices designed to distort prices or artificially inflate trading volume with the intent to mislead market participants.
9. Maximize client portfolio value by seeking best execution for all client transactions.
10. Establish policies to ensure fair and equitable trade allocation among client.
11. Develop and maintain policies and procedures to ensure that their activities comply with the provisions of this Code and all applicable legal and regulatory requirments.
12. Everyone has different needs, preferences and circumstances. They therefore need a portfolio that truly caters to them.
13. Ensure portfolio information provided to clients by the Manager is accurate and complete and arrange for independent third-party confirmation or review of such information.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTIETH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON MONDAY, OCTOBER 28, 2013 AT 3:30 P.M. AT 3RD FLOOR, ASSOCIATED HOUSE, BUILDING # 1 & 2, 7-KASHMIR ROAD, LAHORE, TO TRANSACT THE FOLLOWING BUSINESS:-

A. Ordinary Business

1. To confirm the minutes of the Annual General Meeting held on October 31, 2012.
2. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended June 30, 2013 together with the Directors' and the Auditors' reports thereon.
3. To appoint Auditors for the year 2013-14 and to fix their remuneration.
4. To transact any other business with the permission of the Chairman.

B. Special Business

5. To approve the payment of remuneration and provision of certain facilities provided to the Chief Executive/Director of the Company.
(Notice of the AGM and Statement as required by Section 160(1)(b) of the Companies Ordinance 1984 in respect of the special business to be considered at the meeting is being sent to the Members with Annual Financial Statements 2013.)

By order of the Board

Lahore
October 07, 2013

Nadia Haider
Company Secretary

Notes:

1. The share transfer books of the company will remain closed from October 21, 2013 to October 28, 2013 (both days inclusive).

2. A member entitled to attend and vote at this meeting may appoint another member as proxy. Proxies must be received at the company's registered office not less than 48 hours before the meeting and must be duly stamped and signed.

3. Any individual beneficial owner of CDC , entitled to attend and vote at this meeting must bring his/her CNIC or passport to prove his/her identity and in case of proxy, a copy of shareholders attested CNIC must be attached with the proxy form. Representatives of corporate members should bring the usual documents required for such purpose.

4. Members who have not yet submitted photocopy of their CNIC are requested to send the same to the share registrar of the Company.

STATEMENT UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984 REGARDING THE SPECIAL BUSINESS

The Shareholders approval is sought for the payment of remuneration and providing of certain facilities to Mr. Abdul Basit Chief Executive/Director of the Company.For the purpose it is proposed that the following resolution be passed with or without modification by the Shareholders as an Ordinary Resolution.

"Resolved that approval be and is hereby granted for the payment of monthly remuneration of Rs. 99,467/- to Mr. Abdul Basit, Chief Executive/Director. In addition to the above Company also approves payment of the following perquisites to him:-

i) Company Maintained Vehicle, ii) Commission, iii) By Air/Road Travelling, Hoteling and lodging for official purpose, iv) Mobile facilities for personal and official use, v) Eid Bonus, vi) Computer maintenance "

"**Further Resolved that** this remuneration shall be subject to such increments, other allowances and applicable benefits, bonuses, adjustments and other entitlements/perquisites as may be granted at any time and from time to time by the Board of Directors of the Company and /or in accordance with the policies of the Company."

No other Director is interested in this business except Mr. Abdul Basit (CEO/Director) to the extent of above business only.

By order of the Board

Lahore
October 07, 2013

Nadia Haider
Company Secretary

DIRECTORS' REPORT

Dear Shareholders

On behalf of Board of Directors, I am pleased to present the Audited Financial Statements of the Company for the year ended 30 June 2013, together with auditors' report thereon.

Market Review

The year 2012-2013 was relatively a tough year for Pakistan's economy with continuous power and gas outage and highly explosive law and order challenges which gripped the economy in a very serious and uncertain situation. However, despite such an uncertain situation, the economy showed great resilience and showed a growth of around 3 % which is highly impressive under the given circumstances. The year 2012-2013 was election year and during most part of the year political situation affected the economy but even then the commercial activities remained reasonably good.

The benchmark KSE-100 index posted a return of 52 % during the year under review while volume has increased by 54 % YoY to 201 million. Restoration of investor confidence was attributed to a significant reduction in interest rate which pumped funds in the equity market.

Demutualization of Stock Exchanges has brought the Pakistani stock exchanges at par with their global counterparts. While bringing enhanced governance and transparency at the stock exchanges, demutualization will also project a positive image of the stock market on the international platform and will facilitate the exchanges in attracting global strategic investors of good stature and increase the dept of primary and secondary market.

Financial Results

The summarized financial results are as follows:	**Rupees 000**
Operating revenue	5,667
Gain on sale of securities	354
Loss on re-measurement of investments	(3,673)
	2,348
Operating and administrative expenses	(17,866)
Finance Cost	(8)
	(17,875)
Operating loss	**(15,526)**
Other Operating income	1,160
Loss before taxation	**(14,366)**
Taxation	937
Loss after taxation	**(13,429)**
Loss per share- Basic and diluted	**(1.34)**

The company recorded total revenue of Rs.7.18 million during the financial year ended June 30, 2013, as compared to Rs.5.22. million in the corresponding year. On the expenditure side, the operating expenses were Rs.17.87 in comparison to Rs.14.77 million in previous year. After reversing of the provision of Rs.0.94 million for taxation, the company recorded a net loss of Rs.13.43 million for the year under review.

The auditors have placed matter of emphasis paragraph regarding preparation of financial statements on going concern basis. The management is of the view that there is no significant doubt about the company's ability to continue as going concern as company has no intention of winding up and the management is taking serious efforts to recover its outstanding amount of receivables. Demutualization of exchange will help in increasing trading activities in stock market in future. Further, the revenue from the brokerage has increased from previous year and the management is expecting same trend for coming next year.

Loss Per Share

Loss per share of your company has been Rs.1.34.

DIRECTORS' DECLARATION ON CORPORATE AND FINANCIAL REPORTING FRAME WORK

To comply with the requirements of the Code of Corporate Governance as required by Securities & Exchange Commission of Pakistan, the Directors are pleased to report that:

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- The Company has maintained proper books of accounts.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- In preparation of financial statements International Accounting Standards, as applicable in Pakistan, have been followed and non-applicability, if any, has been adequately disclosed.
- The system of internal controls is sound in design and has been effectively implemented and maintained.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- Key operating and financial data of last six years is annexed (Annexure A & B).
- The Company has accumulated losses of Rs. 74.89 million as at June 30, 2013, therefore, the company has not declared any dividend.
- The Company provides benefit for unavailed compensated absences for all its permanent employees.
- Pattern of shareholding as at June 30, 2013 is annexed (Annexure C & D).

- During the financial year July 01, 2012 to June 30, 2013 the Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary and their spouses and minor children have not traded in the shares of the Company.
- During the financial year 2012-13 four meetings of the Board of Directors were held.
  The attendance of the Directors was as under:

Names of Directors	Total Meetings	Attendance
Mr. Naveed Gilani	Four	Two
Mr. Abdul Basit	Four	Four
Mrs. Neena Jaffar	Four	-
Mr. Abdul Basit Pracha Asi Nizami (resigned on April 24,2013)	Four	-
Mr. Syed Javed Hussain	Four	Four
Mr. Aftab Ahmed Qaiser	Four	Four
Mr. Syed Mahmood Ali	Four	Two
Mr. M. Usama Khan (appointed on July 11,2013)	-	-

Leave of absence was granted to the Directors who could not attend the Board meetings. Company's quarterly, half yearly and annual reports are also available on the Company's website www.trustsecu.com.

Audit Committee

The Board of Directors has established an Audit Committee in compliance with the Code of Corporate Governance. The Committee consists of:

1.	Mr.Aftab Ahmed Qaiser	Chairman	Non-Executive Director
2.	Mr. Naveed Gilani	Member	Non-Executive Director
3.	Mr. Syed Javed Hussain	Member	Non-Executive Director

The Audit Committee reviewed the quarterly, half yearly and annual financial statements before submission to the Board and their publication. The Audit Committee also reviewed internal auditor findings and held separate meetings with internal and external auditors as required under the Code of Corporate Governance.

Auditors

Present auditors M/s Haroon Zakaria & Co., Chartered Accountants, are being eligible, to offer themselves for re-appointment as auditors for the financial year ending June 30, 2014.

Future Outlook

Pakistan's economic problems are largely a result of inaction by Government to introduce reforms ahead of general elections. A committed government with sound policies can set the record straight in a short period of time. The recently sworn in cabinet has started of its tenure on a positive note, actively engaging all stakeholders in policy formulation. The government has aptly focused its attention on the power sector and public sector enterprises, and we are hopeful that our country's economy will soon be on the path of sustainable growth.

Acknowledgement

The Board is grateful to the company's valued clients for their continuing confidence and patronage. We wish to place on record our appreciation and thanks for the faith and trust respond by our shareholders and banks. We thank to the Securities & Exchange Commission of Pakistan, KSE and LSE for their continued support and guidance.
In conclusion, we pray to Almighty Allah for His blessings, guidance and prosperity to us, our Company and Nation.

For and on behalf of the Board

ABDUL BASIT
CHIEF EXECUTIVE

Lahore: September 26, 2013

Annexure - A

BALANCE SHEETS AS AT 30TH JUNE

	2013	2012	2011	2010	2009	2008
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
ASSETS						
Non-Current Assets						
Property and equipment	1,699,139	2,012,968	2,420,960	2,936,789	3,464,958	4,130,255
Intangibles	1,542,600	4,262,600	4,262,600	4,262,600	4,262,600	4,162,600
Long term investments	3,011,992	239,419	122,487	127,585	120,478	377,110
Long term deposits	738,649	1,088,649	1,088,649	1,038,649	1,235,900	1,235,900
	6,992,380	7,603,636	7,894,696	8,365,623	9,083,936	9,905,865
Current Assets	45,155,305	51,212,231	57,070,306	70,808,630	86,440,119	87,600,637
TOTAL ASSETS	**52,147,685**	**58,815,867**	**64,965,002**	**79,174,253**	**95,524,055**	**97,506,502**
EQUITY AND LIABILITIES						
Share Capital and Reserves						
Authorised share capital	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Issued, subscribed and paid up capital	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
General reserve	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Capital reserve	187,326	133,103	16,171	-	(239,002)	17,630
Accumulated losses	(74,888,183)	(61,458,578)	(51,712,119)	(41,074,759)	(31,390,830)	(29,049,263)
	28,799,143	42,174,525	51,804,052	62,425,241	71,870,168	74,468,367
Non-Current Liabilities						
Retirement benefits	-	-	1,999,004	2,022,340	1,617,162	1,554,922
Deferred tax liability	-	-	-	-	-	194,310
Liabilities against assets subject to finance lease	-	-	-	-	298,205	565,608
	-	-	1,999,004	2,022,340	1,915,367	2,314,840
Current Liabilities	23,348,542	16,641,342	11,161,946	14,726,672	21,738,520	20,723,295
TOTAL EQUITY AND LIABILITIES	**52,147,685**	**58,815,867**	**64,965,002**	**79,174,253**	**95,524,055**	**97,506,502**

Annexure - B

PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 30TH JUNE

	2013	2012	2011	2010	2009	2008
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
REVENUE						
Operating revenue	5,666,790	4,207,833	2,219,875	4,740,135	4,483,638	14,193,487
(Loss) / gain on sale of securities/remeasurement of investemnts	(3,318,643)	413,273	381,456	16,865	2,793,780	2,934,247
	2,348,147	4,621,106	2,601,331	4,757,000	7,277,418	17,127,734
Other operating income	1,160,105	562,045	683,209	573,457	649,271	1,561,446
	3,508,252	5,183,151	3,284,540	5,330,457	7,926,689	18,689,180
LESS: EXPENDITURE						
Operating and administrative expenses	(17,866,204)	(14,766,961)	(13,825,923)	(14,315,975)	(9,536,744)	(11,654,944)
Finance Cost	(8,350)	(6,111)	(12,154)	(513,728)	(755,184)	(74,596)
	(17,874,554)	(14,773,072)	(13,838,077)	(14,829,703)	(10,291,928)	(11,729,540)
(Loss) / profit before taxation	(14,366,302)	(9,589,921)	(10,553,537)	(9,499,246)	(2,365,239)	6,959,640
Taxation	936,697	(156,538)	(83,823)	(184,683)	23,672	(1,639,717)
(Loss) / profit after taxation	**(13,429,605)**	**(9,746,459)**	**(10,637,360)**	**(9,683,929)**	**(2,341,567)**	**5,319,923**
(Loss) / earnings per share - basic & diluted	**(1.34)**	**(0.97)**	**(1.06)**	**(0.97)**	**(0.23)**	**0.53**

Annexure - C

PATTERN OF SHAREHOLDINGS
AS ON JUNE 30TH 2013

Number of ShareHolders	Shareholdings		Total Number of Shares Held
	From	To	
124	1 -	100	9,296
647	101 -	500	291,482
78	501 -	1000	75,963
81	1001 -	5000	208,198
8	5001 -	10000	55,899
4	10001 -	15000	46,000
3	20001 -	25000	71,437
1	25001 -	30000	26,500
1	30001 -	35000	30,200
5	35001 -	40000	200,000
1	40001 -	45000	41,000
1	45001 -	50000	49,500
2	55001 -	60000	119,300
1	80001 -	85000	82,700
1	90001 -	95000	93,000
1	135001 -	140000	139,500
1	195001 -	200000	200,000
1	230001 -	235000	231,275
1	295001 -	300000	300,000
1	320001 -	325000	324,000
1	3625001 -	3630000	3,627,375
1	3775001 -	3780000	3,777,375
965	**Total**		**10,000,000**

Annexure - D

COMBINED PATTERN OF CDC & PHYSICAL SHAREHOLDING
AS AT JUNE 30, 2013

Ctgr Code	Description		Number of Shareholders	Shares Held	Percentage of T.Capital
1	Associated Cos., Undertaking and Related Parties				
	-Emirates Global Investments Ltd.	3,777,375			
	-Emirates Investment Group LLC.	3,627,375	2	7,404,750	74.05
2	ICP(CDC A/C)		-	-	-
3	Directors, CEO and their spouses and Minor children:-				
	-Mr. Naveed Gilani	500			
	-Mr. Abdul Basit	500			
	-Mrs. Neena Jaffar	40,000			
	-Mr. Abdul Basit Pracha Asi Nizami	40,000			
	-Mr. Syed Javed Hussain	40,000			
	-Mr. Aftab Ahmed Qaiser	500			
	-Mr. Syed Mahmood Ali	500	7	122,000	1.22
4	Executives				
5	Public Sector Companies & Corporations		-	-	-
6	Banks, Development Financial Instituations, Non Banking Financial Instituations, Insurance Companies, Modarbas and Mutual Funds		19	602,786	6.03
7	Joint Stock Companies				-
8	Individuals		937	1,870,464	18.70
9	Others				
	Total		965	10,000,000	100

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SHARE HOLDERS HOLDING TEN PERCENT OR MORE VOTING INTEREST IN THE LISTED COMPANY

S/No.	Name of Shareholder	Description	No. of Shares Held	Percentage %
1	EMIRATES GLOBAL INVESTMENTS LTD.	Falls in Category 1	3,777,375	37.77
2	EMIRATES INVESTMENT GROUP LLC.	Falls in Category 1	3,627,375	36.27

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

This statement is being presented to comply with the Code of Corporate Governance as contained in the listing regulations of the Karachi and Lahore Stock Exchanges for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the Code of Corporate Governance in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present, the Board includes:

Category	Names
Independent Director	Mr.Syed Javed Hussain
Executive Director	Mr. Abdul Basit
Non-Executive Directors	Mr. Naveed Gilani
	Mrs. Neena Jaffar
	Mr. Aftab Ahmed Qaiser
	Mr. Syed Mahmood Ali
	Mr. Muhammad Usama Khan

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of stock exchange, has been declared as a defaulter by that stock exchange.
4. A casual vacancy occurred in the Board during the current year and was filled up by the directors within the prescribed period.
5. The Company has prepared a “Code of Conduct” and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The Board has developed a vision/mission statement, overall corporate strategy and significant polices of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non executive directors, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board met at least once in every quarter during the year ended June 30, 2013. Written notices of the Board Meetings along with agenda and working papers were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. Most of directors meet the exemption requirement of the director' training program. One director already has done the directors' training program. The remaining director shall obtain certification under directors' training program up to 2016.
10. There were no new appointments in Internal Audit, CFO or Company Secretary during this year.
11. The Director's Report for the year ended June 30, 2013 has been prepared in compliance with the requirements of the Code of Corporate Governance and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly signed by the CEO and CFO before approval of the Board.
13. The Directors, CEO and Executives do not hold any interest in the shares of the company, other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting framework requirements of the Code.
15. The Board has formed an Audit Committee. It comprises of three members, all of whom are non-executive directors including the chairman of the committee.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company as required by the Code. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed a Human Resource and Remuneration (HR&R) Committee. It comprises three members, of whom one is executive director and two are non executive directors and the chairman is non executive director.
18. The Board has set up an effective internal audit function of the company.
19. The statutory auditors of the company have confirmed that:
    I. They have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan.
    II. They or any of the partners of the firm, their spouses and minor children do not hold shares of the company and
    III. The firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'close period', prior to the announcement of interim/ final results , and business decisions, which may material effect the market price of company's securities , was determined and intimated to directors , employees and stock exchanges.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchanges.
23. We confirm that all other material principles enshrined in the CCG have been complied with.

ABDUL BASIT
Chief Executive

Lahore: September 26, 2013

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of **Trust Securities & Brokerage Limited** to comply with the Listing Regulation No. 35 (Chapter XI) of Karachi, and Lahore Stock Exchanges, where the Company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code.

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

Further, Listing Regulations of Karachi Stock Exchange Limited and Lahore Stock Exchange Limited require the Company to place before the Board of Directors for their consideration and approval related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. Further, all such transaction are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transaction by the Board of Directors and placement of such transaction before the audit committee. We have not carried out any procedures to enable us to express an opinion as to whether the related party transactions were carried out at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the status of Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Company for the year ended June 30, 2013.

Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: September 26, 2013

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **TRUST SECURITIES & BROKERAGE LIMITED** as at June 30, 2013 and related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

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

We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a. In our opinion, proper books of accounts have been kept by the company as required by the Companies Ordinance, 1984;

b. In our opinion

(i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts 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, statement of comprehensive income, 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, 2013 and of the loss, comprehensive loss, its cash flows and changes in equity for the year then ended; and

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

Without qualifying our opinion, we draw attention to the contents of note 1.2 to the accompanying financial statements which indicate that the Company incurred loss after tax of Rs. 13.430 (2012: Rs. 9.746) million during the year and its accumulated losses at Rs. 74.888 (2012: Rs. 61.459) million. These conditions along with other matters set forth in note 1.2 indicate the existence of material uncertainty that may cast doubt about the company's ability to continue as a going concern and such note also discusses the reasons for preparing the financial report on going concern basis.

Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: September 26, 2013

Engagement Partner:
Muhammad Haroon

BALANCE SHEET
AS AT JUNE 30, 2013

	Note	2013 Rupees	2012 Rupees
ASSETS			
Non-Current Assets			
Property and equipment	4	**1,699,139**	2,012,968
Intangibles	5	**1,542,600**	4,262,600
Long term investments	6	**3,011,992**	239,419
Long term deposits	7	**738,649**	1,088,649
Deferred taxation	8	**-**	-
		6,992,380	7,603,636
Current Assets			
Short term investments	9	**2,471,850**	6,630,960
Trade debts	10	**24,884,389**	36,961,141
Advances, prepayments and other receivables	11	**518,070**	650,855
Tax refunds due from government	12	**519,152**	-
Cash and bank balances	13	**16,761,845**	6,969,275
		45,155,305	51,212,231
Total Assets		**52,147,685**	58,815,867
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized Capital			
10,000,000 Ordinary shares of Rs.10 each		**100,000,000**	100,000,000
Issued, subscribed and paid-up capital	14	**100,000,000**	100,000,000
Reserves			
General reserve		**3,500,000**	3,500,000
Capital reserve		**187,326**	133,103
Accumulated losses		**(74,888,183)**	(61,458,578)
		(71,200,857)	(57,825,475)
Shareholders' Equity		**28,799,143**	42,174,525
Current Liabilities			
Retirement benefits	15	**1,999,004**	1,999,004
Trade and other payables	16	**21,349,538**	14,047,674
Provision for taxation - net	17	**-**	594,664
		23,348,542	16,641,342
Contingency and Commitments	18	-	-
Total Equity and Liabilities		**52,147,685**	58,815,867

The annexed notes form an integral part of these financial statements

Chief Executive ***Director***

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2013

	Note	2013 Rupees	2012 Rupees
Operating revenue	19	**5,666,790**	4,207,833
Gain on sale of securities		**353,916**	446,393
Loss on remeasurement of investments		**(3,672,559)**	(33,120)
		2,348,147	4,621,106
Operating and administrative expenses	20	**(17,866,204)**	(14,766,961)
Finance cost	21	**(8,350)**	(6,111)
		(17,874,554)	(14,773,072)
Operating loss		**(15,526,407)**	(10,151,966)
Other operating income	22	**1,160,105**	562,045
Loss before taxation		**(14,366,302)**	(9,589,921)
Taxation	23	**936,697**	(156,538)
Loss after taxation		**(13,429,605)**	(9,746,459)
Loss per share - basic and diluted	24	**(1.34)**	(0.97)

The annexed notes form an integral part of these financial statements

Chief Executive ***Director***

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2013

	2013 Rupees	2012 Rupees
Loss for the year	**(13,429,605)**	(9,746,459)
Other comprehensive income:		
Available-for-sale financial assets		
Gain arising due to remeasurement	**54,223**	116,932
Total comprehensive loss for the year	**(13,375,382)**	(9,629,527)

The annexed notes form an integral part of these financial statements

Chief Executive ***Director***

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2013

	Note	*2013* Rupees	*2012* Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	26	**8,214,649**	(85,497)
Finance cost paid		**(8,350)**	(6,111)
Taxes paid		**(177,119)**	(159,517)
Long term deposits - net		**350,000**	-
Cash generated from / (used in) operations		**8,379,181**	(251,125)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		**-**	(24,420)
Proceeds from sale of property and equipment		**-**	27,000
Investments- net		**488,201**	702,000
Profit received on saving account		**925,188**	480,972
Net cash generated from investing activities		**1,413,389**	1,185,552
Net increase in cash and cash equivalents (A + B)		**9,792,570**	934,427
Cash and cash equivalents at beginning of year		**6,969,275**	6,034,848
Cash and cash equivalents at end of year	13	**16,761,845**	6,969,275

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

Chief Executive ***Director***

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2013

		Reserves					
	Share Capital	*Capital*	*Revenue*			*Grand Total*	*Shareholders' Equity*
		Fair Value Reserve	*General Reserve*	*Accumulated Losses*	*Sub Total*		
	Rupees						
Balance as at June 30, 2011	**100,000,000**	**16,171**	**3,500,000**	**(51,712,119)**	**(48,212,119)**	**(48,195,948)**	**51,804,052**
Total comprehensive loss for the year							
Loss for the year ended June 30, 2012	-	-	-	(9,746,459)	(9,746,459)	(9,746,459)	(9,746,459)
Other Comprehensive income							
Gain arises due to remeasurement of investments	-	116,932	-	-	-	116,932	116,932
Total comprehensive loss for the year ended June 30, 2012	-	116,932	-	(9,746,459)	(9,746,459)	(9,629,527)	(9,629,527)
Balance as at June 30, 2012	**100,000,000**	**133,103**	**3,500,000**	**(61,458,578)**	**(57,958,578)**	**(57,825,475)**	**42,174,525**
Total comprehensive loss for the year							
Loss for the year ended June 30, 2013	-	-	-	(13,429,605)	(13,429,605)	(13,429,605)	(13,429,605)
Other Comprehensive income							
Gain arises due to remeasurement of investments	-	54,223	-	-	-	54,223	54,223
Total comprehensive loss for the year ended June 30, 2013	-	**54,223**	-	**(13,429,605)**	**(13,429,605)**	**(13,375,382)**	**(13,375,382)**
Balance as at June 30, 2013	**100,000,000**	**187,326**	**3,500,000**	**(74,888,183)**	**(71,388,183)**	**(71,200,857)**	**28,799,143**

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

Chief Executive ***Director***

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

1 THE COMPANY AND ITS OPERATION

1.1 The Company was incorporated as a Public Limited Company on October 19, 1993 in Pakistan and is listed on Karachi and Lahore Stock Exchanges in Pakistan. The Company is a TREC holder of Lahore Stock Exchange Limited. The registered office of the Company is situated at 3rd Floor, Associated House, Building 1 & 2, 7 - Kashmir Road, Lahore. The Company is principally engaged in shares brokerage, consultancy and underwriting services.

1.2 Going Concern Assumption

During the year, the Company has incurred loss after tax of Rs.13.429 (2012 : Rs.9.746) million and at year end, its accumulated losses stood at Rs.74.888 (2012 : Rs.61.459) million causing decrease in shareholders' equity to Rs.28.799 (2012 : Rs.42.175) million. The Company's certain amount of trade debts is stuck up. These factors indicate the existence of material uncertainty and creates doubts about the Company's ability to continue as going concern and, therefore the Company may not be able to realize its assets and discharge its liabilities at the stated amount. However, despite associated uncertainties, the Company expects that increase in the trading activities in stock market, demutualization of exchange and recovery of trade receivables from its customers will improve the profitability and liquidity of the Company. Further, the revenue from brokerage has been increased from previous year and the Company is expecting same trend for coming next year. Owing to these factors, these financial statements are prepared on going concern basis.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention except as stated hereafter in the relevant accounting policies Further accrual basis of accounting is followed in the preparation of these financial statements except for cash flow information.

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized 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.

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

- Useful lives and residual values of property and equipment (note 3.1)
- Impairment of intangibles (note 3.2)
- Trade debts and other receivables (note 3.4)
- Provision for taxation (note 3.8)
- Impairment of investments and tangible assets (note 3.14)

2.5 New, revised and amended standards and interpretations

During the year certain amendments to Standards and new interpretations became effective however they did not have any material effect on the financial statements of the Company.

2.6 New / revised accounting standards, amendments to published accounting standards and interpretations that are not yet effective

The following new standards, amendments to existing standards and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 July 2013:

- IAS 19 Employee Benefits (amended 2011) - (effective for annual periods beginning on or after 1 January 2013). The amended IAS 19 requires actuarial gains and losses to be recognised immediately in other comprehensive income. This change will remove the corridor method and eliminate the ability of entities to recognise all changes in the defined benefit obligation and in plan assets in profit or loss, which currently is allowed under IAS 19, and expected return on plan assets recognised in profit or loss is calculated based on the rate used to discount the defined benefit obligation. The Company's policy is to account for actuarial gains and losses using the corridor method. The amendment will have an effect on unrecognized actuarial gains / losses at 30 June 2013 which will need to be recognized in other comprehensive income.

- IAS 27 Separate Financial Statements (2011) - (effective for annual periods beginning on or after 1 January 2013). The amendment has no impact on the financial statements of the Company.

- IAS 28 Investments in Associates and Joint Ventures (2011) - (effective for annual periods beginning on or after 1 January 2013). The amendment has no impact on financial statements of the Company.

- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) – (effective for annual periods beginning on or after 1 January 2014). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 Financial Instruments: Presentation. The amendments clarify the meaning of 'currently has a legally enforceable right of set-off'; and that some gross settlement systems may be considered equivalent to net settlement.
- Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7) – (effective for annual periods beginning on or after 1 January 2013). The amendments to IFRS 7 contain new disclosure requirements for financial assets and liabilities that are offset in the statement of financial position or subject to master netting agreement or similar arrangement.

- Annual Improvements 2009-2011 (effective for annual periods beginning on or after 1 January 2013). The new cycle of improvements contains amendments to the following three standards, with consequential amendments to other standards and interpretations:

  - IAS 1 Presentation of Financial Statements is amended to clarify that only one comparative period – which is the preceding period – is required for a complete set of financial statements.

  - IAS 16 Property, Plant and Equipment is amended to clarify the accounting of spare parts, stand-by equipment and servicing equipment. The definition of 'property, plant and equipment' in IAS 16 is now considered in determining whether these items should be accounted for under that standard. If these items do not meet the definition, then they are accounted for using IAS 2 Inventories.

  - IAS 32 Financial Instruments: Presentation - is amended to clarify that IAS 12 Income Taxes applies to the accounting for income taxes relating to distributions to holders of an equity instrument and transaction costs of an equity transaction. The amendment removes a perceived inconsistency between IAS 32 and IAS 12.

- IFRIC 20 - Stripping cost in the production phase of a surface mining (effective for annual periods beginning on or after 1 January 2013). The amendment has no impact on financial statements of the Company.

- IFRIC 21- Levies 'an Interpretation on the accounting for levies imposed by governments' (effective for annual periods beginning on or after 1 January 2014). The amendment has no impact on financial statements of the Company.

- IAS 39 Financial Instruments: Recognition and Measurement- Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39) (effective for annual periods beginning on or after 1 January 2014). The amendment has no impact on financial statements of the Company.

- Amendment to IAS 36 "Impairment of Assets" Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods beginning on or after 1 January 2014). The amendment has no impact on financial statements of the Company.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 *Property and equipment*

Owned

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

Maintenance and normal repairs are charged to income as and when incurred while major improvements, if any, are capitalized. Gains and losses on disposal of assets are included in the profit and loss account.

Full year's depreciation is charged on the assets from the year of purchase, whereas, no depreciation is charged in the year of disposal.

The carrying values of tangible fixed assets are reviewed for impairment when event or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Gain/ loss on disposal of fixed assets are recognized in the profit and loss account.

The assets' residual values and useful lives are continually reviewed by the Company and adjusted if impact on depreciation is significant. The Company's estimate of residual values of property, plant and equipment as at June 30, 2012 has not required any adjustment as its impact is considered insignificant.

3.2 *Intangibles*

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. Where the carrying amount exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

3.3 *Investments*

The management of the company determines the appropriate classification of the investments at the time of purchase or increase in holdings and classifies/reclassifies its investment as at fair value through profit or loss and available for sale.

Unquoted investments, for which active market does not exist and fair value cannot be reasonably calculated are carried at cost, impairment in value, if any, is taken to profit or loss account currently.

Investment at fair value through profit or loss

Investments at fair value through profit or loss are initially measured at cost, being the fair value of consideration given. At subsequent reporting dates, these investments are re-measured at fair value (quoted market price). The investment for which a quoted market price is not available, are measured at cost unless fair value can be reliably measured. Such fair value estimates are subjective in nature, and therefore, cannot be determined with precision. Realized and unrealized gains and losses arising from changes in fair value are included in the net profit or loss for the period in which they arise.

All purchases and sales of investments are recognised on the trade date which is the date that The Company commits to purchase or sell the investment. Cost of purchase does not includes transaction cost.

At each reporting date, The Company reviews the carrying amounts of the investments to assess whether there is any indication that such investments have suffered an impairment loss.

Investments available-for-sale

Available for sale investments are those non derivative Investments that are designated as available for sale or are not classified in any other category. These are measured initially and subsequent to the initial recognition at fair value plus, in the case of initial recognition, transaction costs that are directly attributable to the acquisition of these investments.

Gain or loss from re-measurement to fair value are recognised directly in equity, except for impairment losses and, until the derecognision at which time the cumulative gain or loss previously recognised in equity shall be recognised in profit or loss. Dividend on these investment are recognised in profit and loss as per revenue recognition policy of The Company.

3.4 Trade debts and other receivables

Trade debts and other receivables are recognized initially at cost which is the fair value of consideration to be received less provision for doubtful debts, if any. A provision for doubtful debt is established when there is an objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Trade debts and other receivables considered irrecoverable are written off.

3.5 Trade and other payables

Trade and other payables are carried at cost, which is the fair value of the consideration to be paid, in the future for goods and services received.

3.6 Borrowing cost

Borrowing cost is recognised as expense in the period in which these are incurred.

3.7 Employees compensated absences

Provision for liabilities towards employees compensated absences is made on the basis of unavailed leave balances, for all its permanent employees who have completed minimum qualifying period.

3.8 Taxation

Current
Provision for taxation is determined in accordance with the provisions of Income Tax Ordinance, 2001.

Deferred
Deferred tax is provided in full using the balance sheet liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

The carrying amount of all deferred tax assets, if arise, are reviewed at each balance sheet date and reduced to the extent, if it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax assets and liabilities are recognised to the extent of income subject to normal taxation.

3.9 Provisions

A provision is recognized when The Company has an obligation (legal or constructive), as a result of a past event 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 the obligation.

3.10 Revenue recognition

Gain/ (loss) from dealing in securities

Gain or loss on sale of marketable and unquoted securities are recognised in the year in which it arises.

Brokerage, consultancy and advisory fee

Brokerage, consultancy and advisory fees are recognized as and when services are provided.

Others

Dividend income is recognized when right to receive dividend is established.

Interest income is recognized on time proportion basis using effective interest rates.

Gain or loss from re-measurement of investment is recognized at year end.

3.11 Cash and cash equivalents

These include cash in hand and bank balances.

3.12 Financial instruments

All the financial assets and financial liabilities are recognized at the time when The Company becomes a party to the contractual provisions of the instrument. Any gain or loss on derecognision of the financial assets and financial liabilities are taken to profit and loss account currently. Financial assets are stated at their nominal value as reduced by the appropriate allowances for estimating irrecoverable amount. Mark up bearing financial liabilities are recorded at the gross proceeds received. Other financial liabilities are stated at their nominal value.

3.13 Off-setting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if The Company has a legally enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

3.14 Impairment

Financial assets

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

Non-Financial assets

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

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

3.15 Related party transactions

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

4 *PROPERTY AND EQUIPMENT*

Particular	*Computers*	*Furniture and fittings*	*Vehicles*	*Office equipments*	*Total*
	Rupees				
Year ended June 30, 2012					
Net book value	391,436	712,957	721,634	594,933	2,420,960
Additions / transfer	-	-	-	24,420	24,420
Disposal					
Cost	-	-	-	60,835	60,835
Depreciation				(19,254)	(19,254)
	-	-	-	41,581	41,581
Depreciation charged	117,431	71,296	144,327	57,777	390,831
Net book value as at June 30, 2012	274,005	641,661	577,307	519,995	2,012,968
Year ended June 30, 2013					
Net book value	274,005	641,661	577,307	519,995	2,012,968
Depreciation charged	82,202	64,166	115,461	52,000	313,829
Net book value as at June 30, 2013	**191,803**	**577,495**	**461,846**	**467,995**	**1,699,139**
At June 30, 2012					
Cost	3,236,708	1,936,787	2,187,500	1,249,284	8,610,279
Accumulated depreciation	2,962,703	1,295,126	1,610,193	729,289	6,597,311
Net book value	274,005	641,661	577,307	519,995	2,012,968
At June 30, 2013					
Cost	3,236,708	1,936,787	2,187,500	1,249,284	8,610,279
Accumulated depreciation	3,044,905	1,359,292	1,725,654	781,289	6,911,140
Net book value	**191,803**	**577,495**	**461,846**	**467,995**	**1,699,139**
Rate of depreciation %	**30%**	**10%**	**20%**	**10%**	

		Note	2013 Rupees	2012 Rupees
5	***INTANGIBLES***			
	Membership license			
	Lahore Stock Exchange Limited.		**-**	4,000,000
	Trading Rights Entitlement Certificate (TREC)	5.1	**1,280,000**	-
	Offices			
	At Lahore Stock Exchange	5.2	**262,600**	262,600
			1,542,600	4,262,600

5.1 Pursuant to the promulgation of the Stock Exchanges (Corporatisation, Demutualization and Integrations) 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 the equity shares of Lahore Stock Exchange Limited (LSEL) and a Trading Right Entitlement Certificate (TREC) in lieu of its membership card of LSE. The company's entitlement in respect of LSEL's shares is determine on the basis of valuation of assets and liabilities of LSEL as approved by the SECP and the company has been allotted 843,975 shares of the face value of Rupees 10 / each, 60% of which .i.e. 506,385 shares are kept in the blocked account of 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. 40% of total ordinary shares i.e. 337,590 for Rs.10 each have been credited to the Company's CDC sub-account.

The allocation of the carrying value of the membership card between the shares (financial asset) and TREC (an intangible assets) has been made by the company on the proportionate basis of the face value of the ordinary shares and TREC value assigned by the LSEL for Base Minimum Capital requirement purposes applicable to the stock exchange brokers currently.

5.2 This represent cost of offices given by Lahore stock exchange with indefinite useful life. These are considered to be indefinite as there is no foreseeable limit on the period during which an entity expects to consume the future economic benefits.

6 LONG TERM INVESTMENTS

At cost - In shares of Un-quoted company

2013 Number of Shares	2012 Number of Shares	Name of securities	Note	Carrying Value 2013 Rupees	Carrying Value 2012 Rupees
843,975	-	Lahore Stock Exchange Limited	5.1	**2,720,000**	-

Available for sale - In shares of quoted companies

Number of Shares 2013	Number of Shares 2012	Name of securities	2013 Rupees	2012 Rupees
43,705	43,705	Standard Chartered Leasing Limited	**235,570**	208,473
36,168	36,168	Invest Capital Investment Bank Limited	**56,422**	29,296
5,000	5,000	Sunshine Cotton Mills Limited	**1,650**	1,650
			293,642	239,419
		Provision for impairment	**(1,650)**	-
			3,011,992	239,419

	2013 Rupees	2012 Rupees
7 LONG TERM DEPOSITS		
- Unsecured - Considered good		
Lahore Stock Exchange Limited	**250,000**	600,000
National Clearing Company of Pakistan Limited	**300,000**	300,000
Utility deposits	**88,649**	88,649
Against office of Lahore Stock Exchange Limited	**100,000**	100,000
	738,649	1,088,649

8 DEFERRED TAXATION

Deferred tax asset is net off of taxable / (deductible) temporary differences in respect of the followings: -

	2013 Rupees	2012 Rupees
Taxable temporary differences		
Accelerated tax depreciation	**202,256**	192,923
Deductible temporary differences		
Provision for employees compensated absences	**(637,111)**	(536,639)
Provision for doubtful debts	**(14,093,074)**	(27,320,623)
Assessed tax losses	**(5,363,044)**	(3,470,029)
	(20,093,230)	(31,327,291)
Unrecognized deferred tax asset	**(19,890,974)**	(31,134,368)

The Company has not recognised above deferred tax asset due to the uncertainty regarding taxable profits in foreseeable future against which the deferred tax asset can be utilized or adjusted.

	Note	2013 Rupees	2012 Rupees
9 SHORT TERM INVESTMENTS			
At fair value through profit or loss - Initially designated			
In shares of unquoted company - Related party	9.1	**2,408,850**	6,060,000
In shares of quoted company	9.2	**63,000**	570,960
		2,471,850	6,630,960

9.1 In shares of unquoted company - Related party

2013	2012	Name of Securities	Carrying Value 2013 Rupees	Carrying Value 2012 Rupees
Number of Shares				
505,000	505,000	Takaful Pakistan Limited	**2,408,850**	6,060,000

9.1.1 This represents investment in fully paid ordinary shares of Takaful Pakistan Limited.

9.2	2013	2012	Name of securities	Carrying Value 2013	2012
	Number of Shares			*Rupees*	*Rupees*
	-	12,000	Nishat Mills Limited	-	570,960
	25,000	-	Dewan Salman Fibre Limited	**63,000**	-
				63,000	570,960

10 TRADE DEBTS

	Note	2013 Rupees	2012 Rupees
Considered good		**24,884,389**	36,961,141
Considered doubtful	10.1	**44,218,501**	35,481,328
Considered bad		**864,122**	-
		69,967,012	72,442,469
Provision for doubtful debts	10.2	**(44,218,501)**	(35,481,328)
Considered bad written-off	20.1	**(864,122)**	-
		24,884,389	36,961,141

10.1 The Company is currently engaged in settlement arrangement with some of its customers to clear the outstanding balances which are overdue. However, in the meantime adequate provision has been made in these financial statements based on prudence, past track record of the customers and management's judgment to recover these balances.

10.2 Provision for doubtful debts

	Note	2013 Rupees	2012 Rupees
Balance as on July 01		**35,481,328**	28,174,627
Provision made during the year	20.1	**8,737,173**	7,563,500
		44,218,501	35,738,127
Reversal of excess provision		**-**	(256,799)
		44,218,501	35,481,328

11 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES
- Considered good

	2013	2012
Advance to staff	**479,544**	497,070
Interest receivable on saving account	**-**	53,040
Others receivables	-	71,426
Short term prepayments	**38,526**	29,319
	518,070	650,855

	Note	2013 Rupees	2012 Rupees
12 TAX REFUNDS DUE FROM GOVERNMENT			
Opening tax liability	17	**(594,664)**	-
Provision for the year	23	**(75,051)**	-
		(669,715)	-
Tax paid during the year		**177,119**	-
Prior year taxation		**1,011,748**	-
		1,188,867	-
		519,152	-
13 CASH AND BANK BALANCES			
Cash in hand		**9,964**	6,300
Cash at banks			
In current accounts		**775,572**	119,366
In saving account	13.1	**15,976,308**	6,843,609
		16,751,881	6,962,975
		16,761,845	6,969,275

13.1 Saving account carries markup which ranges from 5% to 7.25% (2012 : 5% to 8.75%) per annum.

	Note	2013 Rupees	2012 Rupees
14 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
10,000,000 Ordinary shares of Rs.10 each, fully paid in cash	14.1 & 14.2	**100,000,000**	100,000,000

14.1 Associated undertakings held 7,404,750 (2012 : 7,404,750) ordinary shares of Rs. 10 each at the year end.

14.2 The shareholders are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry one vote per share without restriction.

	Note	2013 Rupees	2012 Rupees
15 RETIREMENT BENEFITS			
Employees compensated absences	3.7	**1,999,004**	1,999,004
16 TRADE AND OTHER PAYABLES			
Trade creditors		**19,660,108**	12,036,052
Accrued liabilities		**997,030**	1,309,223
Other liabilities		**692,400**	702,400
		21,349,538	14,047,674

17 PROVISION FOR TAXATION - NET

	2013 Rupees	2012 Rupees
Balance as at July 01	-	597,643
Provision for taxation - current year	-	156,538
	-	754,181
Payments made during the year	-	(159,517)
Balance as at June 30	-	594,664

18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

The Company is defending an appeal filed with the Honorable Supreme Court of Pakistan against the order passed by the Divisional Bench of Lahore High Court in favour of the Company against defamation claim of Rs.5.00 million. The Company is confident of a favourable out come and accordingly no provision for the aforesaid amount has been made in these financial statements.

18.2 Commitments

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

	Note	2013 Rupees	2012 Rupees
For purchase of shares		**2,809,552**	9,893,201
For sale of shares		**2,093,296**	8,015,778

19 OPERATING REVENUE

		2013 Rupees	2012 Rupees
Brokerage income		**5,666,790**	4,207,833

20 OPERATING AND ADMINISTRATIVE EXPENSES

	Note	2013 Rupees	2012 Rupees
Salaries, benefits and allowances		**4,650,055**	4,187,704
Commission and clearing house expenses		**33,970**	33,293
Communication expenses		**305,466**	273,948
Printing and stationary		**138,303**	141,380
Entertainment expenses		**108,736**	119,439
Travelling and lodging expenses		**79,126**	108,981
Repairs and maintenance		**500,398**	375,757
Advertisement and publicity		**15,170**	15,925
Electricity and utilities		**375,215**	241,043
Insurance expenses		**42,090**	52,137
Depreciation	4	**313,829**	390,831
Internet and software maintenance charges		**324,504**	315,570
Legal and professional charges		**377,505**	219,607
Fees and subscription		**154,910**	166,480
Rent, rates and taxes		**522,861**	488,261
Other operating charges	20.1	**9,924,066**	7,636,605
		17,866,204	14,766,961

	Note	2013 Rupees	2012 Rupees

20.1 Other operating charges

	Note	2013 Rupees	2012 Rupees
Auditors remuneration	20.1.1	**250,000**	250,000
Loss on disposal of fixed assets		**-**	14,581
Bad debts written off		**864,122**	-
Provision for doubtful debt - net	10.2	**8,737,173**	7,306,701
Miscellaneous expenses		**72,771**	65,323
		9,924,066	7,636,605

20.1.1 Auditors' remuneration

Statutory audit fee		**175,000**	175,000
Interim review fee		**30,000**	30,000
Certification fee		**30,000**	30,000
Out of pocket expenses		**15,000**	15,000
		250,000	250,000

21 FINANCE COST

Bank charges		**8,350**	6,111

22 OTHER OPERATING INCOME

Income from financial assets			
Interest on saving account		**872,148**	500,592
Dividend income		**287,958**	61,453
		1,160,105	562,045

23 TAXATION

Current	23.1	**75,051**	156,538
Prior year tax		**(1,011,748)**	-
		(936,697)	156,538

23.1 Tax charge reconciliation

Reconciliation between tax expense and accounting profit has not been made as relationship between these could not be developed due to tax arises under minimum tax regime u/s. 113 of the Income Tax Ordinance, 2001 owing to losses.

Returns for the tax year upto 2012 have been filed, which are deemed to be assessment order under provisions of the Income Tax Ordinance, 2001 however the CIT has power to re-assess any of the five preceding tax years.

		2013	*2012*
24 *(LOSS) PER SHARE*			
- Basic and Diluted			
Loss attributable to ordinary shareholders	***Rs.***	**(13,429,605)**	(9,746,459)
Weighted average number of ordinary shares in issue		**10,000,000**	10,000,000
Loss per share - basic and diluted	***Rs.***	**(1.34)**	(0.97)

	2013 Rupees	*2012 Rupees*
25 *REMUNERATION AND BENEFITS TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES*		
To Chief Executive Officer (One)		
Managerial remuneration	**1,130,521**	1,024,356
Commission paid	**185,411**	102,773
Expenses incurred	**175,459**	168,439
To Director (One)		
For attending meeting	**25,000**	-
	1,516,391	1,295,568

25.1 The chief executive has been provided with the free use of company maintained vehicle in accordance with the company's policy.

25.2 None of the employees fall under the category of "Executives" as defined by the Companies Ordinance, 1984.

	2013 Rupees	*2012 Rupees*
26 *CASH GENERATED FROM/(USED IN) OPERATIONS*		
Loss before taxation	**(14,366,302)**	(9,589,921)
Adjustment for non-cash charges and other items		
Depreciation	**313,829**	390,831
Profit on saving account	**(872,148)**	(500,592)
Provision for doubtful debts	**9,601,295**	7,306,701
Finance cost	**8,350**	6,111
Loss on disposal of property, plant and equipment	**-**	14,581
Unrealised loss on remeasurement of investment	**3,672,559**	33,120
	12,723,885	7,250,752
	(1,642,417)	(2,339,169)
Changes in Working Capital:		
(Increase) / decrease in current assets		
Trade debts	**2,475,457**	(1,112,321)
Advances, prepayments and other receivables	**79,745**	(117,378)
Increase / (decrease) in current liabilities		
Trade and other payables	**7,301,864**	3,483,371
	9,857,066	2,253,672
Cash generated from/(used in) operations	**8,214,649**	(85,497)

27 *FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES*

	2013 Rupees	2012 Rupees
FINANCIAL ASSETS AND LIABILITIES		
Financial assets		
Long term deposits	**738,649**	1,088,649
Investments	**5,483,842**	6,870,379
Trade debts	**24,884,389**	36,961,141
Advances, prepayments and other receivables	**518,070**	650,855
Cash and bank balances	**16,761,845**	6,969,275
	48,386,794	52,540,299
Financial Liabilities		
Trade and other payables	**23,348,542**	16,046,678

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

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

a) Credit risk
b) Liquidity risk
c) Market Risk

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

27.1 Credit risk

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

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

	Note	**2013 Rupees**	2012 Rupees
Long term investments	6	**3,011,992**	239,419
Long term deposits	7	**738,649**	1,088,649
Short term investments	9	**2,471,850**	6,630,960
Trade debts	10	**24,884,389**	36,961,141
Advances, prepayments and other receivables	11	**518,070**	650,855
Cash at banks	13	**16,751,881**	6,962,975
		48,376,830	52,533,999

Trade debts

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors.

All the trade debtors at the balance sheet date represent domestic parties.

The aging of trade receivable at the reporting date is: -

	Note	2013 Rupees	2012 Rupees
Within 1 year		**2,754,956**	7,014,423
More than 1 but less than 2 years		**1,373,331**	14,849,918
More than 2 but less than 3 years		**2,082,320**	15,096,800
More than 3 years		**62,892,283**	35,481,328
		69,102,890	72,442,469
Impairment	10.2	**(44,218,501)**	(35,481,328)
		24,884,389	36,961,141

Trade debts balances amounting to Rs.44.218 millions (2012 : Rs.35.481 millions) for which management has made adequate provision in these financial statements based on prudence, past track record of the customers and management's judgment to recover these balances.

The credit quality of the receivables can be assessed with reference to the historical performance with no or some defaults in recent history, however, no loses. The credit quality of Company's bank balances can be assessed with reference to external credit rating as follows: -

Bank	*Rating agency*	*Short term ratings*
Private sector commercial banks		
Bank Alfalah Limited	PACRA	A1+
MCB Bank Limited	PACRA	A1+
Habib Metropolitan Bank Limited	PACRA	A1+
Development Financial Institutions		
Al Baraka Bank (Pakistan) Limited	PACRA	A1

27.2 Liquidity risk

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

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

	2013			
	Carrying Amount	*Contractual cash flows*	*Upto one year*	*More than one year*
	- - - - - - - - - - - - - - *Rupees*	- - - - - - - - - - - - - -		
Financial liabilities				
Trade and other payables	**21,349,538**	**21,349,538**	**21,349,538**	**-**

	2012			
	Carrying Amount	*Contractual cash flows*	*Upto one year*	*More than one year*
	- - - - - - - - - - - - - -	*Rupees*	*- - - - - - - - - - - - - -*	
Financial liabilities				
Trade and other payables	14,047,674	14,047,674	14,047,674	-

27.3 Market risk

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

Currency Risk

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

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

Interest / mark up rate risk

Financial assets and liabilities include balances of Rs.15.976 million (2012 : Rs.6.844 million) which are subject to interest rate risk. Applicable interest/mark-up rates for financial assets and liabilities have been indicated in respective notes.

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The short term borrowing arrangements has variable rate pricing that is dependent on the Karachi Inter Bank Offer Rate (KIBOR) as indicated in respective notes.

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

	2013	*2012*	***2013***	*2012*
	Effective interest rate (in %)		***Carrying amount***	
Financial assets				
Cash and bank balances	**5% to 7.25%**	5% to 8.75%	**15,976,308**	**6,843,609**

Sensitivity analysis

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

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

	Profit and loss 100 bp	
	increase	*decrease*
As at June 30, 2013		
Cash flow sensitivity-Variable rate financial instruments	**87,215**	**(87,215)**
As at June 30, 2012		
Cash flow sensitivity-Variable rate financial instruments	50,059	(50,059)

Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. The Company is exposed to equity price risk since it has investments in quoted equity securities amounting to Rs. 0.355 million (2012 : Rs.0.810 million) at the balance sheet date.

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

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

Sensitivity analysis

The table below summarizes Company's equity price risk as of June 30, 2013 and 2012 and shows the effects of hypothetical 10% increase and a 10% decrease in market prices as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worst because of the nature of the equity market and aforementioned concentrations existing in company's equity investment portfolio.

	Fair Value	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase (decrease) in Shareholders' Equity
			Rupees	Rupees
June 30, 2013	**3,074,992**	**10% increase**	**3,382,491**	**307,499**
		10% decrease	**2,767,493**	**(307,499)**
June 30, 2012	**810,379**	10% increase	891,417	81,038
		10% decrease	729,341	(81,038)

28 CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development of the business and maximize shareholders value. The Company closely monitors the return on capital along with the level of distributions to ordinary shareholders. No changes were made in the objectives, policies or processes during the year ended June 30, 2013.

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

29 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, directors of the Company, key management employees and staff retirement benefits. The Company continues to have a policy whereby all transactions with related parties undertakings are entered into at commercial terms and conditions. Year end balances with related parties are shown in the relevant notes to the financial statements.

Transaction with associated undertakings and key management personnel under the term of their employment, are as follows: -

	2013 Rupees	2012 Rupees
Transactions with associates		
Sale of shares of Takaful Pakistan Limited	-	540,000
Transactions with other related parties		
Commission paid to Chief Executive	**185,411**	102,773
Commission received from Chief executive	**62,034**	56,233
Expenses incurred by the Chief Executive	**175,459**	168,439
For attending meeting to Director	**25,000**	-

30 OPERATING SEGMENT

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

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

The Company is domiciled in Pakistan. The Company's revenue is generated from shares brokerage, portfolio management, investment advisory, consultancy and underwriting services.

All non-current assets of the Company at June 30, 2013 are located in Pakistan.

31 DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on September 26, 2013.

32 RECLASSIFICATION

32.1 In current year, retirement benefits (Note 15) has been classified as current liability from non-current liability

32.2 Other liabilities of previous year amounting to Rs. 1.073 million has bee classified as accrued liabilities for better presentation.

33 GENERAL

33.1 The number of employees of the company as at 30 June 2013 were 12 (2012 : 13) and weighted average number of employees were 12 (2012 : 13).

33.2 Figures have been rounded off to the nearest rupee.

Chief Executive ***Director***

FORM OF PROXY
Twentieth Annual General Meeting

I/We ____

of ____

being a member of Trust Securities & Brokerage Limited hereby appoint ____________________

____

____

of ____ (full address)

as my/our proxy to attend and for me/our behalf at the Twentieth Annual General Meeting of the Company to be held on Monday, October 28, 2013 at 3:30 P.M. and at any adjournment thereof.

As witness my/our hand/seal this ______________ day of ______________________ 2013

Signed by ____

in the presence of ____ (full address)

____

Signature on
Rs. 5/- revenue
stamp

Signature of Witness ______________________ Signature of Member ______________________

Shareholder's Folio No. ______________________ Number of Shares held ______________________

1. A member entitled to attend and vote at Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him/her. No person shall act as proxy who is not a member of the company except that a corporation may appoint a person who is not a member.
2. The instrument appointing a proxy should be signed by the member or by his/her attorney duly authorized in writing. If the member is a corporation its common seal should be affixed to the instrument.
3. The instrument appointing a proxy, together with power of attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited at the Registered Office not less than 48 hours before the time of holding the meeting.