

**INDEPENDENT AUDITOR'S REPORT**  
**To the members of VETERANS ENCLAVE LIMITED**  
**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the annexed financial statements of **VETERANS ENCLAVE LIMITED** ('the Company') which comprise the statement of financial position as at June 30, 2026, statement of profit or loss and comprehensive income, statement of cash flows and the statement of change in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and comprehensive income, statement of cash flows and the statement of change in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the company's affairs as at June 30, 2026 and of profit, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan ('the Code') and we have fulfilled our other ethical responsibilities in accordance with the code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the Financial Statements and Auditors Report Thereon**

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Audit | Tax | Accounting | Advisory | Litigation

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*Amir*



## **Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Board of directors are responsible for overseeing the company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statement

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's



report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report On Other Legal And Regulatory Requirements**

Based on our audit, we further report that in our opinion:

- a) Proper books of account have been kept by the company as required by the Companies Act, 2017 (XIX of 2017);
- b) The statement of financial position, statement of comprehensive income, statement of change in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with books of account and returns;
- c) Investment made, expenditure incurred and guarantees extended during the year were for the purpose of the company's business; and
- d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Idrees.

Place: Islamabad  
Date: Sep 11, 2026  
UDIN: AR202610859UiNOHDVyh

**ALAM & AULAKH**  
**(CHARTERED ACCOUNTANTS)**

**VETERANS ENCLAVE LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2026**

|                                                         | Note | 2026<br>(Rupees)      | 2025<br>(Rupees)      |
|---------------------------------------------------------|------|-----------------------|-----------------------|
| <b>ASSETS</b>                                           |      |                       |                       |
| <b>Non-current Assets</b>                               |      |                       |                       |
| Project land                                            | 5    | 9,809,648,855         | 10,346,628,338        |
| Capital work in progress /development cost              | 6    | 799,945,410           | 799,945,410           |
| Property, plant and equipment                           | 4    | 1,191,466             | 1,256,685             |
|                                                         |      | <b>10,610,785,731</b> | <b>11,147,830,433</b> |
| <b>Current Assets</b>                                   |      |                       |                       |
| Land award receivable                                   | 7    | 23,187,853            | -                     |
| Advances and deposits                                   | 8    | 46,986,816            | 210,000               |
| Refundable tax                                          | 9    | 6,892,673             | 5,971,086             |
| Cash and bank balances                                  | 10   | 855,083               | 1,174,587             |
|                                                         |      | <b>77,922,426</b>     | <b>7,355,673</b>      |
| <b>TOTAL ASSETS</b>                                     |      | <b>10,688,708,157</b> | <b>11,155,186,106</b> |
| <b>SHARE CAPITAL, RESERVES AND LIABILITIES</b>          |      |                       |                       |
| <b>Share Capital and reserves</b>                       |      |                       |                       |
| Share capital                                           | 11   | 92,600                | 92,600                |
| Capital Reserve: Surplus on revaluation of project land | 12   | 8,291,452,185         | 8,907,567,469         |
| Revenue Reserves: Accumulated loss                      |      | (298,607,155)         | (394,166,435)         |
|                                                         |      | <b>7,992,937,630</b>  | <b>8,513,493,634</b>  |
| <b>Non-Current Liabilities</b>                          |      |                       |                       |
| Contractual liability for project                       | 13   | 646,019,991           | 572,262,678           |
| <b>Current Liabilities</b>                              |      |                       |                       |
| Accrued expenses                                        | 14   | 1,475,000             | 580,000               |
| Short term contractual obligation                       | 15   | 507,852,752           | 503,149,033           |
| Account payables                                        | 16   | 1,521,076,499         | 1,546,354,478         |
| Other payables                                          | 17   | 19,346,285            | 19,346,285            |
|                                                         |      | <b>2,049,750,536</b>  | <b>2,069,429,795</b>  |
| <b>TOTAL SHARE CAPITAL, RESERVES AND LIABILITIES</b>    |      | <b>10,688,708,157</b> | <b>11,155,186,106</b> |
| <b>Contingencies and commitments</b>                    | 18   | -                     | -                     |

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

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**VETERANS ENCLAVE LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2026**

|                                       | Note | 2026<br>(Rupees)     | 2025<br>(Rupees)    |
|---------------------------------------|------|----------------------|---------------------|
| <b>Revenue</b>                        |      | -                    | -                   |
| Administrative and operating expenses | 19   | (23,469,611)         | (10,629,731)        |
| Operating loss for the period         |      | <u>(23,469,611)</u>  | <u>(10,629,731)</u> |
| Finance Charges                       | 20   | (3,956)              | (3,248)             |
| Other income                          | 21   | 2,252,437            | 2,789,000           |
| Other expenses                        | 22   | (499,334,873)        | (20,038,828)        |
| <b>Loss before taxation</b>           |      | <u>(520,556,003)</u> | <u>(27,882,807)</u> |
| Taxation                              |      | -                    | -                   |
| <b>Loss after taxation</b>            |      | <u>(520,556,003)</u> | <u>(27,882,807)</u> |

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



**CHIEF EXECUTIVE**

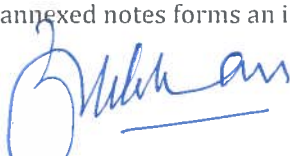


**DIRECTOR**

**VETERANS ENCLAVE LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

|                                                              | Note | 2026<br>(Rupees)      | 2025<br>(Rupees)        |
|--------------------------------------------------------------|------|-----------------------|-------------------------|
| <b>CASH FLOW FROM OPERATIONS</b>                             |      |                       |                         |
| <b>Loss before taxation</b>                                  |      | <b>(520,556,003)</b>  | <b>(27,882,807)</b>     |
| Loss on Disposal of Land                                     | 22   | 491,569,490           | -                       |
| Adjustment for: Depreciation                                 | 4    | 120,219               | 117,756                 |
|                                                              |      | <u>(28,866,294)</u>   | <u>(27,765,052)</u>     |
| <b>Working Capital Changes</b>                               |      |                       |                         |
| Deletion / (additions) in advances and deposits              |      | (46,776,816)          | 188,000                 |
| Deletion / (additions) in refundable tax                     |      | (921,587)             | (1,189,125)             |
| Additions / (Deletions) in accrued expenses                  |      | 895,000               | 319,020                 |
| Additions / (Deletions) in short term contractual obligation |      | 5,399,646             | 38,568,204              |
| Additions / (Deletions) in account payable                   |      | (57,747,374)          | 266,579,795             |
| Additions / (Deletions) in accrued and other payables        |      | 0                     | (0)                     |
|                                                              |      | <u>(99,151,131)</u>   | <u>304,465,893</u>      |
| Tax paid during the period                                   |      | -                     | -                       |
| <b>Net cash flow from operating activities</b>               |      | <b>(128,017,425)</b>  | <b>276,700,842</b>      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                   |      |                       |                         |
| Additions to land at cost                                    | 5    | 108,317,567           | (211,448,748)           |
| Additions to development cost                                |      | -                     | -                       |
| Additions to fixed assets                                    |      | (55,000)              | (30,000)                |
| <b>Net cash flow from operating activities</b>               |      | <b>108,262,567</b>    | <b>(211,478,748)</b>    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                   |      |                       |                         |
| Contractual liability for project                            |      | 19,435,354            | (64,888,459)            |
| <b>Net cash flow from financing activities</b>               |      | <b>19,435,354</b>     | <b>(64,888,459)</b>     |
| <b>Net Cash Generated During the Year</b>                    |      | <b>(319,504)</b>      | <b>333,635</b>          |
| Cash and Bank Balance as at beginning of the period / year   | 10   | 1,174,587             | 840,951                 |
| Cash and Bank Balance as at end of the period / year         |      | <u><b>855,083</b></u> | <u><b>1,174,587</b></u> |

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

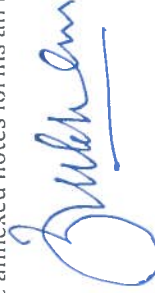
  
**CHIEF EXECUTIVE**

  
  
**DIRECTOR**

VETERANS ENCLAVE LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED JUNE 30, 2026

|                                     | Share<br>Capital | Capital Reserve:<br>Revaluation Surplus on<br>Project Land | Revenue Reserve:<br>Accumulated Loss | Total         |
|-------------------------------------|------------------|------------------------------------------------------------|--------------------------------------|---------------|
| Balance as at June 30, 2024         | 92,600           | 8,907,567,469                                              | (366,283,628)                        | 8,541,376,441 |
| Loss for the year                   | -                | -                                                          | (27,882,807)                         | (27,882,807)  |
| Revaluation surplus on project land | -                | -                                                          | -                                    | -             |
| Balance as at June 30, 2025         | 92,600           | 8,907,567,469                                              | (394,166,435)                        | 8,513,493,634 |
| Loss for the year                   |                  |                                                            | (520,556,003)                        | (520,556,003) |
| Revaluation surplus on project land |                  | (616,115,283)                                              | 616,115,283                          | -             |
| Balance as at June 30, 2026         | 92,600           | 8,291,452,185                                              | (298,607,155)                        | 7,992,937,630 |

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



CHIEF EXECUTIVE




DIRECTOR

**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

**1 Status and Nature of Business**

The Company was incorporated as a public limited company on May 24, 2023 with Company Registration Office, Islamabad having Company Universal Incorporation Number (CUIN) 0230475.

The registered office of the Company is situated at Main Paswal road Sangjani Tehsil Taxila District Rawalpindi.

Company's Business models is real estate development, commercial zones etc and to do businesses, research, design, build, establish, form, maintain, operate, process, manage, promote, expand, develop, market state of the art housing estate development, smart cities, high rise towers, special technological zones, parks, sale, purchase, lease of movable/immovable properties, business and academic undertakings, consultancies, laboratories, high-tech Industries & technological related interventions, construction material (minerals & metals) mining & manufacturing, commerce, e-commerce, inter alia in Pakistan and/or abroad, on self or through its Subsidiaries, Branch offices, Liaison offices with or without international collaborations

**2 Basis of Preparation**

**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Third Schedule of the Companies Act, 2017; and
- Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.2 Basis of Measurement**

These financial statements have been prepared under the historical cost convention without making any adjustments for the effect of inflation or current values.

**2.3 Significant accounting judgments and estimates**

The preparation of financial statements in conformity with approved accounting standards require the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The judgements involves assumptions and estimates in respect of future events and the actual result may differ from these estimates. The area involving higher degree of judgements or complexity or areas where assumptions and estimates are significant to the financial statements are as follow:



**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

**a) Useful lives, pattern of economic benefits and impairments of tangible assets**

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of assets for possible impairment on each reporting date. Any change in the estimates in the future might effect the carrying amount of the respective item of property plant and equipment, with a corresponding impact on the depreciation charge and impairment.

**b) Provision for doubtful debts**

The allowance for doubtful debts of the Company is based on the aging analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realization of these receivables, management considers, among other factors, the credit worthiness and the past collection history of each customer.

**c) Impairment**

The management assess whether there is an objective evidence of the impairment of any financial asset that are measured at cost or amortized cost. If there is any such indication, carrying values of respective assets are adjusted for possible impairment.

**2.4 Method of preparation of cash flow statement**

The cash flow statement is prepared using indirect method.

**2.5 Functional and presentation currency**

These financial statements are prepared and presented in Pak Rupees which is the Company's functional and presentation currency.

**2.6 Going Concern Assumption - Appropriateness**

The Company's ability to continue as going concern depends upon its economically viable values of its project's land which is around 11 times more than the land valued at cost as per D.C evaluation. However, fair value of developed land will be approximately 2 times more than the current land value (under revaluation model). By keeping in view the assesment of project's assets, the accumulated loss is approximately 2.8% of project's assets. The Management of the Company is confident that the Company will be able to resume economically viable operations by identifying the new businesses on project land such as special technological zones, parks, sale, purchase, lease of movable/immovable properties and starting new business ventures such as business and academic undertakings, institutions, laboratories, high-tech Industries, related technological interventions, small and large scale mining, e-commerce, import, export in Pakistan and/or abroad in addition to Housing Estate Development . Keeping in view of the above mentioned management assumption, these financial statement have been prepared on the basis of going concern assumption. Company has incurred a net loss of Rs. 52,0560,311 during the year ended June 30, 2026 (2025: Rs. 27,882,807) and accumulated loss of Rs. 298,611,463 (2025: Rs. 394,166,435)



**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

**3 Summary of Significant Accounting Policies**

Significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

**3.1 Taxation**

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account tax rebates and credits available, if any.

**3.2 Property, plant and equipment**

Property, plant and equipment, are stated at cost less accumulated depreciation and any identified impairment loss. Cost includes direct cost, related overheads and mark up.

Depreciation on all property, plant and equipment is charged on Reducing Balance so as to write off the depreciable amount of an asset over its useful estimated life at the rates mentioned in the schedule.

Full month depreciation is charged in the year of purchase and no depreciation is charged in the month of disposal. Any gain or loss on disposal is charged to profit or loss for the year.

Maintenance and normal repairs are charged to profit or loss as and when incurred. Renewals and improvements are capitalized when it is probable that respective future economic benefits will flow to the Company and the cost of the item can be measured reliably, and the assets so replaced, if any, are retired.

Management has assessed to perform revaluation after every five years, which is recorded in other comprehensive income, and recorded in retained earnings after disposal of any asset.

**3.3 Capital work in progress /development cost**

Capital work-in-progress are stated at cost and consist of expenditure incurred, advances made and other costs directly attributable to operating fixed assets in the course of their construction and installation. Cost also includes applicable borrowing costs, if any. Transfers are made to relevant operating fixed assets category as and when assets are available for use intended by management.

**3.4 Related party transactions**

Transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes as admissible.

**3.5 Contingent Liability**

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.



**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

**3.6 Cash and cash equivalent**

For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand and bank balances.

**3.7 Financial instruments**

**3.7.1 Financial assets**

The organisation classifies its financial assets on initial recognition in the following categories: at amortized cost, at fair value through income and expenditure ("FVTIE") or at fair value through other comprehensive income ("FVOCI"). Financial assets are not reclassified subsequent to their initial recognition unless the organisation changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

**3.7.2 Amortized cost**

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTIE: (i) It is held within a business model whose objective is to hold assets to collect contractual cash flows; and (ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and services charges on the principal amount outstanding.

**3.7.3 Fair value through income and expenditure (FVTIE)**

All financial assets not classified as measured at amortized cost or FVOCI as described below are measured at FVTIE. This includes all derivative financial assets. On initial recognition, the organisation irrevocably designates a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTIE if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**3.7.4 Fair value through other comprehensive income ("FVOCI")**

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTIE: (i) It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and services charges on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the organisation may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis.

**3.7.5 Recognition and initial measurement**

The organisation initially recognizes assets on the date when they are originated. All other financial assets and financial liabilities are initially recognized when the organisation becomes a party to the contractual provisions of the instrument.

Financial assets at amortized cost or at fair value through other comprehensive income are initially measured at fair value plus transaction cost. Financial liabilities at amortized cost are measured at fair value minus transaction cost.



**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

**3.7.6 Subsequent measurement and gains and losses**

**3.7.7 Financial assets at amortised cost**

These assets are subsequently measured at amortized cost using the effective services charges method. The amortized cost is reduced by impairment losses. services charges income, foreign exchange gains and losses and impairment are recognized in income and expenditure. Any gain or loss on derecognition is recognized in income and expenditure.

**3.7.8 Financial assets at FVTIE**

These assets are subsequently measured at fair value. Net gains and losses, including any services charges , are recognized in income and expenditure.

**3.7.9 Financial assets at FVOCI**

Debt investments are subsequently measured at fair value. services charges income calculated using effective services charges method, foreign exchange gains and losses and impairment are recognized in income and expenditure. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income and expenditure.

**3.7.10 Financial liabilities**

Financial liabilities are classified as measured at amortized cost or FVTIE. A financial liability is classified as FVTIE if it is classified as held-for-trading, it is derivative or it is designated as such on initial recognition. Financial liabilities at FVTIE are measured at fair value and net gains and losses, are recognized in income and expenditure. Other financial liabilities are subsequently measured at amortized cost using the effective services charges method. services charges expense and foreign exchange gains and losses are recognized in statement of income and expenditure. Any gain or loss on derecognition is also recognized in income and expenditure.

**3.7.11 De-recognition**

**3.7.12 Financial assets**

The organisation derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the organisation neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

**3.7.13 Financial liabilities**

The organisation derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. The organisation also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in income and expenditure.



**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

**3.7.14 Offsetting of financial assets and liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the organisation intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

A financial asset is assessed at each statement of financial position date, to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

**3.7.15 Transaction with related parties**

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions unless stated otherwise.

**3.8 Remuneration of Chief Executive, Directors and Executives (Fifth Schedule)**

No remuneration, meeting fees, allowances, perquisites, or any other benefits were paid to the Chief Executive, Directors, or Executives of the Company during the period ended June 30, 2026. This disclosure has been made in accordance with the requirements of the Fifth Schedule to the Companies Act, 2017.

**3.9 Contingencies and Commitments**

There were no contingencies or commitments as at 30 June 2026 (2025: not applicable, being the first financial statements).

**3.10 Events After the Reporting Period (IAS 10)**

There have been no material events between 30 June 2026 and the date of authorization of these financial statements that would require adjustment to, or disclosure in, these financial statements.



VETERANS ENCLAVE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2026

4 PROPERTY PLANT AND EQUIPMENTS

| Particulars           | Cost                     |               |          | Rate<br>(%)              | Accumulated Depreciation |          |                          |                          | WDV |  |
|-----------------------|--------------------------|---------------|----------|--------------------------|--------------------------|----------|--------------------------|--------------------------|-----|--|
|                       | As at<br>June 30<br>2025 | Addition      | Deletion | As at<br>June 30<br>2026 | Expense for<br>the year  | Deletion | As at<br>June 30<br>2026 | As at<br>June 30<br>2026 |     |  |
| <b>Owned</b>          |                          |               |          |                          |                          |          |                          |                          |     |  |
| Furniture / Fixture   | 1,225,422                | -             | -        | 1,225,422                | 56,581                   | -        | 716,194                  | 509,228                  |     |  |
| Office Equipment      | 432,950                  | -             | -        | 432,950                  | 5,070                    | -        | 387,319                  | 45,631                   |     |  |
| Site Office           | 1,320,200                | -             | -        | 1,320,200                | 19,624                   | -        | 947,350                  | 372,850                  |     |  |
| Tube well             | 1,245,000                | -             | -        | 1,245,000                | -                        | -        | 1,245,000                | -                        |     |  |
| Computer Equipment    | 559,212                  | 55,000        | -        | 614,212                  | 17,349                   | -        | 544,816                  | 69,396                   |     |  |
| Vehicles              | 657,414                  | -             | -        | 657,414                  | -                        | -        | 657,414                  | -                        |     |  |
| Electrical Appliances | 737,861                  | -             | -        | 737,861                  | 21,596                   | -        | 543,500                  | 194,361                  |     |  |
| <b>2026</b>           | <b>6,178,059</b>         | <b>55,000</b> | <b>-</b> | <b>6,233,059</b>         | <b>120,219</b>           | <b>-</b> | <b>5,041,594</b>         | <b>1,191,466</b>         |     |  |

| Particulars           | Cost                     |               |                  | Rate<br>(%)              | Accumulated Depreciation |                  |                          |                          | WDV |  |
|-----------------------|--------------------------|---------------|------------------|--------------------------|--------------------------|------------------|--------------------------|--------------------------|-----|--|
|                       | As at<br>June 30<br>2025 | Addition      | Deletion         | As at<br>June 30<br>2026 | Expense for<br>the year  | Deletion         | As at<br>June 30<br>2026 | As at<br>June 30<br>2026 |     |  |
| <b>Owned</b>          |                          |               |                  |                          |                          |                  |                          |                          |     |  |
| Furniture / Fixture   | 1,225,422                | -             | -                | 1,225,422                | 62,868                   | -                | 659,614                  | 565,808                  |     |  |
| Office Equipment      | 402,950                  | 30,000        | -                | 432,950                  | 2,300                    | -                | 382,249                  | 50,701                   |     |  |
| Site Office           | 1,320,200                | -             | -                | 1,320,200                | 20,657                   | -                | 927,727                  | 392,474                  |     |  |
| Tube well             | 1,245,000                | -             | -                | 1,245,000                | -                        | -                | 1,245,000                | -                        |     |  |
| Computer Equipment    | 559,212                  | -             | -                | 559,212                  | 7,936                    | -                | 527,467                  | 31,745                   |     |  |
| Vehicles              | 3,407,414                | -             | 2,750,000        | 657,414                  | -                        | 2,750,000        | 657,414                  | -                        |     |  |
| Electrical Appliances | 737,861                  | -             | -                | 737,861                  | 23,995                   | -                | 521,904                  | 215,957                  |     |  |
| <b>2025</b>           | <b>8,898,059</b>         | <b>30,000</b> | <b>2,750,000</b> | <b>6,178,059</b>         | <b>117,756</b>           | <b>2,750,000</b> | <b>4,921,375</b>         | <b>1,256,685</b>         |     |  |

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**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

|                                                      | Note | 2026<br>Rupees        | 2025<br>Rupees        |
|------------------------------------------------------|------|-----------------------|-----------------------|
| <b>5 Project Land</b>                                |      |                       |                       |
| <b>Opening Balance:</b>                              |      |                       |                       |
| - Land available for project use                     |      | 10,346,628,338        | 10,130,777,526        |
| - Land held for sale                                 |      | -                     | 4,402,064             |
|                                                      |      | <u>10,346,628,338</u> | <u>10,135,179,590</u> |
| <b>Additions:</b>                                    |      |                       |                       |
| - Acquisition of project land / rights & others cost |      | 88,595,427            | 211,448,748           |
| - Revaluation of the project land                    | 12.1 | -                     | -                     |
|                                                      |      | <u>88,595,427</u>     | <u>211,448,748</u>    |
| <b>Disposal:</b>                                     |      |                       |                       |
| - Disposal of land through Land Acquisition Act 1894 |      | 625,574,910           | -                     |
| - Disposal of revaluation Surplus on Project Land    |      | -                     | -                     |
|                                                      |      | <u>625,574,910</u>    | <u>-</u>              |
| <b>Closing balance:</b>                              |      |                       |                       |
| - Land available for project use                     |      | 9,809,648,855         | 10,342,226,274        |
| - Land held for sale                                 |      | -                     | 4,402,064             |
|                                                      |      | <u>9,809,648,855</u>  | <u>10,346,628,338</u> |

- 5.1** The Company's Project land situated at Mouza Bandana Khurd and Dhoke Pore, Tehsil Taxila, District Rawalpindi, Specified Areas. During the year, Government of Pakistan has acquired a portion of project land under section 4 of Land Acquisition Act, 1894 for construction of Margalla Road Extension from G.T Road N-5 to Motorway M-1.

Due to the acquisition of Land by the Government, the project design will be revised by the management, therefore, held for sale land is reclassified to available for use land.

**6 Capital Work in Progress / Development Cost**

|                                             |                    |                    |
|---------------------------------------------|--------------------|--------------------|
| Capital Work in Progress / Development Cost | <u>799,945,410</u> | <u>799,945,410</u> |
|---------------------------------------------|--------------------|--------------------|

The management of the Company has capitalized the development cost incurred on the project land such as earth work, road work, sewerage, drainage work, allied development and maintenance works.

**7 Land Rewarded Receivable**

|                                                          |                   |          |
|----------------------------------------------------------|-------------------|----------|
| Land award receivable from National High Authority (NHA) | <u>23,187,853</u> | <u>-</u> |
|----------------------------------------------------------|-------------------|----------|

**8 Advances and Deposits**

|                                                                   |                   |                |
|-------------------------------------------------------------------|-------------------|----------------|
| Security deposit - against tenancy agreements                     | -                 | 210,000        |
| Advance to Consolidated Perfect Engineers (Private) Limited (CPE) | 46,986,816        | -              |
|                                                                   | <u>46,986,816</u> | <u>210,000</u> |

The above balance represents advance to Perfect Engineers (Private) Limited (CPE), a related party of the Entity.

**9 Refundable Tax**

|                       |                  |                  |
|-----------------------|------------------|------------------|
| Refundable income tax | <u>6,892,673</u> | <u>5,971,086</u> |
|-----------------------|------------------|------------------|

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**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

|                                                                                                                                                                                                                                                                                                                                                 | Note        | 2026<br>Rupees       | 2025<br>Rupees       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------------|----------------------|
| <b>10 Cash and bank balances</b>                                                                                                                                                                                                                                                                                                                |             |                      |                      |
| Cash in hand                                                                                                                                                                                                                                                                                                                                    |             | 584,666              | 467,623              |
| Cash at bank                                                                                                                                                                                                                                                                                                                                    |             |                      |                      |
| - Current deposits                                                                                                                                                                                                                                                                                                                              | 10.1        | 270,412              | 706,964              |
| - Saving deposits                                                                                                                                                                                                                                                                                                                               |             | 5                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                 |             | 270,417              | 706,964              |
|                                                                                                                                                                                                                                                                                                                                                 |             | <b>855,083</b>       | <b>1,174,587</b>     |
| <b>10.1 Current deposits:</b>                                                                                                                                                                                                                                                                                                                   |             |                      |                      |
| United Bank Limited                                                                                                                                                                                                                                                                                                                             |             | 19,412               | 19,412               |
| - Veterans Enclave Ltd                                                                                                                                                                                                                                                                                                                          |             |                      |                      |
| - Veterans Enclave Ltd                                                                                                                                                                                                                                                                                                                          |             | -                    | 437,551              |
| - Veterans Enclave Ltd - Development Account                                                                                                                                                                                                                                                                                                    |             | -                    | 1                    |
| - Veterans Enclave Ltd - Smart Cities Development                                                                                                                                                                                                                                                                                               |             | 25,100               | 25,000               |
| - Veterans Enclave Ltd - Technologies Development                                                                                                                                                                                                                                                                                               |             | 25,100               | 25,000               |
| - Veterans Enclave Ltd - Mines & Minerals development                                                                                                                                                                                                                                                                                           |             | 25,100               | 25,000               |
| - Veterans Enclave Ltd - Industrial development                                                                                                                                                                                                                                                                                                 |             | 25,100               | 25,000               |
| - Veterans Enclave Ltd - Institutes development                                                                                                                                                                                                                                                                                                 |             | 25,100               | 25,000               |
| - Veterans Enclave Ltd - Digital Trading and contracting                                                                                                                                                                                                                                                                                        |             | 25,100               | 25,000               |
| - Veterans Enclave Ltd - Imports & Exports                                                                                                                                                                                                                                                                                                      |             | 25,100               | 25,000               |
| - Veterans Enclave Ltd - Research & Development                                                                                                                                                                                                                                                                                                 |             | 25,100               | 25,000               |
| - Veterans Enclave Ltd - Marketing                                                                                                                                                                                                                                                                                                              |             | 25,100               | 25,000               |
| - Veterans Enclave Ltd - Management account                                                                                                                                                                                                                                                                                                     |             | 25,100               | 25,000               |
|                                                                                                                                                                                                                                                                                                                                                 |             | <b>251,000</b>       | <b>687,552</b>       |
| <b>11 Share Capital</b>                                                                                                                                                                                                                                                                                                                         |             |                      |                      |
| Authorized Share Capital                                                                                                                                                                                                                                                                                                                        |             |                      |                      |
| 100,000 Ordinary shares of Rs. 100/- each                                                                                                                                                                                                                                                                                                       |             | <b>10,000,000</b>    | <b>10,000,000</b>    |
| Issued, subscribed and paid-up capital                                                                                                                                                                                                                                                                                                          |             |                      |                      |
| 926 Ordinary shares of Rs. 100/- each                                                                                                                                                                                                                                                                                                           |             | <b>92,600</b>        | <b>92,600</b>        |
| <b>12 Capital Reserves</b>                                                                                                                                                                                                                                                                                                                      |             |                      |                      |
| Capital reserves                                                                                                                                                                                                                                                                                                                                | 12.1        | <b>8,291,452,185</b> | <b>8,907,567,469</b> |
| <b>12.1 Capital reserve:</b>                                                                                                                                                                                                                                                                                                                    | <b>12.2</b> |                      |                      |
| Opening balance                                                                                                                                                                                                                                                                                                                                 |             | 8,907,567,469        | 8,907,567,469        |
| Surplus on revaluation of project land                                                                                                                                                                                                                                                                                                          |             | -                    | -                    |
| Transfer of revaluation of project land to Retained Earning                                                                                                                                                                                                                                                                                     |             | (616,115,283)        | -                    |
| Closing balance                                                                                                                                                                                                                                                                                                                                 |             | <b>8,291,452,185</b> | <b>8,907,567,469</b> |
| <b>12.2</b>                                                                                                                                                                                                                                                                                                                                     |             |                      |                      |
| On May 14, 2024, the Company decided to measure land using the revaluation model. The fair value of these assets are determined by an independent professionally qualified value . The fair value of the revalued assets was determined based on the market comparable approach that reflects recent transaction prices for similar properties. |             |                      |                      |

**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

|                                                                                                                          | Note | 2026<br>Rupees       | 2025<br>Rupees       |
|--------------------------------------------------------------------------------------------------------------------------|------|----------------------|----------------------|
| <b>13 Contractual liability for project</b>                                                                              |      |                      |                      |
| Contractual liability for project                                                                                        |      | <u>646,019,991</u>   | <u>572,262,678</u>   |
| <b>14 Accrued expenses</b>                                                                                               |      |                      |                      |
| Salaries payable                                                                                                         |      | 1,325,000            | 580,000              |
| Audit fee payable                                                                                                        |      | 150,000              | -                    |
|                                                                                                                          |      | <u>1,475,000</u>     | <u>580,000</u>       |
| <b>15 Short term contractual obligation</b>                                                                              |      |                      |                      |
| Payment obligations against payment certificates                                                                         |      | 424,278,105          | 418,778,105          |
| Payment obligation against refund payment certificates                                                                   |      | 83,574,647           | 84,370,928           |
|                                                                                                                          |      | <u>507,852,752</u>   | <u>503,149,033</u>   |
| <b>16 Account payables</b>                                                                                               |      |                      |                      |
| Payable against development work                                                                                         |      | 49,743,271           | 49,743,271           |
| Payable against land purchased                                                                                           |      | 177,281,478          | 177,281,478          |
| Payable against operational expenses                                                                                     |      | -                    | 8,247,374            |
| Payable against land services                                                                                            |      | 55,026,250           | 150,026,250          |
| Payable for acquisition of rights from provisional allottees                                                             |      | 890,545,332          | 840,321,905          |
| Payable against refund of contractual liability                                                                          |      | 313,768,818          | 295,522,850          |
| Payable against professional and other services                                                                          |      | 17,311,350           | 17,711,350           |
| Payable against Watch Guard Services                                                                                     |      | 17,400,000           | 7,500,000            |
|                                                                                                                          |      | <u>1,521,076,499</u> | <u>1,546,354,478</u> |
| The above balance represents amount payable to Perfect Engineers (Private) Limited (CPE), a related party of the Entity. |      |                      |                      |
| <b>17 Other Payables</b>                                                                                                 |      |                      |                      |
| Retention money                                                                                                          |      | 10,431,757           | 10,431,757           |
| Withholding tax                                                                                                          |      | 8,914,528            | 8,914,528            |
| Provision for taxation                                                                                                   |      | -                    | -                    |
|                                                                                                                          |      | <u>19,346,285</u>    | <u>19,346,285</u>    |

**18 Contingencies and commitments**

There were no contingencies and commitments at June 30, 2026. (2025: Nil)

**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

|                                                 | Note | 2026<br>Rupees    | 2025<br>Rupees    |
|-------------------------------------------------|------|-------------------|-------------------|
| <b>19 Administrative and operating expenses</b> |      |                   |                   |
| Staff salaries                                  |      | 3,291,500         | 3,636,010         |
| Watch Guard Services expense                    |      | 9,900,000         | -                 |
| Land Revenue Expenses                           |      | 2,424,500         | 449,000           |
| Legal and professional charges                  |      | 3,760,000         | 967,128           |
| Office rent                                     |      | 879,000           | 1,589,020         |
| Travelling and conveyance                       |      | 259,230           | 132,390           |
| Fuel for Machinery                              |      | 460,000           | -                 |
| Utilities                                       |      | 577,130           | 1,261,787         |
| Subscriptions & Fee                             |      | 240,345           | -                 |
| Communication                                   |      | 109,086           | 90,767            |
| Vehicle running expenses                        |      | 427,102           | 974,650           |
| Repairs and maintenance                         |      | 98,860            | 248,990           |
| Meals and refreshments                          |      | 314,949           | 482,178           |
| Mining Operations Expenses                      |      | 108,000           | 70,000            |
| Marketing & Business Development                |      | -                 | 60,000            |
| Printing and stationery                         |      | 177,410           | 182,545           |
| Expenses on Annual General Meeting              |      | 110,000           | 165,000           |
| Auditor's remuneration                          |      | 150,000           | 150,000           |
| Depreciation                                    |      | 120,219           | 117,756           |
| Security Services                               |      | -                 | -                 |
| Miscellaneous expenses                          |      | 1,280             | 52,510            |
| Site Supplies                                   |      | 61,000            | -                 |
|                                                 |      | <b>23,469,611</b> | <b>10,629,731</b> |
| <b>20 Finance Charges</b>                       |      |                   |                   |
| Finance Charges                                 |      | <b>3,956</b>      | <b>3,248</b>      |
| <b>21 Other Income</b>                          |      |                   |                   |
| Bank Profit                                     |      | 533               | -                 |
| Transfer Fee                                    |      | 20,000            | 30,000            |
| Other income                                    |      | 2,231,904         | -                 |
| Gain on disposal                                |      | -                 | 2,750,000         |
| EOBI Payable Written Off                        |      | -                 | 9,000             |
|                                                 |      | <b>2,252,437</b>  | <b>2,789,000</b>  |

**VETERANS ENCLAVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2026**

|                             | Note | 2026<br>Rupees     | 2025<br>Rupees    |
|-----------------------------|------|--------------------|-------------------|
| <b>22 Other Expenses</b>    |      |                    |                   |
| Payment certificate expense |      | 7,765,383          | 20,038,828        |
| Loss on Disposal of Land    | 22.1 | 491,569,490        | -                 |
|                             |      | <u>499,334,873</u> | <u>20,038,828</u> |

**22.1** Land valued 622,157,738 was soled off to govt for consideration 130,588,248, the net amount is loss on disposal of land.

**23 Financial Instruments**

**Financial assets - amortized cost**

|                        |    |                   |                  |
|------------------------|----|-------------------|------------------|
| Land award receivable  | 7  | 23,187,853        | -                |
| Advances and deposits  | 8  | 46,986,816        | 210,000          |
| Refundable tax         | 9  | 6,892,673         | 5,971,086        |
| Cash and bank balances | 10 | 855,083           | 1,174,587        |
|                        |    | <u>77,922,426</u> | <u>7,355,673</u> |

**Financial liabilities - amortized cost**

|                                   |    |                      |                      |
|-----------------------------------|----|----------------------|----------------------|
| Contractual liability for project | 13 | 646,019,991          | 572,262,678          |
| Accrued expenses                  | 14 | 1,475,000            | 580,000              |
| Short term contractual obligation | 15 | 507,852,752          | 503,149,033          |
| Account payables                  | 16 | 1,521,076,499        | 1,546,354,478        |
| Other payables                    | 17 | 19,346,285           | 19,346,285           |
|                                   |    | <u>2,695,770,527</u> | <u>2,641,692,473</u> |

**23 TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

The related parties and associated undertakings of the Company comprise of associated companies, directors and key management personnel. Transactions with related parties other than remuneration to key management personnel under the terms of their employment are as follows:

| Name                                           | Relationship<br>with Company                           | Nature of<br>Transactions                                      | 2026<br>(Rupees) | 2025<br>(Rupees) |
|------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------|------------------|------------------|
| Consolidated<br>Perfect Engineers<br>(Pvt) Ltd | Associated<br>company<br>due to common<br>shareholding | Loan repayment to                                              | 12,777,156       | 9,119,860        |
|                                                |                                                        | CPE for operational<br>and land expenditures                   | 2,261,500        | 300,000.00       |
|                                                |                                                        | Legal and professional<br>charges apid on behalf<br>of company | 3,233,000        | 288,168.00       |
|                                                |                                                        | Salaries paid on behalf<br>of company.                         | 577,000          | 604,000          |
|                                                |                                                        | expenses paid for on<br>behalf of company                      | 280,466          | 21,500           |
|                                                |                                                        | Audit fee paid on<br>behalf of company.                        | 150,000          | -                |
|                                                |                                                        | SECP fee paid on<br>behalf of company.                         | 3,855            | -                |

The Company has not paid any remuneration to its key management personnel during the period.



VETERANS ENCLAVE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2026

|                                                    | Note                | 2026<br>Rupees | 2025<br>Rupees |
|----------------------------------------------------|---------------------|----------------|----------------|
| 24                                                 | NUMBER OF EMPLOYEES |                |                |
| Total employees of the Company at the period end   |                     | <u>10</u>      | <u>10</u>      |
| Average employees of the Company during the period |                     | 10             | 10             |

25 GENERAL

These financial statements were authorized by the board of directors for issuance on \_\_\_\_\_.

All figures have been rounded to the nearest rupee. Comparative corresponding figures pertain to the year ended 2026.

Figures have been re-arranged for better presentation, however, no major rearrangement was made in financial statements.

  
CHIEF EXECUTIVE

  
DIRECTOR