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SUMMIT CAPITAL (PRIVATE) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Summit Capital (Private) Limited** (the Company) as at **31 December 2013** 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 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 account 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 together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except for the changes as stated in note 4.1 to the financial statements with which we concur;

  (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, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of the profit, 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.

Ernst & Young Ford Rhodes Sidat Hyder

Chartered Accountants

Engagement Partner: Shabbir Yunus

Date: 28 February 2014

Karachi

SUMMIT CAPITAL (PRIVATE) LIMITED
BALANCE SHEET
AS AT DECEMBER 31, 2013

	Note	2013	Restated Note 4.1 2012
		------- (Rupees in '000) -------	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	7	**55,156**	49,480
Long-term investment	8	**24,886**	24,886
Investment property	9	**21,314**	21,749
Long-term deposits	10	**2,587**	2,587
Deferred tax asset - net	11	**12,070**	14,141
		116,013	112,843
CURRENT ASSETS			
Trade debts	12	**42,198**	29,661
Short-term loans, deposits, prepayments and others	13	**20,536**	16,008
Accrued mark-up	14	**806**	329
Short-term investment	15	**12,976**	-
Advance tax - net		**17,327**	13,724
Cash and bank balances	16	**95,585**	101,277
		189,428	160,999
		305,441	273,842
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
50,000,000 (2012: 50,000,000) Ordinary shares of Rs.10 each		**500,000**	500,000
Issued, subscribed and paid-up capital	17	**300,000**	300,000
Accumulated loss		**(73,250)**	(88,061)
		226,750	211,939
CURRENT LIABILITIES			
Trade and other payables	18	**78,691**	61,903
		305,441	273,842

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Executive Officer

Director

SUMMIT CAPITAL (PRIVATE) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	2013	Restated Note 4.1 2012
		------- (Rupees in '000) -------	
Income			
Equity brokerage commission		37,011	20,541
Money market and forex brokerage commission		17,530	13,606
Commodity commission		28	1
Fee on distribution of open end units		-	19
Unrealised loss on revaluation of held-for-trading securities		(531)	-
Loss on sale of securities - net		(834)	28,409
Dividend income		22,609	-
Other income	19	17,102	24,677
		92,915	87,253
Expenditure			
Operating and administrative expenses	20	62,867	58,053
Workers welfare fund		439	-
Financial charges	21	8,090	4,398
		71,396	62,451
		21,519	24,802
Share of profit of an associate		-	1,128
Profit before taxation		21,519	25,930
Taxation - current		4,555	2,267
- deferred		2,071	6,678
		6,626	8,945
Profit after taxation		14,893	16,985

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Executive Officer

Director

SUMMIT CAPITAL (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2013

	2013	Restated Note 4.1 2012
	------- (Rupees in '000) -------	
Net profit for the year	**14,893**	16,985
Other comprehensive income - net		
Not to be reclassified to profit and loss account in subsequent periods		
Actuarial (loss) / gain on defined benefit plan	**(82)**	274
Total comprehensive income for the year	**14,811**	17,259

The annexed notes from 1 to 28 form an integral part of these financial statements.

Rahat S

Chief Executive Officer

Director

SUMMIT CAPITAL (PRIVATE) LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	2013	Restated Note 4.1 2012
		------- (Rupees in '000) -------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		21,519	25,675
Interest income on staff loan		(25)	(53)
		21,494	25,622
Adjustments for:			
Depreciation	7.1 & 9	3,998	3,883
Amortisation	7.2	307	449
Provision for leave encashment	18.2.1	396	473
Provision for gratuity	18.3.4	383	402
Unrealised loss on revaluation of held-for-trading securities		531	-
Loss on sale of securities - net		834	(28,409)
Share of profit in an associate		-	(1,128)
(Gain) / loss on sale of operating fixed assets	7.1.1	(64)	2,759
Operating fixed assets written off		25	2,085
Dividend income		(22,609)	-
Financial charges	21	8,090	4,398
		(8,109)	(15,088)
(Increase) / decrease in assets			
Trade debts		(12,537)	(12,995)
Short-term loans, deposits, prepayments and others		(4,528)	(84)
Accrued mark-up		(477)	6
Long-term deposits		-	504
		(17,542)	(12,569)
(Decrease) / increase in liabilities			
Trade and other payables		16,265	34,001
Accrued interest		-	(734)
		16,265	33,267
Cash generated from operations		12,108	31,232
Compensated absences paid		(337)	(162)
Income tax paid		(8,158)	(5,975)
Financial charges paid		(8,090)	(4,398)
Net cash used in / (generated from) operating activities		(4,477)	20,697
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(11,814)	(1,992)
Dividend received		22,609	-
Proceed from sale of tangible fixed assets		2,307	281
Short-term investments		(14,342)	58,447
Interest received on staff loan		25	53
Net cash used in / (generated from) investing activities		(1,215)	56,789
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term loan obtained		-	-
Long-term loan repaid		-	(18,000)
Net cash used in financing activities		-	(18,000)
Net increase in cash and cash equivalents		(5,692)	59,486
Cash and cash equivalents at beginning of the year		101,277	41,791
Cash and cash equivalents at the end of the year		95,585	101,277
Cash and cash equivalents			
Cash and bank balances	16	95,585	101,277

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Executive Officer

Director

SUMMIT CAPITAL (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

	Issued, subscribed and paid-up capital	Accumulated loss	Total
	----------------	(Rupees in '000)	----------------
Balance as at January 01, 2012 (as previously reported)	300,000	(105,105)	194,895
Effect of change in accounting policy as stated in note 4.1		(215)	(215)
Balance as at January 01, 2012 - Restated	300,000	(105,320)	194,680
Profit for the year	-	16,985	16,985
Other comprehensive income	-	274	274
Total comprehensive income for the year - Restated	-	17,259	17,259
Balance as at December 31, 2012 - Restated	300,000	(88,061)	211,939
Profit for the year	-	14,893	14,893
Other comprehensive loss	-	(82)	(82)
Total comprehensive income for the year	-	14,811	14,811
Balance as at December 31, 2013	**300,000**	**(73,250)**	**226,750**

The annexed notes from 1 to 28 form an integral part of these financial statements.

Rahat Sunr

Chief Executive Officer

Director

SUMMIT CAPITAL (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

1. THE COMPANY AND ITS OPERATIONS

Summit Capital (Private) Limited (the Company) is a private limited company, incorporated in Pakistan on March 08, 2006 under the Companies Ordinance, 1984. The Company is a corporate member / TREC holder of Karachi Stock Exchange Limited, Lahore Stock Exchange Limited, Islamabad Stock Exchange Limited and Pakistan Mercantile Exchange Limited. The principal activities of the Company are equity and money market brokerage, interbank foreign exchange brokerage, commodity brokerage, corporate advisory and consultancy services and distribution of open end units. The registered office of the Company is situated at 701-702, 7th Floor, Business and Finance Centre, Opposite State Bank of Pakistan, I.I. Chundrigar Road, Karachi. The Company is a wholly owned subsidiary of Summit Bank 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 the International Accounting Standards Board 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 PREPARATION

These financial statements have been prepared under the historical cost convention except for investments which are carried at fair value as referred to in note 4.7 below.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as follows:

4.1 New and amended standards and interpretations

The Company has adopted the following new and amended IFRS and related interpretations and improvements which became effective during the year:

IAS 1 – Presentation of Financial Statements – Presentation of items of other comprehensive income (Amendment)

IAS 19 – Employee Benefits – (Revised)

IFRS 7 – Financial Instruments: Disclosures – (Amendments)
– Amendments enhancing disclosures about offsetting of financial assets and financial liabilities

IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

Improvements to Accounting Standards Issued by the IASB

IAS 1 – Presentation of Financial Statements - Clarification of the requirements for comparative information

IAS 16 – Property, Plant and Equipment – Clarification of Servicing Equipment

IAS 32 – Financial Instruments: Presentation – Tax Effects of Distribution to Holders of Equity Instruments

IAS 34 – Interim Financial Reporting – Interim Financial Reporting and Segment Information for Total Assets and Liabilities

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations did not have any effect on the financial statements other than the amendments to IAS 19 'Employees Benefits' as described below:

Change in accounting policy relating to Defined Benefit Plan

Amendments to IAS 19 range from fundamental changes to simple clarification and re-wording. The significant changes include the following:

- For defined benefit plans, the ability to defer recognition of actuarial gains and losses (i.e., the corridor approach) has been removed. As revised, actuarial gains and losses are recognised in other comprehensive income when they occur. Amounts recorded in profit and loss are limited to current and past service costs, gains or losses on settlements, and net interest income (expense). All other changes in the net defined benefit asset (liability) are recognised in other comprehensive income with no subsequent recycling to profit and loss.

- The distinction between short-term and other long-term employee benefits will be based on the expected timing of settlement rather than the employee's entitlement to the benefits.

- Objectives for disclosures of defined benefit plans are explicitly stated in the revised standard, along with new or revised disclosure requirements. These new disclosures include quantitative information of the sensitivity of the defined benefit obligation to a reasonably possible change in each significant actuarial assumption.

This change in accounting policy has been accounted for retrospectively as required under International Accounting Standard - 8 'Accounting Policies, Changes in Accounting Estimates and Errors', and the comparative financial statements have been re-stated.

The effects of the retrospective application of the change in accounting policy are as follows:

	2013	2012
	------ (Rupees in '000) ------	
Decrease in the staff retirement gratuity	**(232)**	(314)
Decrease / (Increase) in opening accumulated loss	**314**	(215)
Increase in Profit and Loss Account	**-**	255
(Decrease) / increase in Other Comprehensive Income (OCI)	**(82)**	274
Net increase in equity	**232**	314

As the cumulative effect of the above change is not considered material, the third balance sheet as of January 01, 2012 has not been presented as part of these financial statements.

4.2 Operating fixed assets

These are stated at cost less accumulated depreciation and impairment, if any. Such costs include the cost of replacing parts of fixed assets when that cost is incurred. Maintenance and normal repairs are charged to income as and when incurred. Depreciation is charged to income over the useful life of the asset on a systematic basis applying the reducing balance method at the rates specified in note 7.1 to the financial statements.

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 exceed estimated recoverable amount, assets are written down to their estimated recoverable amount. Depreciation is charged from the month of purchase and no depreciation is charged from the month of disposal.

An item of fixed asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The assets' residual values, useful lives and methods are reviewed and adjusted, if appropriate at each financial year end.

Gains and losses on disposals, if any, of assets are included in income currently.

4.3 Intangible assets

These are stated at cost less accumulated amortisation and impairment, if any. Amortisation is charged over the useful life of the asset on a systematic basis to income applying the reducing balance method at the rate specified in note 7.2 to the financial statements. Amortisation is charged from the month of purchase and no amortisation is charged from the month of disposal.

Intangible assets with indefinite useful lives are not amortised. Instead they are tested for impairment at each balance sheet date whether these are in excess of their recoverable amounts, and where the carrying amount exceeds the estimated recoverable amount, the carrying amount is written down to the estimated recoverable amount.

Cost associated with maintaining assets are recognised as an expense in the period in which these are incurred.

Gains and losses on disposals, if any, of assets are included in income currently.

4.4 Investment property

Property held for long-term rental yield, or for capital appreciation or both is classified as investment property.

This is stated at cost less accumulated depreciation and impairment, if any. Maintenance and normal repairs are charged to income as and when incurred. Depreciation is charged to income over the useful life of the asset on a systematic basis applying the reducing balance method at the rates specified in note 8 to the financial statements.

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 exceed estimated recoverable amount, assets are written down to their estimated recoverable amount.

An item of investment property is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The assets' residual values, useful lives and methods are reviewed and adjusted, if appropriate, at each financial year end.

Gains and losses on disposals, if any, of assets are included in income currently.

4.5 Trade debts and other receivables

These are stated net of provision for doubtful debts. Full provision is made against the debts considered doubtful.

4.6 Investments

Investments are classified as either 'investments at fair value through profit or loss', 'held-to-maturity' investments or 'available-for-sale' investments, as appropriate.

When investments are recognised initially, these are measured at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction cost.

Investment at fair value through profit or loss

Investment classified as 'investment at fair value through profit or loss' are carried at fair value. Gain / loss on remeasurement of such investments to fair value is recognised in the profit and loss account.

Held-to-maturity investments

Investments with fixed or determinable payments and fixed maturities are classified as held-to-maturity where management has both the positive intent and ability to hold them to maturity. After initial measurement held-to-maturity investments are stated at amortised cost using the effective interest rate method, less impairment. Provision for impairment in value, if any, is charged to income.

Available-for-sale

Investments classified as available-for-sale are measured at fair value. Gains or losses on available-for-sale investments are recognised directly in equity until the investment is sold, derecognised or is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in income. Upon impairment, gain / loss including that had been previously recognised directly in equity, is included in the profit and loss account for the year.

The fair value of those investments representing listed equity and other securities i.e. debt instruments are determined on the basis of year-end bid prices obtained from stock exchange quotations.

The listed equity securities purchased and sold with a commitment to resell / repurchase are presented as a receivable or payable against repurchase transactions. The income from such transactions is presented as income from repurchase transactions of listed securities.

4.7 Derivatives

These are measured at their fair value. Derivatives with positive market values (unrealised gains) are included in other assets and derivatives with negative market values (unrealised losses) are included in other liabilities in the balance sheet. The resultant gains and losses are included in the profit and loss account.

4.8 Securities purchased / sold under resale / repurchase agreements

Transactions of purchase under resale (reverse-repo) of marketable securities including the securities purchased under continuous funding system are entered into at contracted rates for specified periods of time. Securities purchased with a corresponding commitment to resell at a specified future date (reverse-repos) are not recognised in the balance sheet. Amount paid under these agreements in respect of reverse repurchase transactions are included in assets. The difference between purchase and resale price is treated as income from reverse repurchase transactions in marketable transactions / continuous funding system and accrued over the life of the reverse repo agreement.

Transactions of sale under repurchase (repo) of marketable securities are entered into at contracted rates for specified periods of time. Securities sold with a simultaneous commitment to repurchase at a specified future date (repos) continue to be recognised in the balance sheet and are measured in accordance with accounting policies for investments. The counterparty liabilities for amounts received under these transactions are recorded as liabilities. The difference between sale and repurchase price is treated as borrowing charges and accrued over the life of the repo agreement.

4.9 Financial instruments

All the 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 Company loses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income currently.

4.10 Trade and settlement date accounting

All 'regular way' purchases and sales of financial assets are recognised on the trade date, i.e. the date on which commitment to purchase / sale is made by the Company. Regular way purchases or sales of financial assets are those, the contract for which requires delivery of assets within the time frame generally established by regulation or convention in the market place.

4.11 Off-setting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses arising from such assets and liabilities are also accordingly offset.

4.12 Revenue recognition

Brokerage, commission, consultancy and advisory fee are recognised as such services are rendered.

Income from placements is recognised on time proportion basis.

Fee on distribution of open end units is recognised as such services are rendered.

Income from capital gains is recognised as and when realised.

Mark-up income, return on bank deposits and balances and other revenues are recognised on accrual basis.

4.13 Taxation

Current

Provision for taxation is based on taxable income at the current rate of tax after taking into account applicable tax credits, rebates and exemptions available, if any, in accordance with income tax ordinance, 2001.

Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences arising between tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to the profit and loss account.

Deferred tax, if any, on revaluation of investments is recognised as an adjustment to surplus / deficit arising on revaluation.

4.14 Staff retirement benefits

Defined contribution plan

The Company operates a contributory provident fund for all its permanent employees and contributions are made monthly in accordance with the fund rules.

Defined benefit plan

The Company has adopted a staff gratuity scheme for management employees as described in note 18. Provision is made annually in accordance with actuarial recommendations using the Projected Unit Credit method.

The Company has adopted IAS 19 (revised) as mentioned in note 4.1. Actuarial gains or losses are recognised in other comprehensive income when they occur. Amounts recorded in profit and loss are limited to current and past service costs, gains or losses on settlements and net interest income (expense). Previously, actuarial gains or losses in excess of 10% of the present value of defined benefit obligation and fair value of plan assets, whichever was higher, were recognised over the expected average remaining working life of the employees in the profit and loss account.

4.15 Employee compensated absences

Employee entitlements to annual leaves are recognised when they accrue to employees. A provision is made for the estimated liability for annual leaves as a result of services rendered by employees upto the balance sheet date.

4.16 Cash and cash equivalents

Cash in hand and at banks is carried at cost. For the purposes of cash flow statement, cash and cash equivalents consist of cash in hand and bank balances.

4.17 Provisions

Provisions are recognised when the Company has the legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

4.18 Fiduciary assets

Assets held in trust or in a fiduciary capacity are not treated as assets of the Company and, accordingly, are not included in these financial statements.

5. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The estimates / judgments and associated assumptions used in the preparation of the financial statements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates / judgments and associated assumptions are reviewed on an ongoing basis. Revision to the accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The estimates, judgments and assumptions that have significant effect on the financial statements are as follows:

	Note
Provision for doubtful debts	4.5 & 13
Classification of investments	4.6
Useful lives of assets and methods of depreciation	4.2, 4.3, 4.4, 7.1, 7.2 & 8
Deferred taxation	4.13 & 10
Defined benefit plan	4.14 & 19.1

6. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or interpretation	Effective date (annual periods beginning on or after)
IAS 32 – Offsetting Financial Assets and Financial liabilities – (Amendment)	January 01, 2014
IAS 36 – Recoverable Amount for Non-Financial Assets – (Amendment)	January 01, 2014
IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting – (Amendment)	January 01, 2014
IFRIC 21 – Levies	January 01, 2014
IFAS 3 – Profit and Loss Sharing on Deposits	June 12, 2013

The Company expects that the adoption of the above revision, amendments and interpretation of the standards will not affect the Company's financial statements in the period of initial application.

Improvements to IFRS

In addition to the above amendments, improvements to various accounting standards have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after January 01, 2013. The Company expects that such improvements to the standards will not have any material impact on the Company's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

	IASB effective date (annual periods beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	January 01, 2015
IFRS 10 – Consolidated Financial Statements	January 01, 2013
IFRS 11 – Joint Arrangements	January 01, 2013
IFRS 12 – Disclosure of Interests in Other Entities	January 01, 2013
IFRS 13 – Fair Value Measurement	January 01, 2013

7. FIXED ASSETS

	Note	2013	2012
		------- (Rupees in '000) -------	
Operating fixed assets - tangible	7.1	45,775	39,792
Intangible assets	7.2	6,881	7,188
Capital work-in-progress	7.3	2,500	2,500
		55,156	49,480

7.1 Operating fixed assets - tangible

	2013							
	Cost			Accumulated depreciation				
	As at January 01, 2013	Additions / (disposals) / (written off) * / adjustments **	As at December 31, 2013	As at January 01, 2013	Charge for the year / (disposal) / (written off) *	As at December 31, 2013	Written down value as at December 31, 2013	Rate of Depreciation per annum
	------------	------------	------------	(Rupees in '000)	------------	------------		%
Stock exchange rooms	24,200	-	24,200	-	-	-	24,200	-
Leasehold improvements	1,240	-	1,240	520	72	592	648	10
Furniture and fittings	1,346	- - - 135 **	1,481	585	76 - - 135 **	796	685	10
Motor vehicles	13,552	11,372 (6,509) - (1) **	18,414	6,755	2,264 (4,266) - (1) **	4,752	13,662	20
Office equipment	3,408	- - - 563 **	3,971	1,450	196 - * - 563 **	2,209	1,762	10
Computer equipment	14,266	190 - (36) * 1,805 **	16,225	12,234	620 - (11) * 1,805 **	14,648	1,577	30
Electrical equipment	5,772	252 - - * 64 **	6,088	2,448	335 - - * 64 **	2,847	3,241	10
December 31, 2013	63,784	11,814 (6,509) (36) * 2,566 **	71,618	23,992	3,563 (4,266) (11) * 2,566 **	25,844	45,775	

	2012							
	Cost			Accumulated depreciation				
	As at January 01, 2012	Additions / (Disposals) / (written off) *	As at December 31, 2012	As at January 01, 2012	Charge for the year / (disposal) / (written off) *	As at December 31, 2012	Written down value as at December 31, 2012	Rate of Depreciation per annum %
	(Rupees in '000)							
Stock exchange rooms	22,800	1,400	24,200	-	-	-	24,200	-
Leasehold improvements	7,679	- (3,553) (2,886) *	1,240	3,092	175 (1,524) (1,223) *	520	720	10
Furniture and fittings	2,686	- (1,340)	1,346	1,089	103 (607)	585	761	10
Motor vehicles	13,552	-	13,552	5,056	1,699	6,755	6,797	20
Office equipment	3,466	- (58) *	3,408	1,272	218 (40) *	1,450	1,958	10
Computer equipment	15,804	102 (1,640) *	14,266	12,795	875 (1,436) *	12,234	2,032	30
Electrical equipment	5,942	490 (486) (174) *	5,772	2,384	369 (208) (97) *	2,448	3,324	10
December 31, 2012	71,929	1,992 (5,379) (4,758) *	63,784	25,688	3,439 (2,339) (2,796) *	23,992	39,792	

7.1.1 Disposal of operating fixed assets

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of Purchaser
	(Rupees in '000)						
Motor vehicles							
Honda City - 2007	901	(649)	252	252	-	Company Policy	Mr. Kamran K. Naqvi, Employee *
Suzuki Cultus - 2007	670	(479)	191	191	-	Company Policy	Mr. M. Muhammad Amjad Iqbal, Employee
Daihatsu Cuore - 2007	486	(348)	139	139	-	Company Policy	Mr. Fahad Sadiq, Employee
Daihatsu Cuore - 2007	487	(345)	141	141	-	Company Policy	Mr. Adnan Latif Khan, Employee *
Suzuki Cultus - 2008	700	(474)	226	226	-	Company Policy	Mr. M. Monis Farid, Employee *
Suzuki Cultus - 2008	801	(510)	291	291	-	Company Policy	Mr. Amir Saeed Bhatti, Employee
Suzuki Cultus - 2008	803	(506)	297	297	-	Company Policy	Mr. Muzammil Hussain, Employee *
Daihatsu Cuore - 2009	742	(393)	349	413	64	Company Policy	Mr. Muhammad Farhan, Employee
Daihatsu Cuore - 2009	719	(421)	298	298	-	Company Policy	Mr. Muhammad Zain ul Abedin, Employee
Honda CG 125 - 2007	75	(53)	21	21	-	Company Policy	Mr. Ayaz Aslam, Employee
Honda CG 125 - 2007	75	(53)	22	22	-	Company Policy	Mr. Hashim Khan Bhutta, Employee
Honda CD 70 - 2007	50	(34)	15	15	-	Company Policy	Mr. Leonard Gulzar, Employee
	6,509	(4,266)	2,243	2,307	64		

* These are key management personnel, related parties.

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7.2 Intangible assets

	2013							
	Cost			Accumulated amortisation				
	As at January 01, 2013	Additions / (Disposals)	As at December 31, 2013	As at January 01, 2013	Charge for the year / (written off) *	As at December 31, 2013	Written down value as at December 31, 2013	Rate of Amortisation per annum
	(Rupees in '000)							%
Computer software	5,359	- -	5,359	4,336	307 - *	4,643	716	30
Trading Rights Entitlement Certificate (TREC)	6,165	-	6,165	-	-	-	6,165	-
December 31, 2013	11,524	- -	11,524	4,336	307 - *	4,643	6,881	

	2012							
	Cost			Accumulated amortisation				
	As at January 01, 2012	Additions / written off * / Adjustment **	As at December 31, 2012	As at January 01, 2012	Charge for the year / (written off) *	As at December 31, 2012	Written down value as at December 31, 2012	Rate of Amortisation per annum
	(Rupees in '000)							%
Computer software	6,185	- (826)	5,359	4,591	449 (704) *	4,336	1,023	30
Trading Rights Entitlement Certificate (TREC)	31,051	(24,886) **	6,165	-	-	-	6,165	-
December 31, 2012	37,236	(24,886) ** (826) *	11,524	4,591	449 (704) *	4,336	7,188	

** see note 8

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	2013	2012
	------- (Rupees in '000) -------	
7.3 Capital work-in-progress		
Advance for office space / room paid to:		
- Pakistan Mercantile Exchange Limited	**2,500**	2,500
	2,500	2,500

8. LONG-TERM INVESTMENT

Available-for-sale - Unlisted Ordinary shares

Number of shares 2013	Number of shares 2012		2013	2012
			------- (Rupees in '000) -------	
4,007,383	4,007,383	Karachi Stock Exchange	**4,360**	4,360
843,975	843,975	Lahore Stock Exchange	**6,344**	6,344
3,034,603	3,034,603	Islamabad Stock Exchange	**14,182**	14,182
			24,886	24,886

8.1 Pursuant to the promulgation of the Stock Exchanges (Corporatisation, Demutualisation and Integration) Act, 2012 (the Act), the ownership in a stock exchange has been segregated from the right to trade on the exchange due to which the membership cards of the Karachi, Lahore and Islamabad Stock Exchange (KSE) have now been replaced with (a) Shares in the exchanges and (b) Trading Rights Entitlement Certificates (TREC).

The Company's entitlement in respect of the shares is determined on the basis of valuation of KSE, LSE and ISE as approved by the Securities and Exchange Commission of Pakistan (SECP), whereby the Company has been allotted 4,007,363 shares of the face value of Rs.10 against the membership of KSE, 843,975 shares of the face value of Rs.10 against the membership of LSE and 3,034,603 shares of the face value of Rs.10 against the membership of ISE. Forty per cent of the allotted shares have been received by the Company and the remaining 60% shares have been kept in a blocked CDC Account maintained at respective exchanges. Divestment of the blocked shares will be done in accordance with the Act, however, rights to the proceeds of the shares, bonus / dividends vests with the Company, while voting rights attached to these shares are suspended.

The accounting treatment for the exchange of membership card with TREC and shares of stock exchange has been determined on the basis of the guidance provided by The Institute of Chartered Accountants of Pakistan (ICAP) on queries raised by certain members of stock exchange. According to ICAP's guidance, the cost of assets received shall be measured at the carrying amount of the asset given up and no gain or loss shall arise on the exchange. Further, the guidance suggested that the allocation of the carrying value of a membership card between the assets (Shares and TREC) may be made using a basis which is considered reasonable by management.

Consequently, for the said allocation, the management has considered the share value, and notional values assigned to TRECs, for the purpose of Base Minimum Capital (BMC) by the KSE, LSE and ISE, vide their notices KSE/N-2863 dated December 18, 2013, No. 4143 dated July 31, 2013 and Circular 197 dated September 16, 2013 respectively. Hence, the existing cost of the membership card has been bifurcated in the light of above values and comparative figures have also been adjusted.

9. INVESTMENT PROPERTY

2013

	Cost			Accumulated depreciation				
	As at January 01, 2013	Additions / (disposals)	As at December 31, 2013	As at January 01, 2013	Charge for the year	As at December 31, 2013	Written down value as at December 31, 2013	Rate of depreciation per annum
		(Rupees in '000)						%
Residential premises	**23,500**	**-**	**23,500**	**1,751**	**435**	**2,186**	**21,314**	**2**

2012

	Cost			Accumulated depreciation				
	As at January 01, 2012	Additions / (disposals)	As at December 31, 2012	As at January 01, 2012	Charge for the year	As at December 31, 2012	Written down value as at December 31, 2012	Rate of depreciation per annum
		(Rupees in '000)						%
Residential premises	23,500	-	23,500	1,307	444	1,751	21,749	2

9.1 The investment property represents six flats located at Bhurban Heights, Bhurban. The fair value of above property was Rs.25.523 million as on December 12, 2013, determined as a result of a valuation by M/s. Smasco - an independent professional valuer.

10. LONG-TERM DEPOSITS

	Note	2013	2012
		------- (Rupees in '000) -------	
Long-term deposits - considered good	10.1	**2,587**	2,587

10.1 Long-term deposits - considered good

	Note	2013	2012
Security deposits	10.1.1	**2,587**	2,587

10.1.1 Represent deposits with:

	2013	2012
Karachi Stock Exchange Limited	**100**	100
Lahore Stock Exchange Limited	**520**	520
Central Depository Company of Pakistan Limited	**175**	175
National Clearing Company of Pakistan Limited	**400**	400
Pakistan Mercantile Exchange Limited	**850**	850
Pakistan Telecommunication Company Limited	**42**	42
Pakistan Mercantile Exchange Limited (Clearing House)	**500**	500
	2,587	2,587

11. DEFERRED TAX ASSET - net

	2013	2012
Deductible temporary differences arising on:		
Provision compensated absences	**491**	840
Unused tax losses	**11,518**	13,763
Minimum tax	**541**	345
Taxable temporary differences arising on:		
Accelerated depreciation for tax purposes	**(480)**	(807)
	12,070	14,141

11.1 The above net deferred tax asset has been recognised in accordance with the Company's accounting policy as stated in note 4.13. The management, based on the financial projections, estimates that sufficient taxable profits would be available in future against which this deferred tax asset could be

12. TRADE DEBTS

	Note	2013	2012
Considered good			
Due from clients in respect of securities transactions - secured	12.1	**20,816**	8,196
Commission receivable - unsecured		**2,464**	2,653
Considered doubtful			
Due from clients in respect of securities transactions - secured	12.2	**18,918**	18,812
Due from clients in respect of securities transactions - unsecured		**65,277**	71,070
		107,475	100,731
Less: Provision for doubtful debts	12.3	**65,277**	71,070
		42,198	29,661

12.1 Includes Rs.1.024 (2012: Rs.0.483) million due from the holding company.

12.2 These are secured against collateral having fair market value amounting to Rs.20.961 (2012: Rs.20.108) million.

	Note	2013	2012
		------- (Rupees in '000) -------	
12.3 Movement in provision for doubtful debts			
Opening balance		**71,070**	88,031
Reversal during the year		**(5,793)**	(16,961)
Closing balance		**65,277**	71,070

13. SHORT-TERM LOANS, DEPOSITS, PREPAYMENTS AND OTHERS

	Note	2013	2012
Short-term loans	13.1	**164**	301
Deposits and prepayments	13.2	**20,372**	9,325
Receivable from clearing house - unsecured		**-**	6,382
		20,536	16,008

13.1 Short-term loans

	Note	2013	2012
Current maturity of long-term loan - secured		**-**	-
Staff loans - unsecured	13.1.1		
- Executives		**-**	61
- Employees		**164**	240
		164	301

13.1.1 These loans represent loans to employees for domestic purposes under the terms of employment. These loans carry mark-up at the rate of 8% per annum. The maximum aggregate balance outstanding at the end of any month during the year from executives amounted to Rs.0.295 (2012: Rs.0.339) million.

13.2 Deposits and prepayments

	Note	2013	2012
Exposure deposits	13.2.1	**20,000**	8,996
Prepayments		**372**	329
		20,372	9,325

13.2.1 This represents exposure deposit held with the Karachi Stock Exchange Limited in respect of Karachi Future Market amounting to Rs.1.000 (2012: Rs.0.996) million and Karachi Regular Market amounting to Rs.19.000 (2012: Rs.8.000) million.

14. ACCRUED MARK-UP

	Note	2013	2012
On PLS savings accounts	14.1	**806**	329

14.1 It includes profit amounting to Rs.0.806 (2012: Rs.0.329) million receivable from a related party.

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	Note	2013	2012
		------- (Rupees in '000) -------	
15. SHORT-TERM INVESTMENT			
At fair value through profit or loss - held-for-trading			
Listed Ordinary shares	15.1	12,976	-

15.1 Particulars of investment in listed Ordinary shares

2013	2012	Face value per share (Rupees)	Name of company	Cost	2013	2012
(Number of shares)					------ (Rupees in '000) ------ Market Value	
6,000	-	10	Attock Refinery Limited	1,429	1,246	-
25,500	-	10	D.G Khan Cement Company Limited	2,159	2,186	-
18,500	-	10	Engro Foods Limited	2,106	1,932	-
40,000	-	10	Fauji Cement Company Limited	663	638	-
100,000	-	10	Lafarage Pakistan Cement Limited	1,064	836	-
2,000	-	10	Lucky Cement Limited	606	600	-
14,000	-	10	Maple Leaf Cement Factory Limited	404	384	-
18,500	-	10	Nishat Chunian Limited	1,107	1,114	-
5,000	-	10	Oil & Gas Development Company Ltd.	1,400	1,382	-
8,000	-	10	Pakistan State Oil Limited	2,569	2,658	-
				13,507	12,976	-

16. CASH AND BANK BALANCES

	Note	2013	2012
Cash in hand		5	13
Cash with banks:			
- Current accounts	16.1	76	62
- PLS savings accounts	16.2	95,504	101,202
		95,585	101,277

16.1 Included herein Rs.0.032 (2012: Rs.0.032) million maintained with the holding company.

16.2 This carries profit at rates ranging from 9% to 10% (2011: 9.5% to 11%) per annum and includes aggregate balance of Rs.95.444 (2012: Rs.101.058) million maintained with the holding company.

17. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

		2013	2012
30,000,000 Ordinary shares of Rs.10 each issued for consideration other than cash		300,000	300,000

18. TRADE AND OTHER PAYABLES

	Note	2013	2012 Restated
Due to clients in respect of securities transactions		61,349	57,327
Deposit from employees against vehicles	18.1	300	812
Accrued liabilities	18.2	4,930	4,009
Workers' Welfare Fund		439	-
Payable against purchase of securities to clearing house		11,673	-
Payable to Staff Gratuity Fund (a related party)	18.3	-	(314)
Others		-	69
		78,691	61,903

18.1 These represent vehicle deposits from employees under Company's policy. Deposits amounting to Rs.0.257 (2012: Rs.0.507) million have been received from executives.

18.2 These include provision for staff compensated absences amounting to Rs.2.444 (2012: Rs.2.385) million.

18.2.1 Provision for staff compensated absences

	2013	2012
Opening balance	2,385	2,074
Charge for the year	396	473
Encashment during the year	(337)	(162)
Closing balance	2,444	2,385

18.3 Gratuity payable - defined benefit plan

18.3.1 General description

The Company has a gratuity scheme that has been recognised by the Income Tax Authorities under Part III of Sixth Schedule to the Income Tax Ordinance, 2001 on November 03, 2007. The trust deed for the scheme has been duly executed on July 12, 2007.

The cost of providing benefits under each gratuity scheme is determined using the Projected Unit Credit method, with actuarial valuation being carried out as at balance sheet date. The latest valuation was carried out as at December 31, 2013.

	2013	Restated 2012
	------- (Rupees in '000) -------	
18.3.2 Principal actuarial assumption		
The following principal assumptions were used for the valuation:		
Estimated rate of increase in salary of the employees - percent, per annum (%)	**12.50**	11.50
Expected rate of return on plan assets - percent, per annum (%)	**12.50**	10.00
Discount rate - per annum (%)	**12.50**	11.50
18.3.3 Reconciliation of payable to / (receivable from) defined benefit plan		
Present value of defined benefit obligation	**3,911**	3,604
Fair value of plan assets	**(5,072)**	(5,079)
Receivable from Summit Bank Limited - Staff Gratuity Fund	**(3,036)**	(3,036)
Payable to Summit Bank Limited - Staff Gratuity Fund	**4,197**	4,197
Liability recognised in balance sheet	**-**	(314)
18.3.4 Movement in payable to defined benefit plan		
Opening balance	**(314)**	973
Charge for the year	**383**	402
Other Comprehensive Income (OCI)	**82**	(274)
Contributions paid to the fund during the year	**(151)**	(1,415)
Closing balance	**-**	(314)
18.3.5 Expense recognised in the profit and loss account		
Current service cost	**590**	513
Interest cost	**(207)**	(111)
Actuarial (gains) / losses recognised	**-**	-
	383	402

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	Note	2013	2012
		------- (Rupees in '000) -------	
19. OTHER INCOME			
Income from financial assets			
Profit on bank accounts and term deposit receipts		**6,634**	4,775
Profit on cash margins		**1,786**	1,611
Mark-up on loans and outstanding balance		**1,736**	53
Reversal of provision against doubtful debts		**5,793**	16,961
Other commission income		**75**	156
Income from non financial assets			
Rental income		**901**	579
Gain on sale of operating fixed assets	7.1.1	**64**	-
Others		**113**	542
		17,102	24,677

20. OPERATING AND ADMINISTRATIVE EXPENSES

	Note	2013	2012
Salaries and benefits	20.1	**36,914**	29,374
KSE clearing house and CDC charges		**3,415**	2,294
Depreciation	7.1 & 9	**3,998**	3,884
Loss on sale of operating fixed assets	7.1.1	**-**	2,759
Amortisation	7.2	**307**	449
Stamps and fees expense		**33**	37
Telephone, fax and postage		**3,711**	3,660
Rent, rates and taxes		**2,160**	2,724
Fees and subscription		**546**	384
Vehicle running expense		**2,250**	2,056
Repairs and maintenance		**1,720**	1,861
Utilities		**2,952**	2,326
Printing and stationery		**462**	400
Travelling expense		**578**	611
Legal and professional charges		**601**	360
Entertainment		**1,094**	855
Auditors' remuneration	20.2	**711**	584
Insurance		**1,138**	1,119
Operating fixed assets written off		**25**	2,085
Miscellaneous		**252**	231
		62,867	58,053

20.1 This includes an amount of Rs.1.642 (2012: Rs.1.192) million in respect of employees provident fund contribution and Rs.0.383 (2012: Rs.0.657) million in respect of gratuity.

20.2 Provident Fund (the Fund) Disclosures

The following information is based on the latest audited financial statements of the Fund:

	Audited	
	June 30, 2013	June 30, 2012
	------ (Rupees in '000) ------	
Size of the Fund - total assets	**10,185**	12,298
Cost of investment made - mutual funds only	**66**	61
Fair value of investments - mutual funds only	**94**	66
Percentage of investment made	**0.93%**	0.54%

20.3 The investments out of provident fund have been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

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20.4 Auditors' remuneration

	2013	2012
	------- (Rupees in '000) -------	
Audit fee	**225**	200
Other certifications	**149**	155
Taxation	**261**	164
Out of pocket expenses	**76**	65
	711	584

21. FINANCIAL CHARGES

	2013	2012
Mark-up on:		
Long-term loan	**-**	2,034
Repo borrowing	**8,026**	2,254
Bank charges	**64**	110
	8,090	4,398

22. REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVES

	2013		2012	
	Chief Executive	Executives	Chief Executive	Executives
	-------------------- (Rupees in '000) --------------------			
Managerial remuneration	**2,089**	**7,314**	1,856	4,769
Housing and utilities	**1,149**	**4,003**	1,021	2,786
Medical	**-**	**285**	-	180
Retirement benefits	**209**	**812**	155	397
Others	**630**	**4,324**	572	1,833
	4,077	**16,738**	3,604	9,965
	1	**10**	1	6

22.1 In addition to the above, chief executive and executives have been provided with free use of Company maintained vehicles under the service contracts.

23. RELATED PARTY TRANSACTIONS

The related parties comprise holding company, related group companies, staff retirement funds, directors and key management personnel. Transactions with related parties, other than remuneration and benefits to key management personnel under the terms of their employment, are as follows:

	2013	2012
	------- (Rupees in '000) -------	
Holding Company - Summit Bank Limited		
Equity brokerage income	**5,129**	1,196
Money market and forex brokerage income	**569**	610
Services rendered	**-**	-
Profit on bank accounts	**6,619**	4,686
Financial charges paid	**8,087**	4,393
Repo borrowing	**175,000**	-
Repo borrowing repaid	**(175,000)**	-
Rent paid	**1,800**	1,350
Repayment of long-term loan	**-**	18,000
Shares purchased from holding company	**-**	501,870
Shares sold to holding company	**10,551**	503,876
Equity and PMEX brokerage income - Directors, key management personnel	**90**	9

23.1 The outstanding balances of related parties are included in their respective notes to the financial statements.

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Company's financial instruments are credit risk, liquidity risk, foreign currency risk, interest rate risk and equity price risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

24.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is exposed to credit risk on long-term deposits, trade debts, advances, deposits, other receivables, investments and bank balances. The Company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. The maximum exposure to credit risk at the reporting date is:

	2013	2012
	------ (Rupees in '000) ------	
Long-term deposits	**2,587**	2,587
Trade debts	**42,198**	29,661
Short-term loans, deposits and prepayments	**20,536**	16,008
Accrued mark-up	**329**	329
Bank balances	**95,580**	101,264
	161,230	149,849

Quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or the historical information about counter party default rates as shown below:

24.1.1 Trade debts

Customers with no defaults in the past one year	**42,198**	29,661
Customers with some defaults in past one year which have been fully recovered	**-**	-
	42,198	29,661

24.1.1.1 The ageing of trade debts at December 31 is as follows:

Neither past due nor impaired	**22,026**	14,675
Past due but not impaired		
- within 90 days	**1,254**	2,250
- 91 to 180 days	**-**	284
- over 180 days	**18,918**	18,834
	42,198	36,043

24.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company applies the prudent risk management policies by maintaining sufficient cash and bank balances and by keeping committed credit lines. The table below summarises the maturity profile of the Company's financial liabilities at the following reporting dates.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	5 years	Total
	----------	----------	----------	(Rupees in '000)	----------	----------
Trade and other payables	**78,690**	-	-	-	-	**78,690**
2013	**78,690**	-	-	-	-	**78,690**

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	5 years	Total
	----------	----------	----------	(Rupees in '000)	----------	----------
Trade and other payables	61,903	-	-	-	-	61,903
2012	61,903	-	-	-	-	61,903

24.3 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company currently has no exposure to the risk of changes in market interest rates.

24.4 Capital management

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholder value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

24.5 Fair value of financial instruments

The carrying value of all financial assets and liabilities reflected in the financial statements approximates their fair value.

24.6 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices in active markets for identical assets.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	2013			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Assets measured at fair value				
At fair value through profit or loss - held-for-trading				
Equity securities	12,976	-	-	12,976
Available-for-sale				
Equity securities	-	-	24,886	24,886
	12,976	-	24,886	37,862

	2012			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Assets measured at fair value				
At fair value through profit or loss - held-for-trading				
Equity securities	-	-	-	-
Available-for-sale				
Equity securities	-	-	24,886	24,886
	-	-	24,886	24,886

25. NUMBER OF EMPLOYEES

The number of employees as at December 31, 2013 were 49 (December 31, 2012: 53) and average number of emplyees are 51 (December 31, 2012: 50)

27. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue in the Board of Directors meeting held on 28 FEB 2014

28. GENERAL

Figures have been rounded off to the nearest thousand rupees.

Chief Executive Officer

Director