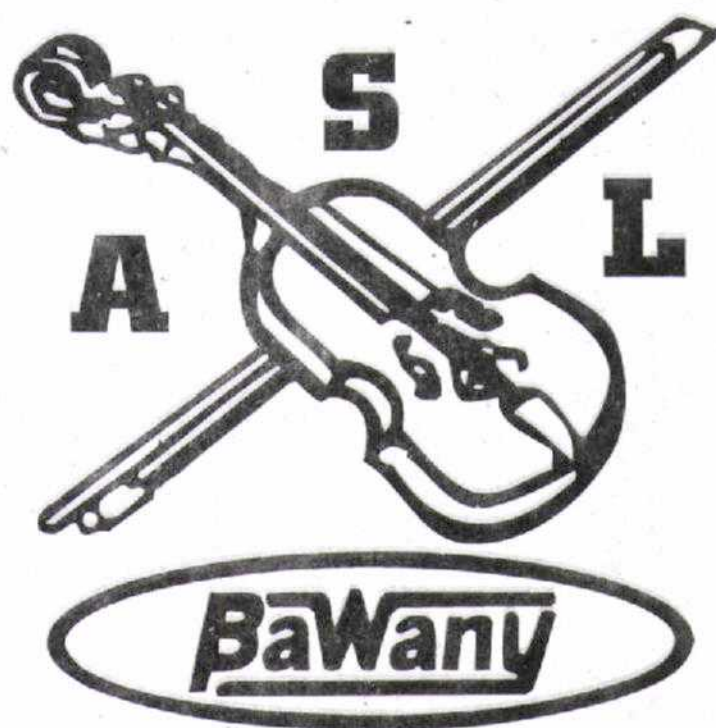


38th ANNUAL REPORT 2014-2015



ASSOCIATED SERVICES LIMITED

NOTICE TO THE MEMBERS

In terms of Securities & Exchange Commission of Pakistan Notification # SRO 049 (1) 2003 dated January 15, 2003 the Format of Form 'A' has been revised and have advised to print NIC Number of each shareholder.

We request you to send a photo copy of Computerized NIC (both sides) within 15 days from receipt of this notice to our address to enable us to comply with the Securities & Exchange Commission of Pakistan requirement, if not already supplied.

Your cooperation is solicited.

Dated: 9th October, 2015

MOHAMMAD ARIF DALIA
Director



CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman & Chief Executive	: Mr. M. Tariq Bawany
Director & Secretary	: Mr. Mohammad Arif Dalia
Director	: Sheikh Muhammad Waseem
Director	: Mr. Muhammad Aslam
Director	: Mr. Muhammad Asif
Director	: Mr. Asif Misbah
Director	: Mr. Swaleh Misbah Khan

COMPANY SECRETARY

: Mr. Mohammad Arif Dalia

AUDIT COMMITTEE

: Sheikh Muhammad Waseem
: Mr. Mohammad Arif Dalia
: Mr. Muhammad Asif

AUDITORS

: IECnet S.K.S.S.S
: Chartered Accountants

BANKERS

: Faysal Bank Limited
Summit Bank Limited

REGISTERED OFFICE

: Room # 101, 1st Floor,
Marium Heights, Plot # C/11, Block -7&8,
Commercial Area, Off Shahrah-e-Faisal,
Karachi. Phone: 34325565-66

SHARE REGISTRAR

: F. D. Registrar Services
(SMC-Pvt) Ltd.
1705, 17th Floor, Saima Trade Tower-A
I. I. Chundrigar Road, Karachi.

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that 38th Annual General Meeting of shareholders of Associated Services Limited will be held on October 31, 2015, at 1:45 p.m. at Room #101, 1st Floor, Marium Heights, Plot # C/11, Block 7 & 8, Commercial Area, Off: Shahrah-e-Faisal, Karachi, to transact the following business;

1. To confirm the minutes of the 37th Annual General Meeting held on October 30, 2014.
2. To receive and consider the Audited Accounts of the Company for the year ended June 30, 2015 together with Director's and Auditors' Reports thereon.
3. To appoint Auditors for the year ending June 30, 2016 and fix their remuneration.
4. To consider and approve the sale of Company's Land and Building located at Mouza Bairut, Hub Chowki, Lasbella, Balochistan and if deemed fit to pass with or without modification the following resolutions as ordinary Resolutions.
 - a) Resolved that pursuant to section 196(3) of the Companies Ordinance, 1984 the directors of the Company be and are hereby authorised to sell Land and Building located at Mouza Bairut, Hub Chowki, Lasbella, Balochistan.
 - b) Resolved that Mr. M. Tariq Bawany, Chief Executive/Director of the Company be and is hereby authorized and empowered to sell the Company's Land and Building located at Mouza Bairut, Hub Chowki, Lasbella, Balochistan, on behalf of the Company and complete all the legal formalities to give effect to the aforesaid Resolution.
 - c) Resolved that acts, deeds and things done by the above authorized person for and on behalf of the Company to give effect to the aforesaid resolution shall be binding acts and deeds upon the Company.
5. To consider any other business with the permission of the chair,

Karachi

Dated: October 09, 2015

On order of the Board

M. TARIQ BAWANY
CHIEF EXECUTIVE

Notes:

1. The Share Transfer Books of the Company shall remain closed from October 25, 2015 to October 31, 2015 (both days inclusive).
2. A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. The Proxy form, must be received at the registered office of the Company, duly stamped, signed and witnessed not later than forty-eight (48) hours before the meeting.
3. Shareholders whose shares are deposited with Central Depository Company (CDC) are requested to bring their Computerized National Identity Card (CNIC) along with their CDC Account Number for verification, in case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signatures of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.
4. For attending the meeting and appointing proxies CDC account holders will further have to follow the guidelines as laid down in Circular No.01, dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan.
5. Members are requested to immediately inform the Company of any change in their address.



**STATEMENT UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984
PERTAINING TO THE BUSINESS TO BE TRANSACTED IN
ANNUAL GENERAL MEETING**

Associated Services Limited is a Company limited by shares, incorporated in Pakistan on July 14, 1977.

The registered office of the Company is situated at Room # 101, 1st Floor, Marimn Heights, Plot # C/11, Block 7 & 8, Commercial Area, Off: Shahrah-e-Faisal, Karachi. The Company is listed on Karachi and Lahore Stock Exchanges.

The Company had been constrained to stop its jute production activities with effect from August 26, 2003 as a result of losses and lack of future prospects. It disposed off all plant and machinery and settled all its long-term loan liabilities due to Financial Institutions from sale proceeds and injection of funds by the sponsors / associates and relieved all its workers in subsequent year. Later on the Company also disposed off a portion of surplus freehold land.

The Board then in view of uncertain economic and local conditions resolved to wind up the Company. However, in the year 2008, the Board of Directors of the Company decided to revive the Company and resolved to revoke their earlier decision taken for winding up of the Company. In September 2008, SECP was requested and it permitted the management to make efforts for revival of the Company within one year's time. The management had opportunities for new business but failed to materialize mainly due to uncertain law and order situation in the area. The management had since then focused on current activities of deriving rental income from its remaining land and building, while continuing its efforts for revival of the Company.

Under the circumstances discussed above, the sponsors, holding majority shares of Associated Services Limited (ASL) entered into a share purchase agreement dated June 01, 2015 with Macter International Limited (MIL) with the object that MIL shall takeover the control of the Company and then merge the Company with and into MIL. The takeover process has been completed by acquiring 74.832% capital of the Company i.e. 2,662,065 ordinary shares out of the total paid up capital of 3,557,400 ordinary shares of Rs. 10/- each. The merge entity will be listed on Karachi Stock Exchange Limited and Lahore Stock Exchange Limited in place of the Associated Services Limited.

Macter International Limited was incorporated at Karachi under the Companies Ordinance, 1984 on June 23, 1992 as a private limited company and subsequently on February 24, 2011 it was converted into public limited company. The principal activity of the Company is to manufacture and market pharmaceutical products. The registered office of the Company is situated at F-216, S.I.T.E., Karachi.

As required by Section 118 of Part-IX of the Securities Act, 2015 it was disclosed in the Public Announcement of Offer and Offer Letter that the land and building of the Associated Services Limited having market value of Rs. 98 million, located at Mouza Bairut, Hub Chowki, District Lasbella, Balochistan being surplus be disposed of soon after its takeover by the acquirer for its revival for pharma Business.

The detail of assets to be disposed off, as required by SRO 1227/2005 dated December 12, 2005 issued by Securities Exchange and Commission of Pakistan is as under:

**ASSOCIATED SERVICES LIMITED***Annual Report 2015*

i.	Description of Assets.	Land and Building
ii.	Net Cost / Revalued Amount.	Rs.98,000,000/-
iii.	Book value.	Rs.98,000,000/-
iv.	Current market value.	Rs.98,000,000/-
v.	Location.	Mouza Bairut, Hub Chowki, District Lasbella Balochistan
vi.	Area of plot	Approximate 16.72 Acres with constructed area of 160,000 Sq. Ft. RCC and 30,000 Sq. Ft. ACC.

The manner of disposal:

By negotiation with the interested parties.

Reasons for the sale and benefits to the shareholders:

Associated Services Limited has been taken over by Macter International Limited. The manufacturing facilities of Macter International Limited are located at F-216, S.I.T.E., Karachi, the Associated Services Limited will be revived for pharma business by merger with and into the Macter International Limited and the merged entity will be listed on Karachi Stock Exchange Limited and Lahore Stock Exchange Limited in place of the Associated Services Limited. The land and building located at Mouza Bairut, Hub Chowki, District Lasbella, Balochistan will be no more required by Macter International Limited due to location of its existing manufacturing facilities at S.I.T.E., Karachi which are sufficient for its present and future expended requirements.

Interest of directors:

The directors of the Company are interested in the business to the extent of their shareholding in the Company.



DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

The Company welcomes you at the 38th Annual General Meeting and would like to present before you the Audited Accounts for the year ended June 30, 2015.

We find from these Accounts that the Rental Income is Rs. 15,334,331/-, the Administrative and financial expenses are Rs. 10,311,670/-. The taxation amount is Rs. 2,376,146/- the net profit comes to Rs. 2,646,515/- after adjustment of taxation amount thus the un-appropriated profit is Rs. 44,148,005/-. The earnings per share for the year is Rs. 0.74.

Details of attendance of Directors in the Board Meetings are given below:

NAME OF DIRECTORS	NO. OF MEETINGS	NO. OF MEETING ATTENDED
Mr. M. Tariq Bawany	6	6
Mr. Arif S. Gazi	6	4
Mr. Mohammed Arif Daiia	6	6
Mr. M. Arif M. Ahmed	6	5
Mr. M. Taufiq M. Moosa	6	4
Mr. M. Danish M. Amin	6	4
Mr. Mohammed Ahmed Bawany	6	5
Mr. Asif Misbah	6	1
Sheikh Muhammad Waseem	6	1
Mr. Muhammad Asif	6	1

The Pattern of Shareholding is attached with the Annual Report.

M/s. Aslam Malik & Co., Chartered Accountants resigned during the year and the Board filled casual vacancy by appointment of M/s. IECnet S.K.S.S.S, Chartered Accountants for the year ended June 30, 2015. They have also consented to act as Auditors for the year ending on June 30, 2016.

During the year, the sponsors, holding majority shares of Associated Services Limited (ASL) entered into a share purchase agreement dated June 01, 2015 with Macter International Limited (MIL) with the object that MIL shall take over the control of the Company and then merge the Company with and into MIL. The takeover process has been completed by acquiring 74.832% capital of the Company i.e. 2,662,065 ordinary shares out of the total paid up capital of 3,557,400 ordinary shares of Rs. 10/- each. The ASL will be merged with and into MIL after approval of Merger Scheme by the Honorable Sindh High Court, Karachi in near future. The merged entity will be listed on Karachi Stock Exchange Limited and Lahore Stock Exchange Limited in place of the Associated Services Limited.

Macter International Limited was incorporated at Karachi under the Companies Ordinance, 1984 on June 23, 1992 as a private limited company and subsequently on February 24, 2011 it was converted into public limited company. The principal activity of the Company is to manufacture and market pharmaceutical products. The registered office of the Company is situated at F-216, S.I.T.E., Karachi.

The management appreciates the Cooperation by the Staff members of the Company.

Karachi
October 09, 2015

On order of the Board
M. TARIQ BAWANY
CHIEF EXECUTIVE



REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Associated Services Limited for the year ended June 30, 2015 to comply with the requirements of Listing Regulation of the Karachi Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where 'such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, except for the departure disclosed in note 1, 5, 6, 9, 10, 15, 16, 17, 18, 21, 24 and 25 nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2015.

Islamabad

Dated: October 09, 2015

Chartered Accountants
NAJAMUDDIN SHAD
ENGAGEMENT PARTNER



STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

This statement is being presented to comply with the Code of Corporate Governance (the Code) contained in listing regulations of Stock Exchanges where the shares of the Company are listed, for the purpose of establishing a framework of good governance, whereby a listed Company is managed in compliance with the best practices of corporate governance.

The company had applied the principles contained in the code in the following manner :

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes.

Category	Names
Independent Directors	No
Executive Directors	Mr. M. Tariq Bawany Mr. Mohammad Arif Dalia
Non-Executive Directors	Mr. Arif S. Ghazi Mr. M. Arif S/o. M. Ahmed Mr. M. Taufiq S/o. M. Moosa Mr. M. Danish S/o. M. Amin Mr. Mohammad Ahmed Bawany

* These person have resigned and replaced by following persons as directors on the Board of the company on September 11, 2015.

Name	Designation
Mr. Sheikh Muhammad Waseem	Director
Mr. Muhammad Aslam	Director
Mr. Muhammad Asif	Director
Mr. Asif Misbah	Director
Mr. Swaleh Misbah Khan	Director

2. The Directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company.
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred in the Board of directors during the year ended June 30, 2015.
5. The company has not prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
6. The Board has not developed vision and mission statement, and overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies alongwith the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the Board.



ASSOCIATED SERVICES LIMITED

Annual Report 2015

8. The meetings of the Board were presided over by the Chairman and the Chief Financial Officer and Company Secretary attended all the meetings. The Board meets at least once in every quarter. Written notices of the Board meetings along with agenda and working papers were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded, circulated and signed by the Chairman of the meeting of the Board of Directors.
9. The Board has not arranged orientation course for its directors during the year to apprise them of their duties and responsibilities.
10. The Board has not approved terms of appointment and remunerations of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit.
11. The directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The CEO and CFO duly endorsed the financial statements of the Company before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the code.
15. The Board has not formed an Audit Committee.
16. The meetings of the audit committee were not held at least once every quarter prior to approval of interim and final results of the company and as required by the code. There are no terms of reference of the committee.
17. The Board has not formed an HR and Remuneration Committee.
18. The Board has no any set-up of an effective internal audit function and that is involved in the Internal Audit on full time basis relating to the business and other affairs of the Company.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The related party transactions have not been placed before the audit committee and approved by the Board of Directors along with pricing methods for transactions carried out on terms equivalent to those that prevail in the arm's length transactions.
22. The closed period, prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to directors, employees and stock exchanges.
23. Material/price sensitive information has been disseminated among all market participants at once through stock exchanges.
24. The company has not prepared a statement of ethics and business practices.
25. None of the directors have attended any director training program.

We confirm that all other material principles contained in the code have been complied with.

M. TARIQ BAWANY
Chief Executive

MOHAMMAD ARIF DALIA
DIRECTOR



AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Associated Services Limited ("the Company") as at June 30, 2015, and the related profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement 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 the 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:

in our opinion, proper books of accounts have been kept by the company as required by the Companies Ordinance, 1984

in our opinion;

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 accounts and are further in accordance with accounting policies consistently applied;

the expenditure incurred during the year was for the purpose of the company's business; and

the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit & loss account, statement of comprehensive income, statement of change in equity and cash flow statement 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 affairs as at June 30, 2015, and of the profit, total comprehensive income, its changes in equity and cash flows for the year then ended and

in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980)

Other Matter

The financial statements of the company for the period ended June 30, 2014 were audited by another firm of chartered accountants who through their report dated October 04, 2014 expressed an unqualified opinion thereon.

Islamabad October 09, 2015

Chartered Accountants
NAJAMUDDIN SHAD
ENGAGEMENT PARTNER



ASSOCIATED SERVICES LIMITED

Annual Report 2015

BALANCE SHEET

AS AT JUNE 30, 2015

	Notes	2015 Rupees	2014 Rupees		Notes	2015 Rupees	2014 Rupees
EQUITY AND LIABILITIES				NON CURRENT ASSETS			
CAPITAL AND RESERVES							
Authorised Capital				Property, plant and equipment	4	2,185,956	1,387,311
5,000,000 Ordinary shares				Investment property	5	98,000,000	98,000,000
(2014:5,000,000) of Rs. 10/= each		50,000,000	50,000,000	LONG TERM DEPOSITS	6	374,280	374,280
Issued, subscribed and paid up capital	9	35,574,000	35,574,000			100,560,236	99,761,591
Unappropriated profit		44,148,005	41,501,490				
		79,722,005	77,075,490				
LIABILITIES				CURRENT ASSETS			
NON-CURRENT LIABILITIES							
Loan from associates	10	-	20,487,554	Rent receivable		1,652,840	1,106,016
Liabilities against assets				Loan and advances	7	234,271	18,186,579
subject to finance lease	11	-	265,213	Prepaid expenses		-	28,438
		-	20,752,767	Taxation		1,327,185	864,004
CURRENT LIABILITIES				Deposit against rent		100,000	100,000
Current portion of liabilities				Cash and bank balances	8	38,042	218,911
against subject to finance lease	11	257,256	246,519			3,352,338	20,503,948
Trade and other payables	12	1,848,105	737,705				
Provision for taxation		2,915,029	3,395,411				
Loan from associates	13	4,161,789	-				
Accrued Markup		-	562,563				
Short term running finance	14	15,008,390	17,495,084				
		24,190,569	22,437,282				
Contingencies and Commitments	15	-	-				
TOTAL EQUITY AND LIABILITIES		103,912,574	120,265,539			103,912,574	120,265,539

The annexed notes from 1 to 27 form an integral part of these financial statements.

M. TARIQ BAWANY
Chief Executive

MOHAMMAD ARIF DALIA
DIRECTOR



PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2015

	Note	2015 Rupees	2014 Rupees
Rental income	16	15,334,331	14,088,537
Administrative expenses	17	(10,257,368)	(8,945,500)
Finance cost	18	(54,302)	(675,180)
		(10,311,670)	(9,620,680)
Other income	19	-	8,199,420
Profit before taxation		5,022,661	12,667,277
Taxation	20	(2,376,146)	(3,395,411)
Profit after taxation		2,646,515	9,271,866
Earning per share - Basic and diluted	21	0.74	2.61

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

M. TARIQ BAWANY
Chief Executive

MOHAMMAD ARIF DALIA
DIRECTOR



CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2015

	2015 Rupees	2014 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	5,022,661	12,667,277
Adjustments for :		
Depreciation	401,355	355,905
Gain on remeasurement of investment property	-	(8,199,420)
Finance cost	54,302	675,180
	455,657	(7,168,335)
Operating cash flows before movement in working capital	5,478,318	5,498,942
Changes in working capital		
(Increase) / decrease in current assets		
Rent receivable	(546,824)	(26,527)
Loans and advances	17,952,308	(18,075,579)
Prepaid Expenses	28,438	(2,188)
	17,433,922	(18,104,294)
Increase / (decrease) in current liabilities		
Trade and other payables	1,232,379	(640,410)
	1,232,379	(640,410)
Cash generated from / (used in) operations	24,144,619	(13,245,762)
Financial charges paid	(570,566)	(112,617)
Taxation paid	(3,319,709)	(1,325,740)
Net cash flows generated from / (used in) operating activities	20,254,344	(14,684,119)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition in property, plant and equipment	(1,200,000)	(967,027)
Security deposit paid	-	(100,000)
Investment Property	-	(840,580)
Net cash flows used in investing activities	(1,200,000)	(1,908,207)



ASSOCIATED SERVICES LIMITED

Annual Report 2015

CASH FLOWS FROM FINANCING ACTIVITIES

	2015 Rupees	2014 Rupees
Loan obtained from associate	3,800,000	3,475,000
Repayment of lease obligation	(300,775)	(207,555)
Repayment of loan to associate	(20,247,744)	(4,050,000)
Net cash flows used in financing activities	<u>(16,748,519)</u>	<u>(782,555)</u>
Net increase/(decrease) in cash and cash equivalents	2,305,825	(17,374,878)
Cash and cash equivalents at the beginning of the year	(17,276,173)	98,705
Cash and cash equivalents at the end of the year	25 <u>(14,970,348)</u>	<u>(17,276,173)</u>

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

M. TARIQ BAWANY
Chief Executive

MOHAMMAD ARIF DALIA
DIRECTOR



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2015

	<i>Issued Subscribed and paid up Capital</i>	<i>Accumulated Profit Rupees</i>	<i>Total</i>
Balance at July 01, 2013	35,574,000	32,229,624	67,803,624
Total Comprehensive income for the year ended June 30, 2014	-	9,271,866	9,271,866
Balance at June 30, 2014	35,574,000	41,501,490	77,075,490
Balance at July 01, 2014	35,574,000	41,501,490	77,075,490
Total Comprehensive income for the year ended June 30, 2015	-	2,646,515	2,646,515
Balance at June 30, 2015	35,574,000	44,148,005	79,722,005

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2015

	2015(in Rupees).....	2014
Profit after taxation	2,646,515	9,271,866
Other comprehensive income	-	-
Total comprehensive income	<u>2,646,515</u>	<u>9,271,866</u>

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

M. TARIQ BAWANY
Chief Executive

MOHAMMAD ARIF DALIA
DIRECTOR

**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED JUNE 30, 2015****1. GENERAL INFORMATION**

- 1.1 Associated Services Limited is a company limited by shares, incorporated in Pakistan on July 14, 1977. The registered office of the company is situated at Room # 101, 1st Floor, Marium Heights, Plot C/11, Block 7 & 8, Commercial Area, Off: Shahrah-e-Faisal, Karachi. The company is listed on Karachi and Lahore Stock Exchanges.
- 1.2 The Company stopped its jute production activities with effect from August 26, 2003 as a result of losses and lack of future prospects. It then disposed off all plant and machinery and settled all its long-term loan liabilities due to Financial Institutions from sale proceeds and injection of funds by the sponsors / associates and relieved all its workers in subsequent year. Later on the Company also disposed off a portion of surplus freehold land.

The Board then in view of uncertain economic and local conditions resolved to wind up the Company. However, in the year 2008, the Board of Directors of the Company decided to revive the Company and resolved to revoke their earlier decision taken for winding up of the Company. In September 2008, SECP accredited to company's request and permitted the management to make efforts for revival of the Company within one year's time. The management had over the period attempted for new business but failed to materialize mainly due to uncertain law and order situation in the area. The management had since then been of deriving rental income from storage provided at its remaining land and building, while continuing its efforts for revival of the Company.

Under the circumstances discussed above, the sponsors, holding majority shares of Associated Services Limited (ASL) entered into a share purchase agreement dated June 01, 2015 with Macter International Limited (MIL) with the object that MIL shall take over the control of the Company and then merge the Company with and into MIL. The takeover process has since been completed. The merge entity will be listed on Karachi Stock Exchange Limited and Lahore Stock Exchange Limited in place of the Associated Services Limited.

- 1.3 The company intends to subsequently dispose of the investment property disclosed in note # 5 and settle the bank liability due to Summit Bank Limited from the proceeds thereof as soon as the transaction envisaged is completed in accordance with the requirement laid in this respect by SECP.

2. BASIC OF PREPARATION**2.1 Statement of Compliance**

These financial statements have been 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 Standard Board as are notified under the Companies Ordinance, 1984 including 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.

2.2 Basis of Measurement

The financial statements have been prepared under the historical cost convention, except for investment property which are stated at fair value.

**2.3 Functional and Presentation Currency**

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Company and rounded off to the nearest rupee.

2.4 Use of Estimates and Judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that effect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which from the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.5 Amendments / Interpretation to existing standard and forthcoming requirements

During the year certain amendments to standards or new interpretations became effective; however, the amendments or interpretation did not have any material effect on the financial statements of the Company

Standards, amendments or interpretations not yet effective

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 1 July 2015 and the Company does not expect to have any material / significant changes in its accounting policy except for disclosures, where applicable:

Amendments to IAS 38 Intangible Assets and IAS 16 Property, Plant and Equipment (effective for annual periods beginning on or after 1 January 2016) introduce severe restrictions on the use of revenue-based amortization for intangible assets and explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment. The amendments have no impact on Company's financial statements as the Company has the policy of depreciating / amortizing its property, plant and equipment and intangible assets based on the assessed useful lives.

IFRS 10 'Consolidated Financial Statements'-(effective for annual periods beginning on or after 1 January 2015) replaces the part of IAS 27 'Consolidated and Separate Financial Statements'. IFRS 10 is not likely to have any impact on the financial statements of the Company.

IFRS 11 'Joint Arrangements' (effective for annual periods beginning on or after 1 January 2015;) replaces IAS 31 'Interests in Joint Ventures'. IFRS 11 is not likely to have any impact on the financial statements of the Company.

IFRS 12 'Disclosure of Interest in Other Entities' (effective for annual periods beginning on or after 1 January 2015). The adoption of this standard is not like to have an impact on Company's financial statements.



IFRS 13 'Fair Value Measurement' effective for annual periods beginning on or after 1 January 2015). The adoption of this standard is not like to have an impact on Company's financial statements.

Amendment to IAS 27 'Separate Financial Statement' (effective for annual periods beginning on or after January 2016). The amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

Agriculture: Bearer Plants [Amendment to IAS 16 and IAS 41] (effective for annual periods beginning on or after 1 January 2016). These amendments have no impact on the financial statements of the Company.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) [effective for annual periods beginning on or after 1 January 2016]. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Annual Improvements 2012-2014 cycles (amendments are effective for annual periods beginning on or after 1 January 2016). The new cycle of improvements contain amendments to the following standards:

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. These amendments are not likely to have any implication on the Company's Financial Statements.

IFRS 7 'Financial Instruments- Disclosures'. These amendments are Company's Financial Statements.

IAS 19 'Employee Benefits'. These amendments are not likely to have any implication on the Company's Financial Statements.

IAS 34 'Interim Financial Reporting'. These amendments are not likely to have any implication on the Company's Financial Statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment

Property, plant and equipment except land and buildings are stated at cost less accumulated depreciation and impairment in value, if any. .

Full year's depreciation is charged on additions during the year while no depreciation is charged on assets disposed off during the year. Repair and maintenance costs are charged to income during the period in which they are incurred. Gains or losses on disposal of assets, if any, are recognised as and when incurred. Depreciation is charged to income applying the reducing balance method.

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If such indication exists and



where the carrying value exceeds the estimated recoverable amount, the assets are written down to the recoverable amount.

Surplus arising on revaluation is credited to surplus on revaluation of fixed assets. The surplus on revaluation of fixed assets to the extent of incremental depreciation charged on the related assets is transferred by the Company to equity.

Assets subject to finance lease are depreciated on the same basis as owned assets.

3.2 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the company at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as liabilities against assets subject to finance lease. Lease payments are apportioned between finance charges and reduction of the liabilities against assets subject to finance lease so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the company's general policy on borrowing costs.

3.3 Investment Property

Investment property comprises freehold and leasehold properties that are held to earn rentals or for capital appreciation or both. It is stated at fair value using Fair Value Model. Rental income from investment property is recognised through profit and loss accounts.

Any gain or losses arising from change in the fair value of investment property is recognised in profit or loss for the period in which it arises.

Transfers are made to investment property when, and only when, there is change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfer are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale.

3.4 Trade debts and other receivables

Trade debts and other receivables are carried at original invoice amount less an estimate made for doubtful receivables based on review of outstanding amounts at the year end. Balances considered bad and irrecoverable are written off when identified.

3.5 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 consist of cash in hand, balances with banks.

3.6 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument and de-recognised when the Company loses control of the



contractual rights that comprise the financial asset and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired.

Other particular recognition methods adopted by the Company are disclosed in the individual policy statements associated with each item of financial instruments

3.7 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount reported in the balance sheet, if the Company has a legal enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.8 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

3.9 Provisions

Provisions are recognised 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 of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

3.10 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

3.11 Taxation

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credit, rebates and exemption available if any or minimum taxation, whichever is higher, at the rate specified under the Income Tax Ordinance, 2001. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

3.12 Foreign Currencies

Transactions in currencies other than Pakistani Rupees are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date except where forward exchange contracts have been entered into for repayment of liabilities, in that case, the rates contracted for are used.

Gains and losses arising on retranslation are included in net profit or loss for the period.

3.13 Related party transactions

Transactions with related parties are priced on arm's length basis. Prices for these transactions are determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods and services sold in an economically comparable market to a buyer unrelated to the seller.



3.14 Critical judgments and accounting estimates in applying the accounting policies

In the process of applying the company's accounting policies, the management has identified following area where critical judgments have been exercised which have significant impact on the financial statements. Further, there following key assumptions concerning the future and other key sources of estimating uncertainty at the balance sheet date that have significant risks of causing a material adjustment within the next financial year.

	Notes
- Depreciation	3.1
- Provision for taxation	3.11

4. PROPERTY, PLANT AND EQUIPMENT

	Owned assets				Lease assets	Total
	Electrical Equipment	Computer Equipment	Vehicles	Gas Generator	Vehicles	
	Rupees					
As at June 30, 2013						
Cost	106,057	87,080	-	-	1,000,000	1,193,137
Accumulated depreciation	(22,001)	(35,544)	-	-	(360,000)	(417,545)
Net book value	84,056	51,536	-	-	640,000	775,592
Year ended June 30, 2014						
Opening net book value	84,056	51,538	-	-	640,000	775,592
Additions during the year	74,674	100,460	792,500	-	-	967,624
Disposals/transfers						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Net book value	-	-	-	-	-	-
Depreciation for the year	(23,809)	(45,596)	(158,500)	-	(128,000)	(355,905)
Closing net book Value	134,921	106,390	634,000	-	512,000	1,387,311
As at June 30, 2014						
Cost	180,731	187,530	792,500	-	1,000,000	2,160,761
Accumulated depreciation	(45,810)	(81,140)	(158,500)	-	(488,000)	(773,450)
Net book value	134,921	106,390	634,000	-	512,000	1,387,311
Year ended June 30, 2015						
Opening net book value	134,921	106,390	634,000	-	512,000	1,387,311
Addition during the year	-	-	-	1,200,000	-	1,200,000
Depreciation for the year	(20,238)	(31,917)	(126,800)	(120,000)	(102,400)	(401,355)
Closing net book value	114,683	74,473	507,200	1,080,000	409,600	2,185,956
As at June 30, 2015						
Cost	180,731	187,530	792,500	1,200,000	1,000,000	3,360,761
Accumulated depreciation	(66,048)	(113,057)	(285,300)	(120,000)	(590,400)	(1,174,805)
Net book value	114,683	74,473	507,200	1,080,000	409,600	2,185,956
Annual Rates of Depreciation	19%	30%	20%	10%	20%	



ASSOCIATED SERVICES LIMITED

Annual Report 2015

	2015 Rupees	2014 Rupees
5 INVESTMENT PROPERTY		
Opening balance	88,960,000	88,960,000
Capital Expenditure during the year	-	840,580
Gain on remeasurement	-	8,199,420
Closing balance	5.1 <u>98,000,000</u>	<u>98,000,000</u>

5.1 The fair value of subject investment property is based on valuation that is carried out M/s. Surval Consulting Engineers, an independent valuer, at the reporting date. The valuer determined the fair value of Rs. 98,000,000 the effect of which has been incorporated in the financial statements.

6 LONG TERM DEPOSITS

Lease Deposit	100,000	100,000
CDC Deposit	12,500	12,500
KESC Deposit	261,780	261,780
	<u>374,280</u>	<u>374,280</u>

7 LOANS AND ADVANCES

Considered good		
Loan to employees	146,800	71,300
Advance to supplier	-	17,500,000
Others	87,471	615,279
	<u>234,271</u>	<u>18,186,579</u>

7.1 This advance is given to Coca Cola Beverages Pakistan Limited for purchase of goods in the year 2014 (refer note # 14.1 for details)

8 CASH AND BANK BALANCES

Cash at bank		
- in current accounts	26,754	190,675
Cash in hand	11,288	28,236
	<u>38,042</u>	<u>218,911</u>



ASSOCIATED SERVICES LIMITED

Annual Report 2015

9 ISSUED, SUBSCRIBED AND PAID UP CAPITAL			2015 Rupees	2014 Rupees
2015 No. of Shares	2014 No. of Shares			
2,940,000	2,940,000	Ordinary shares of Rs.10/- each fully paid in cash	29,400,000	29,400,000
617,400	617,400	As bonus shares	6,174,000	6,174,000
<u>3,557,400</u>	<u>3,557,400</u>		<u>35,574,000</u>	<u>35,574,000</u>

10 LOAN FROM ASSOCIATES

Unsecured - Interest free From related parties	-	20,487,554
---	---	------------

11 LIABILITY AGAINST ASSETS SUBJECT TO FINANCE LEASE

Opening balance	511,732	719,287
Less: Paid during the year	(254,476)	(207,555)
	257,256	511,732
Less: Current portion	(257,256)	(246,519)
	-	265,213

The minimum lease payments have been discounted at an implicit interest rate 15.52% reset at the beginning of every six months. The amount of minimum lease payments and finance charge may vary from period to period since the implicit interest rate is linked with KIBOR. The lessee has the option to purchase the assets after expiry of the lease term.

Taxes, repairs and insurance costs are to be borne by the company. In case of early termination of lease, the lessee shall pay entire amount of rentals for unexpired period of lease agreement.

The amount of future payments of the lease and the period in which these payment will become due are as follows :

	Not Later then one year	Later then one year but not Later than five year
2015		
Present value of minimum lease payment	257,256	-
Finance charges allocated to future years	9,749	-
Total minimum lease payments	<u>267,005</u>	<u>-</u>
2014		
Present value of minimum lease payment	246,519	265,213
Finance charges allocated to future years	57,201	60,999
Total minimum lease payments	<u>303,720</u>	<u>326,212</u>



ASSOCIATED SERVICES LIMITED

Annual Report 2015

	2015 Rupees	2014 Rupees
12 TRADE AND OTHER PAYABLES		
Accrued liabilities	1,769,605	615,726
Advance against rent	78,500	-
Workers' profit participation fund	-	121,979
	<u>1,848,105</u>	<u>737,705</u>
13 LOAN FROM ASSOCIATE		
Unsecured - Interest free		
From related parties	13.1 4,161,789	-
13.1 This loan is repayable on demand by the related party	<u>15,008,390</u>	<u>17,495,084</u>
14 SHORT TERM RUNNING FINANCE		
14.1 This represents running finance facility from Summit Bank carrying markup at the rate of 3 months KIBOR plus 4%. First charge over Current Assets (present & future) with 25% margin duly insure and registered with SECP. Equitable mortgage (along with Token Mortgage Deed of Rs. 0.100 M) on land and Building of the compan and personal guarantees of Mr. Tariq Bawany and Mr. Sheryar Bawany.		
The loan was utilized last year by the company against transaction handled with an associated company and paid to Coca Cola Beverages Pakistan Limited (refer note # 7), however the arrangement was discontinued during the year as company was required to make further investment which it was not able to contribute. The said amount of advance was during the year accordingly transferred and adjusted against the amount of loan due to associate so that there is no burden on the company. The amount of markup recovered from the associate and paid to the Bank for the year amount to Rs. 2,357,743.		
15 CONTINGENCIES AND COMMITMENTS		
There are no material contingencies including Pending "or" Threatened law suit and unasserted claims as at June 30 2015 (June 30, 2014: Nil) There are no material commitments as at June 30, 2015 (June 30, 2014: Nil)		
16 RENTAL INCOME		
Rentals received from investment property	<u>15,334,331</u>	<u>14,088,537</u>



ASSOCIATED SERVICES LIMITED

Annual Report 2015

		2015 Rupees	2014 Rupees
17 ADMINISTRATIVE EXPENSES			
Directors remuneration	21	1,200,000	987,000
Meeting fee		30,300	11,000
Salaries, wages and benefits		1,714,000	1,718,378
Electricity, gas and water		30,640	100,652
Repair and maintenance (Factory building & Office)		4,397,652	2,840,707
Insurance		62,238	150,685
Staff Traveling and entertainment		109,386	136,464
Vehicles running and maintenance		362,120	523,357
Communications		26,400	31,800
Printing and stationery		45,748	49,277
Auditors' remuneration	16.1	125,000	75,000
Legal and professional charges		295,500	235,700
Advertising & Postal		30,719	30,258
Fees and subscriptions		125,270	109,760
Depreciation		401,355	355,906
Mill Office Expenses		752,391	936,940
Rates & Taxes		118,650	288,330
Charity & Donation		6,300	4,950
Miscellaneous expenses		77,907	151,603
Office Rent Expense		316,250	137,500
Telephone Expense		29,542	69,733
		<u>10,257,368</u>	<u>8,945,500</u>
17.1 Auditor's remuneration			
Annual Audit fee		<u>75,000</u>	<u>75,000</u>
18 FINANCE COST			
Markup on short term financing		-	562,563
Bank charges and Finance Charges on Lease		<u>54,302</u>	<u>112,617</u>
		<u>54,302</u>	<u>675,180</u>
19 OTHER INCOME			
Gain on remeasurement of investment property		-	8,199,420
		-	<u>8,199,420</u>
20 TAXATION			
Current		2,915,030	3,395,411
Prior years		(538,884)	-
		<u>2,376,146</u>	<u>3,395,411</u>



ASSOCIATED SERVICES LIMITED

Annual Report 2015

20.1 The relationship between tax expense and accounting profit has not been presented in these financial statements as the total income of the company comprises of income from property which is taxed separately in the case of company in terms of the Income Tax Ordinance, 2001.

21 EARNING PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data: -

	2015 Rupees	2014 Rupees
Profit after taxation	2,646,515	9,271,866
	(Number of Shares)	
Weighted average number of ordinary shares	3,557,400	3,557,400
	(Rupees)	
Basic and diluted earnings per share	0.74	2.61

There is no diluted effect on the basic earning per share of the Company as the Company has no such commitments.

22. FINANCIAL INSTRUMENTS

22.1 Interest / mark-up rate risk management

Interest / mark-up rate risk arise from the possibility that changes in interest / mark-up rates will affect the value of financial instruments.

	Interest / markup bearing		Non-Interest / markup bearing		2015	2014
	Maturity up to one year	Maturity after one year but not more than five year	Maturity up to one year	Maturity after one year but not more than five year		
	Rupees					
Financial assets						
Long term deposits	-	-	-	374,280	374,280	374,280
Rent receivable	-	-	1,652,840	-	1,652,840	1,106,016
Loan and advances	-	-	234,271	-	234,271	18,186,579
Deposit against rent	-	-	100,000	-	100,000	100,000
Cash and bank balances	-	-	38,042	-	38,042	218,911
	-	-	2,025,153	374,280	2,399,433	19,985,786
Financial liabilities						
Loan from associate	-	-	4,161,789	-	4,161,789	20,487,554
Liabilities against asset subject to finance lease	257,256	-	-	-	257,256	511,732
Trade and other payables	-	-	1,848,105	-	1,848,105	737,705
Accrued Markup	-	-	-	-	-	562,563
Short term running finance	15,008,390	-	-	-	15,008,390	17,495,084
	15,265,646	-	6,009,894	-	21,275,540	39,794,636



22.2 The effective interest / mark up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

22.3 Credit risk and concentration of credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties fail to perform as contracted. The parties to whom the property is rented are usually credit worthy and pays rentals on due dates. The exposure, if any, is restricted to a maximum 30 days period for one month of rental only.

22.4 Liquidity risk

Liquidity risk reflects the company's inability in raising funds to meet commitments. Management closely monitors the company's liquidity and cash flow position. This includes maintenance of balance sheet liquidity ratios. The company is not engaged in any business and its revenue streams from rental adequately covers its liquidity requirements.

22.5 Foreign exchange risk management

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings. The company is not exposed to any significant foreign currency risk.

22.6 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

23 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	<i>Chief Executive</i>		<i>Directors</i>		<i>Total</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Remuneration	900,000	747,000	300,000	240,000	1,200,000	987,000
Number of persons	1	1	1	1	2	2



ASSOCIATED SERVICES LIMITED

Annual Report 2015

	2015 Rupees	2014 Rupees
24 TRANSACTION WITH RELATED PARTIES		
The related parties comprise associated undertakings, related group companies, directors of the company and key management personnel. The company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties are as follows:		
Transaction during the year		
Loan received from associate	3,800,000	3,475,000
Loan repaid from associate	5,800,000	4,050,000
Advance to supplier transferred to associate	7 14,325,765	-
Balance outstanding at year end		
Due to associates		
- Loan from Al-Rehman Foundation	-	2,225,000
- Loan from Ebrahimiyan	-	6,080,000
- Loan from M. Ashraf	4,039,810	11,082,554
- Loan from M. Tariq Bawany	121,979	1,100,000
	<u>41,161,789</u>	<u>20,487,554</u>
Remuneration to Director and Chief Executive	<u>1,200,000</u>	<u>987,000</u>
25 CASH AND CASH EQUIVALENTS		
Cash and bank balances	38,042	218,911
Short term running finance	(15,008,390)	(17,495,084)
	<u>(14,970,348)</u>	<u>(17,276,173)</u>
26 NUMBER OF EMPLOYEES	2015	2014
Total number of employees	<u>10</u>	<u>10</u>
Average number of employees	<u>11</u>	<u>8</u>
27 DATE OF AUTHORISATION FOR ISSUE		
These financial statements were authorized for issue on 9th October, 2015 by the Board of Directors of the Company.		
28 GENERAL		
Figures have been rounded off to the nearest rupee.		

M. TARIQ BAWANY
Chief Executive

MOHAMMAD ARIF DALIA
DIRECTOR



ASSOCIATED SERVICES LIMITED

Annual Report 2015

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2015

No. of Shareholders	Size of Holding of Shares of Rs. 10/= each		Total Shares Held	Percentage
	From	To		
218	1	100	5,131	0.14
348	101	500	69,905	1.97
46	501	1,000	38,158	1.07
48	1,001	5,000	95,244	2.68
14	5,001	10,000	106,009	2.98
4	10,001	15,000	56,869	1.60
4	15,001	20,000	73,000	2.05
1	20,001	25,000	24,700	0.69
1	25,001	30,000	26,500	0.74
1	35,001	40,000	40,000	1.12
1	40,001	45,000	42,869	1.21
1	45,001	50,000	46,940	1.32
1	55,001	60,000	59,895	1.68
1	70,001	75,000	74,000	2.08
1	5,001	100,000	100,000	2.81
2	100,001	105,000	206,040	5.79
1	115,001	120,000	120,000	3.37
1	125,001	130,000	127,193	3.58
1	210,001	215,000	211,000	5.93
1	220,001	225,000	223,000	3.27
1	230,001	235,000	232,224	6.53
1	245,001	250,000	247,989	6.97
1	270,001	275,000	272,584	7.66
1	345,001	350,000	384,195	9.79
1	350,001	355,000	354,665	9.97
1	355,001	360,000	355,200	9.98
702			3,557,400	100.00

S. No.	Categories of Shareholders	No. of Shareholders	Shares Held	Percentage
1	Individuals	685	2,183,933	61.39
2	Investment Companies	1	7,300	0.21
3	Joint Stock Companies	11	619,383	17.41
4	Modaraba	1	121	0.00
5	Others	5	15,000	0.42
5	Charitable Trust	3	731,663	20.57
		702	3,557,400	100.00



ASSOCIATED SERVICES LIMITED

Annual Report 2015

Detail of Pattern of Shareholding as per requirement of Code of Corporate Governance.

Categories of Shareholders	Share Held	Total
Associated Companies		348,195
Ebrahimyan Co. Pvt. Ltd.	348,195	
NIT & ICP		7,300
Investmnet Corporation of Pakistan	7,300	
Directors, CEO, their Spouses and Minor Children		344,872
Mr. M. Tariq Bawany	230,693	
Mr. Arif S. Gazi	8,470	
Mr. Mohammad Ahmed Bawany	1,000	
Mr. Mohammad Arif Dalia	1,169	
Mr. M. Arif S/o. M. Ahmed	500	
Mr. M. Taufiq S/o. M. Moosa	500	
Mr. M. Danish S/o. M. Amin	102,540	
Individuals		1,831,761
Banks, DFIS, NBFTS, Insurance Companies, Modarabas Joint Stock Companies and Others		1,025,272
	Total	3,557,400

Shareholders Holding Ten Percent or More in the Company

	Number of Shares	%
AAL Bawany Foundation	490,579	13.79
Mr. Mohammad Amin Ahmed Bawany	355,200	9.98
Ebrahimyan Co. Pvt. Ltd.	348,195	9.79
Mr. M. Tariq Bawany	230,693	6.48



ASSOCIATED SERVICES LIMITED

Annual Report 2015

FORM OF PROXY

The Directors
ASSOCIATED SERVICES LIMITED
Room # 101, 1st Floor,
Mehran Heights, Plot # C/11, Block -7&8,
Commercial Area, Shahrah-e-Faisal,
Karachi. Phone: 34325565-66

Please quote Folio No.

No. of Shares _____

I/We _____

of _____

member(s) of ASSOCIATED SERVICES LIMITED (Formerly Latif Jute Mills Ltd.) do hereby appoint _____

of _____

(or failing him) _____

of _____

Who is also a member of the Company as a proxy to vote on my/our behalf at the 36th Annual General Meeting of the Company to be held on Thursday 30th October, 2015 and at any adjournment thereof.

Signed this..... day of 2015

Witness _____

Signature Across
Revenue Stamp

IMPORTANT: Instruments of Proxy will not be considered as valid unless they are deposited at the Company's city office at least 48 hours before the time of holding the Meeting.

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.

oil No.

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.

