



**Independent Auditors Report on Statement of Net Capital Balance**

**To the Board of Directors of GPH SECURITIES (PVT.) LIMITED**

We have audited the accompanying Statement of Net Capital Balance of **GPH SECURITIES (PVT.) LIMITED** as at **DECEMBER 31, 2016** (the statement"). The statement has been prepared by management based on the requirements of the Third Schedule read with Rule 2(d) of the Securities Exchange Commission (SEC) Rules 1971 and the Securities Brokers (licensing and Operations) Regulations 2016 (Regulations).

**Management's Responsibility for the Statement**

Management is responsible for the preparation of the statement in accordance with SEC Rules 1971 and Regulations, 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.

**Auditor's Responsibility**

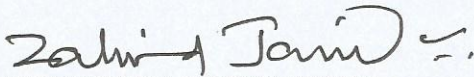
Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the statement 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

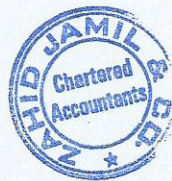
**Opinion**

In our opinion, the financial information in the statement of Net Capital Balance of **GPH SECURITIES (PVT.) LIMITED** as at **DECEMBER 31, 2016** is prepared, in all material respects, in accordance with SEC Rules 1971 and Regulations.

**Basis of Accounting and Restriction on Distribution**

Without modifying our opinion, we draw attention to **Note 1** to the statement, which describes the basis of accounting. The statement is prepared to assist **GPH SECURITIES (PVT.) LIMITED** to meet the requirements of SECP in accordance with the SEC Rules 1971 and Regulations. As a result, the statement may not be suitable for another purpose. Our report is intended solely for **GPH SECURITIES (PVT.) LIMITED** and SECP and should not be distributed to parties other than **GPH SECURITIES (PVT.) LIMITED** or SECP.

  
CHARTERED ACCOUNTANTS  
(Engagement Partner: Muhammad Amin)



MARCH 03, 2017

FAISALABAD

**GPH SECURITIES (PVT.) LIMITED  
STATEMENT OF NET CAPITAL BALANCE**

**AS AT DECEMBER 31, 2016**

**(In accordance with Rule 2(d) and Third Schedule of the Securities and Exchange Rules, 1971)**

	Notes	RUPEES	RUPEES
<b>Current Assets</b>			
Cash in Hand	2		70,314
Bank balances			
Bank balances pertaining to brokerage house		14,951,093	
Bank balances pertaining to clients	3	8,538,022	23,489,115
Trade receivables			
Book value		566,071	
Less: Overdue for more than 14 days	4	270,194	295,877
Securities purchased for clients	5		250
Investment in listed securities in the name of broker			
Securities on the exposure list		37,258,541	
Less: 15% adjustment (as required)	6	5,588,781	31,669,760
			<b>A</b> 55,525,316
<b>Current Liabilities</b>			
Trade Payables			
Book Value		8,274,871	
Less: Overdue for more than 30 days	7	848,343	7,426,527
Other liabilities			
Accrued expenses and other liabilities	8		1,202,143
			<b>B</b> 8,628,670
<b>NET CAPITAL BALANCE</b>			<b>(A-B) 46,896,646</b>

*ZM*

**Date: MARCH 03, 2017**

*Humayun Shah Jada*  
**CHIEF EXECUTIVE OFFICER**



*Navin Jalandhar*  
**DIRECTOR**

**GPH SECURITIES (PVT.) LIMITED**  
**NOTES TO THE STATEMENT OF NET CAPITAL BALANCE**  
**FOR THE PERIOD ENDED DECEMBER 31, 2016**

**1. BASIS OF PREPARATION**

**1.1 Statement of Compliance**

This statement has been prepared in accordance with the requirements of the Rule 2(d) and Third Schedule of the Securities and Exchange Rules, 1971.

**1.2. Basis of measurement**

This statement has been prepared under the historical cost convention except investment in listed securities which are measured on fair value.

	<b>Dec-16</b>
	<b>RUPEES</b>
<b>2. CASH IN HAND</b>	
Cash in Hand	<u>70,314</u>
<b>3. BANK BALANCES</b>	
Pertaining to brokerage house	14,951,093
Pertaining to clients	<u>8,538,022</u>
	<u>23,489,115</u>
<b>4. TRADE RECEIVABLES</b>	
Book value	566,071
Overdue for more than 14 days	<u>(270,194)</u>
	<u>295,877</u>
<b>5. SECURITIES PURCHASED FOR CLIENTS</b>	
Securities purchased for client	<u>250</u>
<b>6. INVESTMENT IN LISTED SECURITIES</b>	
Securities on the exposure list	37,258,541
15% adjustment (as required)	<u>(5,588,781)</u>
	<u>31,669,760</u>
<b>7. TRADE PAYABLES</b>	
Book value	8,274,871
Overdue for more than 30 days	<u>(848,343)</u>
	<u>7,426,527</u>
<b>8. ACCRUED EXPENSES AND OTHER LIABILITIES</b>	
Overdue for more than 30 days	848,343
Accrued expenses	322,367
Taxes payables	<u>31,433</u>
	<u>1,202,143</u>

*Humbayun Shahzoda*

**CHIEF EXECUTIVE OFFICER**



*Neveer Javed*

**DIRECTOR**