

MUHAMMAD AMER RIAZ SECURITIES (PVT) LIMITED
BALANCE SHEET AS AT 31st DECEMBER, 2014

| | | NOTE ,31-12-2014 <u>RS.</u> | 30-06-2014 <u>RS.</u> |
|---|-----------|--------------------------------|--------------------------|
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL & RESERVES | | | |
| Authorized capital | | | |
| 1,200,000 ordinary shares of Rs.10 each | | 12,000,000 | 12,000,000 |
| Issued, subscribed and paid-up capital | 4 | | |
| 1,050,000 ordinary shares of Rs. 10/- each | | 10,500,000 | 10,500,000 |
| Share Money Deposit | | 1,900,000 | - |
| Reserves | | | |
| Revenue reserve | | | |
| Accumulated (Loss) | | (350,932) | (283,339) |
| TOTAL EQUITY | | 12,049,068 | 10,216,661 |
| NON-CURRENT LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 5 | 17,232,577 | 12,128,993 |
| Provision for taxation | | - | 50,392 |
| | | 17,232,577 | 12,179,385 |
| TOTAL LIABILITIES | | 17,232,577 | 12,179,385 |
| CONTINGENCIES & COMMITMENTS | 6 | - | - |
| TOTAL EQUITY AND LIABILITIES | | 29,281,645 | 22,396,045 |
| ASSETS | | | |
| NON- CURRENT ASSETS | | | |
| Property and equipment - tangible | 7 | 699,362 | 781,097 |
| Membership card -intangible | 8 | 1,280,000 | 1,280,000 |
| Long term security deposits | 9 | 630,000 | 630,000 |
| | | 2,609,362 | 2,691,097 |
| CURRENT ASSETS | | | |
| Short Term Investment | 10 | 7,513,445 | 7,513,445 |
| Trade debts | 11 | 6,206,667 | 4,606,323 |
| Advances and Deposits | 12 | 2,321 | 46,742 |
| Cash and bank balances | 13 | 12,949,850 | 7,538,438 |
| | | 26,672,283 | 19,704,948 |
| TOTAL ASSETS | | 29,281,645 | 22,396,045 |

The annexed notes form an integral part of these accounts.

Chief Executive

Director

MUHAMMAD AMER RIAZ SECURITIES (PVT) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER, 2014

| | NOTE | 31-12-2014 <u>RS.</u> | 30-06-2014 <u>RS.</u> |
|--|------|--------------------------|--------------------------|
| INCOME | | | |
| Brokerage income - net | | 597,766 | 1,863,150 |
| Dividend Income | | 127,609 | 210,993 |
| Other Income | | - | 816,425 |
| Gain on sale of securities | | - | 206,140 |
| | | <u>725,375</u> | <u>3,096,708</u> |
| OPERATING EXPENSES | | | |
| Administrative & General | 14 | 789,417 | 2,935,935 |
| Financial Charges | 15 | 3,550 | 1,993 |
| | | <u>792,967</u> | <u>2,937,928</u> |
| PROFIT / (LOSS) BEFORE TAX | | (67,592) | 158,780 |
| TAXATION | | | |
| Normal Tax | 16 | - | 50,392 |
| Capital gain tax on securities | | - | 9,380 |
| | | <u>-</u> | <u>59,772</u> |
| PROFIT / (LOSS) AFTER TAX CARRIED TO EQUITY STATEMENT | | (67,592) | 99,008 |
| EARNINGS PER SHARE-BASIC AND DILUTED | 17 | (0.06) | 0.09 |

The annexed notes form an integral part of these accounts.

Chief Executive

Director

| | 31-12-2014 | 30-06-2014 |
|-------------------------------------|--------------------------|-------------------------|
| | <u>RS.</u> | <u>RS.</u> |
| 13. CASH & BANK BALANCES | | |
| CASH AT BANK | | |
| in current accounts | | |
| MCB Bank Ltd A/c. 0929 | - | - |
| MCB Bank Ltd A/C 658335201001217 | 12,626,487 | 7,193,801 |
| MCB Bank Ltd A/C 0658335201001242 | 120,760 | 2,061 |
| MCB BANK MUTAN A/C 3111 | 164,896 | 166,976 |
| CASH IN HAND | 37,707 | 175,600 |
| | <u>12,949,850</u> | <u>7,538,438</u> |
| 14. OPERATING EXPENSES | | |
| Directors Remuneration | - | 600,000 |
| Staff Salaries & Benefits | 222,000 | 729,000 |
| Telephone & Postage | 89,325 | 157,795 |
| Printing & Stationery | 1,525 | 103,668 |
| Office General Expense | 17,280 | 37,008 |
| Newspaper & Periodicals | - | 2,576 |
| Entertainment | 6,920 | 53,513 |
| Fee & Taxes | 55,526 | 115,060 |
| LSE - NCSS & Charges | 88,834 | 369,159 |
| Electricity Charges | 76,521 | 121,764 |
| Repair & Maintenance | - | 98,036 |
| Travelling & Conveyance | - | 255,125 |
| Computer & I.T Expenses | 44,250 | 22,500 |
| Legal & Professional Charges | 66,500 | 73,370 |
| Audit Fee | - | 25,000 |
| office Rent | 36,000 | 144,000 |
| Donation | 3,000 | - |
| Depreciation | 81,736 | 28,361 |
| | <u>789,417</u> | <u>2,935,935</u> |
| 15. FINANCIAL CHARGES | | |
| Bank Charges | 3,550 | 1,993 |
| | <u>3,550</u> | <u>1,993</u> |
| 16. TAXATION | | |
| TOTAL INCOME | | |
| Brokerage income - net | 597,766 | 1,863,150 |
| Dividend Income | 127,609 | 210,993 |
| Other Income | - | 816,425 |
| Gain on sale of securities | - | 206,140 |
| | <u>725,375</u> | <u>3,096,708</u> |
| PROFIT / (LOSS) BEFORE TAX | <u>(67,592)</u> | <u>158,780</u> |

TAX CALCULATION ON PRO-RATA BASIS

| | | |
|-------------------|-----------------|----------------|
| TAXABLE INCOME | (67,592) | 148,210 |
| EXEMPT INCOME | - | 10,570 |
| | <u>(67,592)</u> | <u>158,780</u> |
| Normal Tax- @ 34% | (22,981) | 50,392 |
| | <u>(22,981)</u> | <u>50,392</u> |

17. EARNINGS PER SHARE-BASIC AND DILUTED

There is no dilutive effect on the basis earning per share of the company which is based on:

| | | |
|--|------------------|------------------|
| Profit attributable to ordinary share holders in Rs. | (67,592) | 99,008 |
| Number of ordinary shares issue | <u>1,050,000</u> | <u>1,050,000</u> |
| Loss per share-basis in Rs. | <u>(0.06)</u> | <u>0.09</u> |

18. INTEREST/MARK-UP RATE RISK EXPOSURE

The company is exposed to interest /mark-up rate risk on some of the financial obligations. Significant financial assets /liabilities which are exposed to various rate of interest are mentioned in the respective notes to the accounts.

19. CREDIT RISK EXPOSURE

Credit risk represents the accounting loss that would be recognized at the reporting date if contracting parties failed completely to perform as contracted. The company believes that it is not exposed to major concentration of credit risk. Further, it manages credit risk in trade receivable by executing formal agreements with the debtors.

20. LIQUIDITY RISK

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements.

21. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

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

22. GENERAL

Figures have been rounded off to the nearest of rupee and previous years have been re-arranged wherever found necessary for comparison purposes only.

Chief Executive

Director

31-12-2014

30-06-2014

RS.RS.**4. SHARE CAPITAL**

| | | |
|--|-------------------|-------------------|
| 1,200,000 ordinary shares of Rs.10/- each | <u>12,000,000</u> | <u>12,000,000</u> |
| 50,000 ordinary shares of Rs. 10/- each issued against cash | 500,000 | 500,000 |
| 1,000,000 shares of Rs. 10/- each issued against consideration other than cash | <u>10,000,000</u> | <u>10,000,000</u> |
| | <u>10,500,000</u> | <u>10,500,000</u> |
| Pattern of shareholding is given as under: | | |
| Chief Executive/Director | | |
| Muhammad Amer Riaz | 10,000,000 | 10,000,000 |
| Directors | | |
| Naeem Murtaza Khan Langah | <u>500,000</u> | <u>500,000</u> |
| | <u>10,500,000</u> | <u>10,500,000</u> |

5. DEFERRED TAXATION

Technical realse 27(TR 27) has been issued by the ICAP which prescribes that there is no need to provide deferred tax liabilities/assets of those companies whose entire revenue is covered under presumptive tax regime as there will be no timing differences. As the company,s entire revenue falls under section 169 of the income tax ord, 2001. therefore, no provision for deferred tax assets or liabilities is recognized in the balance sheet.

5. TRADE & OTHER PAYABLES

| | | |
|---------------------------|-------------------|-------------------|
| Due to clients and others | 17,209,425 | 10,587,764 |
| Salaries payable | - | 600,000 |
| Audit fee payable | - | 25,000 |
| FED payable | 23,152 | 17,064 |
| Expenses Payable | - | 899,165 |
| | <u>17,232,577</u> | <u>12,128,993</u> |

Due to clients and others represent the amounts due to customers and members on account of trades undertaken before year-end but becoming due after year-end.

6. CONTIGENCIES AND COMMITMENTS

| | | |
|---------------------|-----|-----|
| Contigencies | NIL | NIL |
| Commitments | NIL | NIL |