FAIRTRADE CAPITAL SECURITIES (PRIVATE) LIMITED
FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2016

GENEVA GROUP INTERNATIONAL
SWITZERLAND

Tariq Abdul Ghani Maqbool & Co.
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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **FAIRTRADE CAPITAL SECURITIES (PRIVATE) LIMITED** ('the Company') as at 30 June 2016 and the 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 the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

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

(a) in our opinion, proper books of 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, 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 the 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 30 June 2016 and of the loss, its comprehensive income, cash flows and changes in equity for the year then ended;

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

(e) The financial statements for the year ended 30 June 2015 were audited by another firm of auditors, whose report dated 08 October 2015 expressed an unqualified opinion on those financial statements.

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Lahore
Dated: 04 October 2016

Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants
Shahid Mehmood

FAIRTRADE CAPITAL SECURITIES (PRIVATE) LIMITED
BALANCE SHEET
AS AT 30 JUNE 2016

	Note	2016 Rupees	2015 Rupees
ASSETS			
Non-Current Assets			
Fixed assets	4	1,266,922	1,478,058
Intangible assets	5	21,973,000	64,479,918
Long term investments	6	39,993,682	85,520,082
Long term deposits	7	600,000	500,000
		63,833,604	151,978,058
Current Assets			
Trade debts	8	11,027,021	17,799,016
Short term investments	9	16,828,513	9,614,751
Advances, deposits and prepayments	10	23,457,370	37,787,747
Tax refundable due from government	11	23,762,574	17,529,168
Cash and bank balances	12	4,262,647	9,629,716
		79,338,125	92,360,398
		143,171,729	244,338,456
EQUITY AND LIABILITIES			
Share Capital and Reserve			
Authorized Share Capital			
2,500,000 (2015: 2,500,000) ordinary share of Rs. 100/- each		250,000,000	250,000,000
Issued, subscribed and paid-up capital	13	185,000,000	185,000,000
Revenue reserves		(72,261,113)	18,673,377
		112,738,887	203,673,377
Non-Current Liabilities		-	-
Current Liabilities			
Trade creditors	14	23,548,624	34,361,830
Accrued liabilities	15	4,723,990	2,042,217
Other payables	16	139,711	2,427,306
Provision for taxation	17	2,020,517	1,833,726
		30,432,842	40,665,079
Contingencies and commitments	18	-	-
		143,171,729	244,338,456

The annexed notes from 01 to 33 form an integral part of these financial statements.

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FAIRTRADE CAPITAL SECURITIES (PVT) LTD. TRE Certificate No: 098 PSX-KARACHI

CHIEF EXECUTIVE

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

	Note	2016 Rupees	2015 Rupees
Operating revenue	19	23,169,448	28,485,614
Dividend income		350,646	1,584,164
		23,520,094	30,069,778
Operating expenses			
Administrative expenses	20	(28,843,258)	(25,569,828)
Operating (Loss) / profit		(5,323,164)	4,499,950
Finance cost	21	(56,036)	(253,740)
		(5,379,200)	4,246,210
Other income	22	2,815,419	1,625,427
Other operating charges	23	(88,033,318)	-
(Loss) / profit before tax		(90,597,099)	5,871,636
Taxation	24	(337,391)	(1,833,726)
(Loss) / profit after tax		(90,934,490)	4,037,910
(Loss) / Earnings per share	25	(49.15)	2.18

The annexed notes from 01 to 33 form an integral part of these financial statements.

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FAIRTRADE CAPITAL SECURITIES (PVT) LTD TRE Certificate No: 098 PSX-KARACHI

CHIEF EXECUTIVE

FAIRTRADE CAPITAL SECURITIES (PRIVATE) LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 Rupees	2015 Rupees
(Loss) / Profit for the year		(90,934,490)	4,037,910
Other comprehensive income		-	-
Total comprehensive (loss) / profit for the year		(90,934,490)	4,037,910

The annexed notes from 01 to 33 form an integral part of these financial statements.

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FAIRTRADE CAPITAL SECURITIES (PVT.) LTD. TRE Certificate No: 098 PSX KARACHI

CHIEF EXECUTIVE

FAIRTRADE CAPITAL SECURITIES (PRIVATE) LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 Rupees	2015 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
(Loss) / profit before tax		(90,597,099)	5,871,636
Adjustments for non cash / non operating items:			
Depreciation		327,096	387,052
Amortization		-	607,604
(Gain) / loss on investment		(845,816)	803,910
Impairment loss on PSX shares		45,526,400	-
Impairment loss on TREC		26,979,918	-
Impairment loss on PSX room		15,527,000	
Finance cost		56,036	253,740
		87,570,634	2,052,306
Operating (loss) / profit before working capital changes		(3,026,465)	7,923,941
Changes in operating assets and liabilities			
(Increase)/Decrease in current assets			
Decrease/(increase) advances, deposits and prepayments		14,330,377	(19,515,021)
Decrease in trade debts		6,771,995	7,380,866
		21,102,372	(12,134,156)
Increase/(Decrease) in current liabilities			
(Decrease)/increase in trade creditors		(10,813,208)	14,189,283
Increase in accrued liabilities		2,681,773	567,331
Decrease/(increase) in other payables		(2,287,595)	1,889,575
		(10,419,029)	16,646,189
Cash generated from operations		7,656,878	12,435,974
Finance cost paid		(56,036)	(253,740)
Income tax paid		(6,384,006)	(10,476,464)
Net cash generated from operating activities		1,216,837	1,705,769
CASH FLOW FROM INVESTING ACTIVITIES			
Short term investment		(6,367,946)	10,600,041
Fixed asset acquired		(115,960)	(1,088,399)
Net cash (used in) / generated from investing activities		(6,483,906)	9,511,642
CASH FLOW FROM FINANCING ACTIVITIES			
Long term deposits		(100,000)	(2,304,069)
Net (decrease)/ increase in cash & cash equivalent		(5,367,069)	8,913,342
Cash and cash equivalent at the beginning of the year		9,629,716	716,374
Cash and cash equivalent at the end of the Year		4,262,647	9,629,716

The annexed notes from 01 to 33 form an integral part of these financial statements.

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FAIRTRADE CAPITAL SECURITIES (PVT) LTD. TRE Certificate No: 098 PSX-KARACHI

CHIEF EXECUTIVE

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

(Rupees)

	Share capital	Revenue reserves	Total
Balance as at 01 July 2014	185,000,000	14,635,467	199,635,467
Total comprehensive income for the year:			
Profit for the year ended 30 June 2015	-	4,037,910	4,037,910
Balance as at 30 June 2015	185,000,000	18,673,377	203,673,377
Total comprehensive income for the year:			
Loss for the year ended 30 June 2016	-	(90,934,490)	(90,934,490)
Balance as at 30 June 2016	185,000,000	(72,261,113)	112,738,887

The annexed notes from 01 to 33 form an integral part of these financial statements.

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FAIRTRADE CAPITAL SECURITIES (PVT) LTD. TRE Certificate No: 098 PSX-KARACHI

CHIEF EXECUTIVE

1 STATUS AND NATURE OF BUSINESS

Fairtrade Capital Securities (Private) Limited ("Company") was incorporated under the Companies Ordinance, 1984 on 26 May 2006 as a private limited company. The Company is a corporate TRE Certificate holder of Pakistan Stock Exchange Limited. The registered office of the Company is located at Room No. 708 and 709, 7th floor, Stock Exchange Building, Stock Exchange Road, Karachi. The Principle activities include trading and brokerage for equities, underwriting of public issues, etc.

2 BASIS OF PREPARATION

2.01 Statement of Compliance

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

2.02 Basis of measurement

These financial statements have been prepared under the historical cost convention except for certain financial instruments at fair value and employees retirement benefits at present value. In these financial statements, except for cash flow statement, all transactions have been accounted for on accrual basis.

2.03 Judgements, estimates and assumptions

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Judgements made by management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a risk of material adjustment in subsequent years are as follow:

Depreciation method, rates and useful lives of fixed assets

The management of the Company reassesses useful lives, depreciation method and rates for items of fixed assets annually by considering expected pattern of economic benefits that the Company expects to drive from that item.

Recoverable amount of assets / cash generating units

The management of the Company reviews carrying amounts of its assets and cash generating units for possible impairment and makes formal estimates of recoverable amount if there is any such indication.

Employees retirement benefits

The present value of defined benefit obligation is based assumptions of future outcomes, the principal ones being in respect of increases in remuneration, expected average remaining working lives of employees and discount rate used to derive present value of defined benefit obligation.

Taxation

The Company takes into account the current income tax law and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

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Provisions

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

2.04 Standards, amendments to published standards and interpretations effective in current year

The following amendments to existing standards have been published that are applicable to the company's financial statements covering annual periods, beginning on or after the following dates:

- Standards, amendments to published standards and interpretations effective in current year

Following are the amendments that are applicable for accounting periods beginning on or after 01 July 2016:

- New/Revised Standards, Interpretations and Amendments

IFRS 13- Fair Value Measurement. The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. The standard only affects the disclosures in the Company's financial statements.

- Improvement to Accounting Standards Issued by the IASB

IFRS 5	Non-current Assets Held for Sale and Discontinued Operations- (changes in methods of disposal)
IFRS 7	Financial Instruments: Disclosures- (servicing contracts and applicability of the amendments to IFRS 7 to condensed interim financial statements)
IAS 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 the above improvements to accounting standards and interpretations are not likely to have an impact on the Company's financial statements.

- Standards, interpretations and amendments to published standards that are effective but not relevant to the company

The other new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after 01 July 2015 are considered not to be relevant or to have any significant impact on the company's financial reporting and operations.

- Standards, interpretations and amendments to existing standards that are not yet effective

The following amendments and interpretations to existing standards have been published and are mandatory for accounting periods beginning on or after their respective effective dates.

IFRS 10 - Consolidated Financial Statements	01 January 2016
IFRS 11 - Join Arrangements	01 January 2016
IFRS 12 - Disclosure of Interests in Other Entities	01 January 2016
IAS 16 and 38 - Clarification of Acceptable Method of Depreciation and Amortization	01 January 2016
IAS 16 and 41 - Agriculture: Bearer Plants	01 January 2016

- The above standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements except for the increased disclosures in certain cases.

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

Standard or Interpretation		**Effective Date (Annual periods beginning on or after)**
IFRS 09 -	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

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3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.01 Fixed Assets

Recognition and measurement

Items of fixed assets are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the item.

Parts of an item of fixed assets having different useful lives are recognized as separate items.

Major renewals and improvements of an item of fixed assets are recognized in the carrying amount of the item if it is probable that the embodied future economic benefits will flow to the Company and the cost of renewal or improvement can be measured reliably. The cost of the day-to-day servicing of fixed assets are recognized in profit and loss as incurred.

Depreciation

Depreciation is recognized in profit and loss by applying reducing balance method over the useful life of each item of fixed assets using the rates specified in note 4 to the financial statements.

Depreciation on addition to fixed assets is charged from the month in which the item becomes available for use. Depreciation is discontinued from the month in which it is disposed or classified as held for disposal.

Depreciation method, useful lives and residual values are reviewed at each reporting date.

De-recognition

An item of fixed assets is de-recognized when permanently retired from use. Any gain or loss on disposal of fixed assets is recognized in profit and loss account.

3.02 Financial Instruments

Recognition

A financial instrument is recognized when the company becomes a party to the contractual provisions of the instrument.

De-recognition

Financial assets are de-recognized if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are de-recognized if the Company's obligations specified in the contract expire or are discharged, cancelled or transferred to another party without retaining any obligation. Any gain or loss on de-recognition of financial assets and financial liabilities is recognized in the profit and loss account.

Measurement

The particular measurement methods adopted are disclosed in the individual policy statements associated with each instrument.

Offsetting financial assets and liabilities

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

"Regular way" purchases and sales of financial assets

All regular way purchases and sales of financial assets are recognized on trade date, i.e. the date the Company commits to purchase or sell the asset. Regular way purchase or sales of financial assets are those contracts which requires delivery of assets within the time frame generally established by the regulation or convention in the market.

3.03 Ordinary share capital

Ordinary share capital is recognized as equity. Incremental costs directly attributable to the issuer of ordinary shares and share options are recognized as deduction from equity.

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3.04 Borrowing

These are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, these are stated at amortized cost with any difference between cost and redemption value being recognized in the profit and loss over the period of the borrowing on an effective interest basis.

3.05 Employees retirement benefits

Short term employees benefits

The Company recognizes the undiscounted amount of short term employees benefits to be paid in exchange for services rendered by employees as a liability after deducting amount already paid and as an expense in profit and loss account unless it is included in the cost of inventories or fixed assets as permitted or required by the approved accounting standards. If the amount paid exceeds the undiscounted amount of benefits, the excess is recognized as an asset to the extent that the prepayment would lead to a reduction in future payments or cash refund.

The Company provides for compensated absences of its employees on unavailed balance of leaves in the period in which the leaves are earned.

Post-employment benefits

The Company operates an unfunded gratuity scheme (defined benefit plan) for all its permanent employees who have completed minimum qualified period for service as defined under the respective scheme. Liability is adjusted annually to cover the obligation and the adjustment is charged to profit and loss account. The determination of the Company's obligation under the scheme requires assumptions to be made of future outcomes, the principal ones being in respect of increase in remuneration, expected average remaining working lives of employees and discount rate used to derive present value of defined benefit obligation.

3.06 Trade and other payables

Liabilities for 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, whether or not billed to the Company and subsequently measured at amortized cost.

3.07 Trade and other receivables

Trade debts and other receivables are recognized initially at original invoice amount which is the fair value of trade debts and other receivables and subsequently measured at amortized cost less provision for impairment, if any. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. Trade debts and other receivables considered irrecoverable are written off.

3.08 Investment at fair value through profit and loss account

Investments are classified as investments at fair value through profit and loss account when either they are designated as such on initial recognition or are classified as held for trading. Held for trading investments are investments that are acquired principally for the purpose of selling them in the near future; or that are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of profit taking or that are derivatives, excluding financial guarantee contracts and designated and hedging instruments.

These are recognized initially at cost. Transaction cost includes profit and loss account. Subsequent to initial recognition, quoted investments are measured at fair value. Unrealized gains and losses arising from changes in fair value are recognized in profit and loss account. Gain or loss on sale of investments is recognized in profit and loss account. Fair value of quoted investments is measured by reference to published price quotations in an active market. Unquoted investments, where active market does not exist, are carried at cost and checked for impairment at each year end. Impairment loss, if any, is charged to profit and loss account.

3.09 Investment available for sale

Investments are classified as available for sale when these are intended to be held for an indefinite period of time and may be sold in response to need for the liquidity or change in equity prices.

These are recognized initially at cost which includes transaction costs associated with the investment. Subsequent to initial recognition, quoted investments are measured at fair value. Unrealized gains and losses arising from changes in fair value are recognized in equity until the investments are disposed off or impaired. Gain or loss on sale of these investments is recognised in profit and loss account. Fair value of quoted investments is measured by reference to published price quotations in an active market. Unquoted investments, where active market does not exist, are carried at cost and checked for impairment at each year end. Impairment loss, if any, is charged to profit and loss account.

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3.10 Securities sold / purchased under repurchase / resale agreements

Securities sold subject to a linked repurchase agreement ('repo') are retained in the financial statements and the counterparty liability is included in borrowings under repurchase agreements. The difference between sale and repurchase price is treated as mark-up income and is accrued over the life of agreement using the effective yield method.

3.11 Revenue

Revenue is measured at fair value of the consideration received or receivable, net of returns allowances, trade discounts and rebates, and represents amounts received or receivable for goods and services provided and other operating income earned in the normal course of business. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company, and the amount of revenue and the associated costs incurred or to be incurred can be measured reliably.

Revenue from different sources is recognized as follows:

Brokerage income is recognized as and when such services are rendered.

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

Underwriting commission is recognized as and when the contract is executed. Take-up commission is recognized at the time of actual take-up.

Commission on continuous funding system is recognized as and when accrued.

Rental income is recognized as and when accrued.

Mark-up on saving account is recognized on time proportion basis.

3.12 Borrowing cost

Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in the profit and loss as incurred.

3.13 Income tax

Income tax expense compromises current tax and deferred tax. Income tax expense is recognized in profit and loss account except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on higher of the taxable income at current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any, or 1% of turnover. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

Deferred tax is accounted for using the balance sheet liability method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. In this regard, the effect on deferred taxation of the portion of income that is subject to final tax regime is also considered in accordance with the requirement of "Technical Release-27" of the Institute of the Chartered Accountants of Pakistan. Deferred tax is measured at rate that are expected to be applies to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences to the extent that future taxable profits will be available against which temporary differences can be utilized. Deferred tax asset are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is not recognized for timing differences that are not expected to reverse and for the temporary differences arising from the initial recognition of goodwill and initial recognition of assets and liabilities in a transaction that is not a business combination and that at the time of transaction affects neither the accounting nor the taxable profit.

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3.14 Cash and cash equivalents

Cash and cash equivalent for the purpose of cash flow statement compromise cash in hand and in current accounts with various banks after deducting balances under lien, if any. Cash and cash equivalents are carried at cost.

3.15 Foreign currency transactions and balances

Transactions in foreign currency are translated to the functional currency of the Company using exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency at the reporting date are translated to the functional currency at exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated to the functional currency at exchange rate at the date that fair value was determined. Non-monetary assets and liabilities denominated in the foreign currency that are measured at historical cost are translated to functional currency at exchange rate at the date of transaction. Gain or loss arising on translation of foreign currency transactions and balances is recognized in profit and loss account.

3.16 Functional currency

These financial statements are prepared in Pak Rupees which is Company's functional currency.

3.17 Impairment

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit and loss account. Impairment losses are reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimate 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 and amortization, if no impairment loss had been recognized.

3.18 Related party transactions

Related party transactions are carried out on an arm's length basis. Pricing for these transactions is determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods and services sold in an economically comparable market to a buyer unrelated to the seller.

3.19 Provisions

Provisions are recognized when the Company has a legal and constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

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4 Fixed Assets

	Note	2016 Rupees	2015 Rupees
Operating assets		1,266,922	1,478,058
		1,266,922	1,478,058

The following is a statement of operating fixed assets (tangible): **(Rupees)**

Particulars	Furniture and Fixture	Office Equipment	Computer	Total
At 30 June 2014				
Cost	278,500	75,000	3,064,333	3,417,833
Accumulated depreciation	(158,411)	(38,967)	(2,443,745)	(2,641,123)
Net book value	120,089	36,033	620,588	776,710
Net book value as at 30 June 2014				
Additions	-	993,749	94,650	1,088,399
Depreciation charge for the year	(18,013)	(154,467)	(214,571)	(387,051)
Net book value as at 30 June 2015	102,076	875,315	500,667	1,478,058
Year ended 30 June 2016				
Additions	-	30,000	85,960	115,960
Depreciation charge for the year	(15,311)	(135,797)	(175,988)	(327,096)
Net book value as at 30 June 2016	86,765	769,518	410,639	1,266,922
At 30 June 2015				
Cost	278,500	1,068,749	3,158,983	4,506,232
Accumulated depreciation	(176,424)	(193,434)	(2,658,316)	(3,028,174)
Net book value	102,076	875,315	500,667	1,478,058
Annual rates (%) of depreciation	15	15	30	
At 30 June 2016				
Cost	278,500	1,098,749	3,244,943	4,622,192
Accumulated depreciation	(191,735)	(329,231)	(2,834,304)	(3,355,270)
Net book value	86,765	769,518	410,639	1,266,922
Annual rates (%) of depreciation	15	15	30	

4.01 Depreciation charge for the year has been allocated as follows:

	2016 Rupees	2015 Rupees
Administrative expenses	327,096	387,051
	327,096	387,051

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5 INTANGIBLE ASSETS

	Notes	2016 Rupees	2015 Rupees
Trading Right Entitlement Certificate - TREC	5.01 & 5.02	5,000,000	31,979,918
Room - PSX	5.03	16,973,000	32,500,000
Computer software	5.04	-	-
		21,973,000	64,479,918

5.01 Trading Right Entitlement Certificate

	2016	2015
Opening balance	31,979,918	31,979,918
Impairment loss during the year	(26,979,918)	-
Closing net book value	5,000,000	31,979,918

5.02 This represents trading rights in Pakistan Stock Exchange Limited which have replaced membership cards of stock exchange pursuant to the promulgation of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012 (the 2012 act). Before demutualization the stock exchanges were functioning as Guarantee Limited Companies, wherein ownership and trading rights were conferred to members through membership cards. Pursuant to demutualization, the ownership in a stock exchange has been segregated from the right to trade on the exchange. Therefore, the membership cards have now been replaced by shares in the exchange representing ownership in the exchange and Trading Rights Entitlements Certificates (TREC) representing rights to trade in the exchange. As result 4,007,383 shares have been allotted to the Company out of which 60% of the shares are blocked in a separate account held with CDC and would be sold to strategic investors and general public in future at a price which remains to be finalized, proceeds of which would come to the members, while the remaining 40% are available to members with no condition on their future sale. The Institute of Chartered Accountants of Pakistan in its technical guide dated May 29, 2013, concluded that the demutualization, in substance, had not resulted in exchange of dissimilar assets, and therefore no gain or loss should be recognized and the segregation of ownership rights and the trading rights should be accounted for by allocating the cost / carrying value of the membership card between the two distinct assets on a reasonable basis. The TREC can only be sold or transferred once, however, once sold it would not be sellable / transferable again. The transaction is in nature an exchange of an intangible asset (membership card) with a financial asset (shares) together with an intangible asset (TREC).

Further recently, the PSX has introduced a minimum capital regime for the brokers, and for this purpose have revalued TREC at Rs. 5,000,000/- as per the decision of the BOD of the PSX. This fact indicates an acceptable level of value for TREC which is also used by the Stock Exchange for risk management and to safeguard the investor's interest. In the absence of an active market for TREC, this assigned value of Rs. 5,000,000/- has been considered as the closest estimate of the fair value of the TREC.

The value of the TREC and shares have thus been measured at the value of the membership card with which they have been exchanged. For this purpose value of the membership card has been allocated between TREC and shares on proportionate basis at ratio of 32:68 which has been determined on the basis of the above estimates of fair value of TREC and KSE Shares.

5.03 Room - PSX

	Notes	2016 Rupees	2015 Rupees
Cost		32,500,000	32,500,000
Impairment		(15,527,000)	-
		16,973,000	32,500,000

5.04 Computer Software

	2016	2015
Acquisition cost	4,371,410	4,371,410
Accumulated amortization	4,371,410	3,763,806
Amortization for the year	-	607,604
	4,371,410	4,371,410
Net book value	-	-

6 LONG TERM INVESTMENT

Held for sale

	2016	2015
Investment in PSX shares	39,993,682	85,520,082
Opening balance	85,520,082	85,520,082
Impairment loss during the year	(45,526,400)	-
Closing net book value	39,993,682	85,520,082

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7 LONG TERM DEPOSITS

Pakistan Stock Exchange Limited		200,000	100,000
Central Depository Company of Pakistan		100,000	100,000
National Clearing Company of Pakistan		300,000	300,000
		600,000	500,000

8 TRADE DEBTS

Unsecured:			
- Considered good		11,087,111	17,799,016
Provision for doubtful debt		(60,090)	-
		11,027,021	17,799,016

9 SHORT TERM INVESTMENT

Held for trading			
Investment in listed securities - at fair value through profit and loss	9.01	16,828,513	9,614,751
9.01 Opening		9,614,751	9,614,751
Additions		6,367,946	-
Revaluation gain		845,816	-
		16,828,513	9,614,751

10 ADVANCES, DEPOSITS AND PREPAYMENTS

Advance to staff		324,883	92,627
Deposits- Pakistan Stock Exchange Limited		22,486,000	37,176,000
Other advances		646,487	519,120
		23,457,370	37,787,747

11 TAX REFUNDABLE DUE FROM GOVERNMENT

Advance tax		23,762,574	11,695,297
Income tax refundable		-	5,833,871
		23,762,574	17,529,168

12 CASH AND BANK BALANCES

Cash in hand		11,070	63,140
Cash at bank - current account		4,251,577	9,566,576
		4,262,647	9,629,716

13 SHARE CAPITAL

Issued, subscribed and paid-up capital			
1,850,000 (2015: 1,850,000) ordinary share of Rs. 100/- each		185,000,000	185,000,000

14 TRADE CREDITORS

Creditors		23,548,624	34,361,830
		23,548,624	34,361,830

15 ACCRUED LIABILITIES

Accrued expenses		4,361,292	596,637
Withholding tax payable		134,202	574,743
CVT		228,496	-
Sindh sales tax payable		-	870,837
		4,723,990	2,042,217

16 OTHER PAYABLES

Other liabilities		135,711	2,427,306
Bank overdraft		4,000	-
		139,711	2,427,306

TAGM

17 PROVISION FOR TAXATION	Note	2016 Rupees	2015 Rupees
Opening balance		1,833,726	-
Taxation - current		337,391	1,833,726
		2,171,117	1,833,726
Tax payments / adjustments during the year		(150,600)	-
		2,020,517	1,833,726

18 CONTINGENCIES AND COMMITMENTS

18.01 Contingencies

Contingencies as at balance sheet date were Nil (2015: Nil).

18.02 Commitments

There were no commitments as at balance sheet date.

19 OPERATING REVENUE

		2016 Rupees	2015 Rupees
Commission income		33,739,055	31,511,013
Return profit on cash margin on future contract		1,143,115	2,347,326
		34,882,170	33,858,339
Less: Commission paid		11,712,722	5,372,725
		23,169,448	28,485,614

20 ADMINISTRATIVE EXPENSES

	Note	2016 Rupees	2015 Rupees
Salaries, benefits and allowances		13,149,132	11,851,025
Directors' remuneration	28	826,000	792,000
KSE rent, electricity and other service charges		5,812,343	6,732,787
C.D.C charges		502,005	308,100
Printing and stationery		121,696	171,332
Fees and subscription		76,025	83,210
Legal and professional		1,135,100	1,075,855
Rent, rates and taxes		-	1,575,600
Communication expenses		1,102,204	402,150
Donation	20.01	95,000	86,825
Auditors' remuneration	20.02	250,000	98,000
Amortization expenses		-	607,604
Provision for doubtful debt		60,090	-
Entertainment		873,872	396,523
Travelling and conveyance expenses		378,514	203,095
Repair and maintenance		3,649,610	194,750
Depreciation	4.01	327,096	387,051
Miscellaneous expenses		364,571	169,121
Software expenses		106,000	381,800
Penalty		14,000	53,000
		28,843,258	25,569,828

20.01 Directors of the company do not have any interest in donees' fund.

20.02 Auditors' Remuneration

		2016 Rupees	2015 Rupees
Statutory audit fee		250,000	98,000
		250,000	98,000

21 FINANCE COST

		2016 Rupees	2015 Rupees
Bank charges		56,036	253,740
		56,036	253,740

22 OTHER INCOME

		2016 Rupees	2015 Rupees
Other income		1,969,603	3,657,004
Capital gain / (loss) on investment		-	(1,227,667)
Unrealised gain / (loss) for the year		845,816	(803,910)
		2,815,419	1,625,427

TAGM

23 OTHER OPERATING CHARGES	Note	2016 Rupees	2015 Rupees
Impairment loss on PSX shares	6	45,526,400	-
Impairment loss on TREC	5.01	26,979,918	-
Impairment loss on PSX room		15,527,000	-
		88,033,318	-

24 TAXATION

- Current	24.01	337,391	1,833,726
		337,391	1,833,726

24.01 Provision for the year has been made in accordance with section 233(A) of the Income Tax Ordinance, 2001 ("the Ordinance").

24.02 Assessment for and upto tax year 2015 are deemed assessment under section 120 (1) of the Ordinance, as per Income Tax Returns filed by the company.

24.03 There is no relationship between tax expense and accounting profit since the company's profits are subject to tax under section 233(A). Accordingly, no numerical reconciliation has been presented.

Deferred tax

24.04 No material deferred tax arouse during the year under report.

25 EARNINGS PER SHARE

25.01 Basic

(Loss) / profit attributable to ordinary shareholders	(90,934,490)	4,037,910
Weighted average number of shares	1,850,000	1,850,000
(Loss) / earning per share - basic	(49.15)	2.18

25.02 Diluted

There is no dilutive effect on the basic earnings per share of the company because the company has no outstanding potential ordinary shares.

26 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

FINANCIAL RISK MANAGEMENT

The Company's activities expose to a variety of financial risks from use of financial instruments including:

Credit risk
Liquidity risk
Market risk

The company's overall risk management programmed focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of company's risk management framework. The board is also responsible for developing and monitoring the company's risk management policies.

COMPANY RISK MANAGEMENT OBJECTIVE AND POLICIES

The company risk management policies are established to identify and analysis the risk faced by the company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and system are reviewed regularly to reflect changes in market conditions and the company's activities. The company, through it's training and management's standards and procedures, aims to develop discipline and constructive control environment in which all employees understand their roles and obligations.

The company's management oversees how management monitors and compliance with company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risk faced by the company.

26.01 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter party fail completely to perform as contracted and arise principally from trade receivables, loans and advances and trade deposits.

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To manage exposure to credit risk in respect of trade debts. Management maintains procedures covering the application for credit approvals, granting and renewal of counter parties limit taking into account the customer's financial position, past track record, credit rating and factors. As a part of these processes, exposures of credit risk are regularly monitored, assessed and customers are persuaded for prompt recovery. In addition to this the company has established an allowance for impairment that is estimate of expected losses in respect of trade debts. This allowance is based on management assessment of specific loss component that relate to significant exposures. Sales and purchase transactions are also excluded against advance payments to further prudently manage the credit risk.

The company limits its exposure to credit risk by following the policies and procedures of approval and continuous monitoring of loans and advances extended to management / staff and supplier and maintain bank account only with counterparty that have high degree of credit rating. Advance tax is adjustable or recoverable from FBR which is a State authority and high credit rating. Given these high credit ratings, management do not expect that any of these counterparty fail to meet its obligations.

	Rating Agency	Credit Rating	
		Short term	Long term
Bank Islami Pakistan Limited	PACRA	A1	A+
Bank Alfalah Limited	PACRA	A1+	AA
MCB Bank Limited	PACRA	A1+	AAA
Bank Al Habib Limited	PACRA	A1+	AA+

26.02 Exposure to credit risk

Credit risk of the Company arises principally from its trade debts, long term deposits, advances, deposits and other receivables and bank balances. The carrying amount of these financial assets represents the maximum credit exposure.

	Note	2016 Rupees	2015 Rupees
Long term deposits	7	600,000	500,000
Trade receivables	8	11,027,021	17,799,016
Advances and other receivables	10	23,457,370	37,787,747
Bank balances	12	4,251,577	9,566,576
		39,335,968	65,653,339

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 from and maintained by the clients. The Management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful for recovery.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies and investment and operational guidelines.

All transactions in listed securities are settled using National Clearing Company of Pakistan Limited, being the central clearing company of the country. The risk of default in such transactions is considered minimal, as delivery of securities is guaranteed by the stock exchange. The Company does not expect to incur material credit losses on its financial assets.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date was :

	NOTE	2016 Rupees	2015 Rupees
Long term investments	6	39,993,682	85,520,082
Long term deposits	7	600,000	500,000
Trade receivables	8	11,027,021	17,799,016
Short term investments	9	16,828,513	9,614,751
Advances and other receivables	10	23,457,370	37,787,747
Bank balances	12	4,251,577	9,566,576
		56,164,481	75,268,090

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26.03 Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similar affected by the changes in economic, political or other conditions. The company believes that it is not exposed to major concentration of credit risk.

The allowance accounts in respect of trade receivables, loans and advances are used to record impairment losses unless the company is satisfied that no recovery of the amount owing is possible, at that point the amount considered irrecoverable is written off against the financial asset directly.

26.04 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 funding to an adequate amount of committed credit facilities and the ability to close out market position due to dynamic nature of the business. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation.

The following are the contractual maturities of financial liabilities as at 30 June 2016 and 2015.

Description	Carrying Amounts	Contractual cash flows	Less than 1 year	Between 1 and 5 years	Over 5 years
30 June 2016					
Trade and other payables	23,548,624	23,548,624	23,548,624	-	-
Accrued liabilities	4,723,990	4,723,990	4,723,990	-	-
Other payables	139,711	139,711	139,711	-	-
	28,412,325	28,412,325	28,412,325	-	-

Description	Carrying Amounts	Contractual cash flows	Less than 1 year	Between 1 and 5 years	Over 5 years
30 June 2015					
Trade and other payables	34,361,830	34,361,830	34,361,830	-	-
Accrued liabilities	2,042,217	2,042,217	2,042,217	-	-
Other payables	2,427,306	2,427,306	2,427,306	-	-
	38,831,353	38,831,353	38,831,353	-	-

26.05 Market risk

The Company's activities expose it to a variety of market risks (in addition to liquidity and credit risks). Market risk with respect to the Company's activities include interest rate risk, currency risk and other price risk.

Interest rate risk arises from the possibility that changes in interest will affect the value of financial instruments. Company is exposed to interest rate risk as a result of mismatches or gaps in the amounts of financial assets and liabilities that mature or reprise in a given period.

	Within one year	More than one year and upto five years	Above five years	Not exposed to interest rate risk	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
As at 30 June 2016					
FINANCIAL ASSETS					
Short term investment	16,828,513	-	-	-	16,828,513
Trade debts	11,027,021	-	-	-	11,027,021
Advances, deposits and prepayments	-	-	-	23,457,370	23,457,370
Bank balances	-	-	-	4,251,577	4,251,577
	27,855,534	-	-	27,708,947	55,564,481

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	Within one year Rupees	More than one year and upto five years Rupees	Above five years Rupees	Not exposed to interest rate risk Rupees	Total Rupees
FINANCIAL LIABILITIES					
Trade creditors	-	-	-	23,548,624	23,548,624
Accrued liabilities	-	-	-	4,723,990	4,723,990
Other payables	-	-	-	139,711	139,711
	-	-	-	28,412,325	28,412,325
Total Interest rate sensitivity gap	27,855,534	-	-		
Cumulative interest rate sensitivity gap	27,855,534	27,855,534	27,855,534		
As at 30 June 2015					
FINANCIAL ASSETS					
Short term investment	9,614,751	-	-	-	9,614,751
Trade debts	17,799,016	-	-	-	17,799,016
Advances, deposits and prepayments	-	-	-	37,787,747	37,787,747
Bank balances	-	-	-	9,566,576	9,566,576
	27,413,767	-	-	47,354,323	74,768,090
FINANCIAL LIABILITIES					
Trade creditors	-	-	-	34,361,830	34,361,830
Accrued liabilities	-	-	-	2,042,217	2,042,217
Other payables	-	-	-	2,427,306	2,427,306
	-	-	-	38,831,353	38,831,353
Total Interest rate sensitivity gap	27,413,767	-	-		
Cumulative interest rate sensitivity gap	27,413,767	27,413,767	27,413,767		

Mark-up rates are mentioned in the respective notes to the accounts.

26.06 Foreign currency risk management

Foreign currency risk arises mainly where receivables and payables exists due to the transactions with foreign undertakings. Financial assets and financial liabilities of the company are not exposed to currency risk as the company has not entered into any transaction with any foreign undertakings.

26.07 Interest rate risk management

Interest / mark-up rate risk arises from the possibility that changes in interest / mark-up rates will affect the value of financial instruments. The Company has significant amount of interest based financial assets and financial liabilities which are largely based on variable interest / mark-up rates, therefore the Company has to manage the related finance cost which exposes it to the risk of 01 month, 3 months and 6 months KIBOR. Since the impact on interest rate exposure is significant to the Company, management is considering the alternative arrangement to manage interest rate exposure in future.

26.08 Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other shareholders, and to maintain a strong capital base to support the sustained development of its businesses.

The company manage its capital structure by effective cash flow management to ensure availability of funds and by monitoring return on net assets and make adjustments thereto in the light of changes in economic conditions. Consistent with the others in the industry, the company manage its capital risk by monitoring its debt levels and liquid assets and keeping in view future requirements and expectations of the shareholders. Debt is calculating as total borrowings. Total capital comprises shareholders equity as shown in the balance sheet under share capital and reserves. In order to maintain or adjust the capital structure, the company may also adjust the amount of dividends paid to shareholders or issue new shares.

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26.09 Other price risk

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The company is not exposed to any price risk as there are no financial instrument at the reporting date that are sensitive to price fluctuations.

Fair value of financial assets and financial liabilities

The carrying value of financial assets and liabilities reflected in the financial statements approximate to their fair value.

27 RELATED PARTY TRANSACTIONS

The related parties comprise of major shareholders, associated companies with or without common directors, directors of the company and key management personnel, staff provident fund, and financial institution having nominee on the Board of Directors. The remuneration of Director is disclosed in note 28 to the financial statements.

28 Remuneration of Chief Executive, Directors and Other Executives

	Chief Executive		Directors	
	2016	2015	2016	2015
	Rupees	Rupees	Rupees	Rupees
Managerial remuneration	-	-	495,600	528,000
House rent	-	-	247,800	211,200
Utilities	-	-	82,600	52,800
Total	-	-	826,000	792,000
No. of persons	1	1	2	2

29 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received so sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is going concern and there is no intention or requirements to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

29.01 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

29.01.1 Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

As at 30 June 2016	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial asset:				
Held for trading				
Investment in listed securities	16,828,513	-	-	16,828,513
Available for sale				
Investment in PSX shares	-	-	39,993,682	39,993,682
Total non-financial assets	16,828,513	-	39,993,682	56,822,195

As at 30 June 2015	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial asset:				
Held for trading				
Investment in listed securities	9,614,751	-	-	9,614,751
Available for sale				
Investment in PSX shares	-	-	85,520,082	85,520,082
Total non-financial assets	9,614,751	-	85,520,082	95,134,833

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The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

30 SUBSEQUENT EVENTS

There were no significant adjustable events subsequent to 30 June 2016, which may require an adjustment to the financial statements or additional disclosure and have not already been disclosed in these financial statements.

31 NUMBER OF EMPLOYEES

The total number of employees as at June 30, 2016 were 14 (June 30, 2015: 30) and the average number of employees during the year were 13 (June 30, 2015: 27).

32 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue as on 04 October 2016 by the Board of Directors of the Company.

33 GENERAL

- Figures have been rounded off to the nearest Rupees in except where stated otherwise.
- Corresponding figures have been rearranged/reclassified, wherever necessary, to facilitate comparison.

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FAIRTRADE CAPITAL SECURITIES (PVT) LTD. TRE Certificate No: 098 PSX-KARACHI

CHIEF EXECUTIVE