Ghani Osman Securities (Private) Limited

Statement of Net Capital Balance
As at December 31, 2016

NASIR JAVAID MAQSOOD IMRAN
Chartered Accountants

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The Board of Directors
Ghani Osman Securities (Private) Limited
Karachi

We have audited the accompanying Statement of Net Capital Balance of Ghani Osman Securities (Private) Limited, as at December 31, 2016. The statement has been prepared by management based on the requirements of the Third Schedule read with Rule 2(d) of the Securities Exchange Commission (SEC) Rules 1971 and the Securities Brokers (licensing and Operations) Regulations 2016 (Regulations).

Management's Responsibility for the Statement

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

In our opinion, the financial information in the statement of Net Capital Balance **Ghani Osman Securities (Private) Limited** as at **December 31, 2016** is prepared, in all material respects, in accordance with SEC Rules 1971 and Regulations.

Basis of Accounting and Restriction on Distribution

The statement is prepared to assist **Ghani Osman Securities (Private) Limited** to meet the requirements of SECP in accordance with the SEC Rules 1971 and Regulations. As a result, the statement may not be suitable for another purpose. Our report is intended solely for **Ghani Osman Securities (Private) Limited** and SECP and should not be distributed to parties other than **Ghani Osman Securities (Private) Limited** or SECP.

NASIR JAVAID MAQSOOD IMRAN
Chartered Accountants

Thursday, February 2, 2017

Ghani Osman Securities (Private) Limited
Statement of Net Capital Balance
As at December 31, 2016

		Rupees	Rupees
	CURRENT ASSETS		
1	**Cash and Bank Balances**		
	Cash in hand		
	Bank balance pertaining to brokerage house	174,206	
	Bank balance pertaining to clients	578,813	
	Cash deposited as margin	31,702,338	
		36,700,000	69,175,356
2	**Trade Receivable**		
	From clients		
	Less: Overdue for more than 14 days	185,288,147	
		92,123,150	
	From NCCPL	93,164,997	
		11,523,855	
			104,688,852
3	**Investment in Listed Securities in the Name of Broker**		
	Market value		
	Less: 15% discount	-	
		-	-
4	**Securities Purchase For Clients**	84,588,084	84,588,084
			256,550,322
	CURRENT LIABILITIES		
5	**Trade Payable**		
	Book value		
	Less: Overdue for more than 30 days	69,482,495	
		19,615,748	49,866,747
6	**Other Liabilities**		
	Trade payable over due for more than 30 days		
	Other liabilities	19,615,748	
		94,572,829	
			114,188,577
			163,055,324
	Net Capital		95,494,998

CHIEF EXECUTIVE OFFICER

Ghani Osman Securities (Private) Limited
Notes to the Statement of Net Capital Balance

STATEMENT OF COMPLIANCE

The statement of net capital balance of the Company ("the Statement") of Ghani Osman Securities (Private) Limited ("the Company") has been prepared in accordance with the Rule 2(d) 01 and Third Schedule to the Securities and Exchange Rules, 1971 and in accordance with the clarifications / guidelines issued by Securities and Exchange Commission of Pakistan (SECP).

1 BANK BALANCES AND CASH DEPOSITS

These are stated at book value.

		(Rupees)
Cash in hand		174,295
Bank balance pertaining to:		
Brokerage house		
MCB Bank Limited	13,392	
Habib Bank Limited	39,049	
Habib Bank Limited (Clifton)	466,372	
		518,813
Clients		
NIB Bank Limited		31,782,318
Deposits against exposure		
Ready market	21,200,000	
Future market	15,500,000	
		36,700,000
Total Cash and Bank Balances		69,175,356

2 TRADE RECEIVABLES

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

3 INVESTMENT IN LISTED SECURITIES IN THE NAME OF BROKER

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

Ghani Osman Securities (Private) Limited
Notes to the Statement of Net Capital Balance

4 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

5 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

6 OTHER LIABILITIES

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

The break up as per trial balance is as follows:
Short term running finance
NIB Bank Limited

	79,000,673
Sales tax payable	14,687
F.E.D Payable	557,052
Worker's welfare fund payable	525,108
C.G.T Payable	679,859
Provision for tax	9,364,455
Liabilities (Sassi Branch)	69,680
Other liabilities	298,795
Telephone bill payable	25,000
Electricity bill payable	40,000
Financial charges payable	1,177,735
C.D.C charges payable	112,550
Salaries payable	2,304,025
NCCS payable	193,240
	15,572,186
Total	94,572,829

CHIEF EXECUTIVE OFFICER