

Zahid Latif Khan Securities (Pvt.) Ltd.

Statement of Net Capital Balance

As At June 30, 2019



NASIR JAVAID MAQSOOD IMRAN
Chartered Accountants

Islamabad Office:
Office # 12 & 13 3rd Floor
Fazal Arcade,
F-11 Markaz, Islamabad.
Tel: 051-2228138
Fax: 051-2228139
E-mail:
njmiconsultants@gmail.com
islamabadoffice@njmi.net

INDEPENDENT AUDITORS REPORT ON STATEMENT OF NET CAPITAL BALANCE

To the Chief Executive Officer of ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED

Opinion

We have audited the Statement of Net Capital Balance ('the statement') of ZAHID LATIF KHAN SECURITIES (Private) Limited and notes to the Statement of Net Capital Balance as at 30 June, 2019 (together 'the statement').

In our opinion, the financial information in the statement of the Securities Broker as at 30 June, 2019 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.

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 the 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 decisions of users taken on the basis of this statement.

Karachi Office:

904, 9th Floor, Q.M. House, Plot No. 11/2, Ellander Road, Opp. Shaheen Complex, Off. I.I Chundrigar Road, Karachi Pakistan
Tel: 021-32212382, 32212383, 32211516, Fax: 021-32211515

Lahore Office:

Office # 1102, Al-Hafeez Heights, 66-D/1, Ghalib Road, Gulberg-III, Lahore
Tel: 042-35754821-22, Fax: 042-36317513, E-mail: nasirg@wol.net.pk



CPAAI

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.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Imran Ul Haq.

Dated: September 12, 2019

Place: Islamabad

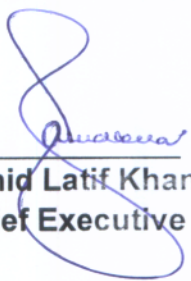

Nasir Javaid Maqsood Imran

 Chartered Accountants

Zahid Latif Khan Securities (Private) Limited
Statement of Net Capital Balance
As at June 30, 2019

CURRENT ASSETS	Note	30-Jun-19 Rupees
Cash and bank balances:		
Cash in hand	1	2,043,278
Cash at bank	1	56,080,353
Total cash and bank balances		58,123,631
Accounts Receivables and other assets:		
Future Clearing		1,493,155
Accounts receivables	2	10,126,421
Investment in listed securities in the name of broker	3	30,047,423
Shares/securities purchased for clients but payment has - - not been received within 14 days		51,693,703
Total Accounts receivables and other assets		93,360,703
Total Current Assets		151,484,334
CURRENT LAIBILITIES		
30 days overdue accounts payable	4	21,139,231
Other liabilities	5	111,518,171
Total Current Liabilities		132,657,402
Net Capital Balance as at 30 June, 2019		18,826,932

"Read with annexed notes"


Zahid Latif Khan
Chief Executive


DIRECTOR

Zahid Latif Khan Securities (Private) Limited
Notes to Statement of Net Capital Balance
As at June 30, 2019

	Note	30-Jun-19 (Rupees)
1 Cash and bank balances		
Cash and bank balances have been taken as per book value.		
Cash in hand		2,043,278
Cash at bank:		
Bank balance pertaining to Brokerage House		447,495
Bank balance pertaining to clients		55,632,859
Total bank balance		56,080,353
2 Accounts Receivable		
Aging and break-up of of accounts receivables:		
Total receivables		68,339,378
Less: Outstanding from more than 14 days		58,212,957
Balance generated within 14 days and/or not yet due		10,126,421
3 Investment in listed securities in the name of broker		
Market value		35,349,910
Discount (15% of market value)		(5,302,486)
Net Value		30,047,423
4 Accounts Payables		
Total accounts payables	6	58,298,591
Less: Accounts payables over due for more than 30 days		37,159,360
Accounts payable overdue for 30 days		21,139,231
5 Other Liabilities		
Accounts Payables	4	37,159,360
Accrued and other liabilities		7,354,143
Short term running finance		67,004,668
		111,518,171

Zahid Latif Khan Securities (Private) Limited
Notes to Statement of Net Capital Balance
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	Note	30-Jun-19 (Rupees)
6 Reconciliation of client wise payable balance and their corresponding bank balance		
Trade Payables (Excluding PMEX)	6.1	54,821,763
		<u><u>54,821,763</u></u>
<i>Client wise break-up of total trade payables is attached in Annexures</i> (Trade Payables includes profit on futures withheld amounting to Rs.115,020)		
6.1 Balance as per bank book (Excluding PMEX)		55,342,180
		<u><u>55,342,180</u></u>




Zahid Latif Khan
Chief Executive


DIRECTOR