



SHAJARPAK
SECURITIES

**STATEMENT OF NET
CAPITAL BALANCE AS
AT 30 JUNE 2020**



INDEPENDENT AUDITORS REPORT ON STATEMENT OF NET CAPITAL BALANCE

To the Chief Executive Officer of Shajarpak Securities (Private) Limited

Opinion

We have audited the Statement of Net Capital Balance of Shajarpak Securities (Private) Limited (the Securities Broker) as at 30 June 2020 (the statement).

In our opinion, the financial information in the statement of the Securities Broker as at 30 June 2020 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 Foot Note to the statement, which describes the basis of accounting. The statement is prepared to assist the Shajarpak Securities (Private) Limited to meet the requirements of the SECP, Pakistan Stock Exchange (PSX) and National Clearing Company of Pakistan Limited (NCCPL). As a result, the statement may not be suitable for another purpose. Our report is intended solely for the Shajarpak Securities (Private) Limited, SECP, PSX and NCCPL and should not be distributed to parties other than the Shajarpak Securities (Private) Limited or the 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 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 are 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.

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. Rashid Rahman Mir.


Rahman Saifuraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS,
Lahore. 03 SEP 2020



**SHAJARPAK
SECURITIES**

SHAJARPAK SECURITIES (PVT) LIMITED
TREC Holder, Pakistan Stock Exchange Limited

SHAJARPAK SECURITIES (PRIVATE) LIMITED
STATEMENT OF NET CAPITAL BALANCE
AS AT 30 JUNE 2020

	NOTE	30 JUNE 2020 RUPEES
CURRENT ASSETS		
Cash at Bank		
Bank Balances pertaining to Brokerage House		4,691,061
Bank Balances Pertaining to Clients		60,900,104
		<u>65,591,165</u>
Cash in Hand		-
Trade Receivable		
Total Receivables		7,017,197
Less: Outstanding for more than 14 Days		(1,465,497)
Outstanding for 14 Days or less	1	5,551,700
Investment in Listed Securities		
In the name of Broker - Market value		9,745,260
Less: 15% Discount		(1,461,789)
	2	8,283,471
Securities for Clients	3	-
TOTAL CURRENT ASSETS		<u><u>79,426,336</u></u>
CURRENT LIABILITIES		
Trade Payables		
Total Payables		62,628,046
Less: Due for more than 30 days		(49,030,917)
Due for 30 days or less	4	13,597,129
Trade Payables - Due for more than 30 days		49,030,917
Other Payables		391,501
TOTAL CURRENT LIABILITIES		<u><u>63,019,547</u></u>
NET CAPITAL BALANCE		<u><u>16,406,789</u></u>

- 1 Only those outstanding for 14 days or less.
- 2 Securities on exposure list at Market Value as at 30-06-2020 less 15%. These includes shares having market value of Rs.5,525,110/- pledged for Base Minimum Capital and exposure of trading shares.
- 3 This represents Securities purchased for clients not paid for by the clients and held by the member, value restricted to the payment not received.
- 4 Only those due for 30 days or less.

Foot Note The statement of net capital balance has been prepared, in all material aspects, in accordance with the requirements of the Second Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 (the regulations) read with the rule 2(d) of SEC Rule 1971 issued by the Securities and Exchange Commission of Pakistan (SECP). The statement has been prepared by the management of Shajarpak Securities (Private) Limited 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 another purpose.


DIRECTOR

* CEO is presently out of country.


DIRECTOR

Stock Exchange Office:

101, 1st Floor, LSE Plaza,
19 Khayaban-e-Aitwan-e-Iqbal, Lahore.
Tel: +92 42 3636 9991-8, Fax: +92 42 3627 9101
E-mail: info@shajarpaksecurities.com
Website: www.shajarpaksecurities.com

