

**INDEPENDENT AUDITORS REPORT ON STATEMENT OF NET CAPITAL BALANCE
To the Chief Executive Officer of AL - HAQ SECURITIES (PVT.) LIMITED**

Opinion

We have audited the Statement of Net Capital Balance of **AL - HAQ SECURITIES (PVT.) LIMITED** (the **Securities Broker**) and notes to the Statement of Net Capital Balance as at June 30, 2017 (together 'the statement').

In our opinion, the financial information in the statement of the Securities Broker as at June 30, 2017 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

We draw attention to Note no. 1 of the notes to the statement, which describes the basis of accounting. The statement is prepared to assist the **AL - HAQ SECURITIES (PVT.) LIMITED** (the Securities Broker) to meet the requirements of SECP, Pakistan Stock Exchange (PSX) and National Clearing Company of Pakistan Limited (NCCPL). As a result, the statement may not be suitable for an other purpose. Our report is intended solely for **AL - HAQ SECURITIES (PVT.) LIMITED** (the Securities Broker), SECP, PSX, and NCCPL and should not be distributed to parties other than **AL - HAQ SECURITIES (PVT.) LIMITED** (the Securities Broker) or 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 is 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 decision 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, misrepresentation, or the override of internal control.
- Obtain an understanding of the 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 the 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.

SHW *ShineWing Hameed Chaudhri & Co.*
SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS
Engagement Partner: Osman Hameed Chaudhri

LAHORE; 14 SEP 2017

Attested to be True Copy

AL-HAQ



AL-HAQ SECURITIES (PVT.) LTD.

CORPORATE TREC HOLDER PAKISTAN STOCK EXCHANGE LTD. 228

AL-HAQ SECURITIES PRIVATE LIMITED
STATEMENT OF NCBC UNDER RULE 2(d) OF SECURITIES AND EXCHANGE RULES, 1971
AS AT JUNE 30, 2017

DESCRIPTION	VALUATION BASIS	VALUE (RS)
CURRENT ASSETS		
1 Cash and cash equivalents	Book Value	85,483,633
2 Trade Receivables	Book Value Less: Overdue for more than 14 days	10,297,933 (8,915,838) 1,382,095
3 Investment in listed securities in (House Account)	Market Value Less: 15% discount	67,589,528 (10,138,429) 57,451,099
4 Securities purchased for clients		6,529,972
5 Receivable from NCCPL		29,385,555
		180,232,354
CURRENT LIABILITIES		
1 Trade Payables	Book Value Less: Overdue for more than 30 days	84,506,168 (30,079,000) 54,427,168
2 Other Liabilities		68,214,941
		132,642,109
NET CAPITAL BALANCE AS AT JUNE 30, 2017		47,590,245

(Director)



LAHORE:

405/407, LSE Financial Services Building,
19-Khayaban-e-Awwan-e-Iqbal, Road, Lahore-54000
Tel: +92 (42) 36368896, 36368827, 36362010, 36361264,
36361901, 36308215-17, 36317031-32, 36314710-1,
36316707-8 Fax: +92 (42) 36368782

GUJRANWALA:

New Steel Market, G.T. Road,
Gujranwala-Pakistan.
Tel: +920553859389, 3859222-23,
3846611-12, 3850253, 3251080
Fax: +920553259905

www.alhaqsecurities.com

Al-Haq Securities Private Limited
Notes to the Statement of Net Capital Balance
As at June 30, 2017

1. STATEMENT OF COMPLIANCE

This statement of Net Capital Balance has been prepared in all material respect, in accordance with the requirements of the Second Schedule of Securities Brokers (Licensing and Operations) Regulations, 2016 read with Rule 2(d) of the Securities and Exchange Commission Rules, 1971.

2. CASH AND BANK BALANCES

	Rupees
Cash in hand	273,544
Cash at Bank pertaining to Clients	74,970,537
Cash at Bank pertaining to House Account	10,239,552
	85,483,633

3. SHORT TERM INVESTMENTS

No. of shares	Name of the Company	Market value Rupees
		Rs.
226	Allied Bank Ltd.	20,254
229	Arif Habib Corporation Ltd.	9,442
599	Adamjee Insurance Company Ltd.	40,947
8,166	Askari Bank Ltd.	164,708
3	Akzo Nobel Pakistan Ltd.	720
140	Azgard Nine Ltd.	1,558
2,202	Aisha Steel Mills Ltd. Preference	52,143
255	Attock Refinery Ltd.	97,558
500	Al-Azhar Textile Mills Ltd.- Freeze	-
2,009	Bank Alfalah Ltd.	80,762
592	Bank Al Habib Ltd.	33,596
109	Bisfo Industries Ltd.	27,282
500	Bankislami Pakistan Ltd.	6,650
2	The Bank Of Khyber	32
5,316	The Bank Of Punjab	62,622
3,721	The Bank Of Punjab - right	149
8	Best Way Cement Limited	1,753
5,100	Byco Petroleum Pakistan Ltd.	97,410
2,350	Capital Assets Leasing Corporation Ltd.	26,761
234	First Capital Mutual Fund	2,340
10	The Crescent Textile Mill Ltd.	375
612	Crescent Steel & Allied Products Ltd.	146,005
5,500	Dewan Cement Ltd.	110,990
342	D.G. Khan Cement Company Ltd.	72,901
14,013	Dewan Salman Fibre Ltd.	57,033
257	Efu General Insurance Ltd.	37,265
287	Efu Life Assurance Ltd.	78,925
1,601	Faysal Bank Ltd.	36,022
1,007	Fatima Fertilizer Company Ltd.	33,926
1,318	First Capital Securities Corp Ltd.	5,114
834	First Dawood Investment Bank Ltd.	2,677
500	Fauji Fertilizer Bin Qasim Ltd.	21,420
58,542	Carry forward	1,329,340



G. M. Khan

No. of shares		Market value
		Rs.
58,542	Brought forward	1,329,340
5,849	First Fidelity Leasing Modaraba	19,009
22	First Habib Modaraba	241
500	First National Bank Modaraba	1,560
2,274	First Punjab Modaraba	18,192
1,100	First Tri-Star Modaraba	12,089
160	First Udl Modaraba	6,032
26	Golden Arrow Selected Stock Fund Ltd.	343
1,330	Genertech Pakistan Ltd. - Freeze	-
111	Habib-Adm Ltd.	2,403
42	Honda Atlas Car Pakistan Ltd.	36,443
866	Highnoon Laboratories Pakistan Ltd.	536,087
60	IBL Healthcare Ltd.	7,320
7	ICI Pakistan Ltd.	7,662
101,812	Invest Capital Investment Bank Ltd.	214,823
43	IGI Investment Bank Ltd.	130
298	IGI Insurance Ltd.	94,406
13	Innovative Investment Bank Ltd. - Freeze	-
1,500	Jahangir Siddiqui & Company Ltd	34,245
211	JS Large Cap. Fund	22,256
50,466	K-Electric Ltd.	348,215
82	Kohinoor Mills Ltd.	3,892
420	Kohinoor Power Company Ltd.	2,982
109	KSB Pumps Company Ltd.	34,335
500	Leather Up Ltd.	11,000
50,584	Lotte Chemical Pakistan Ltd.	498,252
14	MCB Bank Ltd.	2,946
436	Maple Leaf Cement Factory Ltd.	48,553
273	Modaraba Al-Mali	1,092
741,000	Mughal Iron and Steel Industries Ltd.	59,820,930
172	National Foods Ltd.	46,612
500	National Bank of Pakistan Ltd.	29,505
2,962	NIB Bank Ltd.	5,095
60	Nishat Mills Ltd.	9,521
20,000	Noorie Textile Mill Ltd - revoked	-
2,511	Pak Elektron Ltd.	277,014
550	Pak Datacom Ltd.	28,325
30,000	Pervaz Ahmed Securities Ltd.	59,100
243	Pakistan Engineering Company Ltd.	57,105
51,609	Pakistan International Airlines Corporation Ltd.	301,397
2,360	PICIC Investment Fund	35,400
247	Pioneer Cement Ltd.	32,110
212	Pakistan Petroleum Ltd.	31,406
110	Pakistan Stock Market Fund	1,100
100	Pakistan Telecommunication Co Ltd.	1,561
803	Samba Bank Ltd.	5,741
2,692	Standard Chartered Bank Pak Ltd.	60,886
340	The Searle Company Ltd.	174,073
5,500	Southern Electric Power Company Ltd. - Freeze	-
2,500	Shif International Hospital Ltd.	825,000
1,000	Shahpur Textile Mills Ltd. - Freeze	-
354	Security Investment Bank Ltd.	1,770
510,198	Silk Bank Ltd.	857,133
1,653,563	Carry forward	65,954,632



Ghulam Ishaq Khan

No. of shares		Market value
1,653,563	Brought forward	65,954,632
16	Security Leasing Corporation Ltd.	78
2,153	Summit Bank Ltd.	8,870
2,246	Soneri Bank Ltd.	32,971
643	Sui Northern Gas Pipelines Ltd.	95,756
500	Sitara Peroxide Ltd.	15,550
100,000	Saudi Pak Leasing Co. Ltd.	243,000
500	Sargodha Spinning Mills Ltd.	8,000
210	Sui Southern Gas Company Ltd.	7,646
627	Trust Investment Bank Ltd.	2,144
2,408	Tri-Star Polyester Ltd.	73,300
310	Trust Modaraba	1,271
1,000	Trust Securities & Brokerage Ltd.	16,000
5,500	Tri-Star Power Ltd.	62,810
350,000	World Call Telecom Ltd.	1,067,500
1,900	Zeal Pak Cement Factory Ltd. - Freeze	-
2,121,576		67,589,528

4. **OTHER LIABILITIES**

	Rupees
Trade payable for more than 30 days	30,079,000
Accrued expenses	287,228
Due to Director	36,483,813
Short term finance	464,870
Accrued mark-up	286,138
Taxation	552,494
Other	61,398
	68,214,941

(Director)



G. M. Khan

