HALLMARK INSURANCE COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED
JUNE 30, 2013

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COMPANY INFORMATION

Chairman

Sheikh Humayun Sayeed

Chief Executive

Mr. Muhammad Adil

Directors

Sheikh Humayun Sayeed
Muhammad Adil
Muhammad Farrukh Bashir
Saad Aftab Shamsi
Haris A. Shamsi
Ahtesham Ashraf
Naveed Hamid

Audit Committee

Muhammad Farrukh Bashir	Chairman & Member
Naveed Hamid	Member
Haris A. Shamsi	Member

Legal Advisor

Sayeed A. Sheikh & Co., Advocates

External Auditors

M/s. Muniff Ziauddin & Co.

Registrar

M/s. F. D. Registrar Services (SMC-Private) Limited

Bankers

Habib Bank Limited
National Bank of Pakistan
Muslim Commercial Bank Limited

OFFICE OF THE COMPANY

Registered Office

Suite # 1001, Uni Centre, 10th Floor,
I.I. Chundrigar Road,
Karachi. Pakistan.
Phone: 021-32414419, 37011105
Fax: 021-32416288
Email: hallmark@bizcorei.com

DIRECTORS' REVIEW

We are pleased to present the unaudited financial statements for the six months period ended, on June 30, 2013, duly completed the limited scope review and report thereon by the Statutory Auditors of the Company M/s. Munif Ziauddin & Co. Chartered Accountants.

The Company has continued to be dormant since many years but for the period profit after tax was Rs. 41,260 million compared to loss of Rs. 15,010 in the corresponding period of last year. This is due to sale of certain fixed assets and reversal of long outstanding unclaimed liability. The Company has not underwritten any business during the period under review. Due to no operational activities undertaken during the period, Company is not in position to declare any dividend.

The Insurance Ordinance, 2000 requires that paid-up capital of the Company should be Rs. 300.00 million up to the year 2012. Due to suspended operations, continued bad law and order condition in our city the management has been unable to fulfill this requirement. In this connection a winding up letter has been issued by the Securities Exchange Commission of Pakistan and the management has taken up necessary steps to resolve the issues and in this regard requested the Commission for the adjournment of six months before initiating any proceedings against the Company. The management is doing its best efforts to increase the Authorized and Paid up Capital and to revive its business activities. The Company is in the process to arrange funds to fulfill minimum capital requirement and trying to comply with the requirements of fit and proper criteria on revival of the Company, and to induct qualified, experience and service oriented staff trained locally and abroad, that shall strengthen the position of the Company to underwrite all classes of the general and Takaful business.

Due to the above mentioned winding-up letter, the software vendor who promised to provide and implement ERP solutions to the Company through their contract, previously recognized in the accounts amounting to Rs. 2.45 million, has refused to continue the contract and for this reason this software and the corresponding liability were derecognized during the period under review.

Auditors Observations

Auditors of the Company could not form a favorable opinion due to the suspended operations of the Company mainly on going concern and certain other issues. Their basis of opinion in the fact of not so far having the minimum level of paid-up capital of Rs. 300.00 million and other issues as specified in the review report. We are however, making all our efforts to have the required paid-up capital and are striving our best to come up with the solutions for all other issues as specified by the Auditors.

The Directors of the Company are grateful to all Government institutions, Auditors', SECP for their valuable support and cooperation throughout the period.

Muhammad Adil
Chief Executive

AUDITOR'S REPORT TO MEMBERS
ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

We have reviewed the accompanying:

(i) condensed interim balance sheet;
(ii) condensed interim profit and loss account;
(iii) condensed Interim statement of comprehensive income;
(iv) condensed interim statement of changes in equity;
(v) condensed interim cash flow statement;
(vi) condensed interim statement of premiums;
(vii) condensed interim statement of claims;
(viii) condensed interim statement of expenses; and
(ix) condensed interim statement of investment income

Of **The Hallmark Insurance Company Limited** ("the Company") as at 30 June 2013 together with notes forming part thereof (here-in-after referred to as the "condensed interim financial information") for the six months period then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Basis for Adverse Conclusion

1. Insurance Ordinance, 2000 has enhanced the requirement of minimum capital to Rs. 300 million up to end of the year 2011; the Company does not find itself in a position to increase its paid up capital; and does not comply with the solvency requirements.

2. The Company's total current liabilities exceeded its current assets by Rs. 826,181 and accumulated loss of the Company stood at Rs. 4,889,337. These conditions, along with other matters as set forth in note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. This condensed interim financial information does not include any adjustment that might result, should the Company not be able to continue as a going concern. Moreover, no disclosure has been made in the condensed interim financial information regarding the financing plans under consideration of the management for the revival of the Company.

3. The commercial operations of the Company were suspended from January 01, 2003 thus substantiating the Company's inability to continue as a going concern. Due to discontinued operations, depreciation for the period of six months amounting to Rs. 54,814 has not being charged in this condensed interim financial information that the depreciation would have been charged the net accumulated loss after tax would have been increased by Rs. 54,814 and the written down value of fixed assets would be Rs. 882,030.

4. Sundry receivables shown on the balance sheet amounts to Rs. 591,106. We believe that the company is unlikely to receive any payment and full provision of Rs. 591,106 should have been made. Accordingly, sundry receivables should be reduced and net loss for the period and accumulated losses should be increased by the same amount.

5. Due to non availability of records and direct confirmation, we were unable to verify bank balances amounting to Rs. 26,445.

6. The Company could not reconcile its accounts with Pakistan Insurance Corporation Limited (PICL).

7. The Company is not in compliance with the provision of Section 29 of the Insurance Ordinance, 2000 relating to the minimum statutory deposit that is required to be kept with the State Bank of Pakistan.

8. The Company has no reinsurance arrangement as required under Section 14 of the Insurance Ordinance, 2000.

Adverse Conclusion

Our review indicates that, because of the significance of matters as mentioned above, the annexed condensed interim financial information do not give a true and fair of the financial position of the Company as at June 30, 2013 and of its financial performance and its cash flows for the period then ended, in accordance with approved accounting standards as applicable in Pakistan.

Other matters

The figures for the three months period ended June 30, 2013 in the accompanying condensed interim financial information have not been reviewed and we do not express conclusion thereon.

Karachi: 10 September, 2013

CHARTERED ACCOUNTANTS
(Muhammad Moin Khan)

HALLMARK INSURANCE COMPANY LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT JUNE 30, 2013

	Note	(Un-audited) June 30, 2013 Rupees	(Audited) December 31, 2012 Rupees
EQUITY AND LIABILITIES			
Share Capital And Reserves			
Authorized Share Capital			
1,000,000 Ordinary Shares of Rs. 10/- each		**10,000,000**	10,000,000
Issued, subscribed and paid-up capital	6	**5,000,000**	5,000,000
Accumulated loss		**(4,889,337)**	(5,147,976)
		110,663	(147,976)
Creditors And Accruals			
Amount due to other insurers / reinsurers		**1,448,238**	1,448,238
Accrued expenses		**595,216**	575,216
Taxation - provision less payments		**72,248**	72,248
		2,115,702	2,095,702
Other Liabilities			
Sundry creditors		**-**	2,677,379
Unclaimed dividends	7	**23,150**	23,150
		23,150	2,700,529
Contingencies and commitments	8		
TOTAL EQUITY AND LIABILITIES		**2,249,515**	4,648,255
ASSETS			
Cash and Bank Deposits			
Cash and other equivalent		**675,928**	465,234
Current and other accounts	9	**26,445**	26,445
		702,373	491,679
Current Assets - Other			
Stock of stationery		**19,192**	19,192
Sundry receivables		**591,106**	591,106
		610,298	610,298
Fixed Assets	10		
Tangible and Intangible			
Furniture and fixtures and office equipment		**936,844**	1,096,278
Computer software		**-**	2,450,000
		936,844	3,546,278
TOTAL ASSETS		**2,249,515**	4,648,255

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

Muhammad Adil	**Naveed Hamid**	**Saad A. Shamsi**	**Muhammad Farrukh Bashir**
Chief Executive	Director	Director	Director

HALLMARK INSURANCE COMPANY LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2013

Three months period ended June 30, 2013

	Fire and property	Marine, aviation and transport	Motor	Miscellaneous	June 30, 2013 Aggregate	June 30, 2012 Aggregate
	(Rupees)					
Revenue account						
Net premium revenue	-	-	-	-	-	-
Net claims	-	-	-	-	-	-
Management expenses	-	-	-	-	-	-
Net commission	-	-	-	-	-	-
Underwriting result	-	-	-	-	-	-
Other income					**51,260**	-
General and administration expenses					**(10,000)**	(15,010)
Profit/(Loss) before taxation					**41,260**	(15,010)
Taxation - net					**-**	-
Profit/(Loss) after taxation					**41,260**	(15,010)
Profit/(Loss) per share					**0.08**	(0.03)

Six months period ended June 30, 2013

	Fire and property	Marine, aviation and transport	Motor	Miscellaneous	June 30, 2013 Aggregate	June 30, 2012 Aggregate
	(Rupees)					
Revenue account						
Net premium revenue	-	-	-	-	-	-
Net claims	-	-	-	-	-	-
Management expenses	-	-	-	-	-	-
Net commission	-	-	-	-	-	-
Underwriting result	-	-	-	-	-	-
Other income **(Note - 11)**					**278,639**	-
General and administration expenses					**(20,000)**	(23,200)
Profit/(Loss) before taxation					**258,639**	(23,200)
Taxation - net					**-**	-
Profit/(Loss) after taxation					**258,639**	(23,200)
Profit and loss appropriation account						
Balance at the commencement of the period					**(5,147,976)**	(5,028,425)
Profit/(Loss) after taxation for the period					**258,639**	(23,200)
Accumulated loss at the end of the period					**(4,889,337)**	(5,051,625)
Profit/(Loss) per share					**0.52**	(0.05)

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

Muhammad Adil	**Naveed Hamid**	**Saad A. Shamsi**	**Muhammad Farrukh Bashir**
Chief Executive	Director	Director	Director

HALLMARK INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2013

	Three months period ended		Six months period ended	
	June 30, 2013	June 30, 2012	**June 30, 2013**	June 30, 2012
	(Rupees)			
Profit/(Loss) after taxation	**41,260**	(15,010)	**258,639**	(23,200)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	**41,260**	(15,010)	**258,639**	(23,200)

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

Muhammad Adil Chief Executive | **Naveed Hamid** Director | **Saad A. Shamsi** Director | **Muhammad Farrukh Bashir** Director

HALLMARK INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2013

	June 30, 2013	June 30, 2012
	(Rupees)	
OPERATING CASH FLOW		
a) Underwriting activities		
Premiums received	-	-
Reinsurance premiums paid	-	-
Claims paid	-	-
Reinsurance and other recoveries received	-	-
Commission paid	-	-
Commission received	-	-
Other underwriting receipts	-	-
Net cash flow from underwriting activities	-	-
b) Other operating activities		
Income tax paid	-	-
General management expenses paid	-	-
Other operating payments	-	-
Net cash (outflow) from other operating activities	-	-
Total cash (outflow) from all operating activities	-	-
CASH FLOW FROM INVESTMENT ACTIVITIES		
Profit / return received	-	-
Proceeds from disposal of fixed assets	**210,694**	-
Fixed capital expenditure	-	-
Total cash flow from investing activities	**210,694**	-
CASH FLOW FROM FINANCING ACTIVITIES	-	-
Net cash inflow / (outflow) from all activities	**210,694**	-
Cash and cash equivalent at the beginning of the period	**491,679**	491,679
Cash and cash equivalent at the end of the period	**702,373**	491,679
RECONCILIATION TO PROFIT AND LOSS ACCOUNT		
Operating cash flow	-	-
Depreciation expenses	-	-
Profit / (Loss) on disposal of fixed assets	**51,260**	-
Increase / (decrease) in assets other than cash	-	-
(Increase) / decrease in liabilities	**(20,000)**	(23,200)
Finance investment income	-	-
Loss after taxation as per profit and loss account	**31,260**	(23,200)

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

Muhammad Adil Chief Executive | **Naveed Hamid** Director | **Saad A. Shamsi** Director | **Muhammad Farrukh Bashir** Director

HALLMARK INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2013

	Share Capital	Capital Reserves			
	Issued, subscribed and paid-up	Reserved for issue of bonus shares	Reserved exceptional losses	Retained earnings	Total
	(Rupees)				
Balance as at Jan 01, 2012	**5,000,000**	**-**	**-**	**(5,028,426)**	**(28,426)**
Loss for the half year - 2012	-	-	-	(23,200)	(23,200)
Balance as at Jun 30, 2012	**5,000,000**	**-**	**-**	**(5,051,626)**	**(51,626)**
Balance as at Jan 01, 2013	**5,000,000**	**-**	**-**	**(5,147,976)**	**(147,976)**
Profit for the half year - 2013	-	-	-	258,639	258,639
Balance as at Jun 30, 2013	**5,000,000**	**-**	**-**	**(4,889,337)**	**110,663**

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

Muhammad Adil
Chief Executive

Naveed Hamid
Director

Saad A. Shamsi
Director

Muhammad Farrukh Bashir
Director

HALLMARK INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF PREMIUMS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2013

Business underwritten inside Pakistan

	Three months period ended June 30, 2013								
	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses	Net premium revenue
		Opening	Closing			Opening	Closing		June 30, 2013	June 30, 2012
	(Rupees)									
Class										
Direct and facultative										
1. Fire and property damage	-	-	-	-	-	-	-	-	-	-
2. Marine, aviation and transport	-	-	-	-	-	-	-	-	-	-
3. Motor	-	-	-	-	-	-	-	-	-	-
4. Miscellaneous	-	-	-	-	-	-	-	-	-	-
Grand total	-	-	-	-	-	-	-	-	-	-

	Six months period ended June 30, 2012								
	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses	Net premium revenue
		Opening	Closing			Opening	Closing		June 30, 2013	June 30, 2012
	(Rupees)									
Class										
Direct and facultative										
1. Fire and property damage	-	-	-	-	-	-	-	-	-	-
2. Marine, aviation and transport	-	-	-	-	-	-	-	-	-	-
3. Motor	-	-	-	-	-	-	-	-	-	-
4. Miscellaneous	-	-	-	-	-	-	-	-	-	-
Grand total	-	-	-	-	-	-	-	-	-	-

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

Muhammad Adil
Chief Executive

Naveed Hamid
Director

Saad A. Shamsi
Director

Muhammad Farrukh Bashir
Director

HALLMARK INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CLAIMS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2013

Business underwritten inside Pakistan

Class	Claims paid	Outstanding claims including IBNR		Claims expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries received in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		June 30, 2013	June 30, 2012
	(Rupees)									
Three months period ended June 30, 2013										
Direct and facultative										
1. Fire and property damage	-	-	-	-	-	-	-	-	-	-
2. Marine, aviation and transport	-	-	-	-	-	-	-	-	-	-
3. Motor	-	-	-	-	-	-	-	-	-	-
4. Miscellaneous	-	-	-	-	-	-	-	-	-	-
Grand total	-	-	-	-	-	-	-	-	-	-
Six months period ended June 30, 2012										
Direct and facultative										
1. Fire and property damage	-	-	-	-	-	-	-	-	-	-
2. Marine, aviation and transport	-	-	-	-	-	-	-	-	-	-
3. Motor	-	-	-	-	-	-	-	-	-	-
4. Miscellaneous	-	-	-	-	-	-	-	-	-	-
Grand total	-	-	-	-	-	-	-	-	-	-

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

Muhammad Adil
Chief Executive

Naveed Hamid
Director

Saad A. Shamsi
Director

Muhammad Farrukh Bashir
Director

HALLMARK INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF EXPENSES (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2013

Business underwritten inside Pakistan

Class	Commission paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expenses	Commission from reinsurers*	Net underwriting expense	
		Opening	Closing					June 30, 2013	June 30, 2012
	(Rupees)								
Three months period ended June 30, 2013									
Direct and facultative									
1. Fire and property damage	-	-	-	-	-	-	-	-	-
2. Marine, aviation and transport	-	-	-	-	-	-	-	-	-
3. Motor	-	-	-	-	-	-	-	-	-
4. Miscellaneous	-	-	-	-	-	-	-	-	-
Grand total	-	-	-	-	-	-	-	-	-
Six months period ended June 30, 2013									
Direct and facultative									
1. Fire and property damage	-	-	-	-	-	-	-	-	-
2. Marine, aviation and transport	-	-	-	-	-	-	-	-	-
3. Motor	-	-	-	-	-	-	-	-	-
4. Miscellaneous	-	-	-	-	-	-	-	-	-
Grand total	-	-	-	-	-	-	-	-	-

* Commission from reinsurers is arrived at after taking the impact of opening and closing unearned commission.

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

Muhammad Adil
Chief Executive

Naveed Hamid
Director

Saad A. Shamsi
Director

Muhammad Farrukh Bashir
Director

HALLMARK INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2013

	Three months period ended		Six months period ended	
	June 30, 2013	June 30, 2012	**June 30, 2013**	June 30, 2012
	(Rupees)		(Rupees)	
Income from trading investments				
Gain on sale of trading investments - net	-	-	-	-
Dividend income	-	-	-	-
Unrealised (loss) / gain on re-measurement of securities to fair value	-	-	-	-
	-	-	-	-
Income from non-trading investments				
Held to maturity				
Return on Government Securities	-	-	-	-
Return on other fixed income securities and deposits - Term finance certificates	-	-	-	-
Available-for-sale				
Dividend income	-	-	-	-
	-	-	-	-
Gain on sale of non-trading investments - net	-	-	-	-
Provision for impairment in value of available-for-sale securities - net	-	-	-	-
Investments related expenses	-	-	-	-
Net investments income	-	-	-	-

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

Muhammad Adil	**Naveed Hamid**	**Saad A. Shamsi**	**Muhammad Farrukh Bashir**
Chief Executive	Director	Director	Director

HALLMARK INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2013

1 LEGAL STATUS AND BUSINESS ACTIVITIES OF THE COMPANY

Hallmark Insurance Company Limited was incorporated as a Public Limited Company on 31 October 1981 and the shares of the Company are quoted, currently at defaulter desk of the Karachi Stock Exchange.

The Company was engaged in general insurance business comprising of fire, marine, motor, engineering etc. With the promulgation of the Insurance Ordinance 2000, the requirement of minimum paid up capital for an insurer to operate as an insurance company has been enhanced to Rs. 300 million. The Company does not find itself in a position to increase its paid up capital to the required minimum level and has ceased to underwrite insurance business w.e.f. January 01, 2003. Adjustments relating to the recoverability and classification of recorded assets or liabilities that may be necessary, since the company is no more a going concern, have not been made in this condensed interim financial information as the management is making all efforts to have the required capital and run the business as a going concern. A winding up letter Dated: 02/04/2013 has been issued by the Securities Exchange Commission of Pakistan and the management has taken up necessary steps to resolve the issues in the stipulated time, hence the management is confident that they will do full efforts to revive the Company.

Due to suspended operations, register of members and fixed assets could not be timely updated.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for the six months period ended June 30, 2013 is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

The disclosures made in this condensed interim financial information has, however, been limited based on a format prescribed by the Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003 and International Accounting Standard 34, Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and this condensed interim financial information should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2012.

Further, during the period, following new / revised standards became effective:

Standard or Interpretation	**Effective date (accounting periods beginning on or after)**
IFRS 7 - Financial Instruments: Disclosures - (Amendment)	July 01, 2011
IAS 12 - Income Taxes (Amendment) - Recovery of underlying Assets	January 01, 2012

The adoption of above standards did not have any material impact on the Company's financial statements.

3 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under historical cost convention.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing this condensed interim financial information, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual financial statements as at and for the year ended December 31. 2012.

5 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2012. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2012.

	(Un-audited) June 30, 2013 *Rupees*	(Audited) December 31, 2012 *Rupees*
6 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
500,000 Ordinary Shares of Rs. 10/- each	**5,000,000**	5,000,000
7 UNCLAIMED DIVIDEND		
For the year ended 31-12-98	**5,150**	5,150
For the year ended 31-12-95	**18,000**	18,000
	23,150	23,150

8 CONTINGENCIES AND COMMITMENT

8.1 Contingencies

Due to suspended business operations, the Company could not maintain proper secretarial records as required by the Companies Ordinance 1984, and under the Insurance Ordinance, 2002 and listing regulations of Karachi Stock Exchange (KSE). In the absence of the same the Company might be liable to certain penalties which could not be quantified till the signing date.

9 CURRENT AND OTHER ACCOUNTS

Cash at bank - operative accounts	**19,484**	19,484
Cash at bank - inoperative accounts	**6,961**	6,961
	26,445	26,445

10 FIXED ASSETS

Tangible and Intangible		
Opening book value	**3,546,278**	1,096,278
Additions during the period / year		
- Software	**-**	2,450,000
Disposal during the period / year		
- Software	**(2,450,000)**	-
- Office equipment	**(159,434)**	-
	936,844	3,546,278
Less: Depreciation for the period / year	**-**	-
Closing book value	**936,844**	3,546,278

The Company is dormant. Therefore, the management has resolved not to charge depreciation for the period ended June 30, 2013.

11 OTHER INCOME

Gain on sale of fixed assets	**51,260**	-
Reversal of sundry creditors	**227,379**	-
	278,639	-

12 NUMBER OF EMPLOYEES

Number of employee as at June 30, 2013 was 0 (June 30, 2012: 0).

13 AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue in accordance with a resolution of the Board of Directors on _____.

14 GENERAL

Figures in the condensed interim financial information has been rounded off to the nearest rupees.

Muhammad Adil	**Naveed Hamid**	**Saad A. Shamsi**	**Muhammad Farrukh Bashir**
Chief Executive	Director	Director	Director