

# Assurance Department

BMA CAPITAL MANAGEMENT LIMITED  
UNCONSOLIDATED CONDENSED  
FINANCIAL STATEMENT FOR THE YEAR ENDED  
JUNE 30, 2017

## AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed unconsolidated balance sheet of **BMA Capital Management Limited (the Company)** as at June 30, 2017 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statements in conformity with the approved accounting standards as applicable in Pakistan and the requirements of the repealed Companies Ordinance, 1984.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- (a) in our opinion, proper books of account have been kept by the Company as required by the repealed Companies Ordinance, 1984;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and unconsolidated profit and loss account together with the notes thereon have been drawn up in conformity with the repealed Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;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 repealed Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2017 and of the profit, its comprehensive income, 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

A handwritten signature in blue ink, appearing to read "Adnan Zaman", is written over the printed text.  
Chartered Accountants  
Karachi  
Dated: 28 SEP 2017

Engagement Partner: Adnan Zaman

BMA CAPITAL MANAGEMENT LIMITED  
UNCONSOLIDATED BALANCE SHEET  
AS AT JUNE 30, 2017

	Note	30-Jun-17 Rupees	30-Jun-16 Rupees
<b>EQUITY AND LIABILITIES</b>			
Share capital and reserves			
Authorised share capital			
10,000,000 (June 30, 2016: 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, 2016: 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
Fair value adjustment on available for sale investment		38,763,828	
Unappropriated profit		315,883,100	52,171,198
Total shareholder's equity		<u>845,906,928</u>	<u>543,431,198</u>
<b>LIABILITIES</b>			
Non- current liabilities			
Liabilities against assets subject to finance lease	6	48,030,874	46,785,358
Deferred liability	8	-	266,668
Long term loan	9	75,000,000	100,000,000
		123,030,874	147,052,026
Current liabilities			
Current portion of liabilities against assets subject to finance lease	6	19,013,838	16,341,097
Current portion of long term loan	9	25,000,000	-
Short term loan - unsecured	10	500,000,000	-
Short term running finance under mark up arrangement - secured	11	814,855,499	293,939,122
Creditors against trading of shares and commodities		705,772,712	425,066,701
Creditors, accrued and other liabilities	12	128,400,480	83,065,786
		2,193,042,529	818,412,706
Contingencies and commitments	13		
Total Equity and Liabilities		<u>3,161,980,331</u>	<u>1,508,895,930</u>
<b>ASSETS</b>			
Non current assets			
Property and equipment	14	123,360,472	102,460,973
Intangible assets	15	2,773,158	3,051,098
Long term investments	16	194,163,827	171,000,000
Long term advances - unsecured (considered good)	17	2,500,000	2,500,000
Long term deposits	18	12,718,243	10,877,898
Deferred tax	7	-	6,635,407
		335,515,700	296,525,376
Current Assets			
Receivables from customers	19	646,963,421	129,076,713
Advances - unsecured (considered good)		673,619	1,046,947
Deposits and prepayments	20	969,380,614	293,512,702
Receivables from related parties	21	-	6,799,121
Other receivables	22	34,013,591	11,528,464
Short term investments	23	325,870,719	136,738,016
Taxation - net	24	135,028,257	79,278,614
Bank balances	25	714,534,410	554,389,977
		2,826,464,631	1,212,370,554
Total Assets		<u>3,161,980,331</u>	<u>1,508,895,930</u>

The annexed notes from 1 to 42 form an integral part of these unconsolidated financial statements.

*Nadi Rahma*  
Chief Executive

*Q. me*  
Director

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BMA CAPITAL MANAGEMENT LIMITED  
UNCONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2017

	Note	30-Jun-17 Rupees	30-Jun-16 Rupees
Operating revenue	26	803,310,654	528,033,179
Income from quoted securities	27	120,411,246	17,563,108
Dividend income from subsidiaries		5,000,000	105,000,000
Income from clients on margin finance		20,682,835	2,166,150
Unrealized (loss) / gain on remeasurement of investment carried at fair value through profit or loss		(10,044,976)	(60,306,640)
		<u>939,359,759</u>	<u>592,455,797</u>
Administration and distribution expenses	28	(599,548,788)	(401,382,204)
Operating profit		<u>339,810,971</u>	<u>191,073,593</u>
Provision for sales tax on forex and others		(7,115,068)	(7,427,796)
Other operating charges	29	(1,590,000)	(3,412,930)
Financial charges	30	(65,813,588)	(62,617,038)
		<u>(74,518,656)</u>	<u>(73,457,764)</u>
		265,292,315	117,615,829
Other income	31	70,539,882	45,266,298
Profit before tax		<u>335,832,197</u>	<u>162,882,127</u>
Taxation - net	32	(72,120,295)	(24,097,732)
Profit after tax		<u>263,711,902</u>	<u>138,784,395</u>
Earnings per share - basic	33	<u>39.96</u>	<u>21.03</u>

The annexed notes from 1 to 42 form an integral part of these unconsolidated financial statements.

Nadi Rahman  
Chief Executive

Ame  
Director

BMA CAPITAL MANAGEMENT LIMITED  
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2017

	30-Jun-17 Rupees	30-Jun-16 Rupees
Profit after Tax	263,711,902	138,784,395
Other comprehensive income		
Fair value adjustment-available for sale investment	38,763,828	-
Total comprehensive income	<u>302,475,730</u>	<u>138,784,395</u>

The annexed notes from 1 to 42 form an integral part of these unconsolidated financial statements.

Nishi Rohan  
Chief Executive

  
Director

BMA CAPITAL MANAGEMENT LIMITED  
UNCONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2017

	30-Jun-17 Rupees	30-Jun-16 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	335,832,197	162,882,127
Adjustment for non-cash and other items:		
Depreciation	22,435,468	21,700,605
Amortisation	759,098	930,550
Deferred liability	-	266,668
Unrealized loss on remeasurement of investments carried at fair value through profit or loss	10,044,976	60,306,640
Balances written off	3,977,809	-
Balances provided against debtors	5,000,000	190,070
Gain on disposal of property and equipment	(1,636,959)	(12,098,505)
Capital gain on securities	(116,723,709)	(8,558,942)
Dividend income	(8,687,537)	(114,004,166)
(Reversal) / provision for workers' welfare fund	(14,599,245)	3,412,930
Financial charges	65,813,588	62,617,038
	<u>302,215,686</u>	<u>177,645,015</u>
Decrease / (increase) in current assets		
Short-term investment	(199,177,679)	40,615,250
Receivable from customers	(526,864,517)	(6,356,631)
Advance	373,328	54,680
Deposit and Prepayments	(675,867,912)	443,679,205
Receivable from related party	6,799,121	(755,677)
Other receivables	(22,485,127)	(987,397)
	<u>(1,417,222,786)</u>	<u>476,249,430</u>
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	341,851,017	(50,102,653)
Deferred liability paid	(266,668)	(113,334)
Financial charges paid	(67,024,655)	(63,559,518)
Tax paid	(121,234,531)	(33,566,719)
Net cash generated from / (used in) operating activities	<u>(961,681,937)</u>	<u>506,552,220</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure made	(58,393,521)	(52,987,423)
Long term deposits paid	(1,840,345)	(4,734,950)
Proceeds from disposal of investments	132,323,710	-
Proceeds from disposal of property and equipment	16,695,513	19,888,779
Purchase of intangible assets	(481,158)	(1,808,400)
Dividend received	8,687,537	114,004,166
Net cash generated from / (used in) investing activities	<u>96,991,736</u>	<u>74,362,172</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Lease rentals paid (net of financing obtained)	3,918,257	(10,853,403)
Short term loan received	500,000,000	100,000,000
Dividend paid	-	(227,000,000)
Short term running finance - net	520,916,377	(345,878,244)
Net cash (used in) / generated from financing activities	<u>1,024,834,634</u>	<u>(483,731,647)</u>
Net increase in cash and cash equivalents	<u>160,144,433</u>	<u>97,182,745</u>
Cash and cash equivalents at beginning of the year	<u>554,389,977</u>	<u>457,207,232</u>
Cash and cash equivalents at end of the year	<u><u>714,534,410</u></u>	<u><u>554,389,977</u></u>

The annexed notes from 1 to 42 form an integral part of these unconsolidated financial statements.

Nadi Rahman  
Chief Executive

Ame  
Director

BMA CAPITAL MANAGEMENT LIMITED  
 UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE YEAR ENDED JUNE 30, 2017

	Issued, subscribed and paid-up capital	Reserves				Total reserves	Total
		Capital reserve	General Reserve	Revenue reserve	Unappropriated profit		
		Share premium		Fair value adjustment (Rupees)			
Balance as at July 01, 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
Interim dividend @173%(Rs.10 per share) for 2014 - 2015	66,000,000	370,760,000	54,500,000	-	279,171,198	704,431,198	770,431,198
Interim dividend for 2014 - 2015	-	-	-	-	(227,000,000)	(227,000,000)	(227,000,000)
Balance as at June 30, 2016	66,000,000	370,760,000	54,500,000	-	52,171,198	477,431,198	543,431,198
Profit after tax	-	-	-	-	263,711,902	263,711,902	263,711,902
Other comprehensive income	-	-	-	38,763,828	-	-	38,763,828
Balance as at June 30, 2017	66,000,000	370,760,000	54,500,000	38,763,828	315,883,100	741,143,100	845,906,928

*Nasir Rehman*  
 Chief Executive

*Ahmed*  
 Director

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