

Half Yearly Report
December 31, 2016
(Un-Audited)

TSBL

Trust Securities & Brokerage Limited

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COMPANY INFORMATION

Board of Directors

Mr. Abdul Basit	Chief Executive
Mr. Muhammad Naeem Baig	Director
Mr. Syed Abdullah Bukhari	Director
Mr. Syed Nouman Ali Shah	Director
Mr. Shibli Muhammad Khan	Director
Mr. Syed Mahmood Ali Shah	Director
Mr. Syed Javed Hussain	Director

Audit Committee

Mr. Muhammad Naeem Baig	Chairman
Mr. Syed Javed Hussain	Member
Mr. Shibli Muhammad Khan	Member

HR & Remuneration

Mr. Muhammad Naeem Baig	Chairman
Mr. Shibli Muhammad Khan	Member
Mr. Abdul Basit	Member

Company Secretary

Ms. Nadia Haider

Auditors

Haroon Zakaria & Company
Chartered Accountants

Legal Advisor

Mr. Abdul Majid
Advocate

Share Registrar

Hameed Majeed Associates (Pvt.) Ltd.

Bankers

Bank Alfalah Limited
MCB Bank Limited
Al Baraka Bank (Pakistan) Limited
Habib Metropolitan Bank Limited

Registered Office

2nd Floor, Associated House, Building # 1 & 2,
7-Kashmir Road, Lahore-Pakistan.
Telephone : (042) 3637 3041-44
Fax : (042) 3637 3040

Office at LSE Financial Services Limited (Formerly: Lahore Stock Exchange Limited)

Room # 607, 6th Floor, LSE Plaza
19-Khayaban-e-Aiwan-e-Iqbal, Lahore - Pakistan.
Telephone : (042) 3637 4710, 3630 0181

Website: www.trustsecu.com **E-mail:** info@trustsecu.com & tsbl@brain.net.pk

DIRECTORS' REVIEW

The Directors are pleased to submit the interim financial statements of the company for the half year ended December 31, 2016.

Financial Results	December 31, 2016	December 31, 2015
	Rupees	Rupees
The summarized financial results are as follows:		
Operating revenue	4,648,891	2,256,029
Gain on sale of securities	120,885	115,000
(Loss) on re-measurement of investments	(34,118)	-
	4,735,658	2,371,029
Operating and administrative expenses	(4,856,159)	(4,232,517)
Finance cost	(6,599)	(4,750)
Operating loss	(4,862,758)	(4,237,267)
	(127,100)	(1,866,238)
Other Charges	(2,762,707)	(3,284,218)
Other operating income	875,341	13,101,499
(Loss)/ Profit before taxation	(2,014,466)	7,951,043
Taxation	(107,106)	(80,000)
(Loss)/ Profit after taxation	(2,121,572)	7,871,043
(Loss)/ Earnings per share- basic and diluted	(0.21)	0.79

KSE-100 Index increased by almost 10,023 points, or 26.53 percent, within six months to close at 47,807 points on December 31, 2016.

The company earned total revenue of Rs.5,610,999/- including a reversal of provision amount of Rs. 201,559/- under the head of other operating income during the half year ended December 31, 2016, as compared to total revenue of Rs.12,188,310/- including a reversal of provision amount of Rs. 9,474,082/- under the head of other operating income in the corresponding period of last year. On the expenditure side, the operating expenses were Rs. 4,856,159/- . The company recorded a net loss of Rs.2,121,572/- for the period ended December 31, 2016 as compared to net profit of Rs. 7,871,043 for the same period of last year.

The Auditors have placed a matter of emphasis paragraph regarding preparation of interim financial statements on going concern basis. Management is of the view that there is no significant doubt about the company's ability to continue as going concern as company has no intention of winding up. Further the operating revenue increased during the current half year period from previous one and Company has sufficient current assets to settle its current liabilities. Moreover, the Company is expecting increase in trading activities due to recent agreement executed between Chinese consortium and Pakistan Stock Exchange Limited for purchase of forty percent share of PSX., which will result in increase of brokerage revenue of the Company.

In the end, the Board wishes to place on record its gratitude for the valuable Support made by Company's shareholders, Financial Institutions and our clients during these hard days. We would like to extend our appreciation to continuous guidance of the SECP and Pakistan Stock Exchange Limited.

Lahore:
February 25, 2017

For and on behalf of the Board

ABDUL BASIT
CHIEF EXECUTIVE

**INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM
FINANCIAL INFORMATION TO THE MEMBERS**

Introduction

We have reviewed the accompanying condensed interim balance sheet of **Trust Securities & Brokerage Limited** as at December 31, 2016, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and together with the condensed notes forming part thereof (here-in-after referred to as the "Interim financial information") for the six months period then ended December 31, 2016. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters December 31, 2016 have not been reviewed as we are required to review only the cumulative figures for the six months period ended December 31, 2016.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all materials respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to the Note 1.2 to the condensed interim financial statements. As stated in the note, as at December 31, 2016 the accumulated losses stood at Rs.91.002 (June 30, 2016 : Rs. 88.880) million. These conditions, along with other matters as set forth in Note 1.2, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as going concern. However, this financial information is prepared on going concern basis due to the reasons stated in the note. Our opinion is not qualified in respect of this matter.

Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: February 25, 2017

Engagement Partner:
Muhammad Haroon

Trust Securities & Brokerage Limited

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CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT DECEMBER 31, 2016

		(Un-Audited) December 31, 2016	(Audited) June 30, 2016
	Note	Rupees	Rupees
<u>ASSETS</u>			
Non-Current Assets			
Property and equipment	5	1,055,923	3,603,295
Intangibles	6	1,542,600	1,542,600
Long term investments	7	2,720,000	2,759,423
Long term deposits	8	525,149	725,149
Deferred taxation	9	-	-
		5,843,672	8,630,467
Current Assets			
Short term investments	10	201,190	695,750
Trade debts	11	4,421,859	4,544,340
Advances, prepayments, deposits and other receivables	12	3,820,321	267,987
Tax refunds due from government	13	1,252,723	879,404
Cash and bank balances	14	23,923,252	18,374,515
		33,619,345	24,761,996
Total Assets		39,463,017	33,392,463
<u>EQUITY AND LIABILITIES</u>			
Share Capital and Reserves			
Authorized Capital			
10,000,000 Ordinary shares of Rs.10 each		100,000,000	100,000,000
Issued, subscribed and paid-up capital		100,000,000	100,000,000
Reserves			
General reserve		3,500,000	3,500,000
Capital reserve		-	27,849
Accumulated losses		(91,001,530)	(88,879,958)
		(87,501,530)	(85,352,109)
Shareholders' Equity		12,498,470	14,647,891
Current Liabilities			
Retirement benefits		1,999,004	1,999,004
Trade and other payables	15	24,965,543	16,745,568
		26,964,547	18,744,572
Contingency and Commitment	16	-	-
Total Equity and Liabilities		39,463,017	33,392,463

The annexed notes form an integral part of these interim financial information

Chief Executive

S/d

Director

Trust Securities & Brokerage Limited

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CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2016

	Note	Half year ended		Quarter ended	
		December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
----- Rupees -----					
Operating revenue	17	4,648,891	2,256,029	2,789,004	1,127,168
Gain on sale of securities		120,885	115,000	52,970	115,000
Loss on re-measurement of investments		(34,118)	-	(820)	-
		4,735,658	2,371,029	2,841,154	1,242,168
Operating and administrative expenses	18	(4,856,159)	(4,232,517)	(2,579,503)	(2,078,425)
Finance cost	19	(6,599)	(4,750)	(3,089)	(1,700)
		(4,862,758)	(4,237,267)	(2,582,592)	(2,080,125)
Operating (Loss) / Profit		(127,100)	(1,866,238)	258,562	(837,957)
Other charges	20	(2,762,707)	(3,284,218)	(2,762,707)	(3,284,218)
Other operating income	21	875,341	13,101,499	452,033	12,855,327
(Loss) / Profit before taxation		(2,014,466)	7,951,043	(2,052,112)	8,733,152
Taxation		(107,106)	(80,000)	(77,106)	(60,000)
(Loss) / Profit after taxation		(2,121,572)	7,871,043	(2,129,218)	8,673,152
(Loss) / Earnings per share - basic and diluted		(0.21)	0.79	(0.21)	0.87

The annexed notes form an integral part of these interim financial information

Chief Executive

S/d

Director

Trust Securities & Brokerage Limited

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**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2016**

	<i>Half year ended</i>		<i>Quarter ended</i>	
	<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	<i>----- Rupees -----</i>			
(Loss) / Profit after tax for the period	(2,121,572)	7,871,043	(2,129,218)	8,673,152
Other comprehensive income for the period				
Available-for-sale financial assets				
Loss arising due to remeasurement	-	(2,529)	-	(6,148)
Total comprehensive (loss) / profit for the period	(2,121,572)	7,868,514	(2,129,218)	8,667,004

The annexed notes form an integral part of these interim financial information

Chief Executive

S/d

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2016

	<i>December 31, 2016 Rupees</i>	<i>December 31, 2015 Rupees</i>
A. CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(2,014,466)	7,951,043
Adjustment for non-cash charges and other items		
Depreciation	69,768	90,599
Provision for doubtful debts	2,762,707	3,284,218
(Gain) on disposal of property and equipment	(884)	-
Loss on remeasurement of investment	34,118	-
	2,865,709	3,374,817
Operating profit before working capital changes	851,243	11,325,860
Changes in Working Capital		
(Increase) /decrease in current assets		
Trade debt s	(2,640,226)	1,543,802
Trade deposits & short term prepayments	(3,352,334)	(68,792)
Increase/ (decrease) in current liabilities		
Trade and other payables	8,219,975	(20,857,033)
	2,227,415	(19,382,023)
Cash generated from / (used in) operations after working capital changes	3,078,658	(8,056,163)
Taxes paid	(480,425)	(138,722)
Long term deposits - net	-	200,000
	(480,425)	61,278
Net cash generated from / (used in) operating activities	2,598,233	(7,994,885)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Disposal / (addition) to capital work in progress	2,467,608	(77,817)
Proceed from disposal of property and equipment	10,880	-
Disposal of investment - net	472,016	2,385,000
Net cash generated from investing activities	2,950,504	2,307,183
Net increase / (decrease) in cash and cash equivalents (A+B)	5,548,737	(5,687,702)
Cash and cash equivalents at the beginning of the period	18,374,515	25,332,606
Cash and cash equivalents at the end of the period	23,923,252	19,644,904

The annexed notes form an integral part of these interim financial information

Chief Executive

S/d

Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2016**

	Share Capital	Reserves			Grand Total	Shareholders' Equity
		Capital Fair Value Reserve	General Reserve	Revenue Accumulated Losses		
Balance as at June 30, 2015	100,000,000	40,870	3,500,000	(96,693,731)	(93,193,731)	6,847,139
Total comprehensive profit for the six months ended December 31, 2015						
(Loss)/Profit for the half year ended December 31, 2015	-	-	-	7,871,043	7,871,043	7,871,043
Gain / (loss) arises due to remeasurement of investments	-	(2,529)	-	-	(2,529)	(2,529)
	-	(2,529)	-	7,871,043	7,871,043	7,868,514
Balance as at December 31, 2015	100,000,000	38,341	3,500,000	(88,822,688)	(85,322,688)	14,715,653
Balance as at June 30, 2016	100,000,000	27,849	3,500,000	(88,879,958)	(85,379,958)	14,647,891
Total comprehensive loss for the six months ended December 31, 2016						
(Loss)/Profit for the half year ended December 31, 2016	-	-	-	(2,121,572)	(2,121,572)	(2,121,572)
Fair value reserve transferred to profit and loss	-	(27,849)	-	-	(27,849)	(27,849)
	-	(27,849)	-	(2,121,572)	(2,149,421)	(2,149,421)
Balance as at December 31, 2016	100,000,000	-	3,500,000	(91,001,530)	(87,501,530)	12,498,470

The annexed notes form an integral part of these interim financial information

Chief Executive

S/d

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2016**

1 THE COMPANY AND ITS OPERATION

The Company was incorporated as a Public Limited Company on October 19, 1993 in Pakistan and is listed on Pakistan Stock Exchange Limited. The Company is the Trading Right Entitlement Certificate holder of the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 2nd Floor, Associated House, Building 1 & 2, 7 - Kashmir Road, Lahore. The Company is principally engaged in shares brokerage and in securities.

1.2 Going Concern Assumption

The operating losses of the Company for the current period are Rs. 0.127 (December 2015 : Rs.1.866) million and the accumulated losses stood at Rs. 91.002 (June 2016 : Rs. 88.880) million. These factors indicate the existence of material uncertainty and creates doubts about the Company's ability to continue as going concern and, therefore the Company may not be able to realize its assets and discharge its liabilities at the stated amount. However, during the current half year period, the operating revenue increased from previous half year and Company has sufficient current assets to settle its current liabilities. Further, the Company is expecting increase in trading activities due to recent agreement executed between Chinese consortium and Pakistan Stock Exchange Limited for purchase of forty percent share of PSX., which will result in increase of brokerage revenue of the Company. Owing to these factors, these financial statements are prepared on going concern basis.

2 BASIS OF PREPARATION**2.1 Statement of Compliance**

This condensed interim financial report of the company for the six months period ended December 31, 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

These condensed interim financial statements are unaudited but subject to limited scope review by auditors. These condensed interim financial statements do not include all of the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2016.

2.2 Functional and Presentation Currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional currency of the Company.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2016.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the Company's operations or did not have any impact on the accounting policies of the Company.

4 ESTIMATES

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2016.

	<i>Note</i>	<i>(Un-Audited) December 2016 Rupees</i>	<i>(Audited) June 30, 2016 Rupees</i>
5 PROPERTY AND EQUIPMENTS			
Operating fixed assets	5.1	1,055,923	1,135,687
Capital work-in-progress			
Against office of LSE Financial Services Limited - (Formerly: Lahore Stock Exchange Limited)	5.2	-	2,467,608
		1,055,923	3,603,295
5.1 Operating fixed assets			
Opening written down value		1,135,687	1,278,551
Addition during the period		-	310,000
Disposals during the period		(32,125)	(1,216,600)
Depreciation charge on disposal		22,129	937,740
Depreciation charge for the period		(69,768)	(174,004)
		1,055,923	1,135,687
5.2 The Company entered into agreement to sale the office at LSE Financial Services. The legal formalities for transfer is not yet completed.			
		<i>(Un-Audited) December 2016 Rupees</i>	<i>(Audited) June 30, 2016 Rupees</i>
6 INTANGIBLES			
Trading Rights Entitlement Certificate (TREC)			
Pakistan Stock Exchange Limited		1,280,000	1,280,000
Offices			
LSE Financial Services Limited (LFSL)		262,600	262,600
		1,542,600	1,542,600

7 LONG TERM INVESTMENTS**- At Cost - In Shares of Unquoted Company**

(Un-Audited) December 31, 2016	(Audited) June 30, 2016	Name of Company	Note	Carrying Value	
				(Un-Audited) December 31, 2016 Rupees	(Audited) June 30, 2016 Rupees
843,975	843,975	LSE Financial Services Limited (Formerly: Lahore Stock Exchange Limited -LSEL)	7.1	2,720,000	2,720,000

- Available for sale - In Shares of Quoted Companies

(Un-Audited) December 2016	(Audited) June 30, 2016	Name of Company		
-	36,168	Invest Capital Investment Bank Ltd.		-
5,000	5,000	Sunshine Cotton Mills Ltd.		39,423
		Provision for Impairment		1,650
				41,073
				(1,650)
				2,720,000
				2,759,423

7.1 This represents unquoted shares of LSE financial services received by the Company in pursuance of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. The total number of shares received by the Company were 843,975 shares of LSE Financial Services Limited (formerly LSEL), with a face value of RS 10 each. Out of total number of shares owned, 60% shares of the said entities are held in separate CDC blocked Account, to restrict the sale of these shares by the members. Whereas stock exchanges will dispose of these shares under the Demutualization Act, however the proceeds of these shares and right to dividend/bonus is vested with the Company whereas the voting rights attached to these shares are suspended.

(Un-Audited) December 31, 2016 Rupees	(Audited) June 30, 2016 Rupees

8 LONG TERM DEPOSITS**- Unsecured - Considered good**

LSE Financial Service Limited	50,000	50,000
National Clearing Company of Pakistan Limited	300,000	500,000
Utility deposits	175,149	175,149
	525,149	725,149

9 DEFERRED TAXATION

The company has not recognized deferred tax asset amounting Rs. 22.60 (June 2016 : Rs.16.37) million due to uncertainty regarding taxable profits is foreseeable future against which the deferred tax asset can be utilized or adjusted.

	<i>(Un-Audited)</i>	<i>(Audited)</i>
	<i>December 31,</i>	<i>June 30,</i>
	<i>2016</i>	<i>2016</i>
<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>

10 SHORT TERM INVESTMENT

- At fair value through profit or loss - Initially designated

In shares of quoted company	10.1	177,340	671,900
In shares of unquoted company	10.2	23,850	23,850
		201,190	695,750

10.1 In shares of quoted company

	<i>(Un-Audited)</i>	<i>(Audited)</i>		
	<i>December 31,</i>	<i>June 30,</i>		
	<i>2016</i>	<i>2016</i>		
<i>Number of Shares</i>			<i>Name of Securities</i>	
2,000	-		Fauji Foods Limited	177,340
-	10,000		Mughal Iron & Steel Industries Limited	-
				671,900
				177,340
				671,900

10.2 In shares of unquoted company - Related party

	<i>(Un-Audited)</i>	<i>(Audited)</i>		
	<i>December</i>	<i>June 30,</i>		
	<i>2016</i>	<i>2016</i>		
<i>Number of shares</i>			<i>Name of Company</i>	
5,000	5,000		Takaful Pakistan Limited	60,000
			Less: Provision for impairment	(36,150)
				23,850
				60,000
				(36,150)
				23,850

11 TRADE DEBTS

Considered good		4,421,859	4,544,340
Considered doubtful		55,098,615	52,537,467
		59,520,474	57,081,807
Provision for doubtful receivables	11.1	(55,098,615)	(52,537,467)
		4,421,859	4,544,340

Trust Securities & Brokerage Limited

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	(Un-Audited) December 31, 2016 Rupees	(Audited) June 30, 2016 Rupees
11.1 Provision for doubtful receivables		
Balance at beginning of the period	52,537,467	64,322,362
Additional provision made during the period	2,762,707	973,405
	55,300,174	65,295,767
Reversal of excess provision	(201,559)	(12,758,300)
Balance at end of the period	55,098,615	52,537,467

11.2 Clients securities pledged

The total value of securities pertaining to clients are Rs. 278.914 million held in sub-accounts of the company. No security is pledged by client to the financial institutions except for NCCPL amounting to Rs. 5.316 million for exposure.

11.3 The Company has made provision for all trade debtors where collaterals are not held. Value of collaterals are adjusted against value at risk define by NCCPL.

	(Un-Audited) December 31, 2016 Rupees	(Audited) June 30, 2016 Rupees
12 ADVANCES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES		
- Considered good		
Advances to staff	39,000	121,000
Short term prepayments	210,889	42,898
Exposure deposits with NCCPL	3,500,000	-
Other receivables	70,432	104,089
	3,820,321	267,987
13 TAX REFUNDS DUE FROM GOVERNMENT		
Opening tax refundable	879,404	673,317
Provision for the period	(107,106)	(119,933)
	772,298	553,384
Tax paid during the period	480,425	326,020
	1,252,723	879,404
14 CASH AND BANK BALANCES		
Cash in hand	5,267	3,410
Cash at banks		
In current accounts	4,308,780	3,299,542
In saving account	19,609,205	15,071,563
	23,917,985	18,371,105
	23,923,252	18,374,515

14.1

	<i>(Un-Audited)</i>	<i>(Audited)</i>
	<i>December 31,</i>	<i>June 30,</i>
	<i>2016</i>	<i>2016</i>
	<i>Rupees</i>	<i>Rupees</i>
14.1 Balance pertaining to		
- clients	19,606,432	15,140,457
- brokerage house	4,311,553	3,230,648
	23,917,985	18,371,105

15 TRADE AND OTHER PAYABLES

Trade creditors	23,106,434	15,124,897
Accrued and other liabilities	1,859,109	1,620,671
	24,965,543	16,745,568

16 CONTINGENCIES AND COMMITMENTS**16.1 Contingencies**

There are no major changes in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2016.

16.2 Commitments

	<i>(Un-Audited)</i>	<i>(Audited)</i>
	<i>December</i>	<i>June 30,</i>
	<i>2016</i>	<i>2016</i>
	<i>Rupees</i>	<i>Rupees</i>
For purchase of shares	12,420,210	5,475,535
For sale of shares	7,321,049	4,884,351

<i>(Un-Audited)</i>		<i>(Un-Audited)</i>	
<i>Half year ended</i>		<i>2nd Quarter ended</i>	
<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>
<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
<i>----- Rupees -----</i>			

17 OPERATING REVENUE

Brokerage Income				
- Retail customers	4,134,873	1,589,338	2,323,016	492,722
- Institutional customers	92,030	33,455	44,000	1,210
	4,226,903	1,622,793	2,367,016	493,932
Brokerage income from initial public offers	-	255	-	255
Dividend income	421,988	632,981	421,988	632,981
	4,648,891	2,256,029	2,789,004	1,127,168

Trust Securities & Brokerage Limited

TSBL

	<i>(Un-Audited)</i>		<i>(Un-Audited)</i>	
	<i>Half year ended</i>		<i>2nd Quarter ended</i>	
	<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	<i>----- Rupees -----</i>			
18 OPERATING AND ADMINISTRATIVE EXPENSES				
Salaries, benefits and allowances	2,743,349	2,439,181	1,432,122	1,184,384
Directors/CEO salary/remuneration	-	5,000	-	-
Commission and Clearing house charges	103,653	19,194	53,973	6,933
Communication expenses	159,284	140,953	84,793	70,198
Printing and stationery	79,118	51,414	61,861	35,115
Entertainment expense	58,332	70,711	32,527	37,206
Traveling and lodging expense	64,840	35,776	58,160	17,846
Repair and maintenance	189,920	248,518	71,465	115,007
Advertisement and sale promotion	17,800	17,000	17,800	17,000
Electricity and utilities	178,127	153,882	82,996	61,465
Insurance	6,318	25,509	3,176	12,291
Depreciation	69,768	90,599	34,842	45,300
Internet and software maintenance charges	104,291	109,092	101,490	70,242
Legal and professional charges	124,974	54,796	71,409	29,842
Fees and subscriptions	239,617	149,514	109,561	59,975
Rent, rates and taxes	458,202	406,487	228,189	209,810
Auditors remuneration	170,000	137,500	85,000	68,750
Miscellaneous expense	88,566	77,391	50,139	37,061
	4,856,159	4,232,517	2,579,503	2,078,425
19 FINANCE COST				
Bank charges	6,599	4,750	3,089	1,700
20 OTHER CHARGES				
Provision for doubtful debts	2,762,707	3,284,218	2,762,707	3,284,218
21 OTHER OPERATING INCOME				
Income from financial assets				
- Interest on saving account	644,813	343,199	361,129	97,027
- Interest income on exposure deposited	28,085	-	24,541	-
	672,898	343,199	385,670	97,027
Income from other than financial assets				
- Gain on sale of fixed assets	884	-	-	-
- Reversal of provision for doubtful debts	201,559	12,758,300	66,363	12,758,300
	202,443	12,758,300	66,363	12,758,300
	875,341	13,101,499	452,033	12,855,327

22 PATTERN OF SHAREHOLDINGS

Following are the shareholders having more than 5% holding as at December 31, 2016:

<i>Sr. No.</i>	<i>Name of Shareholder</i>	<i>No. of Shares Held</i>	<i>Percentage %</i>
	Associated, undertakings & related parties		
1	Emirates Global Investment Limited	3,777,375	37.77
2	Emirates Investment Group LLC.	3,627,375	36.27
	Total	7,404,750	74.05

23 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, directors of the Company, key management employees and staff retirement benefits. The Company continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions.

Transactions with associated undertakings and key management personnel under the term of their employment, are as follows:

	<i>(Un-Audited)</i>		<i>(Un-Audited)</i>	
	<i>Half year ended</i>		<i>2nd Quarter ended</i>	
	<i>December 31, 2016</i>	<i>December 31, 2015</i>	<i>December 31, 2016</i>	<i>December 31, 2015</i>
	<i>----- Rupees -----</i>			
Transactions with other related parties				
Commission paid to Chief Executive	190,717	47,792	117,810	12,086
Commission received from Chief Executive	23,120	10,050	11,160	3,300
Commission received from Director	-	1,500	-	175
Salary drawn by Chief Executive	679,876	656,570	351,591	328,285
Expenses incurred by the Chief Executive	102,410	82,956	40,810	42,115
Fee paid to director for attending meeting	-	5,000	-	-
Disposal of fixed asset to Ex-Director	2,800,000	-	2,800,000	-

23.1 No remuneration is paid to the Directors other than Chief Executive of the Company.

24 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on February 25, 2017.

25 GENERAL

Figures have been rounded off to the nearest rupee.

Chief Executive

S/d








Director










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