



## INDEPENDENT AUDITORS REPORT ON STATEMENT OF NET CAPITAL BALANCE

### TO THE CHIEF EXECUTIVE OFFICER OF MONEYLINE SECURITIES (PRIVATE) LIMITED

#### Opinion

We have audited the Statement of Net Capital Balance of **Moneyline Securities (Private) Limited** (the "Securities Broker") and notes to the Statement of Net Capital Balance as at December 31, 2019 (hereinafter collectively referred to as "the statement").

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

#### Emphasis of Matter - Basis of Accounting and Restriction on Distribution

The statement is prepared to assist the Securities Broker 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 any other purpose. Our report is intended solely for the Securities Broker, SECP, PSX and NCCPL, and should not be distributed to parties other than the Securities Broker, 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 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 scepticism 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.

IECnet S.K.S.S.S.,  
Chartered Accountants



Engagement partner: **Mr. Muhammad Aslam Khan.**  
Lahore.  
Date: March 13, 2020

MONEYLINE SECURITIES (PRIVATE) LIMITED  
 CORPORATE TREC HOLDER OF PAKISTAN STOCK EXCHANGE LIMITED  
 STATEMENT OF NET CAPITAL BALANCE

(In accordance with Regulation 6(3)(4) of the Securities Brokers' (Licensing & Operations) Regulations, 2016)  
 AS AT DECEMBER 31, 2019

<u>A Description of Current Assets</u>	<u>Basis of Accounting</u>	<u>Notes</u>	<u>Amount</u> (Rupees)
1 <b>Cash in hand &amp; Cash at bank</b>	As per book value.	2	
Cash in hand			18,786
Cash at bank-House account			15,968,600
Cash at bank-Client account			10,731,551
			<u>26,718,936</u>
2 <b>Margin Deposits</b>			5,800,000
3 <b>Trade receivables</b>	Book value less those overdue		30,318,326
Less: Outstanding for more than 14 days	for more than 14 days.		(22,779,969)
			<u>7,538,357</u>
4 <b>Investment in listed securities in the name of company</b>	Securities on the Exposure list to Market less 15 % discount.	3	18,593,497
5 <b>Securities purchased for client</b>			9,012,753
			<u>67,663,543</u>
<b>B Description of Current Liabilities</b>			
1 <b>Trade Payables</b>	Book value less those overdue		9,565,165
Less: Overdue more than 30 days	for more than 30 days.		(3,383,220)
			<u>6,181,945</u>
2 <b>Other liabilities</b>	As classified under the Generally Accepted Accounting Principles.	4	4,544,700
			<u>10,726,645</u>
<b>NET CAPITAL BALANCE</b>			<u>56,936,898</u>



  
 Chief Executive



  
 Director

MONEYLINE SECURITIES (PRIVATE) LIMITED  
MEMBER PAKISTAN STOCK EXCHANGE LIMITED  
EXPLANATORY NOTES TO THE NET CAPITAL BALANCE AS AT DEC 31, 2019

1 BASIS OF ACCOUNTING

The statement of Net Capital Balance has been prepared in accordance with the requirements of the Third Schedule read with rule 2(d) of the Securities and Exchange Commission (SEC) Rules 1997, clauses 6(3) and 6(4) of the Securities Brokers (Accounting and Operations) Regulations 2016, and related clarifications / guidelines issued by the Securities and Exchange Commission of Pakistan.

2 CASH AND BANK BALANCES

	Total (Rupees)
Cash in hand	48,786
Bank balance(s) pertaining to Brokerage House	15,968,600
Bank balance(s) pertaining to Clients	10,731,551
	<u>26,718,936</u>

3 Investment in Listed Securities in the name of Company		Holding as per CDC	Market Rate as at Dec 31, 2019	Market Value as at Dec 31, 2019
Security Symbol	Security Name	Position Owned	Rupees	
AKBL	ASKARI BANK LIMITED	15,000	18.54	278,100
ATRI	ATYCK REFINERY LIMITED	115	111.69	12,844
BAFL	BANK ALFALAH LIMITED	3,584	45.70	163,782
BIFO	BI-O INDUSTRIES LIMITED	3,984	174.52	695,288
BOP	BANK OF PUNJAB	875,000	11.33	9,913,750
BYGO	BYGO PETROLEUM PAKISTAN LIMITED	25,000	6.82	170,500
FABL	FAISAL BANK LIMITED	7,510	19.02	142,840
FCGL	FUJI CEMENT COMPANY LIMITED	28,000	15.56	435,680
FCBL	FUJI FERTILIZER BIN QASIM LIMITED	10,500	19.52	204,960
FFC	FUJI FERTILIZER COMPANY LIMITED	49,125	101.47	4,984,714
FFL	FUJI FOODS LIMITED	11,000	14.47	159,170
HASCOL	HASCOL PETROLEUM LIMITED	5,000	26.91	134,500
KAPCO	KOT ADDU POWER COMPANY LIMITED	11,000	31.53	346,830
LSEFSL	LSE FINANCIAL SERVICES LIMITED FREEZE	337,500		
MCB	MCB BANK LIMITED	5,402	204.94	1,107,086
NML	NISHAT MILLS LIMITED	726	106.14	77,058
PAEL	PAKISTAN ELEKTRON LIMITED	7,000	27.07	189,490
PIAA	PAKISTAN INTERNATIONAL AIRLINES CORPORA	100,000	6.67	667,000
POL	PAKISTAN OILFIELDS LIMITED	3,000	446.72	1,340,160
PSO	PAKISTAN STATE OIL COMPANY LIMITED	3,000	191.64	574,920
PTC	PAKISTAN TELECOMMUNICATION COMPANY LI	1,900	9.36	17,784
SSGC	SUI SOUTHERN GAS COMPANY LIMITED	12,000	21.52	258,240
<b>Total Value</b>				<b>21,874,702</b>
Less: 15% Discount				<u>(3,281,205)</u>
				<b>18,593,497</b>

4 OTHER LIABILITIES

Trade payable overdue more than 30 days	3,103,221
Other payables	372,407
Short-term borrowings	200,916
Provision for taxation	387,757
	<u>4,544,700</u>

  
Chief Executive



  
Director