

MSMANIAR FINANCIALS (Private) Limited

Statement of Net Capital Balance

As at June 30, 2017



**Independent Auditor's Report to the Board of Directors of MSManiar Financials
(Private) Limited on the Statement of Net Capital Balance as at June 30, 2017**

We have audited the accompanying Statement of Net Capital Balance of **MSManiar Financials (Private) Limited**, as at **June 30, 2017** and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

Management's Responsibility for the Statement

Management is responsible for the preparation of the statement in accordance with the requirements as contained in the Schedule II of the Securities Brokers (Licensing and Operations) Regulations, 2016 and the guidebook issued by Securities and Exchange Commission of Pakistan (SECP) vide its letter dated September 08, 2016 (hereinafter, collectively referred to as 'the Requirements'), and for such internal control as management determines is necessary to enable the preparation of the statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error, in making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the statement 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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A member firm of



Opinion

In our opinion, the financial information provided in the Statement of Net Capital Balance of **MSManiar Financials (Private) Limited** as at **June 30, 2017** is prepared, in all material respects, in accordance with the Requirements.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the statement, which describes the statement of compliance. The statement is prepared to assist the Company to meet the Requirements; as a result, the statement may not be suitable for another purpose. Our report is intended solely for the Company, Pakistan Stock Exchange Limited, National Clearing Company of Pakistan Limited and the Securities and Exchange and Commission of Pakistan, and should not be distributed to other parties.

August 30, 2017
Karachi




Nasir Javaid Maqsood Imran
Chartered Accountants

MSMANIAR FINANCIALS (Private) Limited
Statement of Net Capital Balance
As at June 30, 2017

DESCRIPTION	VALUATION BASIS	Note	Sub Total (Rupees)	Total
Current Assets				
Bank balances and cash deposit	As per book value	2		28,782,097
Trade Receivables	Book Value	3	164,069,872	
	Less: Overdue for more than fourteen days		144,421,432	19,648,440
Investments in listed securities in the name of broker	Securities on the exposure list marked to market less 15% discount	4	60,628,603 9,094,290	51,534,312
Securities purchased for clients	Securities purchased for the client and held by the broker where the payment has not been received within fourteen days	+ 5		98,967,297
Listed TFCs / Corporate Bonds of not less than BBB grade assigned by a credit rating company in Pakistan.	Marked to Market less 10% discount			-
FIBs	Marked to Market less 5% discount			-
Treasury Bill	At market value			-
Any other current asset specified by the Commission	As per the valuation basis determined by the Commission			-
TOTAL ASSETS				198,932,146
Current Liabilities				
Trade payables	Book Value	+	18,829,880	
	Less: Overdue for more than 30 days	6	11,469,753	7,360,127
Other liabilities	As classified under the generally accepted accounting principles	7		122,658,607
				130,018,734
NET CAPITAL BALANCE				68,913,412

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


 Chief Executive Officer / Director



MSMANIAR FINANCIALS (Private) Limited
Notes to the Statement of Net Capital Balance

1 STATEMENT OF COMPLIANCE

The statement of net capital balance of the Company ("the Statement") has been prepared in accordance with the requirements as contained in the Schedule II of the Securities Brokers (Licensing and Operations) Regulations, 2016 and the guidebook issued by Securities and Exchange Commission of Pakistan (SECP) vide its letter dated September 08, 2016.

The statement is prepared specifically to meet the above mentioned requirements and for submission to the Pakistan Stock Exchange, National Clearing Company of Pakistan Limited and the Securities and Exchange Commission of Pakistan. As a result, the statement may not be suitable for another purpose.

2 BANK BALANCES AND CASH DEPOSITS

(Rupees)

These are stated at book value.

Cash in hand

Bank balance pertaining to:

Brokerage house

Summit Bank Limited	82,195
MCB Bank Limited	7,037,534
Bank Alfalah Limited	196,923
NIB Bank Limited	49,825
Askari Bank Limited	2,466,290
Dubai Islamic Bank Limited	500,000
	10,332,767

Clients

JS Bank Client A/C	5,488,590
	5,488,590

Deposits against exposure

Ready market	8,512,371
Future market	4,448,369
MTS exposure margin	-
	12,960,740

Total Cash and Bank Balances

28,782,097

3 TRADE RECEIVABLES

These are stated at book value and classified as balance generated within 14 days and outstanding for more than 14 days

4 INVESTMENT IN LISTED SECURITIES IN THE NAME OF BROKER

These includes tradeable listed securities at market value less discount at 15%


 Chief Executive Officer / Director



MSMANIAR FINANCIALS (Private) Limited
Notes to the Statement of Net Capital Balance

5 SECURITIES PURCHASED FOR CLIENTS

These amount represents to the lower of value of securities appearing in the clients respective sub account to the extent of overdue balance for more than 14 days or value of investments.

6 TRADE PAYABLES

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

7 OTHER LIABILITIES

These represents current liabilities, other than trade payable which are due within 30 days. Other liabilities are stated at book value.

The break up as per trial balance is as follows:

Short term running finance

JS Bank Limited

93,613,851

Trade payables overdue for more than 30 days
 SST payable
 Other liabilities
 Accrued expense
 Markup payable
 RMS Mark up
 CVT payable

11,469,753
163,337
13,416,527
1,981,800
1,615,211
273,896
124,232

29,044,756

Total

122,658,607



Chief Executive Officer / Director

