



Independent Auditors Review Report on Statement of Net Capital Balance
The Chief Executive Officer of **M/s Khawaja Securities (Private) Limited**

Introduction

We have reviewed the accompanying Statement of Net Capital Balance of **M/s. Khawaja Securities (Private) Limited** (*the Securities Broker*) as at **December 31, 2020** and notes to the Statement of Net Capital Balance (*here-in-after referred to as the 'the statement'*). Management is responsible for the preparation of the statement in accordance with the requirements of the Second Schedule of the Securities Brokers (*Licensing and Operations*) Regulations, 2016 (*the Regulations*) issued by the Securities & Exchange Commission of Pakistan (*SECP*). Our responsibility is to express a conclusion on the statement based on our review.

Scope of Review


We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the independent Auditor of the Entity' which applies to review of historical financial information performed by the independent auditor of the Securities Broker. A review of historical financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying statement is not prepared, in all material respects, in accordance with the requirements of Second Schedule of the Regulations.

Other Matter - Restriction on Distribution and Use

We draw attention to Note No.1 to the statement which describes its basis of preparation . It further states that our report is intended solely for **M/s. Khawaja Securities (Private) Limited** (*the Securities Broker*), *SECP, Pakistan Stock Exchange and National Clearing Company of Pakistan Limited* and should not be distributed to any other parties. Our conclusion is not modified in respect of this matter.


Mr. Muhammad Aslam Khan
IECnet S.K.S.S.S.
Chartered Accountants
Lahore



Date: March 11, 2021

KHAWAJA SECURITIES (PRIVATE) LIMITED

STATEMENT OF NET CAPITAL BALANCE AS AT DECEMBER 31, 2020

Excess of Current Assets over Current Liabilities Determined In Accordance With The Third Schedule of Securities And Exchange Rule, 1971 Read With SECP Guidelines.

A. <u>Description of Current Assets</u>	<u>Basis of Accounting</u>	<u>Notes</u>	<u>Amount</u> (Rupees)
1 Cash in hand & Cash in bank Cash in hand Cash at bank-House Account Cash at bank-Client Account	As per book value.	2	67,231 59,203 6,231,637 6,358,071
2 Trade receivables Less: Out standing for more than 14 days	Book value less those over due for more than 14 days.		57,328,704 (48,101,055) 9,227,648
3 Investment in listed securities in the name of company	Securities on the Exposure List to Market 15% Discount	3	11,090,764 11,090,764
4 Securities purchase for client			1,990,743
			28,667,226
B. <u>Description of Current Liabilities</u>			
1 Trade payables Less: Over due more than 30 days	Book value less those overdue for more than 30 days.		5,915,549 (358,024) 5,557,525
2 Other Liabilites	As classified under the generally accepted Accounting Principles.	4	12,682,454
			18,239,978
NET CAPITAL BALANCE			10,427,248


Chief Executive




Director

KHAWAJA SECURITIES (PRIVATE) LIMITED
TREC HOLDER PAKISTAN STOCK EXCHANGE LIMITED
EXPLANATORY NOTES TO THE NET CAPITAL BALANCE AS AT DECEMBER 31, 2020

1 BASIS OF ACCOUNTING

This statement of Net Capital Balance ('the statement') has been prepared and presented in accordance with the requirements of Regulation 6(3) of Securities Brokers (Licensing and Operations) Regulations, 2016, Schedule II to the said regulation as well as the clarifications with respect to computation of net capital balance issued by the securities and exchange commission of Pakistan (SECP) from time to time. The statement has been prepared solely to assist **M/s Khawaja Securities (Private) Limited** in meeting its reporting requirements under the aforesaid regulation and, thus, is for sole use of the SECP, Pakistan Stock Exchange Limited (PSX) and National Clearing Company of Pakistan Limited (NCCPL). Accordingly, the statement is not suitable for, and should not be used for, any other purpose.

2 CASH IN HAND AND AT BANK

	TOTAL (Rupees)
Cash in hand	67,231
Bank balance(s) pertaining to Brokerage House	59,203
Bank balance(s) pertaining to Clients	6,231,637
	6,358,071

Investment in Listed Securities in the name of Company		Holding as per CDC	Market Value as on December 31, 2020	TOTAL
Security Symbol	Security Name	Position Owned	Rupees	Rupees
AKBL	ASKARI BANK LIMITED	128	23.39	2,994
BEEM	BEEMA-PAKISTAN COMPANY LIMITED -Freeze	7,500	-	-
ITTEFAQ	ITTEFAQ IRON INDUSTRIES LIMITED	543,500	16.52	8,978,620
IVIBL	INNOVATIVE INVESTMENT BANK LIMITED - FREEZE	188	-	-
JOVC	JAVED OMER VOHRA & COMPANY LIMITED - FREEZE	16	-	-
JSCL	JAHANGIR SIDDIQUI & COMPANY Limited	100,000	32.68	3,268,000
KEL	K-ELECTRIC LIMITED	2	3.91	8
LSEFSL	LSE FINANCIAL SERVICES LIMITED - Freeze	337,590	-	-
MCBPSM	MCB PAKISTAN STOCK MARKET FUND	4	-	-
PREMA	AT-TAHUR LIMITED	39,600	20.16	798,336
ZELP	ZEAL PAK CEMENT FACTORY LIMITED - Freeze	200	-	-
Total Value		1,028,728		13,047,958
Less: 15 % Discount				(1,957,194)
				11,090,764

4 OTHER LIABILITIES

Trade Payable overdue more than 30 days	358,024
Accrued and Other Liabilities	12,106,090
Provision for Taxation	218,339
	12,682,454


Chief Executive




Director