



## Review Report on Statement of Net Capital Balance

To the Chief Executive Officer of IGI Finex Securities Limited (the Securities Broker)

### Introduction

We have reviewed the accompanying Statement of Net Capital Balance of IGI Finex Securities Limited (the Securities Broker) as at June 30, 2021 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 Securities Brokers (Licensing And Operations) Regulations, 2016, read with Rule 2(d) of the Securities and Exchange Rules, 1971, and guidelines / clarifications issued by the Securities and Exchange Commission of Pakistan. 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 the second schedule of Securities Brokers (Licensing And Operations) Regulations, 2016, read with Rule 2(d) of the Securities and Exchange Rules, 1971, and guidelines / clarifications issued by the Securities and Exchange Commission of Pakistan.

### Other Matter - Restriction on Distribution and Use

Our report is intended solely for IGI Finex Securities 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.

A. F. Ferguson & Co.  
Chartered Accountants  
Engagement partner: Shahbaz Akbar  
Date: September 15, 2021  
Karachi

STATEMENT OF NET CAPITAL BALANCE  
FOR THE PURPOSE OF THE SECOND SCHEDULE OF SECURITIES BROKERS  
(LICENSING AND OPERATIONS) REGULATIONS, 2016 READ WITH  
RULE 2 (D) OF THE SECURITIES EXCHANGE COMMISSION (SEC) RULES, 1971  
AS AT JUNE 30, 2021

**A- Current assets**

	Note	Rupees	Rupees
1. Cash in hand			
2. Cash deposit as margin with Pakistan Stock Exchange			
3. Cash at bank	2		273,060,690
Bank balances pertaining to brokerage house	3		
Bank balances pertaining to clients		66,486,773	
Total bank balances		563,871,147	
4. Trade receivables			630,357,920
Total receivables	4		
Outstanding for more than fourteen days		178,849,365	
Balance generated within fourteen days and not yet due		(19,746,969)	
5. Investments in listed securities in the name of broker. (Securities on the exposure list marked to market less 15% discount)			159,102,396
6. Securities purchased for client			
7. Listed TFCs / Corporate Bonds (Marked to market less 10% discount)			
8. FIBs (Marked to market less 10% discount)			
9. Treasury Bill (At market value) (At market value)			
			1,062,521,006

**B- Current liabilities**

1. Trade payables			
Book value			
Less: Overdue for more than 30 days	5	675,130,694 (213,255,787)	461,874,907
2. Other liabilities (including trade payables overdue for more than 30 days)			466,017,201
	5		927,892,108
<b>NET CAPITAL BALANCE (A-B)</b>			<b>134,628,898</b>

The annexed notes 1 to 5 form an integral part of this statement.

  
CHIEF EXECUTIVE OFFICER



IGI FINEX SECURITIES LIMITED  
EXPLANATORY NOTES TO THE STATEMENT OF NET CAPITAL BALANCE  
FOR THE PURPOSE OF THE SECOND SCHEDULE OF SECURITIES BROKERS  
(LICENSING AND OPERATIONS) REGULATIONS, 2016 READ WITH  
RULE 2 (D) OF THE SECURITIES EXCHANGE COMMISSION (SEC) RULES, 1971  
AS AT JUNE 30, 2021

**Basis of preparation**

- 1 This statement is prepared in accordance with the requirements of the second schedule of Securities Brokers (Licensing And Operations) Regulations, 2016, read with Rule 2(d) of the Securities and Exchange Rules, 1971, and guidelines / clarifications issued by the Securities and Exchange Commission of Pakistan. The accounting policies adopted in preparation of this Statement are consistent with the basis used in annual financial statements of the Company.

	Note	Rupees
<b>2 Cash deposit as margin with Pakistan Stock Exchange (PSX)</b>		
Deposit with PSX - Ready Exposure		193,050,000
Deposit with PSX - Future Exposure		79,280,000
Deposit with PSX - MTS Exposure		730,690
		<u>273,060,690</u>
<b>3 Cash at bank</b>		
<b>Bank balances pertaining to brokerage house</b>		
- current accounts - non interest bearing		3,507,163
- savings accounts		62,979,610
		<u>66,486,773</u>
<b>Bank balances pertaining to clients</b>		
- current accounts - non interest bearing		2,818,194
- savings accounts		561,052,953
		<u>563,871,147</u>
<b>Total cash at bank</b>		<u>630,357,920</u>
<b>4 Trade receivables</b>		
<b>Considered good</b>		
Receivable from clients against purchase of marketable securities		164,241,109
<b>Considered doubtful</b>		
Receivable from clients against purchase of marketable securities		594,473,031
Provision for doubtful receivables	4.1	(579,864,775)
		<u>14,608,256</u>
		<u>178,849,365</u>
4.1 Provision against doubtful receivables has been made after considering the market value of listed equity securities held in custody by the Company against respective customers accounts.		
<b>5 Trade and other payables</b>		
		<b>Rupees</b>
<b>Other liabilities</b>		
Trade payables over due within 30 days		461,874,907
Trade payables over due for more than 30 days		213,255,787
		675,130,694
Others	5.1	252,761,415
<b>Total trade and other payables</b>		<u>927,892,108</u>

- 5.1 Others essentially include payable against profit on unutilised funds, accrued expenses, withholding tax payable, provision for leave encashment and other payables.

  
CHIEF EXECUTIVE OFFICER

