



BAKER TILLY
MEHMOOD IDREES
QAMAR
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **HIGH LAND SECURITIES (PRIVATE) LIMITED** (the Company) as at **30 June 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 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, the requirements of the Companies Ordinance, 1984 and the Securities Brokers (Licensing and Operations) Regulations 2016. 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 Securities Brokers (Licensing and Operations) Regulations 2016 and 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 Securities Brokers (Licensing and Operations) Regulations 2016 and 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;
- 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 approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance, 1984 and the Securities Brokers (Licensing and Operations) Regulations 2016, 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 2017 and of the loss, its comprehensive loss, 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 (XVIII of 1980).



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OTHER MATTERS

- a) The financial statements for the year ended 30 June 2016 were audited by another firm of Chartered Accountants whose audit report dated 23 August 2016 expressed an unqualified opinion thereon.
- b) In accordance with the requirements of the Securities Brokers (Licensing and Operations) Regulations 2016, we report on the following matters:
- The Company has maintained throughout the financial year systems adequate to enable us to identify with reasonable accuracy the assets held on behalf of customers and distinguish such assets from the proprietary assets of the Company;
 - The Company was in compliance with the requirements of Section 78 of the Securities Act, 2015 and the relevant requirements of those regulations at the date on which the balance sheet is prepared;
 - Internal control system and compliance function commensurate with the size and nature of services performed by the Company was implemented during the year; and
 - The compliance officer performed its function with efficiency during the year.

Baker Tilly M
Baker Tilly Mehmoood Idrees Qamar
Chartered Accountants



Engagement Partner: Siraj Ahmad
Date: 3 October 2017
Place: Islamabad

HIGH LAND SECURITIES (PRIVATE) LIMITED

Balance Sheet

As at 30 June, 2017

	Note	2017 Rupees	2016 Rupees
Non-Current Assets			
Fixed assets			
Property and equipment	6	5,284,084	5,589,284
Intangible asset	7	4,000,000	4,000,000
Long term investments	8	9,638,195	9,638,195
Long term deposits	9	1,587,500	871,000
		20,509,779	20,098,479
Current Assets			
Trade debts - net	10	1,410,615	2,021,136
Advances and prepayments		-	2,116,825
Deposits and other receivables	11	2,471,279	2,957,368
Income tax - net	12	488,850	-
Short term investments	13	1,133,910	1,660,260
Cash and bank balances	14	4,339,836	1,672,099
		9,844,490	10,427,688
		30,354,268	30,526,167
Equity and Liabilities			
Share capital	15	25,000,000	25,000,000
Unappropriated (loss)/profit		(2,605,639)	655,599
Total equity		22,394,361	25,655,599
Advance against issue of shares		3,650,000	3,650,000
		26,044,361	29,305,599
Non-Current Liabilities		-	-
Current Liabilities			
Trade and other payables	16	4,309,907	1,178,960
Provision for taxation		-	41,607
		4,309,907	1,220,567
Contingencies and commitments	17	30,354,268	30,526,166

The annexed notes 1 to 29 form an integral part of these financial statements.

Lahore:

Chief Executive



Director

HIGH LAND SECURITIES (PRIVATE) LIMITED

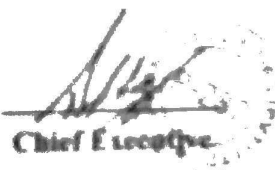
Profit and Loss Account

For the Year ended 30 June 2017

	Note	2017 Rupees	2016 Rupees
Revenue			
Revenue	18	1,025,097	1,945,221
		<u>1,025,097</u>	<u>1,945,221</u>
Operating and administrative expenses	19	(4,773,670)	(2,264,744)
Loss from operation		<u>(3,748,573)</u>	<u>(319,523)</u>
Financial charges	20	(5,640)	(18,965)
Other income	21	503,226	137,239
Loss before taxation		<u>(3,250,987)</u>	<u>(201,249)</u>
Taxation	22	(10,251)	(41,607)
Loss after taxation		<u>(3,261,238)</u>	<u>(242,856)</u>

The annexed notes 1 to 29 form an integral part of these financial statements.

Signature


Chief Executive


Director


HIGH LAND SECURITIES (PRIVATE) LIMITED

Statement of Comprehensive Income

For the year ended 30 June 2017

	2017 Rupees	2016 Rupees
Loss for the year	(3,261,238)	(242,856)
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be reclassified subsequently to profit or loss	-	-
Total comprehensive loss for the year	(3,261,238)	(242,856)

The annexed notes 1 to 29 form an integral part of these financial statements.


Chief Executive


Director

HIGH LAND SECURITIES (PRIVATE) LIMITED

Cash Flow Statement

For the Year Ended 30 June, 2017

	Note	2017 Rupees	2016 Rupees
Cash flows from operating activities		(3,250,987)	(201,249)
Loss before taxation			
Adjustments for non cash items:			
Depreciation		346,538	333,822
Provision for doubtful debts		994,483	-
Loss on sale of fixed asset		2,862	-
Financial charges		5,640	18,965
		1,349,523	352,787
		(1,901,464)	151,538
Operating profit before working capital changes			
Changes in operating assets and liabilities			
(Increase)/decrease in:			
Trade debts - net		(383,962)	4,362,125
Advances and prepayments		2,116,825	(1,578,900)
Deposits and other receivables		486,089	-
Short term investments		526,351	(1,660,260)
Trade and other payables		3,130,947	(1,314,904)
		5,876,250	(191,939)
		3,974,785	(40,401)
Cash utilized in operations			
Financial charges paid		(5,640)	(18,965)
Taxes paid		(540,708)	(27,998)
		(546,348)	(46,963)
		3,428,437	(87,364)
Net cash used in operating activities			
Cash flows from investing activities			
Purchase of Assets		(44,200)	(15,800)
Sale of fixed assets		-	-
Long term deposits		(716,500)	-
		(760,700)	(15,800)
Net cash used in investing activities			
Cash flows from financing activities			
Advance against issue of shares		-	3,650,000
Loan from Directors		-	(2,500,000)
		-	1,150,000
Net cash generated from financing activities			
		2,667,737	1,046,836
Net increase in cash and cash equivalents		1,672,099	625,264
Cash and cash equivalents at the beginning of the year	9	4,339,836	1,672,099
Cash and cash equivalents at the end of the year			

The annexed notes 1 to 29 form an integral part of these financial statements.

Lahore:

Chief Executive

Director

HIGH LAND SECURITIES (PRIVATE) LIMITED

Statement of Changes in Equity
For the Year ended 30 June 2017

	Share capital Rupees	Revenue Reserve Unappropriated profit/ (Loss) Rupees	Total Rupees
Balance as at 01 July 2015	25,000,000	898,455	25,898,455
Net loss for the year ended 30 June 2015	-	(242,856)	(242,856)
Balance as at 30 June 2016	25,000,000	655,599	25,655,599
Balance as at 01st July, 2016	25,000,000	655,599	25,655,599
Net loss for the year ended 30 June, 2017	-	(3,261,218)	(3,261,218)
Balance as at 30th June, 2017	25,000,000	(2,605,619)	22,394,381

The annexed notes 1 to 29 form an integral part of these financial statements.

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Chief Executive


Director