

**UNIVERSAL NETWORK SYSTEM
(PRIVATE) LIMITED**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2017**

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **UNIVERSAL NETWORK SYSTEMS (PRIVATE) LIMITED** ("the Company") as at **June 30, 2017** and the related profit and loss account, 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;
 - (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 loss, 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 affair as at June 30, 2017 and of the profit, 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.

Mazars M.F. & Co.
Mazars M.F. & Co.

Chartered Accountants

Engagement partner: Hussaini Fakhruddin

Karachi

Date: **05 OCT 2017**

UNIVERSAL NETWORK SYSTEMS (PRIVATE) LIMITED
BALANCE SHEET
AS AT JUNE 30, 2017

		2017	2016
	Note	----- (Rupees) -----	
Non-current assets			
Property and equipment	5	54,749,306	44,051,221
Intangibles	6	-	1,701,004
Long term deposits		11,185,637	11,558,989
Deferred taxation	12	1,805,137	4,619,109
		67,740,080	61,930,323
Current assets			
Trade debtors - unsecured and considered good		183,108,016	116,881,394
Stock in trade		3,917,091	2,419,202
Short term loans and advances	7	8,101,550	7,884,894
Short term deposits, prepayments and advance income tax	8	18,705,213	20,080,267
Tax refund due from government	9	15,748,182	8,516,514
Cash and bank balances	10	51,409,058	3,829,549
		280,989,110	159,611,820
		348,729,190	221,542,143
Share capital and Reserves			
Authorized			
100,000 (2016: 100,000) ordinary shares of Rs.100/- each		10,000,000	10,000,000
Issued, subscribed and paid-up			
40,000 (2016: 40,000) ordinary shares of Rs.100/- each			
fully paid in cash		5,714,300	4,000,000
Share Premium		43,286,075	-
Accumulated Profit / (loss)		19,451,257	(2,403,929)
		68,451,632	1,596,071
Non-current liabilities			
Liabilities against assets subject to finance lease	11	4,309,042	5,022,560
Deferred taxation	12	-	-
		4,309,042	5,022,560
Current liabilities			
Trade and other payables	13	179,018,172	88,692,354
Due to related parties	14	64,171,291	79,205,771
Accrued mark-up		357,099	274,742
Short term borrowings	15	27,898,617	40,451,744
Current portion of liabilities against assets subject to finance lease	11	1,577,408	1,453,301
Provision for taxation		2,945,929	4,845,600
		275,968,516	214,923,512
Contingencies and commitments			
	16	-	-
		348,729,190	221,542,143

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

CHIEF
EXECUTIVE

Naxamoon

DIRECTOR

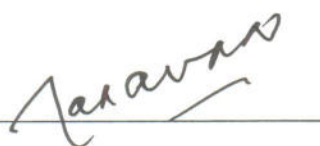
Naxamoon

UNIVERSAL NETWORK SYSTEMS (PRIVATE) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2017

	2017	2016
	------(Rupees)-----	
	Note	
Inland carriage of goods - air		
International freight		
Courier service income		
Commission income		
Trading income	17	
	4,175,333	4,996,657
	29,595,127	10,196,621
	50,662,596	38,120,101
	6,431,997	5,633,917
	454,737	79,424
	91,319,790	59,026,720
General and administrative expenses	18	
Selling expenses	19	
Finance costs	20	
	(72,842,988)	(74,896,858)
	(984,426)	(916,835)
	(2,105,955)	(1,865,078)
	(75,933,369)	(77,678,771)
	15,386,420	(18,652,051)
Other income	21	
Other charges	22	
	9,153,993	4,221,032
	-	(458,403)
Profit / (loss) before tax		
	24,540,413	(14,889,422)
Taxation		
- Current		
- Prior		
- Deferred		
	(2,945,929)	(4,845,600)
	3,074,673	94,934
	(2,813,973)	6,260,229
	(2,685,228)	1,509,563
Profit / (loss) after tax		
	21,855,185	(13,379,859)
Other comprehensive income		
Total comprehensive income / (loss) for the year		
	21,855,185	(13,379,859)

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

CHIEF
EXECUTIVE



DIRECTOR



UNIVERSAL NETWORK SYSTEMS (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2017

	Share Capital	Share Premium	Accumulated Profit / (Loss)	Total
	----- (Rupees) -----			
Balance as at July 01, 2015	4,000,000	-	10,975,930	14,975,930
Total comprehensive loss for the year	-	-	(13,379,859)	(13,379,859)
Balance as at June 30, 2016	<u>4,000,000</u>	<u>-</u>	<u>(2,403,929)</u>	<u>1,596,071</u>
Balance as at July 01, 2016	4,000,000	-	(2,403,929)	1,596,071
Issue of shares	1,714,300	43,286,075	-	45,000,375
Total comprehensive income for the year	-	-	21,855,185	21,855,185
Balance as at June 30, 2017	<u>5,714,300</u>	<u>43,286,075</u>	<u>19,451,257</u>	<u>68,451,631</u>

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

CHIEF
EXECUTIVE

Naxa

DIRECTOR

Naxa

UNIVERSAL NETWORK SYSTEMS (PRIVATE) LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2017

	2017	2016
Note	-----	-----
	(Rupees)	(Rupees)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	24,540,413	(14,889,422)
Adjustment for:		
Depreciation	8,571,548	7,093,690
Amortization of Intangibles	1,701,005	1,701,005
Finance costs	2,105,955	1,865,078
Amortization of deferred income	-	(305,417)
(Gain)/loss on sale of property and equipment	(734,197)	458,403
Operating profit/(loss) before working capital changes	<u>36,184,724</u>	<u>(4,076,663)</u>
(Increase)/ decrease in current assets		
Trade debtors - unsecured and considered good	(66,226,622)	(21,208,378)
Stock in trade	(1,497,889)	(2,419,202)
Short term loans and advances	(216,656)	3,373,142
Short term deposits and prepayments	(3,656,090)	2,389,420
Due from principal	-	-
	<u>(71,597,257)</u>	<u>(17,865,018)</u>
	(35,412,534)	(21,941,681)
Increase/ (decrease) in current liabilities		
Trade and other payables	90,325,818	22,616,592
Due to related parties	(15,034,480)	12,477,049
Due to principal	-	-
	<u>75,291,338</u>	<u>35,093,641</u>
Cash inflow from operations	39,878,804	13,151,960
Income tax paid	(4,100,195)	(9,002,595)
Finance cost paid	(2,023,598)	(1,608,739)
Net cash inflow from operating activities (A)	<u>33,755,011</u>	<u>2,540,626</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(20,977,424)	(12,156,754)
Purchase of Intangibles	-	-
Sale proceeds from property and equipment	4,010,000	1,751,000
Long term deposits	373,353	(2,743,000)
Net cash outflow from investing activities (B)	<u>(16,594,071)</u>	<u>(13,148,754)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of shares	45,000,375	-
Obligation under finance lease	(2,028,679)	(1,579,374)
Net cash outflow from financing activities (C)	<u>42,971,696</u>	<u>(1,579,374)</u>
Net decrease in cash and cash equivalents (A+B+C)	60,132,636	(12,187,502)
Cash and cash equivalents at the beginning of the year	(36,622,195)	(24,434,693)
Cash and cash equivalents at the end of the year	<u>23,510,441</u>	<u>(36,622,195)</u>
	23	
Cash and bank balances	51,409,058	3,829,549
Short term borrowings	(27,898,617)	(40,451,744)
	<u>23,510,441</u>	<u>(36,622,195)</u>

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

CHIEF
EXECUTIVE



DIRECTOR



UNIVERSAL NETWORK SYSTEMS (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

1 LEGAL STATUS AND OPERATIONS

The Company was incorporated as a private limited company on December 12, 2005 under the Companies Ordinance, 1984. The principal activity of the Company is to act as cargo forwarder and carry on courier and allied services. The registered office of the Company is situated 48 - D, Block - 6, P.E.C.H.S, Karachi, Pakistan, 74550.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting Standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by IASB and 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 ACCOUNTING CONVENTION

These financial statements have been prepared under the historical cost convention.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

4.1 Property and Equipment

4.1.1 Owned

Property and equipment are stated at cost less accumulated depreciation. Depreciation is provided on a reducing balance method at the rate mentioned in the relevant note. Depreciation on additions to property, plant and equipment is charged from the month in which an item is put to use while no depreciation is charged for the month in which the item is derecognized /disposed off.

Gain and loss on disposal of assets are included in the income currently.

4.1.2 Subsequent costs

The costs of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day to day servicing of property and equipment are recognized in profit or loss as they are incurred.

4.1.3 Leased

Leases that transfer substantially all the risks and rewards incidental to ownership of an asset is classified as finance lease. Assets held under finance lease are stated at the lower of present value of minimum lease payments under the lease agreement and the fair value of assets acquired on lease. The aggregate amount of obligations relating to assets subject to finance lease is accounted for at the net present value of liabilities. Value of leased assets is depreciated over the useful lives of the assets using the same rates applicable to owned assets. Depreciation of leased assets is charged to income. The related obligations of leased assets are accounted for as liabilities.

The finance cost under lease agreements are allocated to the periods during the lease term so as to produce a constant periodic rate of finance cost on the remaining balance of principal liability for each period.

Kur

N

Sale and leaseback transaction

If a sale and lease back transaction results in a finance lease, any excess of sales proceeds over the carrying amount is deferred and amortized over the lease term. If a sale and leaseback transaction results in an operating lease and the transaction is established at fair value, a profit or loss is recognized immediately.

4.1.4 Impairment of assets

The carrying amount of the Company's assets are reviewed at each balance sheet date to identify circumstances indicating concurrence of impairment loss or reversal of previous impairment losses. If any such indications exist, the recoverable amounts of such assets are estimated and impairment losses or reversal of impairment losses are recognized in the profit and loss account. Reversal of impairment loss is restricted to the original cost of the asset.

4.1.5 Intangible

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

4.2 Trade and other receivables

Trade and other receivables are stated at estimated realizable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

4.3 Trade and other payable

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

4.4 Taxation**4.4.1 Current**

Provision for current taxation is based on taxable income for the year at the current rates of taxation after taking into account tax credits and rebates available, if any, or one half of one percent of turnover, whichever is higher.

4.4.2 Deferred

Deferred tax is accounted for using the liability method in respect of all taxable temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

4.5 Provisions

Provision are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate.

4.6 Revenue Recognition

- i Courier, cargo and allied services are recorded as and when the invoices are raised.
- ii Commission income is recognized on accrual basis.
- iii Return on bank deposits is recognized on receipt basis.

Handwritten signature and initials in blue ink.

4.7 Cash and Cash Equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, cash with banks on current, saving and deposit accounts, short term running finance and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

4.8 Financial Assets and Liabilities

All financial assets and liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Any gain or loss on the recognition and de-recognition of the financial assets and financial liabilities is taken to the profit and loss account currently. Financial assets and liabilities, other than specifically mentioned in these policies, are carried at amortized cost. The fair value of these approximate their carrying value.

4.9 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 when there is a legally enforceable right to set-off the recognized amounts and the company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously and the same is required or permitted by IAS/IFRS or interpretations thereof.

4.10 Deferred Income

The company have a policy of amortizing deferred income on three years straight line amortization method.

Mr  

5 PROPERTY AND EQUIPMENT

Description	Owned				Leased		Total
	Office renovation	Furniture, fixtures and fittings	Office and electrical equipment	Computers and accessories	Vehicles	Vehicles	
COST							
Balance as at July 01, 2015	14,085,407	3,641,017	12,491,639	10,161,077	12,619,848	6,986,499	59,985,488
Additions	4,083,421	1,221,420	2,366,766	3,843,147	642,000	4,750,000	16,906,754
Disposals	-	(152,150)	(1,562,500)	(165,932)	(1,337,240)	-	(3,217,822)
Written off	-	-	(74,235)	(1,410,070)	-	-	(1,484,305)
Transfers	-	-	-	-	3,850,000	(3,850,000)	-
Balance as at June 30, 2016	18,168,828	4,710,287	13,221,670	12,428,222	15,774,608	7,886,499	72,190,115
Balance as at July 01, 2016	18,168,828	4,710,287	13,221,670	12,428,222	15,774,608	7,886,499	72,190,115
Additions	139,000	1,878,172	3,353,538	2,599,314	13,007,402	1,568,000	22,545,426
Disposals	-	-	-	-	(6,385,599)	-	(6,385,599)
Written off	(425,500)	(1,371,875)	(1,545,291)	(2,691,010)	-	-	(6,033,676)
Transfers	-	-	-	-	1,049,000	(1,049,000)	-
Balance as at June 30, 2017	17,882,328	5,216,584	15,029,917	12,336,526	23,445,411	8,405,499	82,316,266
DEPRECIATION							
Balance as at July 01, 2015	4,003,328	1,539,993	4,295,966	5,387,278	5,119,185	1,981,035	22,326,785
Charge for the year	1,398,261	412,796	1,391,120	1,814,087	1,088,638	988,788	7,093,690
On disposals	-	(96,219)	(586,426)	(141,258)	(184,516)	-	(1,008,419)
Written off	-	-	(21,092)	(252,070)	-	-	(273,162)
Transfers	-	-	-	-	1,682,140	(1,682,140)	-
Balance as at June 30, 2016	5,401,589	1,856,570	5,079,568	6,808,037	7,705,446	1,287,683	28,138,894
Balance as at July 01, 2016	5,401,589	1,856,570	5,079,568	6,808,037	7,705,446	1,287,683	28,138,894
Charge for the year	1,279,041	563,132	1,353,122	2,154,317	2,055,714	1,166,222	8,571,548
On disposals	-	-	-	-	(4,049,246)	-	(4,049,246)
Written off	(256,075)	(1,090,134)	(1,239,367)	(2,508,660)	-	-	(5,094,236)
Transfers	-	-	-	-	445,047	(445,047)	-
Balance as at June 30, 2017	6,424,555	1,329,568	5,193,323	6,453,694	6,156,961	2,008,858	27,566,960
CARRYING AMOUNT - 2017	11,457,773	3,887,016	9,836,594	5,882,832	17,288,450	6,396,641	54,749,306
CARRYING AMOUNT - 2016	12,767,239	2,853,717	8,142,102	5,620,185	8,069,162	6,598,816	44,051,221
RATE OF DEPRECIATION (%)	10%	15%	15%	30%	15%	15%	

	Note	2017 ----- (Rupees) -----	2016 ----- (Rupees) -----
6 INTANGIBLES			
<i>Franchise fee</i>			
<i>Cost:</i>		5,103,014	5,103,014
<i>Amortization:</i>			
Opening balance		3,402,010	1,701,005
Amortization during the year		1,701,005	1,701,005
Accumulated Amortization		5,103,014	3,402,010
Net book value		-	1,701,004
Amortization rate		33%	33%
7 SHORT TERM LOANS AND ADVANCES			
Employees	7.1	2,157,046	1,311,078
Advance to related party		2,955,119	3,113,061
Advance against services		2,989,385	1,395,799
GST		-	-
Insurance claim receivable	7.2	-	2,062,657
Others		-	2,299
		8,101,550	7,884,894
7.1 Loans given to employees are of personal nature and interest free.			
7.2 The insurance claim receivable was realized during the year which was due to robbery which occurred at Blue-Ex office in October 2015.			
8 SHORT TERM DEPOSITS, PREPAYMENTS AND ADVANCE INCOME TAX			
Bank guarantee margin		10,500,000	8,810,000
Prepayments		4,233,762	2,267,672
Advance income tax		3,971,451	9,002,595
		18,705,213	20,080,267
9 TAX REFUND DUE FROM GOVERNMENT			
Income tax		15,748,182	8,516,514
10 CASH AND BANK BALANCES			
Cash in hand		2,397,031	3,021,962
Cash at bank			
- in current account		6,430,793	732,046
- in saving account		42,581,234	75,541
		51,409,058	3,829,549
11 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE			
The cost of operating and maintaining leased assets is borne by the company.			

	2017 ----- (Rupees) -----		2016 ----- (Rupees) -----	
	Minimum lease payments	Present Value	Minimum lease payments	Present Value
Within one year	1,822,596	1,577,408	1,813,204	1,453,301
After one year but not more than five years	4,375,644	4,309,042	5,223,709	5,022,560
Total minimum lease payments	6,198,240	5,886,450	7,036,913	6,475,861
Less: Amount representing finance charges	(311,790)	-	(561,052)	-
Present value of minimum lease payments	5,886,450	5,886,450	6,475,861	6,475,861
Less: Payable within one year - Present value	(1,577,408)	(1,577,408)	(1,453,301)	(1,453,301)
	4,309,042	4,309,042	5,022,560	5,022,560

The company has entered into a lease agreement with financial institutions for vehicles. Lease rentals are payable on monthly basis and include finance charges at the rate of 5.78% to 12.53% per annum (2016: 5.78% to 12.53% per annum), which has been used as a discounting factor. The company has the option to purchase the said vehicle upon completion of lease period and has the intention to exercise such option.

	2017	2016
Note	------(Rupees)-----	
12 DEFERRED TAXATION		
Deferred tax asset	12.1 <u>(1,805,137)</u>	<u>(4,619,109)</u>

	2017	2016
Note	------(Rupees)-----	
12.1 Deferred (asset) / liability		
Taxable temporary differences		
Accelerated tax depreciation	7,282,900	4,486,444
Deductible temporary differences		
Finance lease obligation	(1,765,935)	(1,783,452)
Unused tax losses	<u>(7,322,101)</u>	<u>(7,322,101)</u>
	<u>(1,805,137)</u>	<u>(4,619,109)</u>

13 TRADE AND OTHER PAYABLES

Creditors	160,035,069	77,415,573
Accrued liabilities	9,661,481	609,734
Advance from customers	2,905,508	5,088,661
Income tax payable	63,481	2,185,986
Sales tax payable	2,802,054	1,296,954
Workers welfare fund	602,845	602,845
Others	2,947,734	1,492,601
	<u>179,018,172</u>	<u>88,692,354</u>

14 DUE TO RELATED PARTIES

Companies - Non - Interest bearing	62,971,291	78,005,771
Directors - Non - Interest bearing	1,200,000	1,200,000
14.1	<u>64,171,291</u>	<u>79,205,771</u>

14.1 These are interest free loans repayable on demand.

	2017	2016
Note	------(Rupees)-----	
15 SHORT TERM BORROWINGS		
Book overdraft	15.1 1,611,237	15,757,455
Bank overdraft- secured	15.2 <u>26,287,380</u>	<u>24,694,289</u>
	<u>27,898,617</u>	<u>40,451,744</u>

15.1 This represents temporary book overdraft. Subsequent to the balance sheet date deposits were made in this account to convert it into a favorable balance.

15.2 This represents bank overdraft facility of Rs 23.8 million (2016: Rs. 19.33 million) for financing working capital requirement. It carries markup @ 6 month kibar + 4% (2016: markup @ 6 month kibar + 4%) and is secured against 1st registered hypothecation charge over receivable of the company and personal guarantee of all the directors.

Handwritten signatures and marks:

16 CONTINGENCIES AND COMMITMENTS**16.1 CONTINGENCIES**

Guarantees on behalf of the company by a financial institution in favor of Department of Tourist Services, Government of Pakistan, aggregating to Rs. 400,000 (2016: Rs. 400,000).

Corporate Guarantees given by the company in favor of Shaheen Air International, aggregating to Rs. 7.5 million (2016: Rs. 7.5 million).

Guarantees on behalf of the company by a financial institution in favor of Pakistan International Airline Corporation aggregating to Rs. 1 million (2016: Rs. 1 million). The guarantee is provided by Silk Bank Limited by reducing the company's overdraft facility with the said amount.

Guarantees on behalf of the company by a financial institution in favor of Pakistan International Airline Corporation amounting to Rs. 10 million (2016: Rs. Nil). The guarantee is provided by Summit Bank Limited on counter guarantee of United Insurance.

16.2 COMMITMENTS

There were no Commitments as at June 30, 2017 (2016: Nil).

17 TRADING INCOME

2017 **2016**
------(Rupees)-----

Sales	31,642,154	1,813,731
Cost of goods sold	(31,187,417)	(1,734,307)
	<u>454,737</u>	<u>79,424</u>

18 GENERAL AND ADMINISTRATIVE EXPENSES

Directors remuneration	1,040,000	1,026,666
Salaries, allowances and other benefits	35,380,100	28,424,544
Rent, rates and taxes	5,490,477	6,652,115
Insurance	2,454,102	1,625,439
Repairs and maintenance	3,058,960	13,214,374
Fuel expenses	2,133,750	1,453,759
Printing and stationery	1,116,396	1,861,741
Postage and telegram	52,026	49,417
Telephone, internet and mobile charges	816,428	2,145,932
Electricity, gas and water charges	4,012,052	3,952,675
Entertainment	2,796,511	2,412,836
Fees and subscription	1,891,514	1,418,804
Books and periodicals	19,474	20,349
Traveling and conveyance	427,440	648,287
Auditors remuneration	183,013	166,375
Vehicle, generator maintenance	79,284	238,551
Security expense	1,020,360	662,924
Depreciation	8,571,548	7,093,690
Amortization	1,701,005	1,701,005
Legal and professional charges	578,550	127,375
Donation	20,000	-
	<u>72,842,988</u>	<u>74,896,858</u>

19 SELLING EXPENSES

Sales promotion	759,005	228,693
Advertisement and publicity	225,421	688,142
	<u>984,426</u>	<u>916,835</u>

20 FINANCE COSTS

Mark up on finance lease	426,522	351,032
Mark up on running finance	1,169,515	1,249,778
Bank charges	509,918	264,268
	<u>2,105,955</u>	<u>1,865,078</u>

	Note	2017	2016
		----- (Rupees) -----	
21 OTHER INCOME			
- From non-financial assets			
Amortization of deferred income		-	305,417
Software development income - net		2,743,970	3,879,209
Handling charges on CBC		5,648,448	-
Gain on sale of fixed assets		734,197	-
- From financial assets			
Profit on debt		27,378	36,406
		<u>9,153,993</u>	<u>4,221,032</u>
22 OTHER CHARGES			
Loss on sale of fixed assets		-	(458,403)
Workers welfare fund		-	-
		<u>-</u>	<u>(458,403)</u>
23 CASH AND CASH EQUIVALENTS			
Cash and bank balances		51,409,058	3,829,549
Short term borrowings		(27,898,617)	(40,451,744)
		<u>23,510,441</u>	<u>(36,622,195)</u>

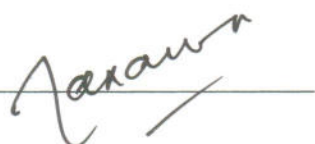
24 DATE OF AUTHORIZATION

These financial statements were authorized for issue on 05 OCT 2017 by the Board of Directors of the company.

25 GENERAL

Figures have been rounded off to the nearest rupee.

CHIEF
EXECUTIVE



DIRECTOR

