



AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed Balance Sheet of **HILLCREST SOLUTIONS (PRIVATE) LIMITED** as at June 30, 2012, related Profit & Loss Account & Cash flow Statement together with notes forming part thereof, for the period then ended and we have obtained all the necessary information and explanations which, to the best of our knowledge and belief, were necessary for the purpose 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 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 conduct 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 management. We believe that our, audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) In our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance 1984.
- (b) in our opinion:
 - i) the Balance Sheet, Profit & Loss Account & Cash flow Statement together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with accounting policies consistently applied.
 - ii) the expenditure incurred during the period was for the purpose of the company business; and
 - iii) the business conducted, investments made and the expenditure incurred during the period were in accordance with the objects of the Company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, Profit & Loss Account & Cash flow Statement together with the notes forming part thereof, confirms with the approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance, 1984 in the manner so required and respectively gives a true & fair view of the state of the Company's affairs as at June 30, 2012 and of the **Profit** for the period then ended; and
- (d) In our opinion, no Zakat was deductible at source under the Zakat and Usher Ordinance, 1980.

RAWALPINDI
Date: September 11, 2012




TARIQ HANIF & CO.
CHARTERED ACCOUNTANTS

	2012 (Rupees)	2011 (Rupees)
9. REVENUE RECEIPTS		
Faysal Bank Limited	206,281,371	107,893,175
United Bank Limited	2,007,804	1,227,107
Huawei Technologies (Pvt) Limited	26,923,450	-
	<u>235,212,625</u>	<u>109,120,282</u>
10. REVENUE PAYMENTS		
Salaries, Allowances & Benefits	183,267,048	97,303,964
Gratuity	1,313,404	-
Fuel & Transportation Charges	33,122,680	676,387
EOBI Contribution	2,829,050	1,498,750
Group Health Insurance	754,766	381,276
Social Security Contribution	-	120,137
Degrees Verification Charges	255,230	-
	<u>221,542,178</u>	<u>99,980,514</u>
11. ADMINISTRATIVE EXPENSES		
Salaries, Wages and Benefits	1,251,000	1,275,000
Rent, Rates and Taxes	356,105	120,000
Electricity Expenses	9,210	191,852
Travelling & Conveyance Charges	52,429	180,190
Entertainment Expenses	86,754	60,276
Printing & Stationery	114,435	72,390
Communication Expenses	57,600	80,294
Postage, Telephone & Telegram	124,022	32,290
Newspaper & Periodicals	4,550	4,645
Generator Running Expenses	60,500	86,175
Repair & Maintenance	11,850	6,590
Auditor Remuneration	10,000	10,000
Bank Charges & Commission	57,772	3,675
Legal & Professional Expenses	80,000	12,125
Miscellaneous Expenses	1,800	24,320
Depreciation	161,412	130,593
Office Expenses	28,702	-
Internet & Web Charges	26,700	-
Software Develop & Design Charges	20,000	-
	<u>2,514,841</u>	<u>2,290,415</u>

12. INTEREST FREE LOANS

The Directors of the Company transferred / deposited Rs. 14,835,000/- in the Company accounts with different banks from their personal accounts.

13. BANK GUARANTEE

The Company issued bank guarantee in favor of Huawei Technologies Pakistan (Pvt) Limited as on June 18, 2012 amounting to Rs. 14,000,000/- against 100% lien on deposit of Company with bank. The expiry date of guarantee is July 17, 2012.

14. FIGURES

In these accounts amounts have been rounded off to the nearest thousand of Rupee unless otherwise stated and of corresponding year have been re-arranged and re-grouped wherever necessary to facilitate comparison.

Chief Executive



Director



	2012 (Rupees)	2011 (Rupees)							
3. SHARE CAPITAL									
Authorized Capital:									
10,000 ordinary shares of Rs. 100 each	1,000,000	1,000,000							
Issued, Subscribed and Paid up Capital									
10,000 ordinary shares of Rs. 100 each	1,000,000	1,000,000							
4. ACCRUED CHARGES AND OTHER PAYABLE									
Accrued Charges	30,825,362	10,000							
EOBI Payable	435,960	957,790							
Social Security Payable	224,003	120,137							
	31,485,325	1,087,927							
5. PROPERTY, PLANT AND EQUIPMENTS									
PARTICULARS	COST			Rate	DEPRICIATION				Written Down Value as on June 30, 2011
	As on July 01, 2011	Addition / Deletions	As on June 30, 2012		As on July 01, 2011	Adjustment	For the Year	As on June 30, 2012	
Furniture & Fixture	435,250	103,500	538,750	15%	65,288	-	70,937	136,225	402,525
Office Equipment	375,190	151,500	526,690	15%	56,279	-	59,923	116,202	410,488
Generator	60,175	-	60,175	15%	9,026	-	9,026	18,052	42,123
Computers & Laptops	-	775,000	775,000	33%	-	-	21,526	21,526	753,474
2012 - Rupees	870,615	1,030,000	1,900,615		130,593	-	161,412	292,005	1,608,610
2011 - Rupees	-	810,440	810,440		-	-	130,593	130,593	740,022
6. ADVANCE INCOME TAX									
Opening Balance	7,216,546	-							
Deducted by FBL	9,860,642	7,216,546							
Deducted by UBL	20,665	-							
Tax on Cash Withdrawal - FBL	17,691	-							
Provision for Taxation	(2,397,275)	-							
	14,718,269	7,216,546							
7. CASH & BANK BALANCES									
Cash in Hand	1,000	21,313							
Cash at Banks	19,084,985	956,399							
	19,085,985	977,712							
8. OTHER RECEIVABLES									
Faysal Bank Limited against TPC staff incentives	349,746	-							
United Bank Limited against degree verification charges	64,419	-							
Huawei Tech against salary for the month of June 2012	26,923,450	-							
	27,337,615	-							



HILLCREST SOLUTIONS (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2012

1. LEGAL STATUS AND NATURE OF OPERATIONS

Hillcrest Solutions (Private) Limited ("the Company") is a private limited company incorporated in Pakistan on 14th May, 2010 under the Companies Ordinance, 1984 and commenced its business on the same day. The principal activity of the Company is to provide HRM services.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The 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 (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of, or directives issued under the Companies Ordinance, 1984 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except fixed assets which are stated at cost less accumulated depreciation.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

2.4 Staff Retirement Benefits

No provision for any kind of staff retirement benefits is made in these accounts. Actual payments made during the year are charged to income.

2.5 Property, Plant and Equipment

The Company regularly reviews appropriateness of the rate of depreciation, useful life, residual value used in the calculation of depreciation. Property, Plant and Equipment are stated at cost less accumulated depreciation and capital work in progress is stated at cost. Depreciation on property, plant and equipment is charged by applying reducing balance method at the rates varying from 10% to 20% depending upon each class of property, plant and equipment.

Revenue Reorganization

2.6 Revenue receipt and revenue payments are recorded on accrual basis except staff retirement benefits which is recorded on actual payment basis.

2.7 Taxation

In making the estimates for income taxes payable by the Company, the management refers to the applicable law. The Company regularly reviews the trend of proportion of incomes between Presumptive Tax Regime and Normal Tax Regime income and the change in proportions, if significant, is accounted for in the year of change.



HILLCREST SOLUTIONS (PRIVATE) LIMITED**CASH FLOW STATEMENT****FOR THE YEAR ENDED JUNE 30, 2012**

	2012 (Rupees)
Net Profit	7,251,144
Adjustment for	
Depreciation	161,412
Profit Before working Capital Change	7,412,556
Effect on Cash flow due to Working Capital Changes	
(Increase)/Decrease in:-	
Current assets	(34,950,870)
Current liabilities	31,904,585
	(3,046,285)
Cash generated from operation	4,366,271
Cash flow from investing activities	
Long Term Security Deposit	(63,000)
Capital Expenditure	(1,030,000)
Net Cash flow from Investing activities	(1,093,000)
Cash Flows from Financing Activities	
Interest Free Loan - Short Term	14,835,000
Net Cash Flows from Financing Activities	14,835,000
Net Increase(Decrease) in Cash and Cash Equivalents	18,108,271
Cash & Cash Equivalents at the Start of the Year	977,712
Cash & Cash Equivalents at the end of the year	19,085,985

Chief Executive



Director



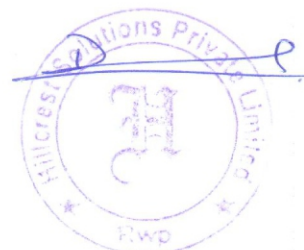
HILLCREST SOLUTIONS (PRIVATE) LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2012

	Notes	2012 (Rupees)	2011 (Rupees)
INCOME			
Revenue Receipts	9	235,212,625	109,120,282
Revenue Payments	10	221,542,178	99,980,514
Gross Profit		13,670,447	9,139,768
Administrative Expenses	11	2,514,841	2,290,415
Profit before Taxation		11,155,606	6,849,353
Taxation		3,904,462	2,397,275
Profit after Taxation		7,251,144	4,452,078
Un-Appropriated Profit B/F		4,452,078	-
Un-Appropriated Profit C/F		11,703,222	4,452,078

Chief Executive



Director



HILLCREST SOLUTIONS (PRIVATE) LIMITED**BALANCE SHEET****AS AT JUNE 30, 2012**

	Notes	2012 (Rupees)	2011 (Rupees)
SHARE CAPITAL AND RESERVES			
Share Capital	3	1,000,000	1,000,000
Un-appropriated Profit		11,703,222	4,452,078
		12,703,222	5,452,078
CURRENT LIABILITIES			
Accrued charges and other Payables	4	31,485,325	1,087,927
Interest Free Loan - Short Term		14,835,000	-
Provision for Taxation		3,904,462	2,397,275
		50,224,787	3,485,202
		62,928,009	8,937,280
NON-CURRENT ASSETS			
Property, Plant and Equipments	5	1,608,610	740,022
Long Term Security Deposit		66,000	3,000
		1,674,610	743,022
CURRENT ASSETSS			
Advance Income Tax	6	14,718,269	7,216,546
Short Term Advance		111,530	-
Cash and Bank Balances	7	19,085,985	977,712
Other Receivables	8	27,337,615	-
		61,253,399	8,194,258
		62,928,009	8,937,280

Chief Executive



Director

