

**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 December 31, 2018 (together 'the statement').

In our opinion, the financial information in the statement of the Securities Broker as at December 31, 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**

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.

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

LAHORE; 11 MAR 2019



# AL-HAQ SECURITIES (PVT.) LTD.

CORPORATE TREC HOLDER PAKISTAN STOCK EXCHANGE LTD. 228

## AL-HAQ SECURITIES (PRIVATE) LIMITED STATEMENT OF NCB UNDER RULE 2(d) OF SECURITIES AND EXCHANGE RULES, 1971 AS AT DECEMBER 31, 2018

DESCRIPTION	VALUATION BASIS	VALUE (RS)
<b>CURRENT ASSETS</b>		
1 Cash and cash equivalents	Book Value	47,130,196
2 Trade Receivables	Book Value	18,337,407
	Less: Overdue for more than 14 days	(10,051,080)
		8,286,327
3 Investment in listed securities in the name of house:		
Investment in Shares		5,042,173
Less: 15% of investment in Shares		(756,326)
		4,285,847
4 Securities purchased for clients		7,231,080
		66,933,450
<b>CURRENT LIABILITIES</b>		
1 Trade Payables	Book Value	48,427,322
	Less: Overdue for more than 30 days	(32,369,431)
		16,057,891
2 Other Liabilities		33,184,983
		49,242,874
<b>NET CAPITAL BALANCE AS AT DECEMBER 31, 2018</b>		<b>17,690,576</b>

  
Chief Executive / Director



### LAHORE:

405/407, LSE Financial Services Building,  
19-Khayaban-e-Ahwan-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: +92(055)3859389, 3859222-23,  
3846611-12, 3850253, 3251080  
Fax: +92(055)3259905

**AL-HAQ SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE STATEMENT OF NET CAPITAL BALANCE**  
**AS AT DECEMBER 31, 2018**

**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	115,852
Cash at bank pertaining to clients	46,971,192
Cash at bank proprietary account	43,152
	47,130,196

**3. INVESTMENT IN LISTED SECURITIES**

No. of shares	Name of the Company	Market value
Dec 31, 2018		Dec 31, 2018
		Rupees
-	Arif Habib Corporation Ltd.	-
599	Adamjee Insurance Company Ltd.	25,170
8,166	Askari Bank Ltd.	195,331
440	Aisha Steel Mills Ltd.	4,620
2,202	Aisha Steel Mills Ltd. Preference	25,719
318	Attock Refinery Ltd.	46,911
500	Al-Azhar Textile Mills Ltd. - Freeze	-
2,209	Bank Alfalah Ltd.	89,663
592	Bank Al Habib Ltd.	40,724
83,816	The Bank Of Punjab	1,003,277
5,100	Byco Petroleum Pakistan Ltd.	44,268
2,350	Capital Assets Leasing Corporation Ltd.	19,200
234	First Capital Mutual Fund	2,340
612	Crescent Steel & Allied Products Ltd.	34,003
23,500	Dewan Cement Ltd.	273,305
8,000	Dewan Farooq Motor	127,280
342	D.G. Khan Cement Company Ltd.	27,411
4,013	Dewan Salman Fibre Ltd.	-
287	Efu Life Assurance Ltd.	65,413
1,100	First Tri-Star Modaraba	11,550
1,330	Genertech Pakistan Ltd. - Freeze	-
953	Highnoon Laboratories Pakistan Ltd.	331,310
342	IGI Holding Ltd. (prev IGI Insurance Ltd.)	68,804
13	Innovative Investment Bank Ltd. - Freeze	-
1,500	Jahangir Siddiqui & Company Ltd	23,325
211	JS Large Cap. Fund	22,256



466	K-Electric Ltd.	2,768
109	KSB Pumps Company Ltd.	20,010
584	Lotte Chemical Pakistan Ltd.	9,864
2,936	Maple Leaf Cement Factory Ltd.	119,348
-	Modaraba Al-Mali	-
-	Mughal Iron and Steel Industries Ltd.	-
206	National Foods Ltd.	40,273
500	National Bank of Pakistan Ltd.	21,015
20,000	Noorie Textile Mill Ltd - revoked	-
2,511	Pak Elektron Ltd.	62,524
550	Pak Datacom Ltd.	29,497
243	Pakistan Engineering Company Ltd.	35,235
-	PICIC Investment Fund	-
247	Pioneer Cement Ltd.	10,352
243	Pakistan Petroleum Ltd.	36,367
110	MCB Pakistan Stock Market Fund	1,100
75,000	Pakistan Intl airline Corporation	381,750
303	Samba Bank Ltd.	2,436
2,592	Standard Chartered Bank Pak Ltd.	62,519
464	The Searle Company Ltd.	113,954
5,500	Southern Electric Power Company Ltd. - Freeze	-
2,500	Shifa International Hospital Ltd.	516,050
1,000	Shahpur Textile Mills Ltd. - Freeze	180
510,198	Silk Bank Ltd	637,748
2,246	Soneri Bank Ltd.	28,457
643	Sui Northern Gas Pipelines Ltd.	49,556
100,000	Saudi Pak Leasing Co. Ltd.	-
500	Sargodha Spinning Mills Ltd.	-
2,636	Tri-Star Polyester Ltd.	42,703
5,500	Tri-Star Power Ltd.	23,045
200,000	World Call Telecom Ltd.	278,000
2,360	HBL Investment class - A	11,942
2,360	HBL Investment class - B	23,600
1,900	Zeal Pak Cement Factory Ltd. - Freeze	-
<u>1,093,136</u>		<u>5,042,173</u>

## 4. OTHER LIABILITIES

	Rupees
Trade payable for more than 30 days	32,369,431
Accrued expenses and others	265,802
Accrued mark-up	-
Short term borrowing	549,750
	<u>33,184,983</u>

*Ghulam Ishaq Khan*  
  
 Chief Executive / Director

