

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Topline Securities Limited ("the Company") as at June 30, 2017; 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 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and present the above said statements in conformity with the approved accounting standards and the requirements of the repealed Companies Ordinance, 1984.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- (a) in our opinion, proper books of accounts have been kept by the Company as required by the repealed Companies Ordinance, 1984;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the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the repealed Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;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;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, the profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity, together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the repealed Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2017 and of the profit, its comprehensive income, its 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 Ushr Ordinance, 1980 (XVII of 1980)


Naveed Zafar Ashfaq Jaffery & Co.

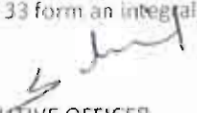
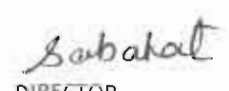
Chartered Accountants

Engagement Partner: Ahsan Elahi Vohra- FCA

Karachi

Dated: 06 OCT 2017

TOPLINE SECURITIES LIMITED
BALANCE SHEET
AS AT JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
ASSETS			
Non-current assets			
Property and equipment	4	3,945,233	2,787,889
Intangible assets	5	12,764,247	12,500,000
Long term investments	6	41,161,265	60,000,000
Long Term Advances		4,700,000	1,200,000
Deferred taxation	7	142,521	186,893
Long term deposits	8	2,247,024	1,624,028
		<u>64,960,290</u>	<u>78,298,810</u>
Current assets			
Trade debts - considered good	9	24,518,875	42,456,301
Receivables against Margin Financing		79,326,854	-
Loans and advances	10	322,424	314,707
Taxation-net of provision		2,981,247	-
Trade deposits and short term prepayments	11	574,568,679	125,052,382
Other receivables		12,136,802	5,800,820
Short term investments	12	48,728,874	73,853,247
Cash and bank balances	13	383,911,175	202,714,646
		<u>1,126,494,930</u>	<u>450,192,103</u>
Total assets		<u>1,191,455,220</u>	<u>528,490,913</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
150,000,000 (2016: 150,000,000 at Rs. 2 each) ordinary shares of Rs. 2 each		<u>300,000,000</u>	<u>300,000,000</u>
Issued, subscribed and paid up capital	14	<u>150,000,000</u>	<u>150,000,000</u>
Total Reserves		<u>456,840,597</u>	<u>286,229,184</u>
Total equity		<u>606,840,597</u>	<u>436,229,184</u>
Surplus on revaluation of assets	15	<u>4,552,767</u>	<u>4,552,767</u>
LIABILITIES			
Current liabilities			
Trade and other payables	16	<u>447,603,620</u>	<u>85,699,199</u>
Short term borrowings - secured	17	<u>131,396,674</u>	<u>-</u>
Mark-up accrued		<u>1,061,562</u>	<u>889,066</u>
Provision for taxation		<u>-</u>	<u>1,120,697</u>
Total liabilities		<u>580,061,856</u>	<u>87,708,962</u>
Total equities and liabilities		<u>1,191,455,220</u>	<u>528,490,913</u>
CONTINGENCIES AND COMMITMENTS			
The annexed notes 1 to 33 form an integral part of these financial statements.			
 CHIEF EXECUTIVE OFFICER		 DIRECTOR	


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

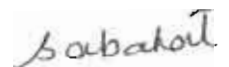
	Note	2017 Rupees	2016 Rupees
Operating revenue	19	435,048,275	336,730,386
Capital gain on sale of investments - net	20	66,388,786	8,431,536
Gain on remeasurement of investments-at fair value through profit or loss		299,031	-
		<u>501,736,092</u>	<u>345,161,922</u>
Operating and administrative expenses	21	(283,934,358)	(190,490,712)
Operating profit		<u>217,801,734</u>	<u>154,671,210</u>
Finance cost	22	(9,630,680)	(2,945,422)
		<u>208,171,054</u>	<u>151,725,788</u>
Other income	23	21,518,914	14,168,364
Profit before taxation		<u>229,689,968</u>	<u>165,894,152</u>
Taxation	24	(48,971,482)	(47,133,188)
Profit for the year		<u>180,718,486</u>	<u>118,760,964</u>
Earnings per share - basic and diluted	25	<u>2.41</u>	<u>1.58</u>

The annexed notes 1 to 33 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER



DIRECTOR

TOPLINE SECURITIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2017

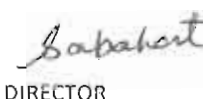
	2017 Rupees	2016 Rupees
Profit for the year	180,718,486	118,760,964
Other comprehensive income	17,161,268	1,788,933
Total comprehensive income for the year	<u>197,879,754</u>	<u>120,549,897</u>

The annexed notes 1 to 33 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER



DIRECTOR

TOPLINE SECURITIES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		229,689,968	165,894,152
Adjustments for:			
Depreciation	5	986,033	1,159,844
Amortization of software		25,741	-
Gain on disposal of fixed assets		-	(1,340,986)
Finance cost	22	9,630,680	2,945,422
		10,642,454	2,764,280
Operating profit before working capital changes		240,332,422	168,658,432
Working capital changes			
(Increase) / decrease in current assets			
Trade debtors - considered good		17,937,426	27,910,798
Receivables against Margin Financing		(79,326,854)	-
Loans and advances		(7,717)	98,411
Trade deposits and short term prepayments		(449,516,297)	87,674,521
Other receivables		(6,335,982)	(2,566,171)
		(517,249,424)	113,117,559
Increase in current liabilities			
Trade and other payables		361,904,421	346,284
		84,987,419	282,122,275
Long term deposits		(622,996)	(894,719)
Financial charges paid		(9,458,184)	(3,576,538)
Income tax paid		(53,029,054)	(58,591,484)
Net cash generated from operating activities		21,877,186	219,059,534
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	4	(2,143,377)	(1,847,182)
Long term advance		(3,500,000)	(1,200,000)
Increase of intangible assets		(289,988)	(2,500,000)
Proceeds from sale of property and equipment		-	2,753,870
Proceeds from sale / (purchase) of investments - net		33,856,034	(49,011,209)
Net cash used in investing activities		27,922,669	(51,804,521)
Net increase in cash and cash equivalents		49,799,855	167,255,013
Cash and cash equivalents at the beginning of the year		202,714,646	35,459,633
Cash and cash equivalents at the end of the year	26	252,514,501	202,714,646

The annexed notes 1 to 13 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER

DIRECTOR

S. Babar

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

	Issued, Subscribed and paid up capital	Reserves			Total
		Fair value reserve on available for sale investment	Unappropriated Profit	Total Reserves	
Rupees					
Balance as at July 1, 2015	125,000,000	43,658,300	147,020,987	190,679,287	315,679,287
Profit for the year	-	-	118,760,964	118,760,964	118,760,964
Other comprehensive income	-	1,788,933	-	1,788,933	1,788,933
Bonus issue @20%	25,000,000	-	(25,000,000)	(25,000,000)	-
Balance as at June 30, 2016	150,000,000	45,447,233	240,781,951	286,229,184	436,229,184
Profit for the year	-	-	180,718,486	180,718,486	180,718,486
Other comprehensive income	-	17,161,268	-	17,161,268	17,161,268
Fair value reserve-available for sale investment realized during the year	-	(27,268,342)	-	(27,268,342)	(27,268,342)
Balance as at June 30, 2017	150,000,000	35,340,159	421,500,437	456,840,596	606,840,596

The annexed notes 1 to 33 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER


DIRECTOR