

**AMER SECURITIES
(PRIVATE) LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2016

Mudassar Ehtisham & Co.
Chartered Accountants



MUDASSAR EHTISHAM & CO.
Chartered Accountants

Independent Member Of Geneva Group International
(Switzerland)

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **AMER SECURITIES (PRIVATE) LIMITED** ("the Company") as at **June 30, 2016** and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

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

- a) in our opinion, proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion:
 - i) the balance sheet and profit and loss account, together with the notes thereon, have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet and profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give true and fair view of the state of the Company's affairs as at **June 30, 2016** and of the loss, cash flows and changes in equity for the year then ended; and
- d) In our opinion no Zakat was deductible at source under the Zakat and Usher Ordinance, 1980.

Mudassar Ehtisham & Co.
Chartered Accountants
(Mudassar Raza)

Lahore
Date: October 06, 2016

Head Office:
50/2 Lawrence Road,
Lahore - Pakistan.
Tel: +92-42-36370219, 36363613
Fax: +92-42-36363614
E-mail: info@mudassarehtisham.com

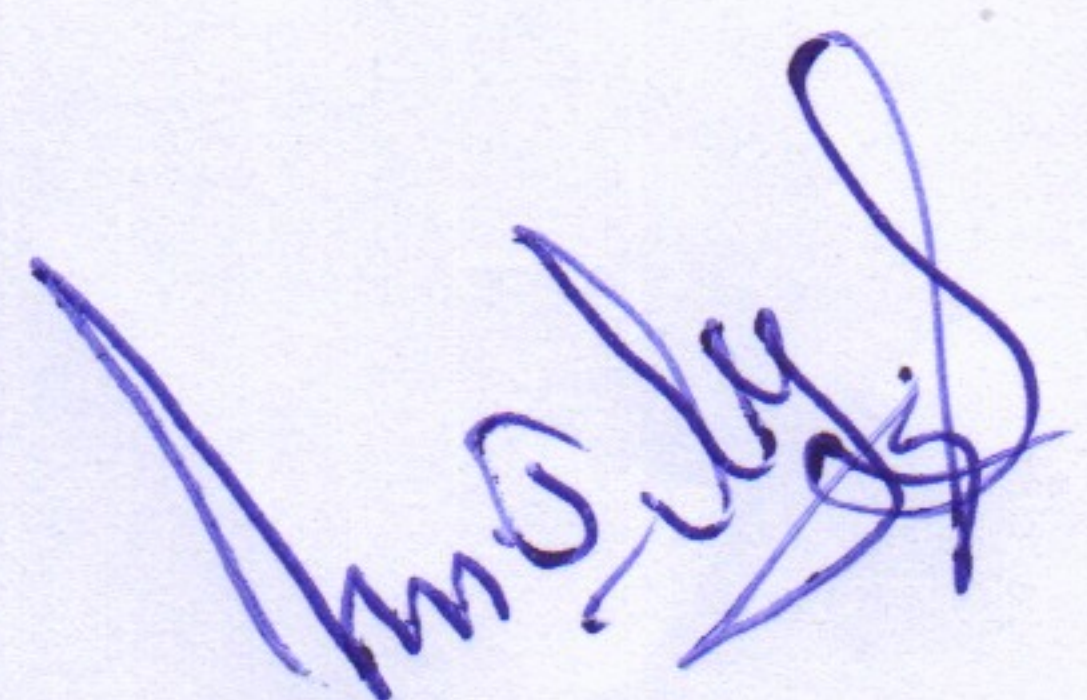
Islamabad Office:
Room No. 2, 2nd Floor,
Pacific Centre, F-8 Markaz, Islamabad.
Tel: +92-051-2263636
Fax: +92-051-2853536
E-mail: yasir@mudassarehtisham.com

Multan Office:
Room No. 29, 1st Floor, Hajveri
Arcade, Kutchery Road, Multan.
Tel: +92-061-4500967, 4500968
Fax: +92-061-4780067
E-mail: waqas@mudassarehtisham.com

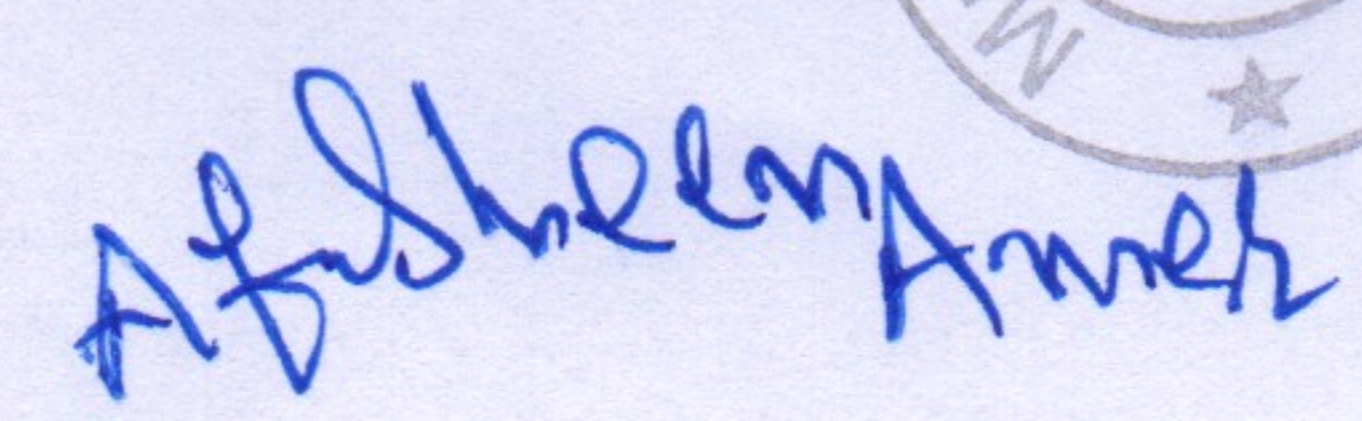
Faisalabad Office:
Office No.1, 1st Floor
Noor Center, Opposit Mujahid
Hospital, Faisalabad.
Phone: +92-041-8503241
Fax: +92-041-8503242
E-mail: irfan@mudassarehtisham.com

AMER SECURITIES (PRIVATE) LIMITED
BALANCE SHEET
AS AT JUNE 30, 2016

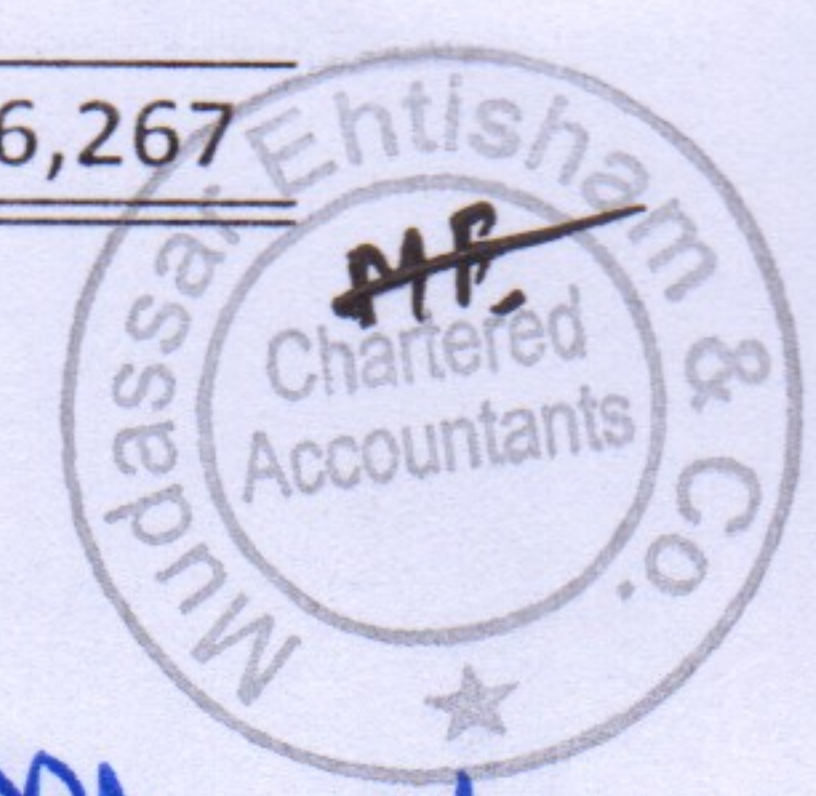
	Note	2016 Rupees	2015 Rupees
ASSETS			
Non-Current Assets			
Property and equipment	4	2,415,445	2,641,063
Intangible assets	5	4,125,091	4,112,491
Long term investment	6	14,896,159	9,790,110
Long term deposits	7	633,000	633,000
		<u>22,069,695</u>	<u>17,176,664</u>
Current Assets			
Short term investments	8	34,377,984	29,507,530
Trade debts - unsecured	9	26,582,835	18,840,498
Advances, deposits & other receivables	10	10,184,572	475,093
Cash and bank balances	11	9,050,861	17,756,482
		<u>80,196,253</u>	<u>66,579,603</u>
TOTAL ASSETS		<u><u>102,265,947</u></u>	<u><u>83,756,267</u></u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital	12	<u>20,000,000</u>	<u>20,000,000</u>
Issued, subscribed and paid-up share capital	12	20,000,000	20,000,000
Share deposit money	13	20,313,113	12,068,678
Un-appropriated profit		<u>17,372,257</u>	<u>18,114,401</u>
		<u>57,685,370</u>	<u>50,183,079</u>
Non-Current Liabilities			
Deferred liabilities - gratuity	14	816,542	745,500
Current Liabilities			
Trade and other payables	15	9,011,429	20,621,157
Accrued and other liabilities	16	34,714,599	12,033,195
Provision for taxation		<u>38,007</u>	<u>173,336</u>
		<u>43,764,035</u>	<u>32,827,688</u>
Contingencies and Commitments	17		
TOTAL EQUITY AND LIABILITIES		<u><u>102,265,947</u></u>	<u><u>83,756,267</u></u>



(Chief Executive)



(Director)



AMER SECURITIES (PRIVATE) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2016

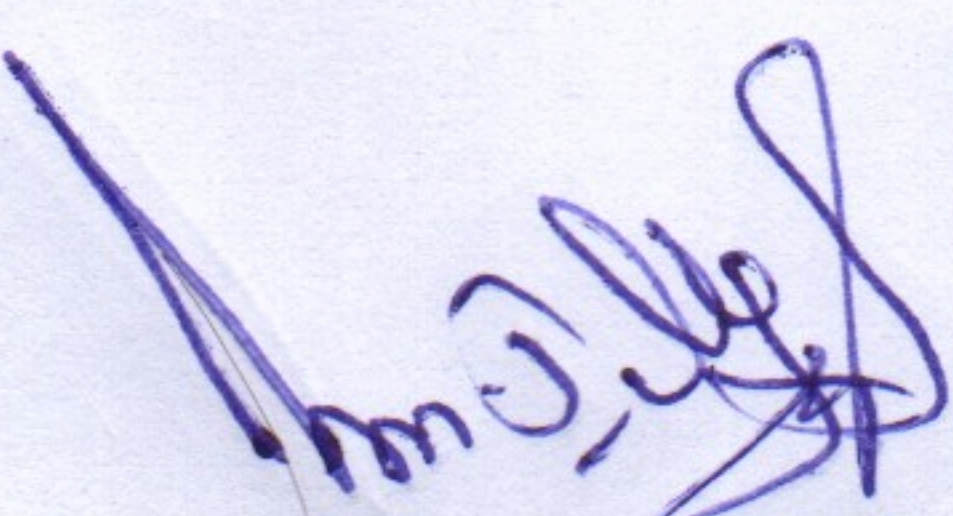
4.1 Property and equipment- Owned

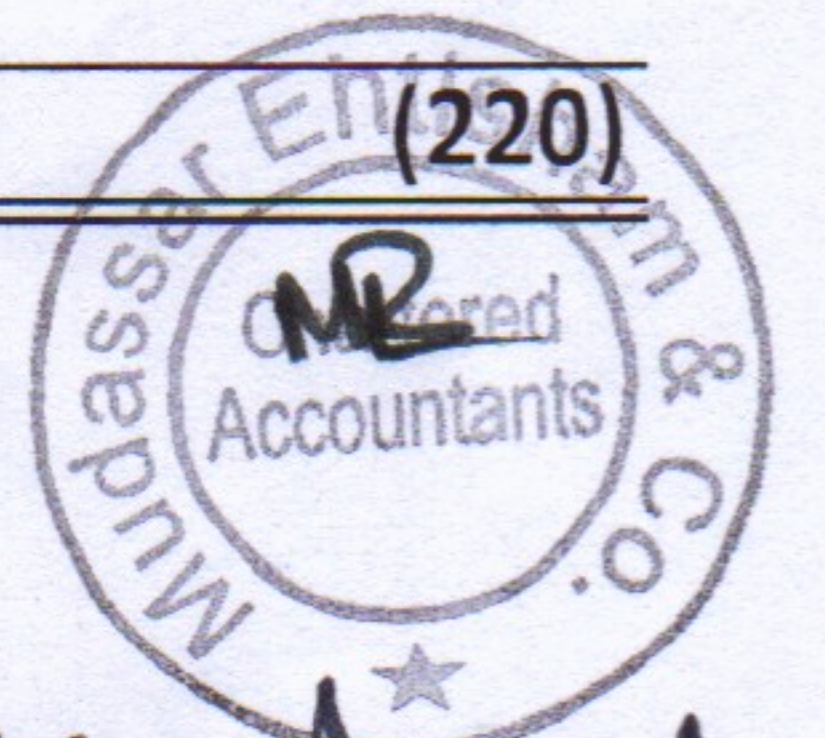
PARTICULARS	COST			RATE %	DEPRECIATION		BOOK VALUE As at 30 June 2016
	As at 01 July 2015	Additions	As at 30 June 2016		As at 01 July 2015	For the year June 2016	
RUPEES.....			RUPEES.....		
Tangible Assets							
Furniture and fixtures	128,150	-	128,150	10%	77,202	5,095	82,297
Motor Bike	-	25,000	25,000	10%	-	1,250	1,250
Office building	3,476,916	-	3,476,916	10%	1,003,087	247,383	1,250,470
Office equipment	71,200	-	71,200	10%	49,788	2,141	51,929
Computer and accessories	501,466	45,550	547,016	30%	415,738	39,383	455,122
Electronic fittings	30,500	-	30,500	10%	21,354	915	22,269
2016	4,208,232	70,550	4,278,782		1,567,169	296,167	1,863,336
2015	4,190,232	18,000	4,208,232		1,250,520	316,649	2,641,063



AMER SECURITIES (PRIVATE) LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED JUNE 30, 2016


	Notes	2016 RUPEES	2015 RUPEES
Commission income - net	18	3,070,820	1,335,593
Other income	19	1,370,798	3,075,547
Administrative expenses	20	(6,358,168)	(6,207,853)
Loss on investment at fair value through profit and loss		(3,720,497)	(2,065,396)
Loss before finance cost		<u>(5,637,047)</u>	<u>(3,862,109)</u>
Finance cost	21	(173,138)	(331,258)
Loss before taxation		<u>(5,810,185)</u>	<u>(4,193,367)</u>
Taxation	22	(38,007)	(205,580)
Loss after taxation		<u>(5,848,192)</u>	<u>(4,398,947)</u>
Loss per share - basic and diluted		<u>(292)</u>	<u>(220)</u>

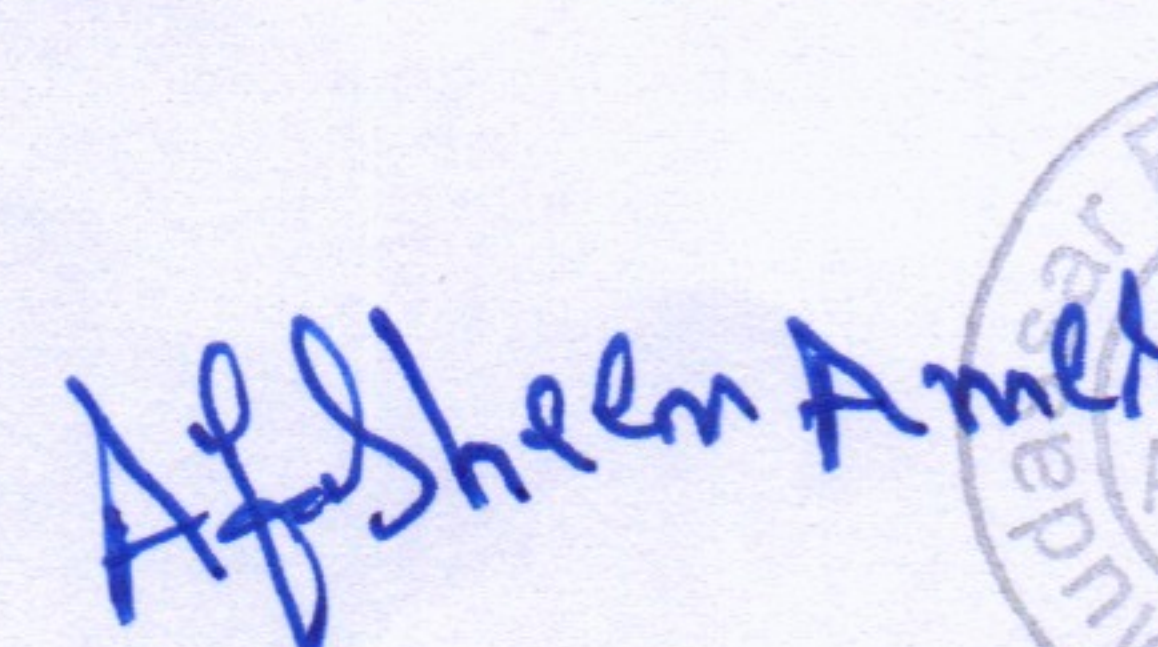

 (Chief Executive)

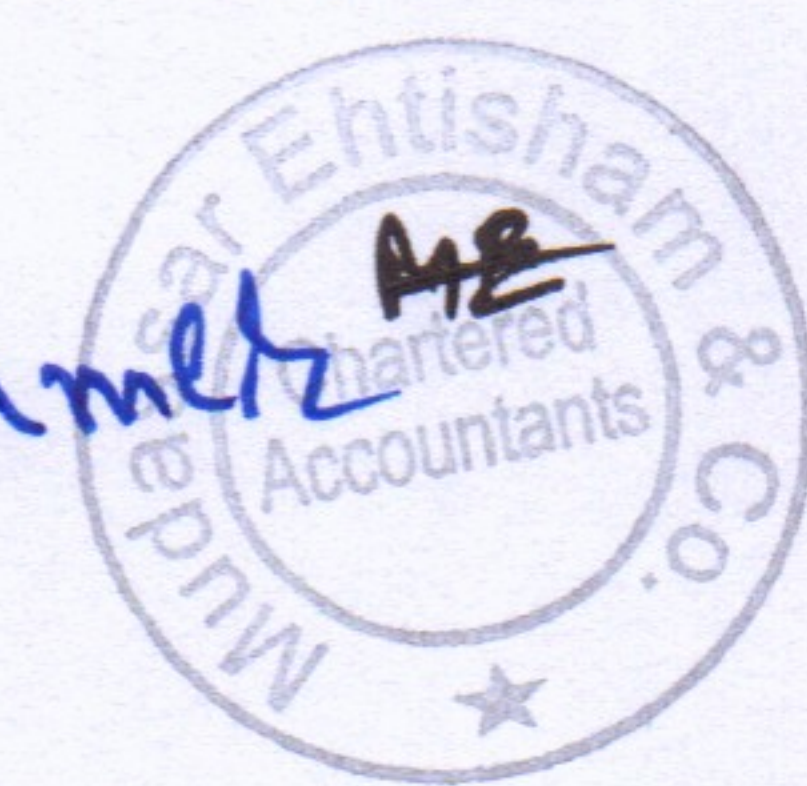

 Afshreen Amer
 (Director)

AMER SECURITIES (PRIVATE) LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		(5,810,185)	(4,193,367)
Adjustment for items not involving movement of funds			
Depreciation	4.1	296,167	316,649
Amortization	5.1	7,400	5,400
Loss on investment at fair value through profit and loss		3,720,497	2,065,396
Gain on TREC valuation		-	(1,142,200)
Provision for gratuity		71,042	111,000
Profit before working capital changes		4,095,106	1,356,245
Effect on cash flow due to working capital changes			
Decrease/ (Increase) in current assets			
Trade debtors		(7,742,337)	27,122,043
Advances, deposits and other receivables		(9,374,864)	13,044
		(17,117,201)	27,135,087
(Decrease) / Increase in Current Liabilities			
Creditors, accrued and other liabilities		(9,497,866)	(11,432,829)
Accrued markup		-	-
		(9,497,866)	(11,432,829)
		(28,330,146)	12,865,136
Taxes paid		(507,952)	(244,146)
Net cash generated from /(used in) operating activities		(28,838,098)	12,620,990
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(90,550)	(18,000)
Short term investments- net		(8,590,951)	(12,578,825)
Net cash (used in)/ generated from investing activities		(8,681,501)	(12,596,825)
CASH FLOW FROM FINANCING ACTIVITIES			
Share deposit money received		8,244,435	-
Short term borrowings		20,569,543	11,303,957
Net cash generated from financing activities		28,813,978	11,303,957
NET INCREASE IN CASH AND CASH EQUIVALENTS		(8,705,621)	11,328,122
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		17,756,482	6,428,360
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	11	9,050,861	17,756,482

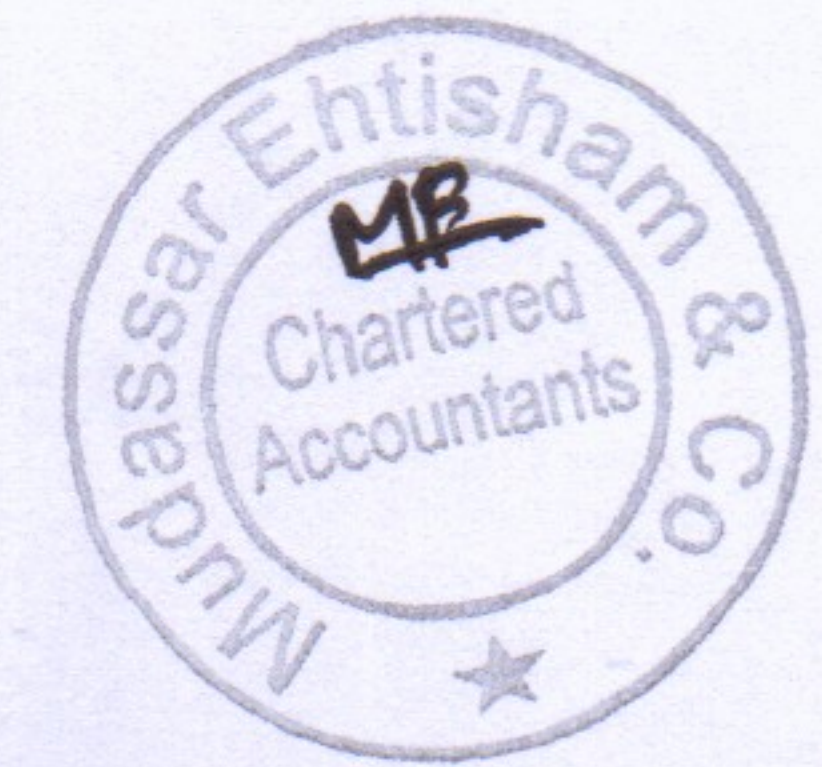

(Chief Executive)


(Director)



AMER SECURITIES (PRIVATE) LIMITED
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED JUNE 30, 2016

Description	Share Capital	Share Deposit Money	Un-appropriated Profit / Accumulated Loss	Total
Balance as at June 30, 2014	20,000,000	12,068,678	12,723,238	44,791,916
Loss for the year	-	-	(4,398,947)	(4,398,947)
Gain on revaluation of LSE shares (Note 6.1)	-	-	9,790,110	9,790,110
Balance as at June 30, 2015	20,000,000	12,068,678	18,114,401	50,183,079
Loss for the year	-	-	(5,848,192)	(5,848,192)
Gain on revaluation of LSE shares (Note 6.1)	-	-	5,106,049	5,106,049
Balance as at June 30, 2016	20,000,000	12,068,678	17,372,257	49,440,935



[Handwritten Signature]

(Chief Executive)

Afshen Amer

(Director)

AMER SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

1 THE STATUS AND NATURE OF THE COMPANY'S BUSINESS

The Company was incorporated under the Companies Ordinance, 1984 as a Private Limited Company with the main objective to deal in the business of stock exchange brokers. The Company started its commercial operations in September, 2003. The registered office of the Company is situated at Room # 620, 6th Floor, LSE Building, 19 Khayaban - e - Aiwan - e - Iqbal, Lahore.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standards for Medium Sized Entities (MSEs) issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except otherwise stated in forthcoming policies and notes. In these financial statements, except for the amount reflected in the cash flow statements, all transactions have been accounted for on accrual basis.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is functional and presentation currency of the Company and rounded off to the nearest rupee.

2.4 Significant accounting estimates and judgments

The preparation of financial statements in conformity with the Accounting and Financial Reporting Standards for MSEs issued by the ICAP requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and 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 circumstances, and the results of which form the basis for making judgment about carrying value 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 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.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are:

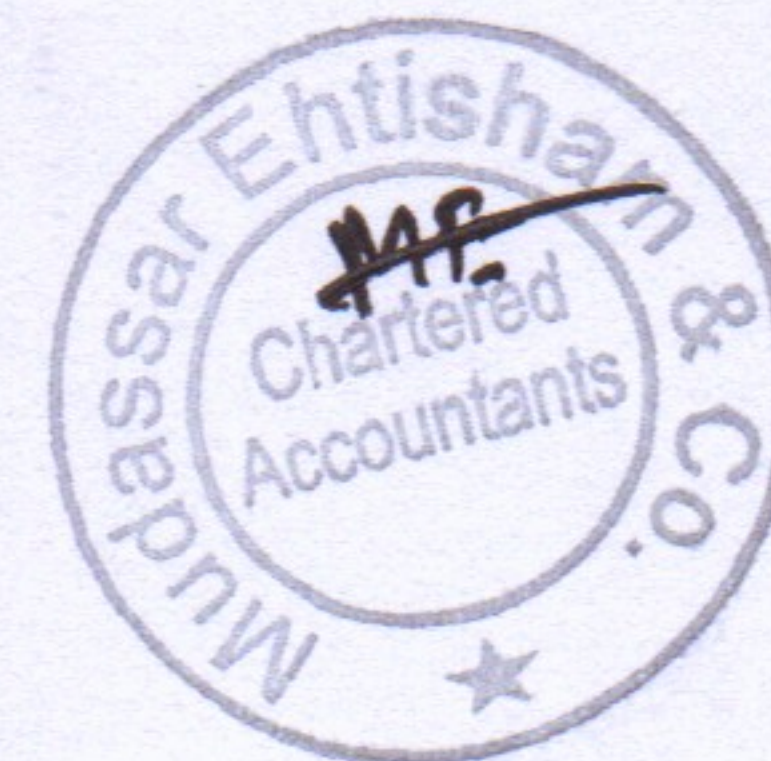
- Residual values and useful lives of property and equipment (note 3.1);
- Provision for doubtful debts (note 3.7);
- Provision for taxation (note 3.11);
- Staff retirement benefits (note 3.21); and
- Contingencies and commitments (note 3.23).

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Property and equipment

These are stated at cost less accumulated depreciation and any accumulated impairment losses.

Items of property, plant and equipment are depreciated on reducing balance method at the annual rates given in Note 4 depending on the class of assets. The residual value and useful lives are reviewed and adjusted, if appropriate at each balance sheet date.



AMER SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Property and equipment - continued

Depreciation on additions is charged for the full month in which an asset is available to use and on deletions up to the month immediately preceding the deletion, to better reflect the pattern of utilization of economic benefits derived from the asset. Depreciation commences when the asset is available for intended use and continues till the asset is derecognized.

Normal repairs and maintenance are charged to expenses as and when incurred. Major renewals and replacements are capitalized. Gains or losses on disposal or retirement of property, plant and equipment are determined as the difference between the sales proceeds and the carrying amount of asset and are included in the profit and loss account.

3.2 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. The depreciable amount of intangible asset is amortized on a systematic basis over the estimated useful lives using the straight-line method.

3.3 Long term deposits

0.5

These are stated at cost which represents the fair value of consideration given.

3.4 Investments

Investments available for sale

These are recognized at fair value. Gains or losses from changes in fair values are taken to equity until disposal at which time these are recycled to profit and loss account

Investments held to maturity

Investments with fixed or determinable payments and fixed maturity, which the Company has the positive intent and ability to hold to maturity, are carried at amortized cost, using the effective interest rate method less impairment losses, if so determined.

Investments at fair value through profit or loss

Investments which are acquired principally for the purpose of selling in the near term or the investments that are part of a portfolio of financial instruments exhibiting short term profit taking are classified as investments at fair value through profit or loss. These are stated at fair values with any resulting gains or losses recognized directly in the profit and loss account. The fair value of such investments representing listed equity securities are determined on the basis of prevailing market prices.

3.5 Membership cards and licenses

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

3.6 Trade date accounting

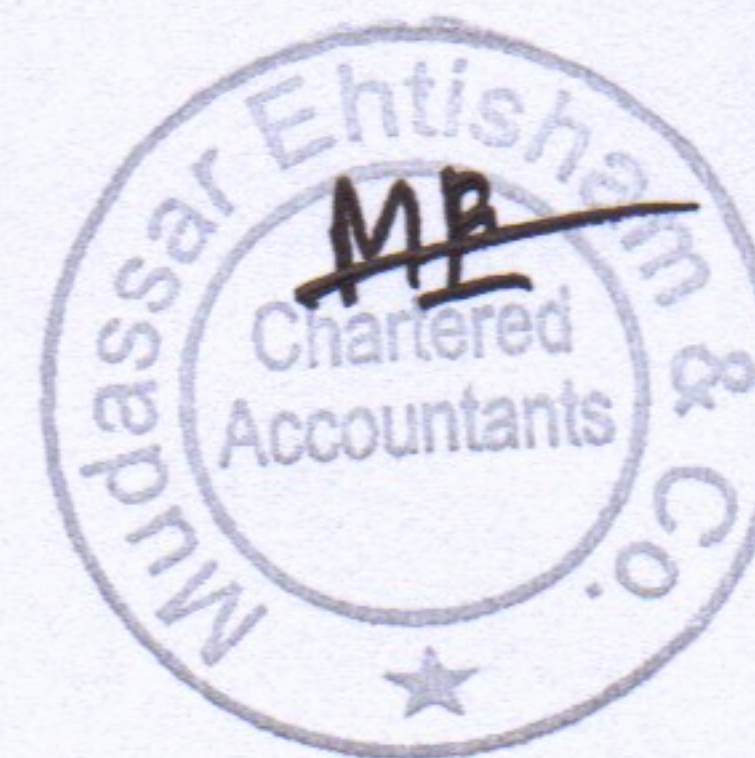
All "regular way" purchases and sales of listed shares are recognized on the trade date, that is the date that the Company commits to purchase / sell the assets. Regular way purchases or sales of listed shares delivered T + 2 basis as per stock exchange regulations.

3.7 Trade debts

These are stated at net of provisions for doubtful debts, if any. Trade debts are reviewed at each balance sheet date. Full provision is made against the debts considered doubtful. Bad debts are written off as and when identified.

3.8 Advances, deposits and other receivables

Advances, deposits, prepayments and other receivables are included in current assets, except for having maturities greater than twelve months after the balance sheet date, which are classified as non-current assets.



AMER SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

3.9 Borrowing costs

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying assets. Such borrowing costs, if any, are capitalized as part of the cost of the asset.

3.10 Impairments

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists the asset's recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in profit and loss account.

3.11 Taxation

Current

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated at the prevailing rates of taxation after taking into account tax credits, rebates and exemption available, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous years arising from assessments framed during the year for such years. However, for income under final tax regime, taxation is based on applicable tax rates under such regime.

Deferred

Deferred taxation is recognized on all major timing differences between the carrying amount for financial reporting purposes and the amounts used for taxation purposes. The net deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

3.12 Mark up bearing borrowings

Mark up bearing borrowings are recognized initially at cost being the fair value of consideration received, less attributable transaction cost. Subsequent to the initial recognition, mark up bearing borrowings are stated at original cost less subsequent repayments.

3.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimates.

3.14 Offsetting of financial assets and financial liabilities

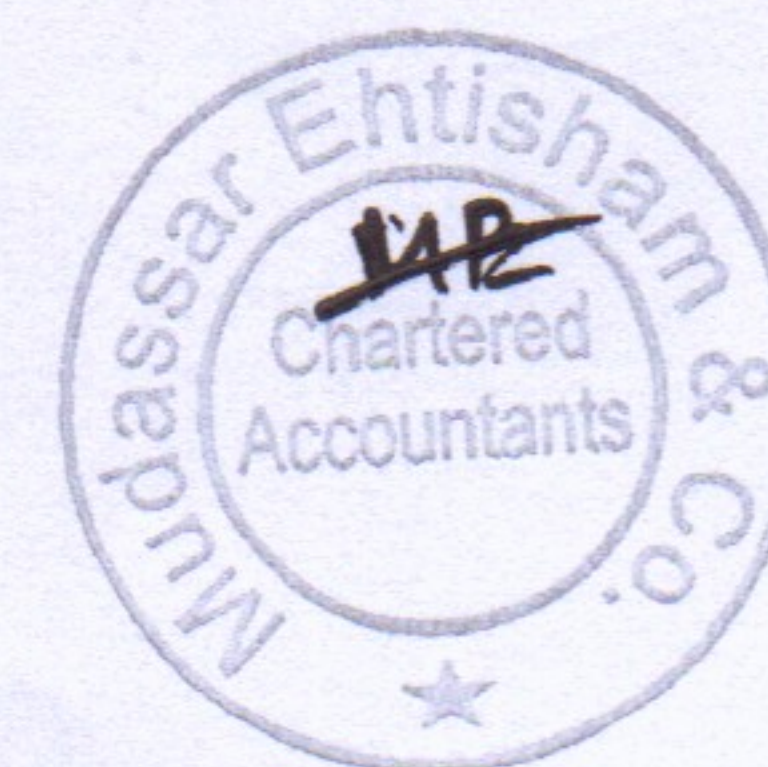
The financial assets and a financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and the Company intends to settle on a net basis, or to realize the asset and settle liability simultaneously.

3.15 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument, the particular recognition methods adopted are disclosed in the individual policy statements associated with each item. The Company derecognizes the financial assets and liabilities when it ceases to be a party to such contractual provisions of the instruments. The Company recognizes the regular way purchase or sale of financial assets using settlement date accounting.

3.16 Cash and cash equivalents

Cash and Cash equivalents comprises cash balance, bank deposits, short term investments and receivables against continuous funding system transactions. For the purpose of cash flows, cash and cash equivalents are presented net off short term borrowings which are repayable on demand or in the short term and form an integral part of the Company's cash management policies.



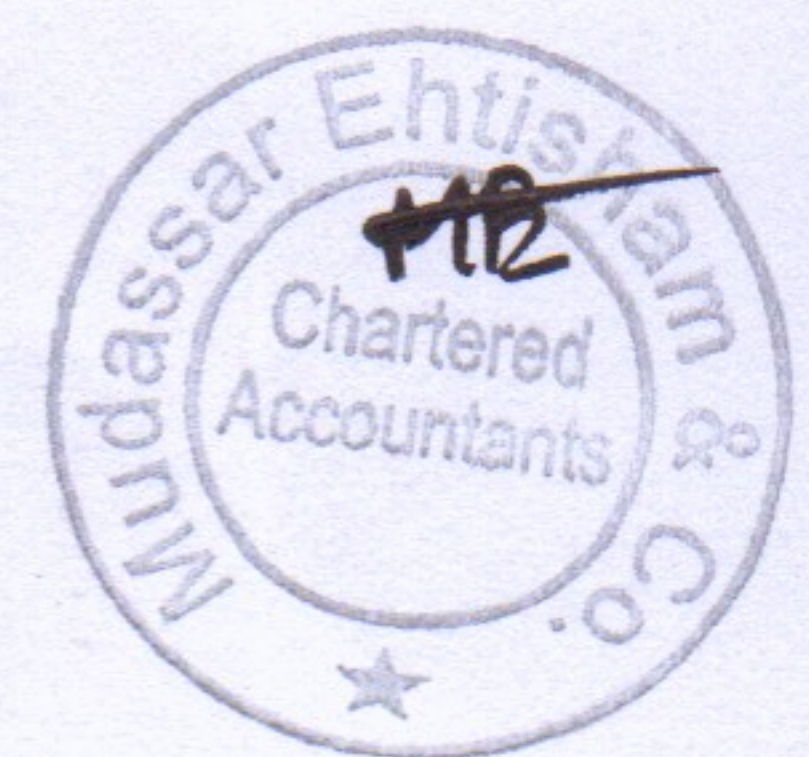
AMER SECURITIES (PRIVATE) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2016

- 3.17 **Share capital**
 Ordinary shares are classified as equity and recognized at their face value.
- 3.18 **Related party transactions**
 Transactions with related parties are carried out on commercial terms and conditions.
- 3.19 **Trade and other payables**
 Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.
- 3.20 **Earning per share**
 Earning per share is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of shares outstanding during the year.
- 3.21 **Staff retirement benefits**
 The Company operates an unfunded gratuity scheme for all its permanent employees, which provides for the benefits dependent on the length of service of the employee on terminal date, subject to the completion of minimum qualifying period of service. Gratuity is based on employees last drawn salary.
- 3.22 **Revenue recognition**
- i) **Brokerage income**
 Brokerage income is recognized as and when services are provided on accrual basis.
 - ii) **Capital gains**
 Sales and purchases of securities are recorded on the execution of contract. Capital gains or losses, calculated as the difference between the sale proceeds excluding transaction cost, and the carrying amount of a security is included in profit and loss account for the period. Carrying value of the security for this purpose is calculated on an individual portfolio basis using the moving average method.
 - iii) **Dividend income**
 Dividend income on equity investment is recognized, when the right to receive the same is established.
 - iv) **Interest income**
 Interest income is recognized as and when it is due on accrual basis.
 - v) **Underwriting commission**
 Underwriting commission is recognized when the agreement is executed.
- 3.23 **Contingencies and commitments**
 Contingencies and commitments unless those are actual liabilities, are not incorporated in the financial statements.
- 3.24 **Figures**
 Figures have been rearranged and regrouped where necessary for the comparison purpose.

4 PROPERTY, PLANT AND EQUIPMENT

4.1

	2016 Rupees	2015 Rupees
	2,415,445	2,641,063



AMER SECURITIES (PRIVATE) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2016

		2016 Rupees	2015 Rupees
5 INTANGIBLE ASSETS			
Computer software	5.1	25,091	12,491
Membership card and licenses -- Lahore Stock Exchange (TREC)	5.2	4,100,000	4,100,000
		<u>4,125,091</u>	<u>4,112,491</u>

5.1 Intangible Assets

	2016	2015
Software	54,000	20,000
2016	<u>54,000</u>	<u>20,000</u>
2015	<u>54,000</u>	<u>-</u>

5.2 This represents value of trading rights entitlement certificate (TREC) received from Lahore Stock Exchange Limited (LSE) in accordance with the requirements of the Stock Exchanges (Corporatization, Demutualization and Integration) Act 2012 (The Act). The Company has also received shares of LSE after completion of the demutualization process. The carrying value of the membership card of Rs 9.2 Million has been apportioned between TREC and shares received from LSE as explained in note 6.1. Carrying values of TREC as on June 30, 2015 has been revalued to the value disseminated by LSE on April 28, 2015. The resultant gain as calculated below has been charged to Profit and Loss account.

Carrying value of TREC	4,100,000	2,957,800
Notional value of TREC of LSE as per Notice # 2081 dated: April 28, 2015 of LSE	-	4,100,000
Gain on TREC valuation	<u>-</u>	<u>1,142,200</u>

6 LONG TERM INVESTMENTS

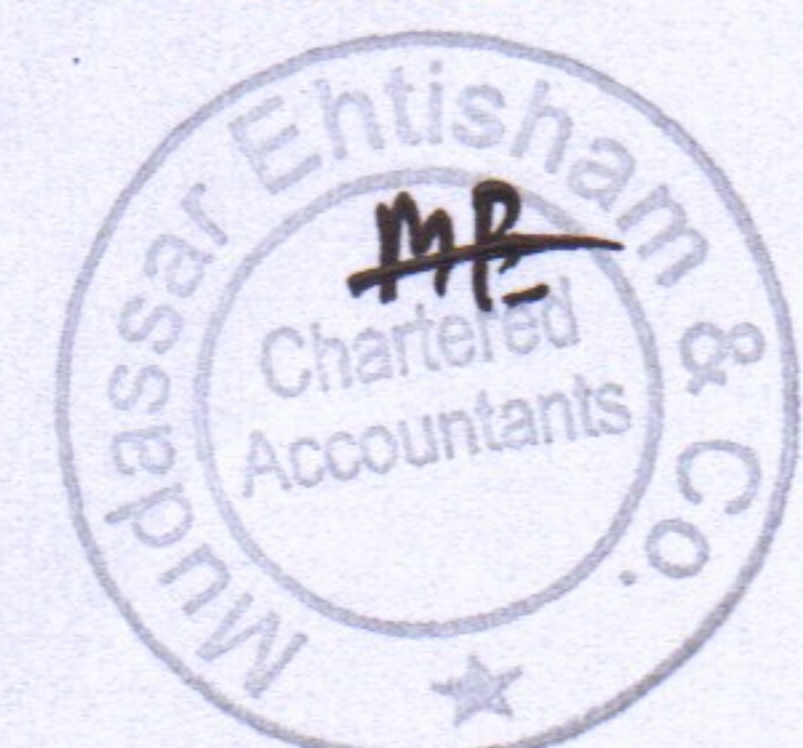
Available for sale:

Ordinary shares - LSE	6.1	14,896,159	9,790,110
-----------------------	-----	------------	-----------

6.1 Pursuant to the promulgation of the Stock Exchanges (Corporatization, Demutualization and Integration) Act 2012 (The Act), the ownership in a stock exchange had been segregated from the right to trade on the Exchange. This arrangement resulted in allocation of 843,975 ordinary shares of Rs 10/- each and Trading Rights Entitlement Certificate (TREC) to the Company by the LSE against cancellation/ surrender of membership of LSE. Out of these total shares allocated to the Company, 506,385 shares were transferred to CDC sub-account in the Company's name under the LSE's participant IDs with the CDC, which will remain blocked until these are divested/sold to strategic investor(s), general public and financial institutions and proceeds are paid to the Company. The LSE introduced a minimum capital requirement of Rs. 4 million for holders of TREC. In the absence of an active market, this value was assigned to TREC for the purpose of allocation of carrying value of membership. Ordinary shares of LSE allocated to the Company were assigned a value of Rs. 8.44 million based on face value of those shares. As the active market for such shares as well as TREC was not available, the carrying value of the membership cancelled/surrendered (Rs. 9.2 million) was allocated as follows:

	Assigned values for allocation	Allocation of carrying value of membership
		Rupees
Trading Rights Entitlement Certificate	4,100,000	4,000,000
843,975 ordinary shares at Rs. 10 each in LSE	8,439,750	8,439,750
	<u>12,539,750</u>	<u>12,439,750</u>

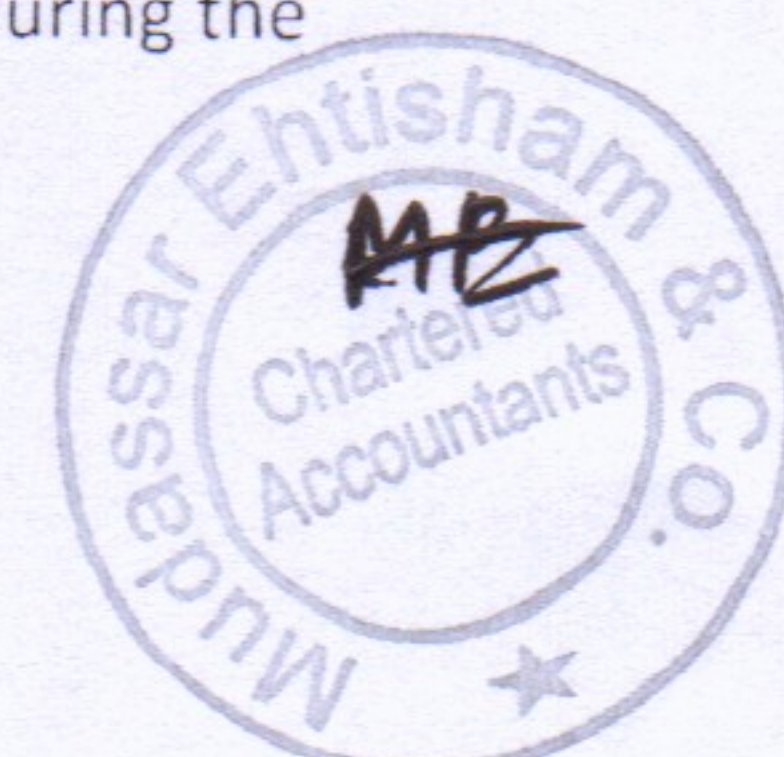
The cost/book value of the LSE membership card worked out to Rs. 9.200 million as at June 30, 2013. In the absence of an active market of the shares of LSE and TREC, the carrying value of the membership card had been previously allocated between the shares (financial asset) and TREC (an intangible asset) on the basis of value determined for minimum capital and face value of shares. However, being prudent, the value attributable to 843,975 shares was assumed at nil by the management in last year Financial Statements. As on June 30, 2015, the market value of LSE shares has been revalued based on the Net Asset value of LSE shares calculated on the basis of half yearly accounts for the period ended December 31, 2014 as confirmed by LSE Notice dated: April 28, 2015. Accordingly, the value of shares has been assigned through equity.



AMER SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

	2016 Rupees	2015 Rupees
14 DEFERRED LIABILITIES - GRATUITY		
Opening balance	745,500	634,500
Provision made during the year	71,042	111,000
Less: paid during the year	-	-
Closing balance	<u>816,542</u>	<u>745,500</u>
15 TRADE PAYABLES		
Accounts payables	<u>9,011,429</u>	<u>20,621,157</u>
	<u>9,011,429</u>	<u>20,621,157</u>
16 ACCRUED AND OTHER LIABILITIES		
Accrued expenses	509,913	339,521
Commission payable	275	10,065
Loan from director	31,873,500	11,303,957
Other payables	2,330,912	379,652
	<u>34,714,599</u>	<u>12,033,195</u>
17 CONTINGENCIES AND COMMITMENTS		
The Company has no contingency and commitment as on June 30, 2016 (2015: Nil).		
18 COMMISSION INCOME		
Gross commission income	3,800,720	4,078,628
Less: direct expenses	(729,900)	(2,659,293)
Less: Federal excise duty	-	(83,742)
Net commission income	<u>3,070,820</u>	<u>1,335,593</u>
19 OTHER INCOME		
Share transfer	-	26,300
UIN fee	83,626	111,400
Gain on TREC valuation	-	1,142,200
Income from shares trading		704,321
Dividend income	1,287,172	1,140,826
Less: Disbursed to the clients	-	(49,500)
	<u>1,287,172</u>	<u>1,091,326</u>
	<u>1,370,798</u>	<u>3,075,547</u>
20 ADMINISTRATIVE EXPENSES		
Salaries, wages and benefits	1,613,342	1,866,395
Directors' remuneration	523,000	742,000
Repair and maintenance	24,600	28,230
Communication	224,474	348,286
Utilities	591,912	153,898
Legal and professional charges	205,855	111,135
Auditors' remuneration	120,000	120,000
Charity and donation	25,400	8,944
Depreciation	296,167	316,649
Amortization	7,400	5,400
Stock exchange charges	1,367,618	350,610
CDC charges	563,470	287,916
KSE broker charges	-	1,318,716
Printing and stationery	53,942	30,739
Entertainment	323,494	306,737
Miscellaneous	241,495	67,488
Office expenses	128,000	117,210
Computer expenses	48,000	27,500
	<u>6,358,168</u>	<u>6,207,853</u>
21 FINANCIAL EXPENSES		
Markup charges	21.1	144,972
Bank charges		303,749
		<u>28,166</u>
		<u>173,138</u>
		<u>331,258</u>

21.1 This mark up has been charged at the rate of three months KIBOR plus 2.5% on short running finance facility availed during the year from Bank Al Habib Limited.



AMER SECURITIES (PRIVATE) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2016

		2016 Rupees	2015 Rupees
22 TAXATION			
Prior year		-	32,244
Current year		38,007	173,336
Deferred	22.1		-
		<u>38,007</u>	<u>205,580</u>

22.1 As the Company is being assessed under presumptive tax regime, hence, no deferred tax is recognized in these financial statements.

		2016 Rupees	2015 Rupees
23 LOSS PER SHARE			
Loss after taxation	<i>Rupees</i>	(5,848,192)	(4,398,947)
Number of ordinary shares	<i>No.</i>	20,000	20,000
Loss per share	<i>Rupees</i>	<u>(292)</u>	<u>(220)</u>

24 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

	2016		2015	
	Rupees	No. of person	Rupees	No. of person
Managerial remuneration:				
Chief Executive		1	371,000	1
Directors		1	371,000	1
		<u>2</u>	<u>742,000</u>	<u>2</u>

24.1 Remuneration of Chief Executive and directors has been included in "Administrative Expenses - Salaries, wages and benefits (Note 19)".

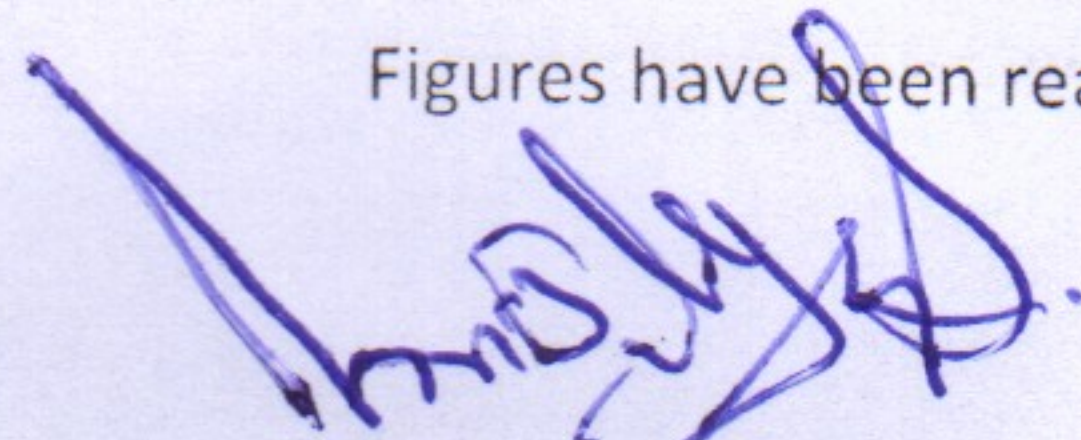
25 NUMBER OF EMPLOYEES

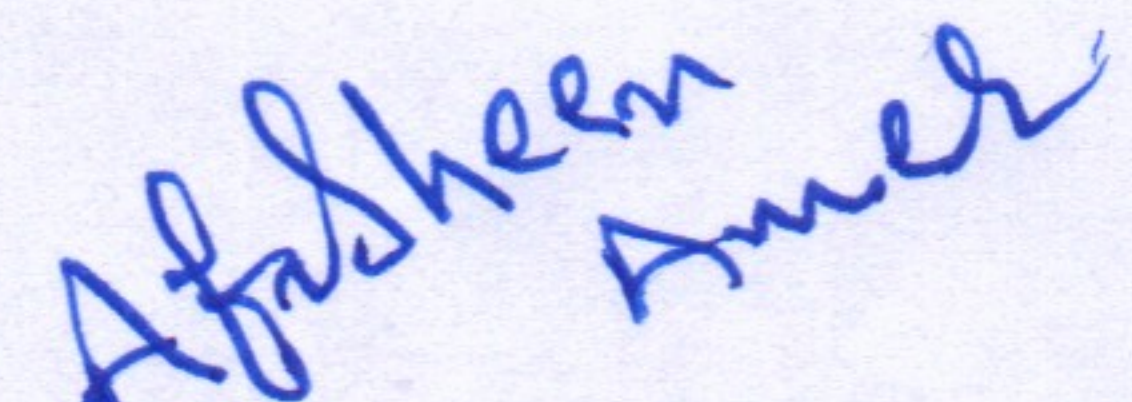
Total number of employees of the Company as at reporting date are 7 (2015 : 7). Average number of employees during the year was 6.

26 DATE OF AUTHORIZATION

These financial statements were authorized for issue on October 06, 2016 by the board of directors of the Company.

Figures have been rearranged where necessary to better reflect the financial position of the Company.


 (Chief Executive)


 (Director)

