
**AMANAH INVESTMENTS
LIMITED**

**Financial Statements
For the year ended June 30, 2019**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AMANAH INVESTMENTS LIMITED
ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Opinion

We have audited the annexed financial statements of **Amanah Investments Limited** which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss and other comprehensive income, the statement of cash flows, the statement of changes in equity, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), 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, 2019 and of the loss and its comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat is deductible at source under the Zakat and Ushr Ordinance, 1980.
- e) the Company was in compliance with the requirement of section 78 of the Securities Act 2015 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations 2016 as at the date on which the statement of financial position was prepared.

The engagement partner on the audit resulting in this independent auditor's report is **Mohammad Iqbal**.

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Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi

Dated: 14 SEP 2019

AMANA INVESTMENTS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees	2017 Rupees
-----Restated-----				
<u>ASSETS</u>				
Non Current Assets				
Property and equipment	4	3,753,485	4,264,306	1,846,102
Intangible assets	5	2,524,000	2,530,000	5,036,000
Long term investment	6	22,875,798	43,979,580	65,412,064
Long term deposits	7	3,750,000	3,750,000	3,750,000
		<u>32,903,283</u>	<u>54,523,886</u>	<u>76,044,166</u>
Current Assets				
Trade debts		-	-	2,856
Deposit, prepayment and other receivables	8	1,400,000	2,527,480	18,065,748
Short term investments	9	107,840,694	113,604,716	83,917,906
Income tax refunds due from the Government	10	294,190	349,513	133,648
Cash and bank balances	11	10,154,476	30,154,520	21,751,973
		<u>119,689,360</u>	<u>146,636,229</u>	<u>123,872,131</u>
Total Assets		<u><u>152,592,643</u></u>	<u><u>201,160,115</u></u>	<u><u>199,916,297</u></u>
<u>EQUITY AND LIABILITIES</u>				
Share Capital and Reserves				
Authorized Capital				
6,000,000 Ordinary shares of Rs.10 each		<u>60,000,000</u>	<u>60,000,000</u>	<u>60,000,000</u>
Issued, subscribed and paid-up capital	12	49,013,990	49,013,990	49,013,990
Revenue reserve		92,964,444	120,013,334	134,674,358
Shareholders' equity		<u>141,978,434</u>	<u>169,027,324</u>	<u>183,688,348</u>
Non Current Liability				
Deferred tax liability	13	-	11,627	4,347
Current Liabilities				
Trade and other payable	14	8,585,209	29,368,466	11,428,904
Short term borrowing	15	2,029,000	2,752,698	4,794,698
		<u>10,614,209</u>	<u>32,121,164</u>	<u>16,223,602</u>
Contingency and commitments	16			
Total Equity and Liabilities		<u><u>152,592,643</u></u>	<u><u>201,160,115</u></u>	<u><u>199,916,297</u></u>

AMANAH INVESTMENTS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	<i>Note</i>	<i>2019 Rupees</i>	<i>2018 Rupees Restated</i>
Operating revenue	17	4,064,831	9,118,422
Operating and administrative expenses	18	<u>(3,692,780)</u>	<u>(2,935,334)</u>
Operating profit		372,051	6,183,088
Other charges	19	<u>(28,612,558)</u>	<u>(21,530,831)</u>
Finance cost - bank charges		<u>(2,440)</u>	<u>(4,940)</u>
		<u>(28,614,998)</u>	<u>(21,535,771)</u>
		<u>(28,242,947)</u>	<u>(15,352,683)</u>
Other income	20	<u>1,985,357</u>	<u>2,139,545</u>
Loss before taxation		<u>(26,257,590)</u>	<u>(13,213,138)</u>
Taxation - net	21	<u>(791,300)</u>	<u>(1,447,886)</u>
Loss after taxation		<u>(27,048,890)</u>	<u>(14,661,024)</u>
Other comprehensive income		-	-
Total comprehensive loss for the year		<u><u>(27,048,890)</u></u>	<u><u>(14,661,024)</u></u>