

**Independent Auditors Report On
Statement of Net Capital Balance
To the Board of Directors of Amer Securities (Pvt) Limited**

We have audited the accompanying statement of net capital balance of **Amer 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) Registrations 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 Amer 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 No. 1 to the statement, which describes the basis of accounting. The statement is prepared to assist Amer 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 Amer Securities (Pvt) Limited and SECP and should not be distributed to parties other than Amer Securities (Pvt) Limited or SECP.



CHARTERED ACCOUNTANTS
Muhammad Amin

Lahore: March 17, 2017

**AMER SECURITIES (PVT) LIMITED
STATEMENT OF NET CAPITAL BALANCE
AS AT DECEMBER 31, 2016**

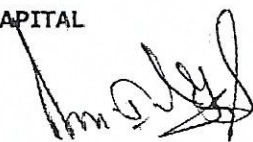
1. BASIS OF PREPARATION

The net capital balance has been prepared on the basis of the Third Schedule read with Rule 2(d) of the Securities Exchange Commission (SEC) Rules 1971 and the Securities Brokers (Licensing and Operations) Registrations 2016 (Regulations).

2. COMPUTATION OF NET CAPITAL BALANCE

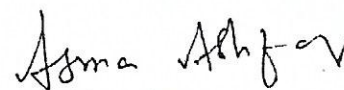
	Rupees	Rupees
<u>CURRENT ASSETS</u>		
Cash in hand and bank balances		
Cash deposited as margin with:		
National Clearing Company of Pakistan		7,323,900
Bank balances		
Pertaining to Brokerage House	204,251	
Pertaining to Clients	13,025,723	
	13,229,974	13,229,974
Trade Receivable		
Receivable from NCCPL	5,526,949	
Receivables from Clients	15,886,701	
Less: Outstanding for more than 14 days	10,491,282	
	5,395,419	
Investment in Listed Securities		
Investment in Securities	10,922,368	10,922,368
Less: 15% discount	56,824,560	
	8,523,684	
	48,300,876	48,300,876
Securities Purchased for Clients		
Receivables from client		
After expiry of 14 days	9,032,694	9,032,694
		88,809,812
LESS: CURRENT LIABILITIES		
Trade and other payables		
Overdue payables	12,886,514	
Less: Overdue more than 30 days	3,512,530	
	9,373,984	
Other Liabilities		
Trade payables overdue more than 30 days	3,512,530	
Short term borrowings	43,660,571	
Accruals of current liabilities	729,525	
Other liabilities	173,336	
	48,075,962	57,449,946
NET CAPITAL		<u>31,359,866</u>

NET CAPITAL



CHIEF EXECUTIVE




DIRECTOR