

TSBL

Annual Report
June 30, 2017

TRUST SECURITIES & BROKERAGE LIMITED

CONTENTS

Company Information

Mission / Vision

Code of Ethics

Notice of Annual General Meeting

Directors' Report

Pattern of Shareholdings

Statement of Compliance with the Code of Corporate Governance

Review Report on Corporate Governance

Auditors' Report to the Members

Balance Sheet

Profit & Loss Account

Statement of Comprehensive Income

Cash Flow Statement

Statement of Changes in Equity

Notes to the Financial Statements

Proxy Form

COMPANY INFORMATION

Board of Directors

Mr. Muhammad Naeem Baig	Chairman (Independent)
Mr. Abdul Basit	Chief Executive
Mr. Saeed ur Rahman	Non-Executive
Syed Nouman Ali Shah	Non-Executive (Independent)
Mr. Shibli Muhammad Khan	Non-Executive (Independent)
Syed Mahmood Ali Shah	Non-Executive
Syed Javed Hussain	Non-Executive (Independent)

Audit Committee

Mr. Muhammad Naeem Baig	Chairman
Syed Javed Hussain	Member
Mr. Shibli Muhammad Khan	Member

HR & Remuneration

Mr. Muhammad Naeem Baig	Chairman
Mr. Shibli Muhammad Khan	Member
M. Abdul Basit	Member

Company Secretary & CFO

Mr. Umar Daraz

Auditors

Haroon Zakaria & Company
Chartered Accountants

Legal Advisor

Mr. Abdul Majid
Advocate

Share Registrar

Hameed Majeed Associates (Pvt.) Ltd.

Bankers

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

Registered Office

2nd Floor, Associated House, Building # 1 & 2,
7-Kashmir Road, Lahore-Pakistan.
Telephone : (042) 3637 3041-44
Fax : (042) 3637 3040

Office at LSE Financial Services Limited

Room # 607, 6th Floor, LSE Plaza
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 endeavor 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 requirements.
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.

TRUST SECURITIES & BROKERAGE LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY FOURTH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON SATURDAY, OCTOBER 28, 2017 AT 11:00 A.M. AT 2ND FLOOR, ASSOCIATED HOUSE, BUILDING # 1 & 2, 7-KASHMIR ROAD, LAHORE, TO TRANSACT THE FOLLOWING BUSINESS:-

1. To confirm the minutes of the Extra Ordinary General Meeting held on April 01, 2017.
2. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended June 30, 2017 together with the Directors' and the Auditors' reports thereon.
3. To appoint Auditors for the year 2017-18 and to fix their remuneration.
4. To transact any other business with the permission of the Chairman.

By order of the Board

Lahore
October 07, 2017

UMAR DARAZ
Company Secretary

Notes:

1. The share transfer books of the company will remain closed from October 21, 2017 to October 28, 2017 (both days inclusive).
2. A member entitled to attend and vote at the 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. The Financial Statements of the company for the year ended June 30, 2017 will be placed on Company's website www.trustsecu.com/financials.html in due course of time.
5. Members who have not yet submitted photocopy of their CNIC and email address are requested to send the same to the share registrar of the Company.

ٹرسٹ سیکورٹیز اینڈ بروکرئج لمیٹڈ

اطلاع سالانہ اجلاس عام

ممبران کو اطلاع دی جاتی ہے کہ ٹرسٹ سیکورٹیز اینڈ بروکرئج لمیٹڈ کے عام حصص کے حامل ممبران کا 24 واں سالانہ اجلاس عام کمپنی کے رجسٹرڈ آفس واقع دوسری منزل، ایسوسی ایٹڈ ہاؤس، بلڈنگ نمبر 1 & 2، 7- کشمیر روڈ لاہور میں مورخہ 28 اکتوبر 2017ء بروز ہفتہ بوقت 11:00 بجے صبح مندرجہ ذیل امور کے معاملات کے لیے منعقد ہوگا۔

(1) غیر معمولی اجلاس عام منعقد 01 اپریل 2017 کی کاروائی کی توثیق۔

(2) 30 جون 2017ء کو ختم ہونے والے مالی سال کے پڑتال شدہ حسابات بمعہ ڈائریکٹر صاحبان اور آڈیٹران کی رپورٹوں کی وصولی، غور و خوض اور منظوری۔

(3) مالی سال 2017-18ء کے لیے آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین۔

(4) چیئرمین کی اجازت سے دیگر امور پر غور اور کاروائی۔

لاہور: 07 اکتوبر 2017ء حسب الحکم بورڈ عمر دراز کمپنی سیکرٹری

نوٹ:

(1) کمپنی کے انتقال حصص کی کتابیں 21 اکتوبر 2017ء تا 28 اکتوبر 2017ء (بشمول ہر دو ایام) بند رہیں گی۔

(2) سالانہ اجلاس عام میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے کسی دوسرے ممبر کو بطور پراکسی مقرر کر سکتا ہے۔ پراکسی کے موثر ہونے کے لیے اس کا کمپنی کے رجسٹرڈ دفتر میں اجلاس سے کم از کم 48 گھنٹے قبل موصول ہونا لازمی ہے جو ممبر کے ساتھ دستخط شدہ ہو اور پراکسی کا کمپنی ممبر ہونا ضروری ہے۔

(3) سی ڈی سی کھاتہ داران اجلاس میں شرکت کرنے اور ووٹ دینے کے اہل ہیں۔ لیکن ان کو شناختی کارڈ کی غرض سے اجلاس میں شرکت کے وقت اپنا قومی شناختی کارڈ یا پاسپورٹ مہیا کرنا ہوگا اور پراکسی کی صورت میں قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقل مہیا کرنی ہوگی۔ کارپوریٹ ممبرز کے نمائندہ اجلاس میں شرکت کے لیے ضروری دستاویزات ساتھ رکھیں۔

(4) 30 جون 2017ء کو ختم ہونے والے مالی سال کی کمپنی کی فنانشل سٹیٹمنٹس درج ذیل ویب سائٹ پر شائع کر دی جائے گی۔

www.trustsecu.com/financials.html

(5) ایسے حصص داران جنہوں نے ابھی تک اپنے قومی شناختی کارڈ کی فوٹو کاپی اور ای میل ایڈریس کمپنی کے پاس جمع نہیں کرائی ان سے التماس ہے کہ وہ انہیں جلد از جلد کمپنی رجسٹرار کو بھیجوا دیں۔

DIRECTORS' REPORT

Dear shareholders

The Board of Directors of Trust Securities and Brokerage Limited is pleased to present the Audited Financial Statements of the Company for the year ended 30th June 2017, together with auditors' and directors' report thereon as per accounting, regulatory and legal requirements.

Market review

The KSE-100 index increased by 10.3 % in FY17 to reach 48,087 as at June 30, 2017. Market Capitalization was recorded at Rs.7.96 trillion on June 30, 2017 verses Rs.7.59 trillion on June 30, 2016.

The year FY17 witnessed a significant and an overall steady rise in the stock market indices with smoothly upward levels reached. The important developments that have contributed to this performance are: neutralizing political environment, higher growth rate in manufacturing as well as services sector, huge foreign direct investment especially in projects backed by CPEC; stable exchange rate against the dollar; improving security and law enforcement situation; arising foreign interest in stocks; increased confidence shown by the multilateral donors. Many companies of the world are interested for investment in Pakistan, particularly in food, power, construction, steel, electronics, oil & gas exploration, financial business and communication.

Financial results

	June 2017	June 2016
	Rupees	Rupees
The summarized financial results are as follows:		
Operating revenue	8,019,005	4,180,239
Gain on sale of securities	120,885	128,712
Loss on re-measurement of investments	(60,898)	(30,669)
	<u>8,078,992</u>	<u>4,278,282</u>
Operating and administrative expenses	(9,736,563)	(8,947,797)
Finance cost	(11,807)	(10,260)
	<u>(9,748,370)</u>	<u>(8,958,057)</u>
Operating loss	(1,669,378)	(4,679,775)
Other Charges	(2,848,604)	(973,405)
Other income	2,056,919	13,586,886
Profit/(loss) before taxation	(2,461,063)	7,933,706
Taxation	(128,778)	(119,933)
Profit/(loss) after taxation	<u>(2,589,841)</u>	<u>7,813,773</u>
Earnings / (loss) per share - basic and diluted	(0.26)	0.78

The company recorded operating revenue of Rs. 8.02 million during the year under review; as compared to Rs. 4.18 million in the corresponding year. The company

sustained net loss for the year Rs. 2.59 million which is after taking adjustment of provision for doubtful debt of Rs.2.85 million. During the year, the company recovered bad debts and provision was reversed to that extent of Rs. 0.61 million.

The auditors have placed matter of emphasis paragraph in their report 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. The company has significantly improved not only its yearly revenues but also have sufficient bank balances to settle its current liabilities. Further the accumulated loss of the company has reduced on adjustment of general reserve Rs.3.5million that was set aside from past earned profits; as decided by board since it was lying idle for the long period unpurposefully. We are also expecting increase in trading volumes due to access to large pool of customers with the additional capital input on taking over majority shares by new Acquirers in the company.

Directors' Declaration on corporate and financial reporting frame work;

The Board is pleased to state that the Company has voluntarily adopted the Code of Corporate Governance and has complied, in all material respects, with the best practices contained in the said Code, the following specific statements are being made:

- Proper books of accounts of the Company have been maintained.
- The financial statements prepared by the management present fairly its state of affairs, the results of its operations and cash flows.
- Appropriate accounting policies have been consistently applied in preparation of financial statements which conform to the International Financial Reporting Standards, as applicable in Pakistan. The accounting estimates wherever required, are based on reasonable and prudent judgment.
- The system of internal controls is sound in design. It has been effectively implemented by the management and is monitored by the internal and external auditors as well as the Board of Directors and the Audit Committee. The Board reviews the effectiveness of established internal controls through audit committee and suggests, wherever required, further improvements in the internal control systems.
- There are no significant doubts upon the Company's ability to continue as a going concern. The auditors have placed matter of emphasis paragraph in their report regarding preparation of financial statements on going concern basis, which has been explained above.
- There is no reported instance of any material departure from the best practices of Corporate Governance.
- Summary of Key operating and financial data of last six years has been included in this report.
- Pattern of shareholding is annexed to this report.
- During the financial year 2016-17; five meetings of the Board of Directors were held. The attendance of the Directors was as under:

Names of Directors	Total Meetings	Attendance
Mr. Abdul Basit	Five	Five
Mr. Muhammad Naeem Baig	Five	Five
Syed Javed Hussain	Five	Three
Syed Mahmood Ali	Five	Two
Mr. Shibli Muhammad Khan	Five	Five
Mr. Aftab Ahmed Qaiser (Resigned on August 23, 2016)	One	-
Mr. Tariq Husain (Resigned on August 23, 2016)	One	-
Syed Abdullah Bukhari (Appointed on 29 th October, 2016 and resigned on 1 st April, 2017)	Two	One
Syed Noman Ali Shah (Appointed on October 29, 2016)	Three	Three
Mr. Saeed Ur Rehman (Appointed on April 25, 2017)	One	-

Reconstitution of Board Committees

The Board has decided to continue the following Board Committees

Audit Committee:

Mr. Muhammad Naeem Baig	Chairman
Syed Javed Hussain	Member
Mr. Shibli Muhammad Khan	Member

HR & Remuneration Committee:

Mr. Muhammad Naeem Baig	Chairman
Mr. Shibli Muhammad Khan	Member
Mr. Abdul Basit	Member

Auditors

Present auditors M/s Haroon Zakaria & Co., Chartered Accountants, are due to retire at the forthcoming annual general meeting of the company and being eligible, have offer themselves for re appointment. The Audit Committee of the Board has also recommended their appointment as statutory auditors for the FY ending June 30, 2018.

Future Outlook

During the year, the major shareholders Emirates Global Investments Ltd and Emirates Investment Group LLC entered into an agreement with Mr. Sikander Mahmood, Mr. Ahmed Kamal, Mr. Junaid Shehzad Ahmed, (the Acquirers) in accordance with Regulation 4(j) of the Securities Brokers (Licensing and Operations) Regulations, 2016 for the sale of 74.05% ordinary share capital. In this regard the approval of the Securities and Exchange Commission of Pakistan has been obtained.

The acquirers have strategic plans for revival of the Company and aim to increase number of branches in business orientated regions. They also intend to expand company in terms of experienced staff, infrastructure, technology and intended to inject further equity.

Acknowledgement

We are grateful to the Company's stakeholders for their continuing confidence and patronage. We are appreciative of our Bankers, the Securities & Exchange Commission of Pakistan as well as the management of the Pakistan Stock Exchange for their continued support and guidance.

We pray to Almighty Allah for His Blessings, Guidance and Prosperity to us, our Company and the Nation.

For and on behalf of the Board

Sd/-

(ABDUL BASIT)

CHIEF EXECUTIVE OFFICER

Lahore: September 23, 2017

**TRUST SECURITIES & BROKERAGE LIMITED
BALANCE SHEETS AS AT 30TH JUNE 2017**

	2017	2016	2015	2014	2013	2012
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
ASSETS						
Non-Current Assets						
Property and equipment	1,035,402	3,603,295	3,668,342	3,000,666	1,699,139	2,012,968
Intangibles	1,542,600	1,542,600	1,542,600	1,542,600	1,542,600	4,262,600
Long term investments	2,720,000	2,759,423	2,772,444	3,113,568	3,011,992	239,419
Long term deposits	525,149	725,149	925,149	839,149	738,649	1,088,649
	5,823,151	8,630,467	8,908,535	8,495,983	6,992,380	7,603,636
Current Assets	28,732,116	24,761,996	36,111,025	52,721,094	45,155,305	51,212,231
TOTAL ASSETS	34,555,267	33,392,463	45,019,560	61,217,077	52,147,685	58,815,867
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 capita	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
Capital reserve	-	27,849	40,870	288,903	187,326	133,103
Accumulated losses	(87,969,799)	(88,879,958)	(96,693,731)	(80,240,692)	(74,888,183)	(61,458,578)
	12,030,201	14,647,891	6,847,139	23,548,211	28,799,143	42,174,525
Current Liabilities	22,525,066	18,744,572	38,172,421	37,668,866	23,348,542	16,641,342
TOTAL EQUITY AND LIABILITIES	34,555,267	33,392,463	45,019,560	61,217,077	52,147,685	58,815,867

TRUST SECURITIES & BROKERAGE LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE

	2017	2016	2015	2014	2013	2012
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Operating revenue	8,019,005	4,180,239	6,359,377	6,848,634	5,666,790	4,207,833
Gain / (loss) on sale of securities / remeasurement of investments	59,987	98,043	516,302	34,528	(3,318,643)	413,273
	8,078,992	4,278,282	6,875,679	6,883,162	2,348,147	4,621,106
Operating and administrative expenses	(9,736,563)	(8,947,797)	(9,055,396)	(8,313,923)	(9,129,031)	(7,460,260)
Finance cost	(11,807)	(10,260)	(9,379)	(9,915)	(8,350)	(6,111)
	(9,748,370)	(8,958,057)	(9,064,775)	(8,323,838)	(9,137,381)	(7,466,371)
Operating loss	(1,669,378)	(4,679,775)	(2,189,096)	(1,440,676)	(6,789,234)	(2,845,265)
Other charges	(2,848,604)	(973,405)	(15,796,274)	(5,265,425)	(8,737,173)	(7,306,701)
Other income	2,056,919	13,586,886	1,705,301	1,454,154	1,160,105	562,045
Profit / (loss) before taxation	(2,461,063)	7,933,706	(16,280,069)	(5,251,947)	(14,366,302)	(9,589,921)
Taxation	(128,778)	(119,933)	(172,970)	(100,562)	936,697	(156,538)
Profit / (loss) after taxation	(2,589,841)	7,813,773	(16,453,039)	(5,352,509)	(13,429,605)	(9,746,459)
Earnings / (loss) per share - basic & diluted	(0.26)	0.78	(1.65)	(0.54)	(1.34)	(0.97)

**PATTERN OF SHAREHOLDINGS
AS AT JUNE 30, 2017**

Number of Shareholders	Shareholdings		Total Number of Share Held
	From	To	
125	1	----- 100	9,007
598	101	----- 500	271,805
70	501	----- 1,000	66,403
61	1,001	----- 5,000	159,434
5	5,001	----- 10,000	35,900
4	10,001	----- 15,000	51,000
2	15,001	----- 20,000	35,501
1	20,001	----- 25,000	21,000
2	25,001	----- 30,000	56,500
1	30,001	----- 35,000	30,200
6	35,001	----- 40,000	238,000
1	40,001	----- 45,000	43,500
5	45,001	----- 50,000	241,500
1	50,001	----- 55,000	50,500
1	55,001	----- 60,000	59,300
1	80,001	----- 85,000	82,700
1	90,001	----- 95,000	93,000
1	110,001	----- 115,000	111,500
1	145,001	----- 150,000	150,000
1	295,001	----- 300,000	300,000
1	485,001	----- 490,000	488,500
1	3,625,001	----- 3,630,000	3,627,375
1	3,775,001	----- 3,780,000	3,777,375
891			10,000,000

**TRUST SECURITIES & BROKERAGE LIMITED
COMBINED PATTERN OF CDC & PHYSICAL SHAREHOLDING
AS AT JUNE 30, 2017**

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. Abdul Basit 500 - Mr. Saeed ur Rahman 500 - Mr. Muhammad Naeem Baig 500 - Syed Mahmood Ali Shah 500 - Syed Javed Hussain 40,000 - Mr. Shibli Muhammad Khan 500 - Syed Noman Ali Shah 500	7	43,000	0.43
4	Executives	-	-	-
5	Public Sector Companies & Corporations	-	-	-
6	Banks, Development Financial Institutions, Non Banking Financial Institutions, Insurance Companies, Modarbas and Mutual Funds	3	334,600	3.35
7	Joint Stock Companies	-	-	-
8	Individuals	867	1,670,649	16.71
9	Others	12	547,001	5.47
	Total	891	10,000,000	100

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

Sr. #	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

آڈیٹرز:

کمپنی کے بیرونی آڈیٹرز میسرز ہارون زکریا اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس آنے والے سالانہ عام اجلاس میں ریٹائرڈ ہو جائیں گے، دوبارہ تقرری کرنے کے لیے اہل ہونے کی بدولت، انہوں نے آئندہ مدت سال اختتام 30 جون 2018ء کی تعیناتی کے لیے پھر اپنا ارادہ بطور کمپنی آڈیٹر ظاہر کیا ہے۔ بورڈ نے آڈٹ کمیٹی کی سفارشات کی روشنی میں ان آڈیٹر کی دوبارہ تعیناتی کی سفارش کی ہے۔

آڈیٹرز نے یہ بتایا ہے کہ ان کو انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان کے کوالٹی کنٹرول ریویو پروگرام کے تحت تسلی بخش ریٹنگ دی گئی ہے اور فرم (IFAC) کے جاری کردہ کوڈ آف اتھکس (Code of Ethics) سے مکمل مطابقت رکھتی ہے۔ اس کے علاوہ وہ کمپنی کو کوئی متعلقہ سروسز نہیں دے رہے۔ آڈیٹرز نے اس بات کی بھی تصدیق کی ہے کہ ان کے پارٹنرز، ان کے میاں/بیوی، یا چھوٹے بچوں میں سے کسی نے بھی اس سال کے دوران کمیٹی کے حصص میں تجارت نہیں کی ہے۔

مستقبل کا نقطہ نظر:

سال کے دوران بڑے حصص داران Emirates Global Investments Ltd اور Emirates Investment Group LLC کا مسٹر سکندر محمود، مسٹر احمد کمال، جنید شہزاد احمد کے ساتھ سکیورٹیز بروکرز (لائسنسنگ اور آپریشنز) کے ریگولیشن سیکشن (j) 4 کے تحت 74.05 فیصد سرمائے کے عمومی حصص کی فروخت کا معاہدہ ہوا اس کے لیے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان سے منظوری لے لی گئی ہے۔ نئے مالکان کی کمپنی کی تنظیم نو کے لیے لمبے عرصے پر محیط منصوبہ بندی ہے اور وہ اہم کاروباری مراکز میں اس کے نئے دفاتر کھولنے کا ارادہ رکھتے ہیں علاوہ ازیں وہ تجربہ کار سٹاف، بنیادی ڈھانچے، ٹیکنالوجی کے لحاظ سے کمپنی کے کاروبار بڑھانے اور مزید سرمایہ ڈالنے کا بھی ارادہ رکھتے ہیں۔

اظہار تشکر:

بورڈ کمپنی سے منسلک حضرات کے مسلسل اعتماد اور شفقت کا شکر گزار ہے۔ ہم اپنے بینکر، سیکورٹیز اینڈ ایکسچینج کمیشن آف

پاکستان کے ساتھ ساتھ پاکستان سٹاک ایکسچینج کی انتظامیہ کی مسلسل حمایت اور رہنمائی پر تعریف کرتے ہیں۔

Sd/-

(عبدالباسط)

چیف ایگزیکٹو آفیسر

لاہور

23 ستمبر 2017ء

☆ سال 2016-17 کے دوران بورڈ آف ڈائریکٹرز کی پانچ اجلاس ہوئے ہیں جن میں ہر ڈائریکٹر کی حاضری درج ذیل میں دی گئی ہے۔

ڈائریکٹر کا نام	ٹوٹل اجلاس	شرکت کردہ اجلاس کی تعداد
جناب عبدالباسط	5	5
جناب محمد نعیم بیگ	5	5
سید جاوید حسین	5	3
سید محمود علی	5	2
جناب شبلی محمد خان	5	5
جناب آفتاب احمد قیصر (23 اگست 2016 استعفیٰ)	1	-
جناب طارق حسین (23 اگست 2016 استعفیٰ)	1	-
سید عبداللہ بخاری (تعییناتی 29 اکتوبر 2016 اور استعفیٰ 1 اپریل 2017)	2	1
سید نعمان علی شاہ (تعییناتی 29 اکتوبر 2016)	3	3
جناب سعید الرحمن (تعییناتی 25 اپریل 2017)	1	-

بورڈ کمیٹیوں کا دوبارہ تعین:

بورڈ نے مندرجہ ذیل بورڈ کمیٹیوں کو جاری رکھنے کا فیصلہ کیا ہے۔

آڈٹ کمیٹی:

چیرمین	جناب محمد نعیم بیگ
ممبر	سید جاوید حسین
ممبر	جناب شبلی محمد خان

انسانی وسائل اور ریمونیشن کمیٹی:

چیرمین	جناب محمد نعیم بیگ
ممبر	جناب شبلی محمد خان
ممبر	جناب عبدالباسط

ڈائریکٹرز کا کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر بیان:

بورڈ کا یہ کہنا ہے کہ کمپنی نے رضا کارانہ طور پر کارپوریٹ گورننس کو ڈکوپنایا ہے۔ اس کے مطابق تمام مواد کے حوالے میں کہا ہے کہ اس کوڈ میں موجود بہترین طریقوں کے ساتھ، مندرجہ ذیل مخصوص بیانات کئے جا رہے ہیں۔

☆ کمپنی کے اکاؤنٹس کی باقاعدہ کتب بنائی ہیں۔

☆ انتظامیہ کی جانب سے بنائے گئے مالیاتی گوشواروں میں کمپنی کے معاملات، اس کے آپریشنز کے نتائج اور اس کے کیش فلوز کو شفافیت کے ساتھ ظاہر کیا گیا ہے۔

☆ مناسب اکاؤنٹنگ پالیسیز کو مالیاتی گوشواروں میں تسلسل سے لاگو کیا گیا ہے جو پاکستان میں لاگو بین الاقوامی فائنانشل رپورٹنگ اسٹینڈرڈ کے مطابق ہیں۔ اکاؤنٹنگ اندازے مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔

☆ اندرونی کنٹرول کا مضبوط نظام بنایا گیا ہے اسے انتظامیہ کی جانب سے مناسب طریقے سے لاگو کیا ہے۔ انٹرنل اور ایکسٹرنل آڈیٹرز اور بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی کی جانب سے اس کی نگرانی کی جاتی ہے۔ بورڈ بذریعہ آڈٹ کمیٹی انٹرنل کنٹرول کے نظام کے موثر ہونے کے بارے میں جائزہ لیتا ہے اور ضرورت کے مطابق انٹرنل کنٹرول کے نظام میں بہتری کی تجاویز دیتا ہے۔

☆ کاروبار جاری رکھنے کے لیے کمپنی کی صلاحیت پر کوئی قابل ذکر شبہات نہیں ہیں۔ آڈیٹرز نے اپنی رپورٹ میں مالیاتی گوشواروں کے (going concern) بنیاد پر بنائے جانے کی بناء پر میٹرف آف ایمفیسس (Matter of emphasis) پیراگراف ڈالا ہے۔ جس کی وضاحت اوپر دے دی گئی ہے۔

☆ کارپوریٹ گورننس کے کوڈ کی بہترین پریکٹیسز سے نہیں ہٹا گیا۔

☆ پچھلے چھ سالوں کے آپریٹنگ اور مالیاتی نتائج کا خلاصہ اس رپورٹ میں شامل کیا گیا ہے۔

☆ حصص داری کا اجمال اس رپورٹ کے ساتھ لف ہے۔

جون 2016	جون 2017	مالیاتی نتائج: خلاصہ مالیاتی نتائج درج ذیل ہیں
روپے	روپے	
4,180,239	8,019,005	آپریٹنگ آمدنی
128,712	120,885	حصص کی فروخت پر منافع
(30,669)	(60,898)	سرمایہ کاری کی دوبارہ پیمائش پر نقصان
4,278,282	8,078,992	
(8,947,797)	(9,736,563)	آپریٹنگ اور انتظامی اخراجات
(10,260)	(11,807)	مالیاتی لاگت
(8,958,057)	(9,748,370)	آپریٹنگ (نقصان)
(4,679,775)	(1,669,378)	
(973,405)	(2,848,604)	دوسرے اخراجات
13,586,886	2,056,919	دوسری آمدنی
7,933,706	(2,461,063)	ٹیکس سے پہلے منافع / (نقصان)
(119,933)	(128,778)	ٹیکسیشن
7,813,773	(2,589,841)	ٹیکس کے بعد منافع / (نقصان)
0.78	(0.26)	منافع / (نقصان) فی حصص

اس سال کمپنی نے زیر جائزہ سال کے دوران 8.02 ملین روپے کی آپریٹنگ آمدنی درج کی۔ جو کہ پچھلے سال میں 4.18 ملین روپے تھی۔ کمپنی نے سال کے دوران 2.59 ملین کا نقصان برداشت کیا جس میں 2.85 ملین روپے (doubtful debt) کی مدد میں ایڈجسٹمنٹ کی گئی ہے۔ سال کے دوران کمپنی نے کچھ (Bad Debts) ریکور کروائے اور (Provision) کو 0.61 ملین روپے سے reverse کیا گیا۔

آڈیٹرز نے مالیاتی گوشواروں کے going concern بنیادوں پر بنائے جانے پر اپنی رپورٹ میں Matter of Emphasis پیراگراف ڈالا ہے انتظامیہ کا نظریہ ہے کہ کمپنی کا going concern کے طور پر چلنے کی صلاحیت پر کوئی قابل ذکر شبہ نہیں ہے۔ کیونکہ کمپنی کا اختتام کرنے کا کوئی ارادہ نہیں ہے۔ کمپنی نے نہ صرف اپنی سالانہ آمدنی میں قابل ذکر اضافہ کیا ہے۔ بلکہ اپنی دوران سال کی ذمہ داریوں کی ادائیگی کے لیے اچھا خاصا بینک بیلنس بھی موجود ہے۔ مزید یہ کہ پچھلے سالوں کے منافع میں سے بنائے گئے جنرل ریزرو میں سے 3.5 ملین روپے جو لمبے عرصے سے بے مقصد پڑے ہوئے تھے کی مدد سے جمع شدہ نقصانات کا بھی ازالہ کیا گیا ہے۔ ہم توقع کر رہے ہیں کہ گاہکوں کے بڑے گروپ تک رسائی اور نئے مالکان کے زیادہ تر حصص لینے کی بدولت حاصل شدہ اضافی سرمائے کی مدد سے بھی تجارتی حجم بڑے گا۔

ڈائریکٹرز رپورٹ

عزیز حصص داران

ٹرسٹ سکیورٹیز اینڈ بروکرئج لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے سال 30 جون 2017 کے پڑتال شدہ مالی گوشوارے ہمراہ آڈیٹور ڈائریکٹرز رپورٹ بمطابق قانونی، ریگولیٹری اور اکاؤنٹنگ ضروریات کے پیش کرنا باعث مسرت ہے۔

مارکیٹ کے حالات پر ایک نظر:

مالی سال 2017 کے دوران کے ایس ای 100 کراچی انڈکس 10.3 فیصد تک بڑھ کر 30 جون 2017ء کو 48087 کی سطح پر جا پہنچا۔ 30 جون 2017 کو مارکیٹ سرمایہ کاری 7.96 ٹریلین روپے ریکارڈ کی گئی ہے جو کہ 30 جون 2016 کو یہ سرمایہ کاری 7.59 ٹریلین روپے تھی۔

مالی سال 2017 کے دوران اسٹاک مارکیٹ انڈکس میں واضح اور مستحکم اضافہ دیکھنے میں آیا اور انڈکس نے بلند یوں کی سطحیں عبور کیں۔ اس شاندار کارکردگی میں جن چیزوں نے اہم کردار ادا کیا ان میں غیر جانبدار سیاسی ماحول، مینوفیکچرنگ اور سروس سیکٹر میں اضافے کی بہتر شرح۔ زیادہ غیر ملکی براہ راست سرمایہ کاری خصوصاً سی۔ پیک کے سلسلے میں لگائے گئے منصوبے۔ ڈالر کے مقابلے میں روپے کے زرمبادلہ میں ٹھہراؤ۔ تحفظ اور لاء اینڈ آرڈر کی صورت حال میں بہتری۔ اسٹاک میں بڑھتی غیر ملکی دلچسپی کثیر تعداد میں عطیہ دانوں کے اعتماد میں نمایاں اضافہ۔ دنیا کی بہت سی کمپنیز خاص طور پر خوراک، توانائی، تعمیراتی، اسٹیل، الیکٹرانک اشیاء، تیل اور گیس کی تلاش، مالیاتی کاروبار اور مواصلات کی کمپنیاں پاکستان میں سرمایہ کاری کرنے کی خواہشمند ہیں۔

**STATEMENT OF COMPLIANCE WITH THE
CODE OF CORPORATE GOVERNANCE
TRUST SECURITIES & BROKERAGE LIMITED
FOR THE YEAR ENDED JUNE 30, 2017**

This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No. 5.19.24 of the rule book of Pakistan Stock Exchange Limited where Trust Securities & Brokerage Limited is listed. The purpose of the code is to establish 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 CCG 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. Muhammad Naeem Baig Mr. Syed Nouman Ali Shah
Executive Director	Mr. Abdul Basit
Non-Executive Directors	Mr. Syed Mahmood Ali Shah Mr. Syed Javed Hussain Mr. Saeed Ur Rehman Mr. Shibli Muhammad Khan

The independent directors meet the criteria of independence under clause 5.19.1(b) of the CCG. Mr. Saeed Ur Rehman joined in place of Syed Abdullah Bukhari on 1st April, 2017.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
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 NBFII, being a member of stock exchange has been declared as a defaulter by that stock exchange.
4. The board of directors completed its term on 1st April 2017 and the above named directors were elected as directors on the same date for a term of 3 years. Further, two casual vacancies were created during the year that was filled 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 policies 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/shareholders.
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 and the board met at least once in every quarter. 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. The directors have been made aware of the provisions of Memorandum and Articles of Association of the Company, Regulations of Pakistan Stock Exchange Limited and Code of Corporate Governance. The directors are, therefore, well conversant with their duties and responsibilities. The Directors are expected to obtain requisite certifications under Directors’ Training Programs in future in order to comply with the requirements of CCG.
10. There was a new appointment of CFO and Company Secretary during the year, meeting the requirements of CCG, duly approved by BOD and the Board outsourced the Internal Audit Function of the Company.
11. The Director’s Report for the year ended June 30, 2017 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 endorsed 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 requirements of the CCG.
15. The Board has formed an Audit Committee. It comprises of three members, of whom all are non-executive directors and the chairman of the committee is an independent Director.

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 and as required by the CCG. 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 which comprises of three members, of whom one is executive director and two are independent directors.
18. The Board has outsourced the internal audit function to a firm of Chartered Accountant who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
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 'closed 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 exchange.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchanges.
23. The company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the CCG have been complied with.

Place: Lahore
Dated: September 23, 2017

Sd/-
ABDUL BASIT
Chief Executive

**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** for the year ended June 30, 2017 to comply with the requirements of Regulation No. 5.19.24 of Rule Book of Pakistan Stock Exchange, 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 and to highlight any non-compliance with the requirements of the code of Corporate Governance. 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 of directors' 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.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board for their review and approval, its 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 and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken 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, 2017.

Sd/-

Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: September 23, 2017

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Trust Securities & Brokerage Limited** as at June 30, 2017 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 financial 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:

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

a. 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;

- b. 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, 2017 and of the profit, comprehensive income, its cash flows and changes in equity for the year then ended; and
- c. In our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Emphasis of matters

We draw attention to the contents of note 1.2 to the accompanying financial statements which indicate that the Company incurred operating loss of Rs. 1.669 (2016: Rs. 4.679) million during the year and its accumulated losses are Rs. 87.969 (2016 : Rs. 88.880) million. These conditions 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.

Our opinion is not qualified in respect of this matter.

Sd/-

Reanda Haroon Zakaria & Company
Chartered Accountants

Place : Karachi
Dated: September 23, 2017

Engagement Partner:
Muhammad Haroon

BALANCE SHEET
AS AT JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
<u>ASSETS</u>			
Non-Current Assets			
Property and equipment	4	1,035,402	3,603,295
Intangibles	5	1,542,600	1,542,600
Long term investments	6	2,720,000	2,759,423
Long term deposits	7	525,149	725,149
Deferred taxation	8	-	-
		5,823,151	8,630,467
Current Assets			
Short term investments	9	180,561	695,750
Trade debts	10	2,178,629	4,544,340
Advances, deposits, prepayments and other receivables	11	3,232,925	267,987
Tax refunds due from government	12	1,609,204	879,404
Cash and bank balances	13	21,530,797	18,374,515
		28,732,116	24,761,996
Total Assets		34,555,267	33,392,463
<u>EQUITY AND LIABILITIES</u>			
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
Capital reserve		-	27,849
Accumulated losses		(87,969,799)	(88,879,958)
		(87,969,799)	(85,352,109)
Shareholders' Equity		12,030,201	14,647,891
Current Liabilities			
Retirement benefits	15	1,999,004	1,999,004
Trade and other payables	16	20,526,062	16,745,568
		22,525,066	18,744,572
Contingency and Commitment	17	-	-
Total Equity and Liabilities		34,555,267	33,392,463

The annexed notes form an integral part of these financial statements

Sd/-

Chief Executive

Sd/-

Director

Sd/-

Chief Financial Officer

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Operating revenue	18	8,019,005	4,180,239
Gain on sale of securities		120,885	128,712
Loss on remeasurement of investments		(60,898)	(30,669)
		<u>8,078,992</u>	<u>4,278,282</u>
Operating and administrative expenses	19	(9,736,563)	(8,947,797)
Finance cost	20	(11,807)	(10,260)
		<u>(9,748,370)</u>	<u>(8,958,057)</u>
Operating loss		(1,669,378)	(4,679,775)
Other charges	21	(2,848,604)	(973,405)
Other income	22	2,056,919	13,586,886
(Loss) / profit before taxation		(2,461,063)	7,933,706
Taxation	23	(128,778)	(119,933)
(Loss) / profit after taxation		(2,589,841)	7,813,773
(Loss) / earning per share - basic and diluted	24	(0.26)	0.78

The annexed notes form an integral part of these financial statements

Sd/-

Chief Executive

Sd/-

Director

Sd/-

Chief Financial Officer

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2017**

	<i>2017</i> <i>Rupees</i>	<i>2016</i> <i>Rupees</i>
(Loss) / profit for the year	(2,589,841)	7,813,773
Other comprehensive loss:		
Items that will be reclassified to profit and loss account in subsequent period		
Available-for-sale financial assets		
Loss arising due to remeasurement	-	(13,021)
Total comprehensive (loss) / income for the year	<u>(2,589,841)</u>	<u>7,800,752</u>

The annexed notes form an integral part of these financial statements

Sd/-

Chief Executive

Sd/-

Director

Sd/-

Chief Financial Officer

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2017

	2017 <i>Rupees</i>	2016 <i>Rupees</i>
A. CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(2,461,063)	7,933,706
Adjustment for non-cash charges and other items		
Depreciation	144,289	174,004
Provision for doubtful debts	2,848,604	973,405
Reversal of provision for doubtful debts	(611,992)	(12,758,300)
Reversal of provision for impairment	(6,150)	-
(Gain) / loss on sale of fixed assets	(333,276)	8,560
Unrealised loss on remeasurement of investment	60,898	30,669
	2,102,373	(11,571,662)
	(358,690)	(3,637,956)
Changes in Working Capital:		
Decrease / (increase) in current assets		
Trade debts	129,099	14,527,929
Advances, deposits, prepayments and other receivables	(2,964,938)	140,891
	(2,835,839)	14,668,820
Increase / (decrease) in current liabilities		
Trade and other payables	3,780,494	(19,427,849)
Cash generated from / (used in) operations	585,965	(8,396,985)
Taxes paid	(858,578)	(326,020)
Long term deposits - net	200,000	200,000
Net cash used in operating activities	(72,613)	(8,523,005)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(54,000)	(310,000)
Additions to capital work in progress	-	(77,817)
Proceeds from sale of property and equipment	2,810,880	270,308
Investments - net	472,015	1,682,423
Net cash generated from investing activities	3,228,895	1,564,914
Net increase / (decrease) in cash and cash equivalents (A+B)	3,156,282	(6,958,091)
Cash and cash equivalents at beginning of year	18,374,515	25,332,606
Cash and cash equivalents at end of year	21,530,797	18,374,515

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

Sd/-
Chief Executive

Sd/-
Director

Sd/-
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2017

	Share Capital	Capital		Reserves			Grand Total	Shareholder s' Equity
		Fair Value	General Reserve	Revenue Accumulated	Sub Total	Revenue Losses		
----- Rupees -----								
Balance as at June 30, 2015	100,000,000	40,870	3,500,000	(96,693,731)	(93,193,731)	(93,152,861)	6,847,139	
Total comprehensive profit for the year Profit for the year ended June 30, 2016	-	-	-	7,813,773	7,813,773	7,813,773	7,813,773	
Other Comprehensive income (Loss) arises due to remeasurement of investments	-	(13,021)	-	-	-	(13,021)	(13,021)	
Total comprehensive profit/(loss) for the year ended June 30, 2016	-	(13,021)	-	7,813,773	7,813,773	7,800,752	7,800,752	
Balance as at June 30, 2016	100,000,000	27,849	3,500,000	(88,879,958)	(85,379,958)	(85,352,109)	14,647,891	
Total comprehensive profit for the year Loss for the year ended June 30, 2017	-	-	-	(2,589,841)	(2,589,841)	(2,589,841)	(2,589,841)	
Other Comprehensive income Transfer of general reserves Reserve transferred to profit & loss on disposal of investments available for sale	-	-	(3,500,000)	3,500,000	-	-	-	
Total comprehensive profit/(loss) for the year ended June 30, 2017	-	(27,849)	(3,500,000)	910,159	(2,589,841)	(2,617,690)	(2,617,690)	
Balance as at June 30, 2017	100,000,000	-	-	(87,969,799)	(87,969,799)	(87,969,799)	12,030,201	

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

Sd/-
Chief Executive

Sd/-
Director

Sd/-
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated as a Public Limited Company on October 19, 1993 in Pakistan and is listed on Pakistan Stock Exchange Limited. The Company is the Trading Right Entitlement Certificate holder of the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 2nd Floor, Associated House, Building 1 & 2, 7 - Kashmir Road, Lahore. The Company is principally engaged in shares brokerage, investments, consultancy and underwriting services.

1.2 Going Concern Assumption

During the year, the Company has incurred operating loss of Rs. 1.669 (2016 : Rs. 4.679) million and at year end, its accumulated losses stood at Rs. 87.969 (2016 : Rs. 88.880) million. 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, during the year, the brokerage revenue has been increased significantly from previous years due to efforts put by the management. The Company has sufficient current assets to settle its current liabilities.

Further, during the year major shareholders of the Company i.e. Emirates Global Investments Ltd. and Emirates Investment Group LLC entered into an agreement with Mr. Sikander Mahmood, Mr. Ahmed Kamal, Mr. Junaid Shehzad Ahmed (The Acquirers), in accordance with Regulation 4(j) of the Securities Brokers (Licensing and Operations) Regulations, 2016 for the sale of 74.05% ordinary share capital of the company. In this regard the approval of the Securities and Exchange Commission of Pakistan has already been obtained. The acquirers have strategic plans for revival of the Company and aim to increase number of branches in business oriented regions. They also intend to expand company in terms of experienced staff, infrastructure, technology and intended to inject further equity. Keeping in view these plans, the going concern assumption is considered appropriate and, therefore, these financial statements have been prepared on going concern basis.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

2.2 Basis of Measurement

These Financial Statements have been prepared under the historical cost convention, except that certain investments are stated at fair value.

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

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

Property and equipment

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

Intangible assets

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

Trade debts

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

Income taxes

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

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

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

2.5.1 New standards

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

- IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements: Investment Entities: Applying the Consolidation Exception (Amendment)
- IFRS 11 - Joint Arrangements: Accounting for Acquisition of Interest in Joint Operation (Amendment)
- IAS 1 - Presentation of Financial Statements: Disclosure Initiative (Amendment)
- IAS 16 - Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
- IAS 41 - Agriculture - Agriculture: Bearer Plants (Amendment)
- IAS 27 - Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment)

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

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

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

<i>Standard or Interpretation</i>	<i>Effective date (annual periods beginning on or after)</i>
IFRS 2 - Classification and Measurement of Share Based Payment Transactions (Amendment)	01 January 2018
IFRS 10 - Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IFRS 7 - Financial Instruments: Disclosures - Disclosure Initiative (Amendment)	01 January 2017
IAS 12 - Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	01 January 2017
IFRS 4 - Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance contracts - (Amendments)	01 January 2018

IAS 40 - Investment Property - Transfer of Investment Property (Amendments)	01 January 2018
IFRIC 22- Foreign Currency Transactions and Advance Consideration	01 January 2018
IFRIC 23- Uncertainty over Income Tax Treatment	01 January 2019

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

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

2.5.3 Standard or Interpretation	<i>Effective date (annual periods beginning on or</i>
IFRS 9 - Financial Instruments: Classification and Measurement	01 January 2018
IFRS 14 - Regulatory Deferral Accounts	01 January 2016
IFRS 15 - Revenue from Contracts with Customers	01 January 2018
IFRS 16 - Leases	01 January 2019
IFRS 17 - Insurance Contracts	01 January 2021

2.5.4 Annual Improvements

- IFRS 5 - Non Current Assets Held for Sale and Discontinued Operation - Changes in method of disposal.
- IFRS 7 - Financial Instruments: Disclosures - Servicing Contracts.
- IFRS 7 - Financial Instruments: Disclosures - Applicability of off-setting disclosure to condensed interim financial statements.
- IFRS 19 - Employee Benefits - Discount rate: Regional market issue.
- IAS 34 - Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property and Equipment

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

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

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

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

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

3.2 Capital work in progress

Capital work-in-progress is stated at cost accumulated upto the balance sheet date less impairment if any. Transfer are made to relevant property, plant and equipment category as and when assets are available for their intended use.

3.3 Intangible Assets

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

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

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

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

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

3.4 Investments

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

Held to maturity investments

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

Investments at fair value through profit or loss

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

Available-for-sale

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

Subsequent to initial measurement, equity instruments that do not have a quoted market price in an active market and whose fair value can not be reliably measured are stated at cost less impairment

3.5 *Trade debts*

Trade debts originated by the company are recognized and carried at original invoice amount less provision for doubtful debt. And estimated provision is made when collection of the full amount no longer payable. Bad debts are written off as and when identified.

3.6 *Advances, deposits, prepayments and other receivables*

These are recognized at cost, which is the fair value of the consideration given. However, an assessment is made at each balance sheet date to determine whether there is an indication that assets may be impaired. If such indication exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognized for the difference between the recoverable amount.

Other receivables are recognized and carried at cost which is the fair value of the consideration to be received in the future for goods and services

3.7 *Cash and cash equivalents*

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

3.8 *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.

3.9 *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 up to the year end, whether or not billed to the Company.

3.10 Taxation

Current

Provision for current taxation is based on taxable income at the current rates for taxation after taking into account tax credit and rebates available, if any in accordance with the provision of income tax ordinance 2001. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessments framed/ finalized during the year.

Deferred

Deferred tax is provided in full using the liability method, on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for the financial reporting purposes.

Deferred tax liabilities are recognized for taxable temporary differences, while deferred tax assets are recognized for all deductible temporary differences, carry forward of un used tax losses and unused tax credit, to the extent that it is probable that taxable profits will be available against which the deductible temporary differences carry forward of unused tax losses and unused tax credits can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduce to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow deferred tax assets to be recovered.

Deferred tax relation to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss account.

3.11 Provisions

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

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

3.12 Revenue

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

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

Dividend income is recorded when the right to receive the dividend is established.

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

3.13 Expenses

All expenses are recognized in the profit and loss account on accrual basis.

3.14 Financial instruments

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

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

3.15 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.

3.16 Offsetting of financial assets and financial liabilities

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

3.17 Related party transactions

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

	Note	2017 Rupees	2016 Rupees
4 PROPERTY AND EQUIPMENT			
Property and equipment	4.1	1,035,402	1,135,687
<i>Capital work-in-progress</i>			
Against office of Lahore Stock Exchange Limited	4.2	-	2,467,608
		1,035,402	3,603,295

4.1 Property and equipment

Particular	Computers	Furniture and fittings	Vehicles	Office equipment	Total
	----- Rupees -----				
Year ended June 30, 2016					
Opening net book value	118,924	467,770	295,582	396,275	1,278,551
Additions	-	-	-	310,000	310,000
Disposal					
Cost	-	-	(1,005,000)	(211,600)	(1,216,600)
Accumulated Depreciation	-	-	858,870	78,870	937,740
	-	-	(146,130)	(132,730)	(278,860)
Depreciation charged	(35,677)	(46,777)	(47,876)	(43,674)	(174,004)
Net book value as at June 30, 2016	83,247	420,993	101,576	529,871	1,135,687
Year ended June 30, 2017					
Opening net book value	83,247	420,993	101,576	529,871	1,135,687
Additions	54,000	-	-	-	54,000
Disposal					
Cost	-	-	-	(32,125)	(32,125)
Accumulated Depreciation	-	-	-	22,129	22,129
	-	-	-	(9,996)	(9,996)
Depreciation charged	(29,812)	(42,099)	(20,315)	(52,063)	(144,289)
Net book value as at June 30, 2017	107,435	378,894	81,261	467,812	1,035,402
At June 30, 2016					
Cost	2,436,439	1,936,788	1,182,500	1,296,684	6,852,411
Accumulated depreciation	2,353,192	1,515,795	1,080,924	766,813	5,716,724
Net book value	83,247	420,993	101,576	529,871	1,135,687
At June 30, 2017					
Cost	2,490,439	1,936,788	1,182,500	1,264,559	6,874,286
Accumulated depreciation	2,383,004	1,557,894	1,101,239	796,747	5,838,884
Net book value	107,435	378,894	81,261	467,812	1,035,402
Rate of depreciation %	30%	10%	20%	10%	

4.2 Particulars of operating fixed asset disposed off during the year.

<i>PARTICULARS</i>	<i>Cost</i>	<i>Accumulated depreciation</i>	<i>Net book value</i>	<i>Sale proceeds</i>	<i>Mode of disposal</i>	<i>Particulars of buyers</i>	<i>location</i>
----- <i>Rupees</i> -----							
Office Equipments							
Sabro Split Air conditioner	32,125	22,129	9,996	10,880	Company's Policy	Mr. M. Ishaq	Lahore
Capital work-in-progress							
Office of Lahore Stock Exchange	2,467,608	-	2,467,608	2,800,000	Negotiation	Syed Tariq Hussain (Ex-Director)	Lahore
	June 30, 2017	2,499,733	22,129	2,477,604			2,810,880

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
5 INTANGIBLES			
Trading Rights Entitlement Certificate (TREC)			
Pakistan Stock Exchange Limited	5.1	1,280,000	1,280,000
Offices			
LSE Financial Services Limited (LFSL)	5.2	262,600	262,600
		1,542,600	1,542,600

- 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 LSE Financial Services Limited (LFSL) and a Trading Right Entitlement Certificate (TREC) in lieu of its membership card of Lahore Stock Exchange (Guarantee) Limited.
- 5.2 This represent cost of offices given by LSE Financial Services Limited 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.
- 5.3 The company has pledged / hypothecated Trading Right Entitlement Certificate (TREC) and 337,590 ordinary shares of LSE Financial Services Limited (LFSL) in compliance with Base Minimum Capital (BMC) requirement under Regulations of Pakistan Stock Exchange Limited.

6 LONG TERM INVESTMENTS

Available for sale

In shares of Un-quoted company - At cost

				<i>Carrying Value</i>	
<i>2017</i>	<i>2016</i>			<i>2017</i>	<i>2016</i>
<i>Number of Shares</i>		<i>Name of securities</i>	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
843,975	843,975	LSE Financial Services Limited	6.1	2,720,000	2,720,000

In shares of quoted companies

-	36,168	Invest Capital Investment Bank Limited		-	39,423
5,000	5,000	Sunshine Cotton Mills Limited		1,650	1,650
				1,650	41,073
		Provision for impairment		(1,650)	(1,650)
				2,720,000	2,759,423

6.1 This represents unquoted shares of LSE Financial Services Limited received by the Company in pursuance of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. The total number of shares received by the Company were 843,975 shares with a face value of Rs.10 each.

Out of total number of shares owned, 60% shares (i.e. 506,385 shares) of the said entity are held in separate CDC blocked account, to restrict the sale of these shares by the members. Where as 40% of total shares i.e. 337,590 for Rs.10 each have been credited to the Company's CDC house account and are pledged in favour of Pakistan Stock Exchange Limited.

6.2 The net asset value of shares of LSE financial service limited Rs. 17.78 per share based on un-audited financial statements as at March 31, 2017.

7 LONG TERM DEPOSITS

- Unsecured - Considered good

	<i>2017</i>	<i>2016</i>
	<i>Rupees</i>	<i>Rupees</i>
LSE Financial Service Limited	50,000	50,000
National Clearing Company of Pakistan Limited	300,000	500,000
Central Depository Company of Pakistan Limited	100,000	100,000
Utility deposits	75,149	75,149
	525,149	725,149

8 DEFERRED TAXATION

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

	<i>2017</i>	<i>2016</i>
	<i>Rupees</i>	<i>Rupees</i>
<i>Taxable temporary differences</i>		
Accelerated tax depreciation	106,316	851,762
<i>Deductible temporary differences</i>		
Provision for employees compensated absences	(562,976)	(572,491)
Provision for doubtful debts	(15,299,339)	(15,046,101)
Assessed tax losses	(4,694,142)	(1,600,775)
	(20,556,456)	(17,219,366)
<i>Unrecognized deferred tax asset</i>	(20,450,141)	(16,367,604)
	-	-

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.

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
9 SHORT TERM INVESTMENTS			
<i>At fair value through profit or loss</i>			
In shares of quoted company	9.1	150,561	671,900
In shares of unquoted company	9.2	30,000	23,850
		<u>180,561</u>	<u>695,750</u>

9.1 In shares of quoted company

		<u>Carrying Value</u>	
<i>2017 Number of Shares</i>	<i>2016</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
-	10,000	-	671,900
2,000	-	150,561	-
		<u>150,561</u>	<u>671,900</u>

9.2 In shares of unquoted company

		<u>Carrying Value</u>	
<i>2017 Number of Shares</i>	<i>2016</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
5,000	5,000	60,000	60,000
		<u>(30,000)</u>	<u>(36,150)</u>
		<u>30,000</u>	<u>23,850</u>

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

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
10 TRADE DEBTS			
Considered good		2,178,629	4,544,340
Considered doubtful	10.3	54,324,615	52,537,467
		<u>56,503,244</u>	57,081,807
Provision for doubtful debts	10.1 & 10.2	<u>(54,324,615)</u>	<u>(52,537,467)</u>
		<u>2,178,629</u>	<u>4,544,340</u>

10.1 The legal suit for recovery of trade debts having a book value of Rs. 15.75 million are pending with the Supreme Court of Pakistan. In spite of legal proceedings, the adequate provision is made in these financial statements as a matter of prudence.

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
10.2 Provision for doubtful debts			
Balance as on July 01		52,537,467	64,322,362
Provision made during the year	21	2,848,604	973,405
		<u>55,386,071</u>	<u>65,295,767</u>
Reversal of excess provision		(611,992)	(12,758,300)
Considered bad debts written off		(449,464)	-
		<u>54,324,615</u>	<u>52,537,467</u>

10.2.1 The total value of securities pertaining to clients are Rs. 383.86 million held in sub-accounts of the company. No security is pledged by client to the financial institutions.

10.3 Aging analysis

The aging analysis of trade debts is as follows:

	<i>Note</i>	<i>As on June 30, 2017</i>	
		<i>Amount</i>	<i>Custody value</i>
		<i>-----Rupees-----</i>	
Upto five days		300,436	300,436
More than five days	10.3.1	56,202,808	1,878,193
		<u>56,503,244</u>	<u>2,178,629</u>

10.3.1 Adequate provision of Rs. 54.324 million (2016: 52.537 million) has been provided in respect of amount due from customers for more than five days against which collateral securities are held after applying haircut margin.

11 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

- Considered good

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
Advance to staff		18,000	121,000
Exposure deposit with NCCPL		3,000,000	-
Short term prepayments		42,990	42,898
Other receivables		171,935	104,089
		<u>3,232,925</u>	<u>267,987</u>

12 TAX REFUNDS DUE FROM GOVERNMENT

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
Opening tax refund		879,404	673,317
Provision for the year	23	(128,778)	(119,933)
		<u>750,626</u>	<u>553,384</u>
Tax paid during the year		858,578	326,020
		<u>1,609,204</u>	<u>879,404</u>

	Note	2017 Rupees	2016 Rupees
13 CASH AND BANK BALANCES			
Cash in hand		7,460	3,410
Cash at banks			
In current accounts		12,540,080	3,299,542
In saving account	13.1	8,983,257	15,071,563
	13.2	21,523,337	18,371,105
		21,530,797	18,374,515

13.1 Saving account carries markup which ranges from 2.4% to 5.2% (2016 : 5.2% to 6.5%) per annum.

	2017 Rupees	2016 Rupees
13.2 Balance pertaining to :		
Clients	16,251,927	15,064,787
Brokerage house	5,271,410	3,306,318
	21,523,336	18,371,105

14 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2017 Number of Shares	2016 Number of Shares	Note	2017 Rupees	2016 Rupees
10,000,000	10,000,000	Ordinary shares of Rs.10 each fully paid in cash	100,000,000	100,000,000

14.1 Pattern of shareholdings

Categorises of Shareholders		Number of shares held	% of shares held
Associated Companies, Undertakings and Related Parties	14.1.1	7,404,750	74.0475%
Others Institutions not more than five percent		881,601	8.8160%
Others individuals not more than five percent		1,713,649	17.1365%
		10,000,000	100.0000%

14.1.1 Associated Companies, Undertakings and Related

1 Emirates Global Investments Ltd	3,777,375	37.7738%
2 Emirates Investment Group LLC	3,627,375	36.2738%
	7,404,750	74.0476%

15 RETIREMENT BENEFITS

Employees compensated absences	3.8	1,999,004	1,999,004
--------------------------------	-----	------------------	-----------

16 TRADE AND OTHER PAYABLES

Trade creditors	19,251,927	15,124,897
Accrued liabilities	1,077,600	1,176,992
Other liabilities	196,535	443,679
	20,526,062	16,745,568

17 CONTINGENCY AND COMMITMENT

17.1 Contingency

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.

17.2 Commitment

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

	<i>2017</i> <i>Rupees</i>	<i>2016</i> <i>Rupees</i>
For purchase of shares	<u>5,132,855</u>	<u>5,475,535</u>
For sale of shares	<u>3,979,254</u>	<u>4,884,351</u>

18 OPERATING REVENUE

Note

Brokerage income

	<i>2017</i> <i>Rupees</i>	<i>2016</i> <i>Rupees</i>
- Retail customers	7,448,485	3,451,703
- Institutional customers	<u>148,020</u>	<u>95,555</u>
	<u>7,596,505</u>	<u>3,547,258</u>

Dividend income

	<u>422,500</u>	<u>632,981</u>
	<u>8,019,005</u>	<u>4,180,239</u>

19 OPERATING AND ADMINISTRATIVE EXPENSES

Salaries, benefits and allowances		5,529,952	4,832,881
Commission and clearing house expenses		204,128	128,232
Communication expenses		292,318	278,725
Printing and stationary		198,603	117,897
Entertainment expenses		134,629	132,146
Travelling and lodging expenses		84,540	116,232
Repairs and maintenance		353,414	463,744
Advertisement and publicity		52,252	17,000
Electricity and utilities		344,827	318,526
Insurance expenses		6,318	38,774
Depreciation	4	144,289	174,004
Internet and software maintenance charges		336,346	253,820
Legal and professional charges		229,893	208,950
Fees and subscription		377,913	308,245
Rent, rates and taxes		910,844	836,724
Auditors remuneration	19.1	335,000	310,000
Miscellaneous expenses		<u>201,297</u>	<u>411,897</u>
		<u>9,736,563</u>	<u>8,947,797</u>

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
19.1 Auditors' remuneration			
Statutory audit fee		250,000	225,000
Interim review fee		35,000	35,000
Certification fee		35,000	35,000
Out of pocket expenses		15,000	15,000
		335,000	310,000
20 FINANCE COST			
Bank charges		11,807	10,260
21 OTHER CHARGES			
Provision for doubtful debts	10.2	2,848,604	973,405
22 OTHER INCOME - Net			
Income from financial assets			
Interest on saving account		1,015,621	829,133
Interest income on exposure deposited		89,880	8,013
Reversal of provision for doubtful debts	10.2	611,992	12,758,300
Reversal of provision for impairment	9.2 & 22.1	6,150	-
		1,723,643	13,595,446
Income from other than financial assets			
Gain / (loss) on sale of fixed assets		333,276	(8,560)
		2,056,919	13,586,886

22.1 The company has recognized a gain on reversal of provision for impairment of Rs. 6,150.

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
23 TAXATION			
Current	23.1	128,778	119,933

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 2016 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.

		2017	2016
24 (LOSS) / EARNING PER SHARE			
- Basic and Diluted			
(Loss) / profit attributable to ordinary shareholders	Rs.	(2,589,841)	7,813,773
Weighted average number of ordinary shares in issue		10,000,000	10,000,000
(Loss) / earning per share - basic and diluted	Rs.	(0.26)	0.78
		<i>2017</i>	<i>2016</i>
		<i>Rupees</i>	<i>Rupees</i>

25 REMUNERATION AND BENEFITS TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

To Chief Executive Officer (One)

Managerial remuneration		1,403,364	1,314,140
Commission paid		360,552	87,992
Expenses incurred		178,310	180,816

To Director (One)

Expenses incurred		-	26,701
-------------------	--	---	--------

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,

		2017	2016
		<i>Rupees</i>	<i>Rupees</i>
26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES			
Financial Assets and Liabilities			
Financial assets			
Long term deposits		525,149	725,149
Investments		2,900,561	3,455,173
Trade debts		2,178,629	4,544,340
Deposits and other receivables		3,171,935	104,089
Cash and bank balances		21,530,797	18,374,515
		30,307,071	27,203,266
Financial Liabilities			
Retirement benefits		1,999,004	1,999,004
Trade and other payables		20,526,062	16,745,568
		22,525,066	18,744,572

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

26.1 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.

Exposure to credit risk

Credit risk of the Company arises principally from long term and short term investments, trade debts, loan and advances, accrued income, deposits, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery.

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

	<i>Note</i>	<i>2017</i> <i>Rupees</i>	<i>2016</i> <i>Rupees</i>
Long term investments	6	2,720,000	2,759,423
Long term deposits	7	525,149	725,149
Short term investments	9	180,561	695,750
Trade debts	10	2,178,629	4,544,340
Deposits and other receivables	11	3,171,935	104,089
Cash at banks	13	21,530,797	18,374,515
		<u>30,307,071</u>	<u>27,203,266</u>

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.

	<i>Note</i>	<i>2017 Rupees</i>	<i>2016 Rupees</i>
<i>The aging of trade receivable at the reporting date is: -</i>			
Within 1 year		1,048,289	2,569,592
More than 1 but less than 2 years		816,246	3,081,025
More than 2 years		54,638,709	51,431,190
		56,503,244	57,081,807
Impairment	10.2	(54,324,615)	(52,537,467)
		2,178,629	4,544,340

Trade debts balances amounting to Rs. 54.324 millions (2016 : Rs.52.537 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.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

<i>Bank</i>	<i>Rating agency</i>	<i>Short term ratings</i>
<i>Private sector commercial banks</i>		
Habib Metropolitan Bank Limited	PACRA	A1+
Bank Alfalah Limited	PACRA	A1+
MCB Bank Limited	PACRA	A1+
<i>Islamic Bank</i>		
Albaraka Bank (Pakistan) Limited	PACRA	A1

26.2 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 contractual maturities of financial liabilities, including estimated interest payments:-

	2017			
	<i>Carrying Amount</i>	<i>Contractual cash flows</i>	<i>Upto one year</i>	<i>More than one year</i>
	----- Rupees -----			
Financial liabilities				
Retirement benefits	1,999,004	1,999,004	1,999,004	-
Trade and other payables	20,526,062	20,526,062	20,526,062	-
<hr/>				
	2016			
	<i>Carrying Amount</i>	<i>Contractual cash flows</i>	<i>Upto one year</i>	<i>More than one year</i>
	----- Rupees -----			
Financial liabilities				
Retirement benefits	1,999,004	1,999,004	1,999,004	-
Trade and other payables	16,745,568	16,745,568	16,745,568	-

26.3 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:-

26.3.1 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.

26.3.2 Interest / mark up rate risk

Financial assets and liabilities include balances of Rs. 8.983 million (2016 : Rs. 15.072 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 Company is not exposed to any short term borrowing arrangements having variable rate pricing.

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

	<i>2017</i>	<i>2016</i>
	<i>Carrying amount</i>	
	<i>Rupees</i>	<i>Rupees</i>
<i>Financial assets</i>		
Cash and bank balances	<u>8,983,257</u>	<u>15,071,563</u>

Sensitivity analysis

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

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

	<i>Profit and loss 100 bp</i>	
	<i>increase</i>	<i>decrease</i>
<i>As at June 30, 2017</i>		
Cash flow sensitivity-Variable rate financial instruments	<u>101,562</u>	<u>(101,562)</u>
<i>As at June 30, 2016</i>		
Cash flow sensitivity-Variable rate financial instruments	<u>82,913</u>	<u>(82,913)</u>

26.3.3 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 at the balance sheet date amounting to Rs. 0.15 million (2016 : Rs. 0.71 million) .

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

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

Sensitivity analysis

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

	<i>Fair Value</i>	<i>Hypothetical price change</i>	<i>Estimated fair value after hypothetical change in prices</i>	<i>Hypothetical increase (decrease) in Shareholders' Equity</i>
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
June 30, 2017	150,561	10% increase	165,617	15,056
		10% decrease	135,504	(15,056)
June 30, 2016	671,900	10% increase	739,090	67,190
		10% decrease	604,710	(67,190)

26.3.4 Fair Value of Financial Instruments

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

26.3.5 Fair value hierarchy

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

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

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

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

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>----- Rupees -----</i>		
June 30, 2017			
Investments available for sale	-	-	2,720,000
Investments at fair value through Profit and loss	150,561	-	60,000
June 30, 2016			
Investments available for sale	39,423	-	2,720,000
Investments at fair value through Profit and loss	671,900	-	60,000

27 NON ADJUSTING SUBSEQUENT EVENT

During the year, the major shareholders Emirates Global Investments Ltd and Emirates Investment Bank LLC entered into an agreement with Mr. Sikander Mahmood, Mr. Ahmed Kamal, Mr. Junaid Shehzad Ahmed, in accordance with Regulation 4(j) of the Securities Brokers (Licensing and Operations) Regulations, 2016 for the sale of 74.05% ordinary share capital. In this regard the approval of the Securities and Exchange Commission of Pakistan has been obtained. However, to comply with takeover and other regulatory requirements no transfer of shares has been made yet.

Subsequent to the year end, the acquirers has announced public offering to acquire 12.976% of issued ordinary share capital from general public (other than those who has already entered into sell purchase agreement with the acquires) whose name appear on the share register of the target company on closure of share transfer register as on August 19, 2017. The manager to the offer has confirmed that they have fulfilled all obligations of the Acquirers under the Listed Companies (Substantial Acquisition of Voting Shares & Take-over) Regulations, 2017 and Securities Act, 2015.

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 financial year ended June 30, 2017.

The Company does not obtained any financing facility and working with 100% equity financing, therefore, no gearing is identified.

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: -

	<i>2017</i> <i>Rupees</i>	<i>2016</i> <i>Rupees</i>
<i>Transactions with other related parties</i>		
Commission paid to Chief Executive	360,552	87,992
Commission received from Chief executive	32,379	17,036
Commission received from Directors	5,525	18,356
Expenses incurred by the Chief Executive	178,310	180,816
Expenses incurred by Director	-	26,701
Disposal of fixed asset to Ex-Director	2,800,000	-

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, 2017 are located in Pakistan.

31 RECLASSIFICATION

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of better presentation. Significant reclassification are as follows:

<i>Description</i>	<i>Head of account of the financial statements for the year ended June 30, 2016</i>	<i>Head of account of the financial statements for the year ended June 30, 2017</i>	<i>Amount Rupees</i>
National Clearing Company of Pakistan Limited	Long term deposits	Advances, deposits, prepayments and other receivables	200,000
Dividend Income	Other income	Operating revenue	632,981
Central depository company	Long term deposits (Utilities)	Long term deposits	100,000
Liabilities	Other liabilities	Accrued liabilities	951,194

32 DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on September 23, 2017.

33 GENERAL

33.1 The number of employees of the company as at June 30, 2017 were 11 (2016 : 11) and weighted average number of employees were 11 (2016 : 11).

33.2 Figures have been rounded off to the nearest rupee.

Sd/-

Chief Executive

Sd/-

Director

Sd/-

Chief Financial Officer

www.jamapunji.pk



سرمایہ کاری سمجھداری کے ساتھ



Be aware, Be alert, Be safe

Learn about investing at
www.jamapunji.pk

Key features:

- Licensed Entities Verification
- Scam meter*
- Jamapunji games*
- Tax credit calculator*
- Company Verification
- Insurance & Investment Checklist
- FAQs Answered

- Stock trading simulator
(based on live feed from KSE)
- Knowledge center
- Risk profiler*
- Financial calculator
- Subscription to Alerts (event notifications, corporate and regulatory actions)
- Jamapunji application for mobile device
- Online Quizzes



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

[jamapunji.pk](https://www.facebook.com/jamapunji.pk)

[@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices

FORM OF PROXY
24th Annual General Meeting

I/We _____ of _____

holding Computerized National Identity Card No. _____ and being a member of

Trust Securities & Brokerage Limited hereby appoint _____ of

_____ holding Computerized National Identity Card No. _____ as my/our

proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 28th day October, 2017 at 11: A.M. and at any adjournment thereof.

As witness my/our hand/seal this _____ day of _____, 2017

WITNESSES

1. Signature _____

Name _____

Address _____

CNIC No. _____

2. Signature _____

Name _____

Address _____

CNIC No. _____

Shareholder's

Folio No.

[Empty box for Shareholder's Folio No.]

[Signature stamp box: Signature Rs. 5/- revenue stamp]

- 1. This Proxy Form duly completed and signed, must be received of the Registered Office of the Company, not less than 48 hours before the time of holding the meeting.
2. This Proxy Form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
3. Attested copies of CNIC of the appointer and the proxy holder shall be furnished with the Proxy Form.
4. The proxy-holder shall produce his original CNIC at the time of the meeting.
5. In case of corporation entity, the Board of Directors' resolution / Power of Attorney with specimen signature shall be submitted along with Proxy Form.

Ref: CS/CFO/2017-18

Date: September 29, 2017.

Dear Members,

PAYMENT OF CASH DIVIDEND THROUGH ELECTRONIC TRANSFER DIRECTLY INTO THE BANK ACCOUNT DESIGNATED BY ENTITLED SHAREHOLDERS

Pursuant to the provision of Section 242 of the Companies Act, 2017, a listed company is required to pay any dividend payable in cash only through electronic mode directly into the bank account designated by the entitled shareholders. You are requested to please fill the following information regarding International Bank Account Number (IBAN), sign at specified place and send the same through post at any of the addresses given below for receiving cash dividend through electronic mode:

Folio Number:	
Title of Account:	
IBAN/Account No:	
Bank Name:	
Branch Name:	
Branch Address & Code:	
CNIC Number:	
Contact Number:	
Email Address:	

 Signature of Member

Company's Address:
Trust Securities & Brokerage Limited,
Building 1&2, 7-Kashmir Road, Lahore.
Contact Nos: 042-3637 3041-43

Share Registrar's Address:
Hamood Majeed Associates (Pvt.) Ltd.
Share Registrar, TSBL
H.M. House, 7-Bank Square, Lahore
Contact Nos: 042-37295081-82



Company Secretary

CORPORATE TREC HOLDER # 332 : PAKISTAN STOCK EXCHANGE LIMITED**Corporate Office:** 2nd Floor, Associated House, Building # 1 & 2, 7-Kashmir Road, Lahore. (PAKISTAN)

Telephone: (92-42) 3637 3041-43 Trading: 3631 0241-44 Fax: (92-42) 3637 3040

Website: www.trustsecu.com Email: info@trustsecu.com & tsbl@brain.nct.pk

Branch Office: Room # 607, 6th Floor, LSE Plaza

19-Khayaban-e-Aiwan-e-Iqbal, Lahore-54000 (PAKISTAN). Telephone: (92-42) 3637 4710 & 3630 0181