
AMANAH INVESTMENTS
LIMITED

Financial Statements
For the year ended June 30, 2021



**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, 2021, 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, 2021, and of the profit and other comprehensive income, 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.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.



REANDA

- 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**.

R. Haroon Zakaria
Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: October 01, 2021

AMANAH INVESTMENTS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

	<i>Note</i>	<i>2021</i> <i>Rupees</i>	<i>2020</i> <i>Rupees</i>
<u>ASSETS</u>			
Non Current Assets			
Property and equipment	4	4,253,115	3,457,451
Intangible assets	5	3,037,000	2,518,000
Long term investment	6	28,456,623	26,943,129
Long term deposits	7	3,750,000	3,750,000
		<u>39,496,738</u>	<u>36,668,580</u>
Current Assets			
Trade debts - considered good	8	127,951	-
Short term deposits	9	410,000	1,400,000
Short term investments	9	172,464,018	109,414,288
Income tax refunds due from the Government	10	63,819	50,859
Cash and bank balances	11	44,404,090	24,724,154
		<u>217,469,878</u>	<u>135,589,301</u>
Total Assets		<u><u>256,966,616</u></u>	<u><u>172,257,881</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>
Issued, subscribed and paid-up capital	12	49,013,990	49,013,990
Revenue reserves		<u>172,421,711</u>	<u>97,854,671</u>
Shareholders' equity		<u>221,435,701</u>	<u>146,868,661</u>
Non Current Liability			
Deferred tax liability	13	790,665	-
Current Liabilities			
Trade and other payable	14	32,711,250	23,360,220
Short term borrowings	15	2,029,000	2,029,000
		<u>34,740,250</u>	<u>25,389,220</u>
Contingency and commitments	16		
Total Equity and Liabilities		<u><u>256,966,616</u></u>	<u><u>172,257,881</u></u>

AMANAH INVESTMENTS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	<i>Note</i>	<i>2021 Rupees</i>	<i>2020 Rupees</i>
Operating revenue	17	82,531,510	8,128,071
Operating and administrative expenses	18	(8,060,012)	(3,625,851)
Operating profit		<u>74,471,498</u>	<u>4,502,220</u>
Other charges	19	(809,155)	(289,400)
Finance cost - bank charges		-	(1,880)
Other income	20	3,122,962	1,461,251
Profit before taxation		<u>76,785,305</u>	<u>5,672,191</u>
Taxation - net	21	(2,218,265)	(781,964)
Profit after taxation		<u>74,567,040</u>	<u>4,890,227</u>
Other comprehensive income		-	-
Total comprehensive Profit for the year		<u><u>74,567,040</u></u>	<u><u>4,890,227</u></u>

AMANA INVESTMENTS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

	<i>Issued, subscribed and paid-up share capital</i>	<i>Revenue Reserves Unappropriated profits</i>	<i>Total</i>
	----- Rupees -----		
Balance as at June 30, 2019	49,013,990	92,964,444	141,978,434
Total comprehensive income for the year	-	4,890,227	4,890,227
Balance as at June 30, 2020	49,013,990	97,854,671	146,868,661
Total comprehensive income for the year	-	74,567,040	74,567,040
Balance as at June 30, 2021	49,013,990	172,421,711	221,435,701

Unappropriated profit can be utilized for meeting any contingencies and for distribution of profits by way of dividend.

AMANA INVESTMENTS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		76,785,305	5,672,191
Adjustment for:			
Dividend income	17	(6,359,146)	(2,689,564)
Capital gain on disposal of investments - net	17	(15,738,691)	(1,228,589)
Unrealized gain on remeasurement of investments - net	17	(54,707,152)	(3,217,684)
Depreciation	18	640,182	488,579
Amortization	18	6,000	6,000
Liabilities written back	20	(68,900)	-
Finance cost		-	1,880
Cash generated from / (used in) operating activities before working capital changes		557,598	(967,187)
Working capital changes			
(Increase) / decrease in current assets		990,000	-
Short term deposits		(127,951)	-
Trade debts - considered good			
Increase in current liabilities		9,419,930	14,775,011
Trade and other payables		10,281,979	14,775,011
Cash generated from operations		10,839,577	13,807,824
Taxes paid	10.1	(1,440,560)	(538,633)
Finance costs paid		-	(1,880)
Net cash generated from operating activities		(1,440,560)	(540,513)
		9,399,017	13,267,311
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred	4	(1,960,846)	(192,545)
Short term investments sold / (made) - net		5,882,619	(1,194,652)
Dividend received	17	6,359,146	2,689,564
Net cash generated from investing activities		10,280,919	1,302,367
Net increase in cash and cash equivalents (A+B)		19,679,936	14,569,678
Cash and cash equivalents at the beginning of the year	11	24,724,154	10,154,476
Cash and cash equivalents at the end of the year	11	44,404,090	24,724,154