



info@zahidjamilco.com

www.zahidjamilco.com

Independent Auditors Report on Statement of Net Capital Balance

To the Board of Directors of SALMAN MAJEED SECURITIES (SMC-PVT) LIMITED

We have audited the accompanying Statement of Net Capital Balance of SALMAN MAJEED SECURITIES (SMC-PVT) LIMITED as at DECEMBER 31, 2016 (the statement"). 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.

Opinion

In our opinion, the financial information in the statement of Net Capital Balance of SALMAN MAJEED SECURITIES (SMC-PVT) LIMITEDs 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

Without modifying our opinion, we draw attention to Note 1 to the statement, which describes the basis of accounting. The statement is prepared to assist SALMAN MAJEED SECURITIES (SMC-PVT) LIMITEDto 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 SALMAN MAJEED SECURITIES (SMC-PVT) LIMITEDand SECP and should not be distributed to parties other than SALMAN MAJEED SECURITIES (SMC-PVT) LIMITEDor SECP.

Zahid Jamil & Co.
CHARTERED ACCOUNTANTS

(Engagement Partner: Muhammad Amin)



MARCH 07, 2017

FAISALABAD

**SALMAN MAJEED SECURITIES (SMC-PVT) LIMITED
STATEMENT OF NET CAPITAL BALANCE**

AS AT DECEMBER 31, 2016

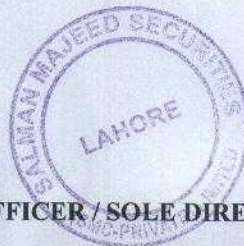
(In accordance with Rule 2(d) and Third Schedule of the Securities and Exchange Rules, 1971)

	NOTE	RUPEES	RUPEES
Current Assets			
Cash in Hand	2		243,334
Bank balances			
Bank balances pertaining to brokerage house		544,279	
Bank balances pertaining to clients	3	9,116,687	9,660,966
Deposit against exposure	4		3,363,520
Trade receivables			
Book value		19,631,971	
Less: Overdue for more than 14 days	5	15,452,082	4,179,889
Securities purchased for clients	6		13,381,943
			A 30,829,652
Current Liabilities			
Trade Payables			
Book Value		13,778,102	
Less: Overdue for more than 30 days	7	6,560,519	7,217,583
Other liabilities			
Accrued expenses and other liabilities	8		6,899,368
			B 14,116,951
Net Total			(A-B) 16,712,701
Less: Amount allocated for Pakistan Mercantile Exchange Limited			(3,000,000)
NET CAPITAL BALANCE			13,712,701

25/1/17

Date: MARCH 07, 2017

CHIEF EXECUTIVE OFFICER / SOLE DIRECTOR



SALMAN MAJEED SECURITIES (SMC-PVT) LIMITED
NOTES TO THE STATEMENT OF NET CAPITAL BALANCE
FOR THE PERIOD ENDED DECEMBER 31, 2016

1. BASIS OF PREPARATION

1.1 Statement of Compliance

This statement has been prepared in accordance with the requirements of the Rule 2(d) and Third Schedule of the Securities and Exchange Rules, 1971.

1.2. Basis of measurement

This statement has been prepared under the historical cost convention except investment in listed securities which are measured on fair value.

	NOTE	Dec-16 RUPEES
2. CASH IN HAND		
Cash in Hand		243,334
3. BANK BALANCES		
Pertaining to brokerage house		544,279
Pertaining to clients		9,116,687
		<u>9,660,966</u>
4. DEPOSIT AGAINST EXPOSURE		
Ready market exposure		1,107,040
Future market exposure		2,372,330
		<u>3,479,370</u>
5. TRADE RECEIVABLES		
Book value		19,631,971
Overdue for more than 14 days		(15,452,082)
		<u>4,179,889</u>
6. SECURITIES PURCHASED FOR CLIENTS		
Securities purchased for client		<u>13,381,943</u>
7. TRADE PAYABLES		
Book value		13,778,102
Overdue for more than 30 days		(6,560,519)
		<u>7,217,583</u>
8. ACCRUED EXPENSES AND OTHER LIABILITIES		
Overdue for more than 30 days		6,560,519
Taxes payables		92,404
Accrued liabilities		246,445
		<u>6,899,368</u>

25/1

CHIEF EXECUTIVE OFFICER / SOLE DIRECTOR

