BAKER TILLY
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INDEPENDENT AUDITORS REPORT ON STATEMENT OF NET CAPITAL BALANCE

To the Chief Executive Officer of Progressive Investment Management (Private) Limited

Opinion

We have audited the Statement of Net Capital Balance of **Progressive Investment Management (Private) Limited** and notes to the Statement of Net Capital Balance as at 30 June, 2017 (together 'the statement').

In our opinion, the financial information in the statement of the Securities Broker as at 30 June, 2017 is prepared, in all material respects, in accordance with the requirements of the Second Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 (the Regulations) read with Rule 2(d) of the Securities Exchange Commission (SEC) Rules 1971 (SEC Rules 1971) issued by the Securities & Exchange Commission of Pakistan (SECP).

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 statement* section of our report. We are independent of the Securities Broker in accordance with the ethical requirements that are relevant to our audit of the statement in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to Note 1 to the statement, which describes the basis of accounting. The statement is prepared to assist the **Progressive Investment Management (Private) Limited** to meet the requirements of the SECP, Pakistan Stock Exchange (PSX) and National Clearing Company of Pakistan Limited (NCCPL). As a result, the statement may not be suitable for another purpose. Our report is intended solely for **Progressive Investment Management (Private) Limited**, SECP, PSX and NCCPL and should not be distributed to parties other than **Progressive Investment Management (Private) Limited** or the SECP, PSX or NCCPL. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

Management is responsible for the preparation of the statement in accordance with the Regulations and the SEC Rules 1971, and for such internal control as management determines

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is necessary to enable the preparation of the statement that is free from material misstatement, whether due to fraud or error.

Those charged with governance is responsible for overseeing the Securities Broker's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the statement is 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 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 this statement.

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

- Identify and assess the risks of material misstatement of the statement, 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 Securities Broker's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

We communicate with those charged with governance 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.

Baker Tilly MIQ

Baker Tilly Mehmood Idrees Qamar
Chartered Accountants

BakerTilly Mehmood Idrees Qamar
Chartered Accountants
Engagement Partner: Siraj Ahmad
Place: Islamabad

Dated: 13 September, 2017

PROGRESSIVE INVESTMENT MANAGEMENT (PRIVATE) LIMITED
CORPORATE TREC HOLDER OF PAKISTAN STOCK EXCHANGE LIMITED
CALCULATION OF NET CAPITAL BALANCE FOR THE PURPOSES OF SCHEDULE II to THE SECURITIES BROKERS (LICENSING AND OPERATIONS) REGULATIONS, 2016 AND THIRD SCHEDULE UNDER RULE 2(d) OF THE SEC RULES 1971
AS AT 30 JUNE 2017

Excess of Current Assets over Current Liabilities determined in accordance with the Schedule II to the Securities Brokers (licensing and operations) Regulations, 2016 and Third Schedule under Rule 2(d) of the Securities and Exchanges Rules 1971 and the clarifications/ guidelines issued by SECP dated 3 July 2013, 20 December 2013 and 24 July 2015 and Guide Book issued by Securities Market Division of SECP dated 8 September 2016.

DESCRIPTION	VALUATION BASIS	Notes	Sub Total	Total
			--------------Rupees-------------	
CURRENT ASSETS				
Cash in hand and bank balances	As per book value	2		**3,891,258**
Cash deposited as margin with National Clearing Company of Pakistan	As per book value			**740,000**
Trade receivables	As per book value	3	5,761,671	
	Less: Overdue for more than 14 days		(4,196,407)	**1,565,264**
Investment in listed securities in the name of broker	At market Value	4	1,455,569	
	Less: Securities not in exposure list		-	
			1,455,569	
	Less: Securities in exposure list marked to market less 15% discount		(218,335)	**1,237,234**
Securities purchased for clients	Lower of Amount Overdue by more than 14 days or value of securities in the sub account of clients			**1,326,108**
Total Current Assets				**8,759,864**
CURRENT LIABILITIES				
Trade payables	As per book value	5	3,403,158	
	Less: Overdue for more than 30 days		(607,103)	**2,796,055**
Other payables	As per book value	6		**814,434**
Total Current Liabilities				**3,610,489**
Net Capital Balance as at 30 June 2017				**5,149,375**

The annexed notes 1 to 7 form an integral part of the statement.

Baker Tilly Mehmood Idrees Qamar
For Identification Only
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1 STATEMENT OF COMPLIANCE AND BASIS OF ACCOUNTING

The amounts and figures reported in the statement of net capital balance ("the statement") are based on the complete set of financial statements prepared in accordance with approved accounting standards as applicable in Pakistan. Approved Accounting Standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as were notified under the repealed Companies Ordinance, 1984, provisions of or directives issued under the repealed Companies Ordinance, 1984. The statement has been prepared in accordance with Second Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 (the Regulations) read with Third Schedule under Rule 2(d) of the Securities Exchange Commission (SEC) Rules 1971 (SEC Rules 1971) and relevant clarifications/ guidlines issued by the Securities & Exchange Commission of Pakistan (SECP).

2 CASH IN HAND AND BANK BALANCES

	30 June 2017 (Rupees)
Cash in hand	403,682
Bank balances pertaining to:	
Broker	25,141
Clients	3,462,435
	3,891,258

3 TRADE RECEIVABLES

These are valued at cost less bad and doubtful trade receivables (if any) and trade receivables outstanding for more than 14 days

Total receivable	5,761,671
Less: Outstanding for more than 14 days	(4,196,407)
Balance generated within 14 days and/or not yet due	**1,565,264**

4 INVESTMENT IN LISTED SECURITIES IN THE NAME OF BROKER

These represent investments in listed equity securities which are not on the default counter of the Stock Exchange are value at market rates prevailing as on 30 June 2017 less 15% discount as prescribed in Third Schedule under Rule 2(d) to the Securities and Exchange Rules, 1971 and Schedule II to the Securities Brokers Regulations 2016. Securities on the default counter have been excluded from the calculations.

5 TRADE PAYABLES

This represents balances payable against trading of shares less trade payable balance overdue for more than 30 days which have been included in other liabilities.

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6 OTHER LIABILITIES

The break up is as follows:

Overdue trade payables	607.103
Loan from directors	-
Other liabilities	207.331
	814.434

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7 DATE OF ISSUANCE

This statement was authorized for issue on ______________.

Chief ~~Financial~~ Officer
CHIEF EXECUTIVE OFFICER

Financial
Chief ~~Executive~~ Officer

PARTICULARS OF DIRECTORS AND OFFICERS, INCLUDING THE CHIEF EXECUTIVE, MANAGING AGENT, SECRETARY, CHIEF ACCOUNTANT, AUDITORS AND LEGAL ADVISERS, OR OF ANY CHANGE THEREIN

THE COMPANIES ORDINANCE, 1984

[SECTION 205]

FORM 29

1. Incorporation Number: 0033067
2. Name of Company: PROGRESSIVE INVESTMENT MANAGEMENT (PRIVATE) LIMITED
3. Fee Paid (Rs.): 500.0 — Name and Branch of Bank: ISLAMABAD, MCB - Islamabad Stock Exchange [1390]
4. Receipt No.: E-2017-567805 — 17/03/2017
5. Mode of Payment (Indicate): Bank Challan
6. Particulars*:

6.1. New Appointment/Election

Present Name in Full (a)	NIC No. or Passport No. in case of Foreign National (b)	Father / Husband Name (c)	Usual Residential Address (d)	Designation (e)	Nationality** (f)	Business Occupation*** (if any) (g)	Date of Present Appointment or Change (h)	Mode of Appointement / change / any other remarks (i)
BAKER TILLY MEHMOOD IDREES QAMAR			1ST FLOOR BOQUIVAL TOWER, STREET 27A, CRIMSON ROAD, SECTOR H, DHA	Auditor	Pakistan	CA	10/03/2017	Appointed

6.2. Ceasing of Officer/Retirement/Resignation

Present Name in Full (a)	NIC No. or Passport No. in case of Foreign National (b)	Father / Husband Name (c)	Usual Residential Address (d)	Designation (e)	Nationality** (f)	Business Occupation*** (if any) (g)	Date of Present Appointment or Change (h)	Mode of Appointement / change / any other remarks (i)
MUDASSAR EHTISHAM AND CO			ROOM # 2, 2ND FLOOR, PACIFIC CENTRE, F-8 MARKAZ, ISLAMABAD	Auditor	Pakistan		09/03/2017	Resigned

6.3. Any other change in particulars relating to columns (a) to (g) above

Present Name in Full (a)	NIC No. or Passport No. in case of Foreign National (b)	Father / Husband Name (c)	Usual Residential Address (d)	Designation (e)	Nationality** (f)	Business Occupation*** (if any) (g)	Date of Present Appointment or Change (h)	Mode of Appointement / change / any other remarks (i)

Name of Signatory: MUHAMMAD SHARIF — Designation: Chief Executive

Signature of Chief Executive/Secretary: — Date (DD/MM/YYYY): 17/03/2017