

Investment Managers Securities (Private) Limited
Financial Statements
For the period ended December 31, 2015

Investment Managers Securities (Private) Limited
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For the period ended December 31, 2015

| | Note | Rupees Dec-15 | Rupees Jun-15 |
|---|--------|--------------------|--------------------|
| <u>ASSETS</u> | | | |
| <u>NON-CURRENT ASSETS</u> | | | |
| Property and equipment | 7 | 1,210,878 | 1,210,655 |
| Intangible assets | 8 | 49,926,170 | 49,926,170 |
| Long term investments | 9 | 40,073,830 | 40,073,830 |
| Long term advances & deposits | 10 | 506,000 | 504,000 |
| <u>CURRENT ASSETS</u> | | | |
| Trade receivables | 11 | 83,588,493 | 91,966,543 |
| Advances, deposits & other receivables | 12 | 38,593,450 | 31,291,827 |
| Short term investments | 13 | - | - |
| Cash & bank balances | 14 | 12,763,334 | 6,445,419 |
| | | 134,945,277 | 129,703,789 |
| | | 226,662,156 | 221,418,444 |
| <u>CAPITAL AND LIABILITIES</u> | | | |
| <u>Authorized capital</u> | | | |
| 20,000,000 Ordinary shares of Rs. 10/- each | | 300,000,000 | 300,000,000 |
| Issued, subscribed and paid-up capital | 15 | 200,004,000 | 200,004,000 |
| Unappropriated profit / (loss) | | 15,067,176 | 10,117,381 |
| | | 215,071,176 | 210,121,381 |
| <u>CURRENT LIABILITIES</u> | | | |
| Short term running finance | 16 | - | 3,727,968 |
| Trade payables | | 9,480,029 | 6,037,427 |
| Accrued expenses & other liabilities | 17 | 2,110,951 | 1,531,669 |
| | | 11,590,980 | 11,297,064 |
| Contingencies and commitments | 17 (a) | - | - |
| | | 226,662,156 | 221,418,444 |

Karachi
Dated :

Chief Executive

Director

Investment Managers Securities (Private) Limited
Financial Statements
For the period ended December 31, 2015

| | Note | Rupees Dec-15 | Rupees Jun-15 |
|--|------|--------------------|---------------------|
| <u>REVENUE</u> | | | |
| Operating revenue | 18 | 8,749,051 | 14,122,057 |
| Capital gain/(loss) on sale of securities - net | | - | 618,645 |
| Gain/(Loss) on remeasurement of investments - net | | - | - |
| | | 8,749,051 | 14,740,702 |
| <u>OPERATING EXPENSES</u> | | | |
| Administrative expenses | 19 | (4,831,538) | (15,856,298) |
| Financial charges | 20 | (7,034) | (13,842) |
| | | (4,838,572) | (15,870,140) |
| Operating profit/(loss) | | 3,910,479 | (1,129,438) |
| Workers' welfare fund | | - | (27,878) |
| Other income | 21 | 1,039,316 | 2,523,345 |
| Profit/ (loss) before taxation | | 4,949,795 | 1,366,029 |
| Taxation | 22 | - | (671,588) |
| Profit / (loss) after taxation | | 4,949,795 | 694,441 |
| Earnings/(Loss) per share - basic & diluted | 23 | 0.25 | 0.03 |

Karachi
Dated :

Chief Executive

Director

Investment Managers Securities (Private) Limited
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For the period ended December 31, 2014

| Note | Rupees 2015 | Rupees 2014 |
|---|--------------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit / (loss) before taxation | 4,949,795 | 1,374,648 |
| Add : Items not involved in movement of fund: | | |
| Depreciation | 102,879 | 2,062,193 |
| Capital (gain)/loss on sale of securities | - | (618,645) |
| (Gain)/Loss on remeasurement of investments - net | - | - |
| Financial charges | 7,034 | 18,317,932 |
| | 109,913 | 19,761,480 |
| Operating profit before working capital changes | 5,059,708 | 21,136,128 |
| Net change in working capital | (a) (116,041,964) | (86,072,252) |
| | (110,982,256) | (64,936,124) |
| Taxes paid | - | - |
| Financial charges paid | (660,186) | (15,418,833) |
| Net cash inflow/ (outflow) from operating activities | (111,642,442) | (80,354,957) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property & equipment | (103,102) | (42,000) |
| Long term deposits | (2,000) | (1,191,000) |
| Net cash inflow/ (outflow) from investing activities | (105,102) | (1,233,000) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Rights issue | - | 40,000,000 |
| Long term loan received / (repaid) | #REF! | 84,200,000 |
| | #REF! | 124,200,000 |
| Net cash inflow/ (outflow) from financing activities | - | - |
| Net increase / (decrease) in cash and cash equivalents | #REF! | 42,612,043 |
| Cash and cash equivalent at beginning of the year | 56,230,922 | 13,618,880 |
| Cash and cash equivalent at end of the year | 14 #REF! | 56,230,922 |
| (a) Statement of change in Working Capital | | |
| (Increase) / decrease in current assets | | |
| Trade receivables | 8,378,050 | (86,261,726) |
| Advances, deposits & other receivables | (7,301,623) | (201,147,155) |
| Short term investments | 2,224,731 | 77,629,688 |
| | 3,301,158 | (209,779,193) |
| Increase / (decrease) in current Liabilities | | |
| Trade payable | 3,442,602 | 32,497,870 |
| Short term running finance | (3,727,968) | (34,257,292) |
| Accrued expenses & other liabilities | (119,057,756) | 125,466,363 |
| | (119,343,122) | 123,706,941 |
| Net working capital changes | (116,041,964) | (86,072,252) |

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Karachi

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| | Issued, subscribed and paid-up capital | Unappropriated profit/ (loss) | Total |
|--|---|--|--------------------|
| | <i>Rupees</i> | <i>Rupees</i> | <i>Rupees</i> |
| Balance as at June 30, 2014 | 200,004,000 | 9,422,940 | 209,426,940 |
| Profit/ (Loss) after taxation | - | 694,441 | 694,441 |
| Balance as at June 30, 2015 | 200,004,000 | 10,117,381 | 210,121,381 |
| Profit/ (Loss) after taxation | - | 4,949,795 | 4,949,795 |
| Balance as at December 31, 2015 | 200,004,000 | 15,067,176 | 215,071,176 |

Karachi

Dated :

Chief Executive

Director

Investment Managers Securities (Private) Limited
Notes to the accounts

1 LEGAL STATUS AND NATURE OF BUSINESS

Investment Manager Securities (Private) Limited (the Company) was incorporated in August 31, 2006 as a private limited company under the Companies Ordinance, 1984. The registered office of the Company is situated at Suite # 308, 3rd Floor, Continental Trade Center, Block-08, Clifton, Karachi, Pakistan. The company is engaged in the business of financial consultancy, brokerage, underwriting and investment counselling. It is a Trading Right Certificate Holder of the Karachi and Lahore Stock Exchange Limited.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, 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.

3 BASIS OF MEASUREMENT

3.1 These financial statements have been prepared under the historical cost convention except for certain investments which are carried at their fair value.

3.2 These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

4 NEW ACCOUNTING STANDARDS / AMENDMENTS AND IFRS INTERPRETATIONS THAT ARE EFFECTIVE FOR THE YEAR ENDED JUNE 30, 2015

4.1 The following standards, amendments and interpretations are effective for the year ended December 31, 2014. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

| | |
|--|---|
| Amendments to IAS 32 Financial Instruments: Presentation - Offsetting financial assets and financial | Effective from accounting period beginning on or after January 01, 2014 |
| IAS 36 Impairment of Assets - Recoverable amount disclosures for non-financial assets | Effective from accounting period beginning on or after January 01, 2014 |
| IAS 39 Financial Instruments: Recognition and measurement - Novation of derivatives and continuation of hedge accounting | Effective from accounting period beginning on or after January 01, 2014 |
| IFRIC 21 - Levies | Effective from accounting period beginning on or after January 01, 2014 |

Investment Managers Securities (Private) Limited

Notes to the accounts

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations did not have any effect on the financial statements.

SIGNIFICANT ACCOUNTING POLICIES

4.2 Property and equipment

These are stated at cost less accumulated depreciation and impairment, if any. Depreciation is charged to profit and loss account using reducing balance method whereby the cost of the asset less its estimated residual value is written off over the estimated useful life at rates given in note 7. Depreciation on additions is charged from the quarter in which asset is available for use and on disposals upto the quarter preceding the quarter of disposal. Normal repairs and maintenance costs are charged to income as and when incurred. Major renewals and improvements are capitalised. The assets residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each financial year end. Gain or loss on disposal of assets, if any, is recognized in the period of disposal.

The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and where carrying values exceeds estimated recoverable amount, assets are written down to their estimated recoverable amount.

4.3 Intangible assets

Intangible assets having definite life are stated at cost less accumulated amortization and impairment, if any.

Rooms and trading right entitlement certificate are considered to have an indefinite useful life and are stated at acquisition cost. The carrying amount of these assets is reviewed at each balance sheet date to assess whether it is in excess of its recoverable amount, and where the carrying amount exceeds the estimated recoverable amount, it is written down to its estimated recoverable amount.

Gain and loss on disposal, if any, is taken to the profit and loss account.

4.4 Investments

All investments are initially recognised at fair value plus in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The management of the Company determines the appropriate classification of its investments at the time of purchase as follows.

Held-to-maturity

Investment with fixed maturities where management has both the intent and ability to hold to maturity, are classified as held-to-maturity investments. These investments are carried at amortized cost.

Available-for-sale

These are investments intended to be held for an indefinite period to time, which may be sold in response to needs for liquidity or changes in equity prices. Subsequent to initial measurement, these are re-measured to fair value except for unquoted investments which are stated at cost. Net gains and losses arising on changes in fair value of these investments are recognized directly in equity. On derecognition or impairment in available-for-sale investments, the cumulative gain or loss previously recognized in equity is included in the profit and loss account for the year.

Investments at fair value through profit or loss

Investments classified as held-for-trading and those designated as such are included in this category. Investments are classified as held-for-trading if they are acquired for the purpose of selling in the near term. After initial recognition, these investments are remeasured at fair value and gains or losses are recognized in profit and loss account.

Investment Managers Securities (Private) Limited

Notes to the accounts

4.5 Repurchase / Resale agreements

The Company enters into transactions of repos and reverse repos at contracted rates for a specified period of time. These are recorded as under:

Sale under repurchase obligation

Securities sold with a simultaneous commitment to repurchase at a specified date (repos) continue to be recognised in the balance sheet and are measured in accordance with accounting policies for investments. Amounts received under these agreements are recorded as repurchase agreement borrowings. The difference between sale and repurchase price is amortised as expense over the term of the repo agreement.

Purchase under resale obligation

Securities purchased with a corresponding commitment to resell at a specified future date (reverse repos) are not recognised in the balance sheet. Amounts paid under these arrangements are included in reverse repurchase agreement lendings. The difference between purchase and resale price is accrued as income over the term of the reverse repos agreement.

4.6 Trade debts and fund placements

In accordance with good accounting practices the company provides fully against the trade debts and fund placements for which no security is available without prejudice to its right to take appropriate legal and commercial action for the recovery of the said trade debts and fund placements.

4.7 Financial instruments

All financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual right to future cash flows from the asset expires or is transferred along with the risk and reward of ownership of the asset. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income currently.

4.8 Off-setting of financial instruments

Financial assets and 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 realised amounts and the Company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.9 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 embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

Investment Managers Securities (Private) Limited
Notes to the accounts

6 NEW ACCOUNTING STANDARDS / AMENDMENTS AND IFRS INTERPRETATIONS THAT ARE NOT YET EFFECTIVE

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

| | |
|--|---|
| Amendments to IAS 16 and IAS 38 Clarification of acceptable methods of depreciation and amortization | Effective from accounting period beginning on or after January 01, 2016 |
| Amendments to IAS 16 and IAS 41 Agriculture: Bearer plants | Effective from accounting period beginning on or after January 01, 2016 |
| Amendments to IAS 19 Employee Benefits: Employee contributions | Effective from accounting period beginning on or after July 01, 2014 |
| IAS 27 (Revised 2011) - Separate Financial Statements | Effective from accounting period beginning on or after January 01, 2015. IAS 27 (Revised 2011) will concurrently apply with IFRS 10 |
| IAS 28 (Revised 2011) - Investments in Association and Joint Ventures | Effective from accounting period beginning on or after January 01, 2015 |
| IFRS 10 - Consolidated Financial Statements | Effective from accounting period beginning on or after January 01, 2015. Earlier adoption is encouraged. |
| IFRS 11 - Joint Arrangements | Effective from accounting period beginning on or after January 01, 2015 |
| IFRS 12 - Disclosure of Interests in Other Entities | Effective from accounting period beginning on or after January 01, 2015 |
| IFRS 13 - Fair Value Measurement | Effective from accounting period beginning on or after January 01, 2015 |

Certain annual improvements have also been made to a number of IFRSs.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 - First Time Adoption of International Financial Reporting Standards
- IFRS 9 - Financial Instruments
- IFRS 14 - Regulatory Deferral Accounts
- IFRS 15 - Revenue from Contracts with Customers

Investment Managers Securities (Private) Limited

Notes to the accounts

7 PROPERTY AND EQUIPMENT

| | Office Equipments | Computer & Allied | Furniture & Fixtures | Total |
|--|------------------------------|----------------------------------|-------------------------------------|--------------------|
| | <i>(Rupees)</i> | <i>(Rupees)</i> | <i>(Rupees)</i> | <i>(Rupees)</i> |
| <u>Net carrying value basis</u> | | | | |
| Period ended Dec 31, 2015 | | | | |
| Opening net book value (NBV) | 375,649 | 57,960 | 777,046 | 1,210,655 |
| Additions (at cost) | 103,102 | - | - | 103,102 |
| Disposals (at NBV) | - | - | - | - |
| Depreciation charge | (35,906) | (8,694) | (58,278) | (102,879) |
| Closing net book value (NBV) | 442,845 | 49,266 | 718,768 | 1,210,878 |
| <u>Gross carrying value basis</u> | | | | |
| As at Dec 31, 2015 | | | | |
| Cost | 906,402 | 924,456 | 1,805,125 | 3,635,983 |
| Accumulated depreciation | (463,557) | (875,190) | (1,086,357) | (2,425,105) |
| Net book value (NBV) | 442,845 | 49,266 | 718,768 | 1,210,878 |
| <u>Net carrying value basis</u> | | | | |
| Year ended June 30, 2015 | | | | |
| Opening net book value (NBV) | 373,055 | 82,801 | 863,385 | 1,319,241 |
| Additions (at cost) | 42,000 | - | - | 42,000 |
| Disposals (at NBV) | - | - | - | - |
| Depreciation charge | (39,406) | (24,841) | (86,339) | (150,586) |
| Closing net book value (NBV) | 375,649 | 57,960 | 777,046 | 1,210,655 |
| <u>Gross carrying value basis</u> | | | | |
| As at June 30, 2015 | | | | |
| Cost | 803,300 | 924,456 | 1,805,125 | 3,532,881 |
| Accumulated depreciation | (427,651) | (866,496) | (1,028,079) | (2,322,226) |
| Net book value (NBV) | 375,649 | 57,960 | 777,046 | 1,210,655 |
| Depreciation rate (% per annum) | 15% | 30% | 15% | |

Investment Managers Securities (Private) Limited
Notes to the accounts

| Notes | Rupees Dec-15 | Rupees Jun-15 |
|-------|------------------|------------------|
|-------|------------------|------------------|

8 INTANGIBLE ASSETS

| | | |
|--|-------------------|-------------------|
| Trading Right Entitlement Certificate - Karachi stock exchange limited | 49,926,170 | 49,926,170 |
| | 49,926,170 | 49,926,170 |

9 LONG TERM INVESTMENTS

Available-for-sale - unquoted

| | | |
|--|-------------------|-------------------|
| Investment in shares of Karachi Stock Exchange Limited | 9.1 40,073,830 | 40,073,830 |
| | 40,073,830 | 40,073,830 |

- 9.1** Pursuant to the promulgation of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012 (The Act) the ownership in a Stock Exchange has been segregated from the right to trade on the Exchange. Accordingly, the Company has received equity shares of Exchange and a Trading Right Entitlement (TREC) in lieu of membership card of Stock Exchange.

The company's entitlement in respect of KSE's shares is determined on the basis of valuation of assets and liabilities of KSE as approved by SECP and the Company has been allotted 4,007,383 shares of the face value of Rs. 10/- each, out of which 2,404,430 are kept in the blocked account and the divestment of the same will be made in accordance with the requirements of the Act within two years from the date of Demutualization.

In the absence of an active market of the shares of KSE and TREC, the company has taken the cost of the shares and TREC at Rs. 40,073,830/- and Rs. 15,000,000/- respectively, which is the value approved by the Board of Directors of KSE and endorsed by the SECP. Consequently the Company has recorded surplus of Rs. 34,373,830/- on conversion of membership card of KSE to Shares and TREC. The resultant revaluation surplus arisen on revaluation of membership right is exempt under clause 110-B, part- IV to the Second Schedule of the Income Tax Ordinance, 2001.

The company's entitlement in respect of LSE's shares is determined on the basis of valuation of assets and liabilities of LSE as approved by SECP and the Company has been allotted 843,975 shares of the face value of Rs. 10/- each, out of which 506,385 are kept in the blocked account and the divestment of the same will be made in accordance with the requirements of the Act within two years from the date of Demutualization.

In the absence of an active market of the shares of LSE and TREC, the company has taken the cost of the shares and TREC at Rs. 8,439,750/- and Rs. 4,000,000/- respectively, which is the value approved by the Board of Directors of LSE and endorsed by the SECP. Consequently the Company has recorded surplus of Rs. 5,939,750/- on conversion of membership card of LSE to Shares and TREC. The resultant revaluation surplus arisen on revaluation of membership right is exempt under clause 110-B, part- IV to the Second Schedule of the Income Tax Ordinance, 2001.

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Notes to the accounts

| Notes | Rupees Dec-15 | Rupees Jun-15 |
|-------|------------------|------------------|
|-------|------------------|------------------|

10 LONG TERM ADVANCES & DEPOSITS

| | | |
|--------------------|----------------|----------------|
| Long term deposits | 506,000 | 504,000 |
| | <u>506,000</u> | <u>504,000</u> |

11 TRADE RECEIVABLES

Unsecured - considered good
- from clients

| | | |
|--|-------------------|-------------------|
| | 83,588,493 | 91,966,543 |
| | <u>83,588,493</u> | <u>91,966,543</u> |

12 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

| | | |
|--------------------|-------------------|-------------------|
| Deposits | 30,065,109 | 24,316,939 |
| Advance Income tax | 8,363,341 | 6,781,888 |
| Advance to staff | 165,000 | 193,000 |
| | <u>38,593,450</u> | <u>31,291,827</u> |

13 SHORT TERM INVESTMENTS

Investments at fair values through profit & loss

Listed equity securities

| | | |
|---|----------|----------|
| Securities at cost | - | - |
| Unrealized gain / (loss) as a result of remeasurement at market value - net | - | - |
| | <u>-</u> | <u>-</u> |

14 CASH & BANK BALANCES

| | | |
|--------------------|-------------------|------------------|
| Cash in hand | 1,335 | 10,000 |
| Cash at bank | | |
| - current accounts | - | 15,833 |
| - savings accounts | 12,761,999 | 6,419,586 |
| | <u>12,763,334</u> | <u>6,445,419</u> |

Investment Managers Securities (Private) Limited
Notes to the accounts

| Notes | Rupees Dec-15 | Rupees Jun-15 |
|-------|------------------|------------------|
|-------|------------------|------------------|

15 ISSUED, SUBSCRIBED & PAID-UP-CAPITAL

Ordinary shares of Rs. 10 /- each

| | | | |
|-------------------|---|--------------------|--------------------|
| 11,000,400 | Ordinary shares of Rs. 10 each fully paid in cash | 110,004,000 | 110,004,000 |
| 9,000,000 | Ordinary shares of Rs. 10 each issued for consideration other than in cash. | 90,000,000 | - |
| | | - | 90,000,000 |
| 20,000,400 | | 200,004,000 | 200,004,000 |

- 15.1** The shareholders are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the company. All shares carry "one vote" per share without restriction.

16 SHORT TERM RUNNING FINANCE - SECURED

| | | | |
|------------------------|-------------|---|------------------|
| From banking companies | 16.1 | - | 3,727,968 |
|------------------------|-------------|---|------------------|

17 ACCRUED EXPENSES & OTHER LIABILITIES

| | | |
|-----------------------------|------------------|------------------|
| Accrued expenses | 32,302 | 685,454 |
| Worker welfare fund payable | 94,776 | 94,776 |
| Other liabilities | 1,406,859 | 174,425 |
| Provision for taxation | 577,014 | 577,014 |
| | 2,110,951 | 1,531,669 |

17 (a) CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitment during the year. (2014 : Nil)

Investment Managers Securities (Private) Limited

Notes to the accounts

| | Notes | Rupees Dec-15 | Rupees Jun-15 |
|--|--------------|--------------------------|--------------------------|
| 18 <u>OPERATING REVENUE</u> | | | |
| Brokerage commission | | 7,867,427 | 12,919,842 |
| Dividend income | | 881,624 | 1,202,215 |
| | | 8,749,051 | 14,122,057 |
| 19 <u>ADMINISTRATIVE EXPENSES</u> | | | |
| Salaries and Benefits | | 1,894,352 | 10,162,088 |
| Rent, rates and taxes | | 265,600 | 410,600 |
| Repair and maintenance | | 517,600 | 436,580 |
| Telephone and mobile | | 112,539 | 169,729 |
| CDC charges | | 73,571 | 88,867 |
| KSE service charges | | 955,936 | 1,859,970 |
| SECP charges | | 88,553 | 179,022 |
| Electricity | | 143,363 | 242,872 |
| Internet Expense | | 70,800 | 148,920 |
| KWSB Charges | | 9,600 | 17,820 |
| Software expense | | 60,900 | 93,375 |
| Travelling and Conveyance | | 61,080 | 102,000 |
| Entertainment | | 218,570 | 893,230 |
| Fee and Subscription | | 15,800 | 67,175 |
| Postage | | 1,640 | 15,270 |
| Printing and stationery | | 20,550 | 71,505 |
| Vehicle running expense | | - | 310,275 |
| Generator Expense | | - | 26,406 |
| Audit Fees | | 84,200 | 105,000 |
| Misc. Expense | | 134,005 | 305,008 |
| Depreciation | | 102,879 | 150,586 |
| | | 4,831,538 | 15,856,298 |
| 20 <u>FINANCIAL CHARGES</u> | | | |
| Mark up on short term running finance | | - | - |
| Bank charges | | 7,034 | 13,842 |
| | | 7,034 | 13,842 |
| 21 <u>OTHER INCOME</u> | | | |
| From financial assets | | | |
| Profit on bank deposit | | 514,852 | 2,056,554 |
| Profit on deposits against KSE exposure | | 370,933 | - |
| Other income | | - | 466,791 |
| Cost recoveries | | 153,531 | - |
| | | 1,039,316 | 2,523,345 |
| From non-financial assets | | | |
| Rental income | | - | - |
| | | 1,039,316 | 2,523,345 |

Investment Managers Securities (Private) Limited
Notes to the accounts

| Notes | Rupees Dec-15 | Rupees Jun-15 |
|-------|------------------|------------------|
|-------|------------------|------------------|

22 TAXATION

| | | |
|----------------------|----------|------------------|
| Current-for the year | - | (577,014) |
| -prior year | | (94,574) |
| | <u>-</u> | <u>(671,588)</u> |

22.1 Income tax returns of the company have been finalized upto and including the tax year 2014, which are deemed to be assessment order under provisions of Income Tax Ordinance, 2001.

23 EARNINGS / (LOSS) PER SHARE- BASIC & DILUTED

| | | |
|--|-------------|-------------|
| Profit / (loss) after taxation | 4,949,795 | 694,441 |
| Weighted average number of shares at the end of the year | 20,000,400 | 20,000,400 |
| | <u>0.25</u> | <u>0.03</u> |

24 REMUNERATION OF DIRECTORS AND CHIEF EXECUTIVE

| | Dec-15 | | Jun-15 | |
|---------------------|----------------|-----------------|----------------|-----------------|
| | Directors | Chief Executive | Directors | Chief Executive |
| Remuneration | <u>600,000</u> | <u>600,000</u> | <u>600,000</u> | <u>600,000</u> |
| Number of person(s) | <u>1</u> | <u>1</u> | <u>1</u> | <u>1</u> |