

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Topline Securities (Private) Limited** ("the Company") as at June 30, 2015; 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 purpose 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 and cash flow statement, together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
 - ii. the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

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- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet and the 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 a true and fair view of the state of the Company's affairs as at June 30, 2015; and of the profit, its cash flows and changes in equity for the year ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

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Naveed Zafar Ashfaq Jaffery & Co
Chartered Accountants
Engagement Partner – Ahsan Elahi Vohra - FCA

Karachi

Dated: 05 OCT 2015

TOPLINE SECURITIES (PRIVATE) LIMITED
BALANCE SHEET
AS AT JUNE 30, 2015

	Note	2015 Rupees	2014 Rupees (Restated)
ASSETS			
Non-current assets			
Property and equipment	4	3,513,435	5,309,298
Intangible assets	5	21,788,933	21,842,715
		25,302,368	27,152,013
Long term investments	6	83,053,105	58,211,067
Long term advance		-	866,664
Deferred taxation	15	612,332	-
Long term deposits	7	729,309	624,500
		109,697,114	86,854,244
Current assets			
Trade debts - considered good	8	70,367,099	121,944,772
Loans and advances	9	413,118	152,768
Trade deposits and short term prepayments	10	212,726,903	147,379,848
Other receivables		3,234,649	3,788,983
Short term investments	11	-	20,196,620
Cash and bank balances	12	54,796,990	41,406,621
		341,538,759	334,869,612
Total assets		451,235,873	421,723,856
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
12,500,000 (2014: 12,500,000) ordinary shares of Rs. 10 each		125,000,000	125,000,000
Issued, subscribed and paid up capital			
	13	125,000,000	125,000,000
Unappropriated profit			
		147,020,987	59,422,195
Total equity		272,020,987	184,422,195
Surplus on revaluation of assets			
	14	60,000,000	60,000,000
LIABILITIES			
Non-current liabilities			
Deferred taxation	15	-	292,656
Current liabilities			
Trade and other payables	16	85,352,915	95,365,575
Short term borrowings - secured	17	19,337,357	75,400,000
Mark-up accrued		1,520,182	362,007
Provision for taxation		13,004,432	5,881,422
		119,214,886	177,009,004
Total liabilities		119,214,886	177,301,661
Total equities and liabilities		451,235,873	421,723,856
CONTINGENCIES AND COMMITMENTS			
	18	-	-

The annexed notes 1 to 34 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

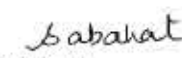
TOPLINE SECURITIES (PRIVATE) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2015

	Note	2015 Rupees	2014 Rupees (Restated)
Operating revenue	19	269,284,706	125,654,957
Capital gain on sale of investments - net	20	1,564,142	3,131,858
Gain on remeasurement of investments at fair value through profit or loss		-	1,345,190
		<u>270,848,848</u>	<u>130,132,005</u>
Operating and administrative expenses	21	<u>(150,578,703)</u>	<u>(61,535,030)</u>
Operating profit		120,270,145	68,596,975
Finance cost	22	<u>(7,917,696)</u>	<u>(1,603,578)</u>
		112,352,449	66,993,397
Other income	23	12,535,010	7,083,173
Profit before taxation		<u>124,887,459</u>	<u>74,076,570</u>
Taxation	24	<u>(37,288,667)</u>	<u>(24,657,290)</u>
Profit for the year		<u><u>87,598,792</u></u>	<u><u>49,419,280</u></u>
Earnings per share - basic and diluted	25	<u>7.01</u>	<u>3.95</u>

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The annexed notes 1 to 34 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

TOPLINE SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2014

	2015 Rupees	2014 Rupees (Restated)
Profit for the year	87,598,792	49,419,280
Other comprehensive Income	-	-
Total comprehensive income for the year	<u>87,598,792</u>	<u>49,419,280</u>

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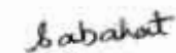
DIRECTOR

TOPLINE SECURITIES (PRIVATE) LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2015

	Note	2015 Rupees	2014 Rupees (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		124,887,459	74,076,570
Adjustments for:			
Depreciation	4	1,226,818	1,141,645
Amortization of software	5	53,782	27,991
Impairment of property and equipment	4	1,148,486	-
Impairment of software	5	-	11,530
Gain on disposal of fixed assets		(418,052)	(699,911)
Gain on remeasurement of investments		-	(1,345,190)
Finance cost		7,917,696	1,603,578
		9,928,730	739,643
Operating profit before working capital changes		134,816,189	74,816,213
Working Capital changes			
(Increase) / decrease in current assets			
Trade debtors - considered good		51,577,672	40,804,245
Loans and advances		(260,350)	53,546
Trade deposits and short term prepayments		(65,347,055)	(39,444,723)
Other receivables		554,334	(3,551,410)
		(13,475,399)	(2,138,342)
Increase / (Decrease) in current liabilities			
Trade and other payables		(10,012,660)	(50,580,550)
		111,328,130	22,097,321
Long term deposits		(104,809)	-
Financial charges paid		(6,759,521)	(2,192,197)
Income tax paid		(31,070,645)	(27,849,767)
Net cash generated from / (used in) operating activities		73,393,155	(7,944,643)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	4	(911,302)	(2,849,137)
Long Term advance		866,664	(866,664)
Proceeds from sale of property and equipment		749,913	1,226,000
Proceeds from sale / (purchase) of investments - net		20,196,620	(18,851,430)
Purchase of investments - net		(24,842,038)	-
Net cash used in investing activities		(3,940,143)	(21,341,231)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		-	(19,799,898)
Short term borrowings - net		-	-
Net cash used in financing activities		-	(19,799,898)
Net decrease in cash and cash equivalents		69,453,012	(49,085,772)
Cash and cash equivalents at the beginning of the year		(33,993,379)	15,092,393
Cash and cash equivalents at the end of the year	26	35,459,632	(33,993,379)

The annexed notes 1 to 34 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

TOPLINE SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2015

Topline Securities (Private) Limited (the Comp.	Issued, Subscribed and paid up capital	Unappropriated Profit	Total
		Rupees	
		Restated	
Balance as at July 1, 2013 as previously reported	125,000,000	30,147,631	155,147,631
Effect of change in accounting policy on prior periods		(344,819)	(344,819)
Balance as at July 1, 2013 - restated	125,000,000	29,802,812	154,802,812
Interim cash dividend @ Rs.1.58 per share		(19,799,897)	(19,799,897)
Total comprehensive income for the year		49,419,280	49,419,280
Balance as at June 30, 2014	125,000,000	59,422,195	184,422,195
Total comprehensive income for the year	-	87,598,792	87,598,792
Balance as at June 30, 2015	<u>125,000,000</u>	<u>147,020,987</u>	<u>272,020,987</u>

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The annexed notes 1 to 34 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR