

ASSURANCE DEPARTMENT

BMA CAPITAL MANAGEMENT LIMITED
UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed unconsolidated balance sheet of **BMA Capital Management Limited (the Company)** as at June 30, 2016 and the related unconsolidated profit and loss account, unconsolidated statement of comprehensive income, unconsolidated statement of cash flows and unconsolidated 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 as applicable in Pakistan and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.


We conduct 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 unconsolidated balance sheet and unconsolidated 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;
 - 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 unconsolidated balance sheet, unconsolidated profit and loss account, unconsolidated statement of comprehensive income, unconsolidated statement of cash flows, and unconsolidated statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2016 and of the profit, its comprehensive income, 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

Other matters

The unconsolidated financial statements of the Company for the year ended June 30, 2015 were audited by another firm of Chartered Accountants who expressed an unmodified opinion on the unconsolidated financial statements of the Company for the year ended June 30, 2015 vide their audit report dated November 13, 2015.

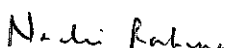

Chartered Accountants
Karachi
Dated: 30 SEP 2016

Engagement Partner: Adnan Zaman

BMA CAPITAL MANAGEMENT LIMITED
UNCONSOLIDATED BALANCE SHEET
AS AT JUNE 30, 2016

	Note	30-Jun-16 Rupees	30-Jun-15 Rupees
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital 10,000,000 (June 30, 2015: 10,000,000)		<u>100,000,000</u>	<u>100,000,000</u>
Ordinary shares of Rs. 10 each			
Issued, subscribed and paid up capital 6,600,000 (June 30, 2015: 6,600,000)	5	66,000,000	66,000,000
Ordinary shares of Rs. 10 each			
Share premium		370,760,000	370,760,000
General reserve		54,500,000	54,500,000
Unappropriated profit		52,171,198	140,386,803
Total shareholder's equity		<u>543,431,198</u>	<u>631,646,803</u>
LIABILITIES			
Non-current liabilities			
Liabilities against assets subject to finance lease	6	46,785,358	16,443,510
Deferred tax	7	-	13,286,078
Deferred liability	8	266,668	113,334
Long term loan	9	100,000,000	-
		147,052,026	29,842,922
Current liabilities			
Current portion of liabilities against assets subject to finance lease	6	16,341,097	10,853,403
Short term running finance under mark up arrangement - secured	10	293,939,122	673,737,800
Creditors, accrued and other liabilities	11	508,132,487	554,822,210
		818,412,706	1,239,413,413
Contingencies and commitments	12		
Total Equity and Liabilities		<u>1,508,895,930</u>	<u>1,900,903,138</u>
ASSETS			
Non current assets			
Property and equipment	13	102,460,973	72,429,786
Intangible assets	14	3,051,098	2,172,819
Long term investments	15	171,000,000	171,000,000
Long term advances - unsecured (considered good)	16	2,500,000	2,500,000
Long term deposits	17	10,877,898	6,142,948
Deferred tax	7	6,635,407	-
		296,525,376	254,245,553
Current Assets			
Receivables from customers	18	129,076,713	122,720,082
Advances - unsecured (considered good)		1,046,947	1,101,625
Deposits and prepayments	19	293,512,702	737,191,907
Receivables from related parties	20	6,799,121	6,043,444
Other receivables	21	11,528,464	10,541,067
Short term investments	22	136,738,016	246,218,848
Taxation - net	23	79,278,614	65,633,380
Cash and bank balances	24	554,389,977	457,207,232
		1,212,370,554	1,546,657,585
Total Assets		<u>1,508,895,930</u>	<u>1,900,903,138</u>

The annexed notes from 1 to 39 form an integral part of these unconsolidated financial statements.


 Chief Executive


 Director

BMA CAPITAL MANAGEMENT LIMITED
UNCONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2016

	Note	30-Jun-16 Rupees	30-Jun-15 Rupees
Operating revenue	25	528,033,179	462,029,005
Income from quoted securities	26	17,563,108	32,785,128
Dividend income from subsidiaries		105,000,000	-
Income from clients on margin finance		2,166,150	-
Unrealized (loss) / gain on remeasurement of Investment carried at fair value through profit or loss		(60,306,640)	81,740,352
		<u>592,455,797</u>	<u>576,554,485</u>
Administration and distribution expenses	27	(401,382,204)	(373,507,803)
Operating profit		<u>191,073,593</u>	<u>203,046,682</u>
Provision for sales tax on forex and others		(7,427,796)	-
Other operating charges	28	(3,412,930)	(5,278,992)
Financial charges	29	(62,617,038)	(45,230,491)
		<u>(73,457,764)</u>	<u>(50,509,483)</u>
		117,615,829	152,537,199
Other income	30	45,266,298	34,152,423
Profit before tax		<u>162,882,127</u>	<u>186,689,622</u>
Taxation - net	31	(24,097,732)	(58,797,083)
Profit after tax		<u><u>138,784,395</u></u>	<u><u>127,892,539</u></u>
Earnings per share - basic	32	<u><u>21.03</u></u>	<u><u>19.38</u></u>

The annexed notes from 1 to 39 form an integral part of these unconsolidated financial statements.

Nadi Rahman
Chief Executive


Director

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BMA CAPITAL MANAGEMENT LIMITED
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2016

	30-Jun-16 Rupees	30-Jun-15 Rupees
Profit after Tax	138,784,395	127,892,539
Other comprehensive income	-	-
Total comprehensive income	<u>138,784,395</u>	<u>127,892,539</u>

The annexed notes from 1 to 39 form an integral part of these unconsolidated financial statements.

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Nadi Rahun
Chief Executive



Director

BMA CAPITAL MANAGEMENT LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016

	30-Jun-16 Rupees	30-Jun-15 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	162,882,127	186,689,622
Adjustment for non-cash and other items:		
Depreciation	21,700,605	18,220,548
Amortisation	930,550	316,662
Deferred liability	266,668	680,000
Unrealised loss / (gain) on remeasurement of investments carried at fair value through profit or loss	60,306,640	(81,740,352)
Exchange gain	-	(68,860)
Balances written off	190,070	3,137,450
Gain on disposal of property and equipment	(12,098,505)	(4,206,080)
Capital gain on listed securities	(8,558,942)	(24,108,238)
Dividend income	(114,004,166)	(8,676,890)
Workers' welfare fund	3,412,930	3,809,992
Financial charges	62,617,038	45,230,491
	177,645,015	139,284,345
Decrease / (increase) in current assets		
Short-term investment	40,615,250	120,000,458
Receivable from customers	(6,356,631)	(14,950,519)
Advance	54,680	(220,151)
Deposit and Prepayments	443,679,205	(474,995,313)
Receivable from related party	(755,677)	(1,973,871)
Other receivables	(987,397)	(9,432,536)
	476,249,430	(381,571,932)
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	(50,102,653)	202,761,343
Deferred liability paid	(113,334)	(25,361,170)
Financial charges paid	(63,559,518)	(32,992,251)
Tax paid	(33,566,719)	(46,476,471)
Net cash generated from / (used in) operating activities	506,552,220	(144,356,136)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure made	(52,987,423)	(21,469,657)
Long term deposits received	(4,734,950)	515,625
Proceeds from disposal of property and equipment	19,888,779	10,232,567
Purchase of intangible assets	(1,808,400)	(540,000)
Dividend received	114,004,166	6,108,715
Net cash generated from / (used in) investing activities	74,362,172	(5,152,750)
CASH FLOW FROM FINANCING ACTIVITIES		
Lease rentals paid	(10,853,403)	(11,983,688)
Long term loan received	100,000,000	-
Dividend paid	(227,000,000)	(200,000,000)
Short term running finance - net	(345,878,244)	531,862,098
Net cash (used in) / generated from financing activities	(483,731,647)	319,878,410
Net increase in cash and cash equivalents	97,182,745	170,369,524
Cash and cash equivalents at beginning of the year	457,207,232	286,837,708
Cash and cash equivalents at end of the year	554,389,977	457,207,232

The annexed notes from 1 to 39 form an integral part of these unconsolidated financial statements.


Chief Executive


Director

BMA CAPITAL MANAGEMENT LIMITED
 UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED JUNE 30, 2016

	Issued, subscribed and paid-up capital	Reserves			Total reserves	Total
		Capital reserve	Revenue reserve			
		Share premium	General Reserve	Unappropriated profit		
(Rupees)						
Balance as at July 01, 2014	66,000,000	370,760,000	54,500,000	212,494,264	637,754,264	703,754,264
Total comprehensive income for the year	-	-	-	127,892,539	127,892,539	127,892,539
	<u>66,000,000</u>	<u>370,760,000</u>	<u>54,500,000</u>	<u>340,386,803</u>	<u>765,646,803</u>	<u>831,646,803</u>
Interim dividend @ 30.3 (Rs 10 per share) for the year ended June 30, 2015	-	-	-	(200,000,000)	(200,000,000)	(200,000,000)
Balance as at June 30, 2015	66,000,000	370,760,000	54,500,000	140,386,803	565,646,803	631,646,803
Total comprehensive income for the year	-	-	-	138,784,395	138,784,395	138,784,395
	<u>66,000,000</u>	<u>370,760,000</u>	<u>54,500,000</u>	<u>279,171,198</u>	<u>704,431,198</u>	<u>770,431,198</u>
Interim dividend @ 173% (Rs. 10 per share) for 2014 - 2015	-	-	-	(227,000,000)	(227,000,000)	(227,000,000)
Balance as at June 30, 2016	<u>66,000,000</u>	<u>370,760,000</u>	<u>54,500,000</u>	<u>52,171,198</u>	<u>477,431,198</u>	<u>543,431,198</u>

Nadeem Rahn
 Chief Executive

A. Iqbal
 Director