



INDEPENDENT AUDITORS REPORT ON STATEMENT OF NET CAPITAL BALANCE

To the Chief Executive Officer of Shaffi Securities (Private) Limited

Opinion

We have audited the Statement of Net Capital Balance of **Shaffi Securities (Private) Limited** (the "Securities Broker") and notes to the Statement of Net Capital Balance as at June 30, 2018 (hereinafter collectively referred to as "the statement").

In our opinion, the financial information in the statement of the Securities Broker as at June 30, 2018 is prepared, in all material respects, in accordance with the requirements of the Second Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 ("the Regulations") read with Rule 2(d) of the Securities Exchange Commission (SEC) Rules 1971 ("SEC Rules 1971") issued by the Securities & Exchange Commission of Pakistan ("SECP").

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 statement* section of our report. We are independent of the Securities Broker in accordance with the ethical requirements that are relevant to our audit of the statement in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

The statement is prepared to assist the Securities Broker to meet the requirements of the SECP, Pakistan Stock Exchange ("PSX") and National Clearing Company of Pakistan Limited ("NCCPL"). As a result, the statement may not be suitable for any other purpose. Our report is intended solely for the Securities Broker, SECP, PSX and NCCPL, and should not be distributed to parties other than the Securities Broker, SECP, PSX or NCCPL. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the statement

Management is responsible for the preparation of the statement in accordance with the Regulations and SEC Rules 1971, 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.

Those charged with governance are responsible for overseeing the Securities Broker's financial reporting process.



Auditor's Responsibilities for the Audit of the statement

Our objectives are to obtain reasonable assurance about whether the statement is 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 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 this statement.

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

- Identify and assess the risks of material misstatement of the statement, 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 Securities Broker's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

We communicate with those charged with governance 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.

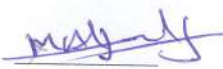
IECnet S.K.S.S.S,
Chartered Accountants

Engagement partner: **Mr. Muhammad Aslam Khan.**
Lahore.

Date: September 10, 2018

SHAFFI SECURITIES (PRIVATE) LIMITED
CORPORATE TREC HOLDER OF PAKISTAN STOCK EXCHANGE LIMITED
CALCULATION OF NET CAPITAL BALANCE
(In accordance with Regulation 6(4) of the Securities Brokers' (Licensing & Operations) Regulations, 2016)
AS AT JUNE 30, 2018

<u>A. Description of Current Assets</u>	Basis of Accounting	Notes	Amount (Rupees)
1 Cash in hand & Cash in bank	As per book value.	2	
Cash in hand			3,214
Cash at bank-House Account			10,389
Cash at bank-Client Account			467,704
			<u>481,306</u>
2 Margin deposits			679,510
3 Trade receivables	Book value less those overdue for more than 14 days.		1,301,470
Less: Outstanding for more than 14 days			1,166,524
			<u>134,946</u>
4 Investment in listed securities in the name of company	Securities on the Exposure List to Market less 15 % discount.	3	7,535,315
5 Securities purchase for client			1,118,420
			<u>9,949,497</u>
B. Description of Current Liabilities			
1 Trade payables	Book value less those overdue for more than 30 days.		324,554
Less: Overdue more than 30 days			64,943
			<u>259,611</u>
2 Other liabilities	As classified under Generally Accepted Accounting Principles.	4	468,908
			<u>728,519</u>
NET CAPITAL BALANCE			<u><u>9,220,979</u></u>


Chief Executive


Director



SHAFFI SECURITIES (PRIVATE) LIMITED
MEMBER PAKISTAN STOCK EXCHANGE LIMITED
EXPLANATORY NOTES TO THE NET CAPITAL BALANCE AS AT JUNE 30, 2018

1 BASIS OF ACCOUNTING

is statement of Net Capital Balance has been prepared in accordance with the requirements of the Third Schedule read with rule 2(d) of the Securities and Exchange Commission (SEC) Rules 1971, clauses 6(3) and 6(4) of the Securities Brokers (Licensing and Operations) Regulations 2016, and related clarifications / guidelines issued by the Securities and Exchange Commission of Pakistan.

2 CASH IN HAND AND AT BANK

Cash in hand
 Bank balance(s) pertaining to Brokerage House
 Bank balance(s) pertaining to Clients

TOTAL (Rupees)	
3,214	
10,389	
467,704	
<hr/>	
481,306	

Investment in Listed Securities in the name of Company		Holding as per CDC	Market Value as at June 30, 2018	TOTAL
Security Symbol	Security Name	Position Owned	Rupees	Rupees
AGL	AGRITTECH LIMITED	11,000	4.73	52,030
AICL	ADAMJEE INSURANCE COMPANY	1,000	48.73	48,730
AMTEX	AMTEX LIMITED	20,000	1.3	26,000
ANL	AZGARD NINE LIMITED	3,000	12.94	38,820
ASC	AL SHAHEER CORPORATION LIMITED	4,000	27.25	109,000
ASL	AISHA STEEL MILLS LIMITED	500	15.77	7,885
ASLPS	AISHA STEEL MILLS LIMITED -	674	19.71	13,285
ATIL	ATLAS INSURANCE LIMITED	773	65	50,245
BAFL	BANK ALFALAH LIMITED	500	52.29	26,145
BGL	BALUCHISTAN GLASS LIMITED	7,000	10.54	73,780
BOP	THE BANK OF PUNJAB	29,500	12.07	356,065
BWCL	BESTWAY CEMENT LIMITED	845	130.99	110,687
BYCO	BYCO PETROLEUM PAKISTAN LIMITED	41,000	12.2	500,200
CHAS	CHASHMA SUGAR MILLS LIMITED	500	46	23,000
CHBL	CHENAB LIMITED - FREEZE	700	0	-
DCL	DEWAN CEMENT LIMITED	11,500	18	207,000
DEL	DAWOOD EQUITIES LIMITED	1,000	3.7	3,700
DFML	DEWAN FAROOQUE MOTORS LIMITED	2,000	28.43	56,860
DSFL	DEWAN SALMAN FIBRE LIMITED -	10,056	0	-
DSIL	D. S. INDUSTRIES LIMITED	1,500	4.59	6,885
DSL	DOST STEELS LIMITED	5,000	7.91	39,550
DWSM	DEWAN SUGAR MILLS LIMITED	1,500	6.37	9,555
EPCL	ENGRO POLYMER & CHEMICALS	500	31.36	15,680
EPCLR1	ENGRO POLYMER & CHEMICALS	184	8.82	1,623
FABL	FAYSAL BANK LIMITED	8,819	26	229,294



SHAFFI SECURITIES (PRIVATE) LIMITED
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EXPLANATORY NOTES TO THE NET CAPITAL BALANCE AS AT JUNE 30, 2018

FATIMA	FATIMA FERTILIZER COMPANY LIMITED	11,500	32.4	372,600
FCCL	FAUJI CEMENT COMPANY LIMITED	1,000	22.85	22,850
FCSC	FIRST CAPITAL SECURITIES	2,000	2.4	4,800
FFL	FAUJI FOODS LIMITED	14,000	32.28	451,920
FPJM	FIRST PUNJAB MODARABA	20,000	5.5	110,000
GAIL	GHANI AUTOMOBILE INDUSTRIES	10,000	6.94	69,400
GENP	GENERTECH PAKISTAN LIMITED -	1,000	0	-
GGGL	GHANI GLOBAL GLASS LIMITED	2,000	12.33	24,660
GGL	GHANI GASES LIMITED	2,500	16.12	40,300
GHGL	GHANI GLASS LIMITED	500	61.68	30,840
HBL	HABIB BANK LIMITED	100	166.44	16,644
HCAR	HONDA ATLAS CARS (PAKISTAN) LIMITED	1,500	316.39	474,585
HIFA	HBL INVESTMENT FUND - CLASS A	1,500	0	-
HIRAT	HIRA TEXTILE MILLS LIMITED	3,000	6.3	18,900
HSM	HUSEIN SUGAR MILLS LIMITED	1,000	22.59	22,590
HUMNL	HUM NETWORK LIMITED	6,500	8.09	52,585
ICIBL	INVEST CAPITAL INVESTMENT BANK	25,000	1.88	47,000
IVIBL	INNOVATIVE INVESTMENT BANK	227	0	-
JOVC	JAVED OMER VOHRA & COMPANY	560	0	-
JPGL	JAPAN POWER GENERATION LIMITED -	23,000	0	-
JSCL	JAHANGIR SIDDIQUI & COMPANY	7,985	18.19	145,247
JSIL	JS INVESTMENTS LIMITED	1,000	9.31	9,310
JSML	JAUHARABAD SUGAR MILLS LIMITED	1,500	48.5	72,750
KAPCO	KOT ADDU POWER COMPANY LIMITED	6,500	53.91	350,415
KEL	K-ELECTRIC LIMITED	3,000	5.68	17,040
KOHP	KOHINOOR POWER COMPANY LIMITED	500	3.35	1,675
LEUL	LEATHER UP LIMITED	2,500	18.7	46,750
LOADS	LOADS LIMITED	1,300	31.18	40,534
LOTCHEM	LOTTE CHEMICAL PAKISTAN LIMITED	11,500	11.96	137,540
MCB	MCB BANK LIMITED	654	197.77	129,342
MDTL	MEDIA TIMES LIMITED	8,000	1.73	13,840
MUGHAL	MUGHAL IRON AND STEEL INDUSTRIES	700	61.42	42,994
MUREB	MURREE BREWERY COMPANY LIMITED	90	725	65,250
NBP	NATIONAL BANK OF PAKISTAN	500	47.37	23,685
PACE	PACE (PAKISTAN) LIMITED	51,500	3.39	174,585
PAEL	PAK ELEKTRON LIMITED	500	35.46	17,730
PAKRI	PAKISTAN REINSURANCE COMPANY	1,000	32.88	32,880
PASL	PERVEZ AHMED SECURITIES LIMITED	9,000	0.96	8,640
PIAA	PAKISTAN INTERNATIONAL AIRLINES	27,000	4.09	110,430



SHAFFI SECURITIES (PRIVATE) LIMITED
MEMBER PAKISTAN STOCK EXCHANGE LIMITED
EXPLANATORY NOTES TO THE NET CAPITAL BALANCE AS AT JUNE 30, 2018

PKG I	THE PAKISTAN GENERAL INSURANCE	3,800	6.39	24,282
PNSC	PAKISTAN NATIONAL SHIPPING	500	81.94	40,970
POWER	POWER CEMENT LIMITED	36,652	8.35	306,044
PRL	PAKISTAN REFINERY LIMITED	4,500	34.71	156,195
PTC	PAKISTAN TELECOMMUNICATION	91,000	11.44	1,041,040
REDCO	REDCO TEXTILES LIMITED	25,000	3.6	90,000
REWM	RELIANCE WEAVING MILLS LIMITED	2,000	30.49	60,980
SANE	SALMAN NOMAN ENTERPRISES LTD.	1,000	4	4,000
SCBPL	STANDARD CHARTERED BANK	500	23.98	11,990
SEARL	THE SEARLE COMPANY LIMITED	100	339.5	33,950
SERF	SERVICE FABRICS LIMITED	5,000	3.7	18,500
SHCI	SHAFFI CHEMICAL INDUSTRIES LIMITED	2,000	0	-
SHNI	SHAHEEN INSURANCE COMPANY	49,500	5.1	252,450
SILK	SILKBANK LIMITED	534,500	1.36	726,920
SLCL	SECURITY LEASING CORPORATION	2,000	11.6	23,200
SNGP	SUI NORTHERN GAS PIPELINES LIMITED	1,312	100.22	131,489
SPL	SITARA PEROXIDE LIMITED	500	17.36	8,680
SSGC	SUI SOUTHERN GAS COMPANY LIMITED	1,000	32.82	32,820
SSIC	SILVER STAR INSURANCE COMPANY	20,000	0	-
STPLR	SIDDIQSONS TIN PLATE LIMITED - LOR	7,419	1.3	9,645
TPL	TPL CORP LIMITED	11,000	6.82	75,020
TREET	TREET CORPORATION LIMITED	5,500	34.19	188,045
TRSM	TRUST MODARABA	500	4	2,000
TSMF	TRI-STAR MUTUAL FUND LIMITED	2,500	6.12	15,300
UBL	UNITED BANK LIMITED	1,335	168.98	225,588
UNITY	UNITY FOODS LIMITED	2,000	29.28	58,560
WAHN	WAH NOBEL CHEMICALS LIMITED	100	215	21,500
WTL	WORLDCALL TELECOM LIMITED	41,000	1.93	79,130
YOUW	YOUSAF WEAVING MILLS LIMITED	5,000	4.09	20,450
ZELP	ZEAL PAK CEMENT FACTORY LIMITED -	239,500	0	-

Less: Discount 15 %

8,865,077

(1,329,761)

7,535,315

4 Accrued and other liabilities

Trade payable overdue more than 30 days

64,943


Accrued and other payables

164,561

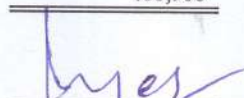
Running Finance

239,403

468,908


 Chief Executive




 Director