



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 May 31, 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 the Securities Brokers (Licensing and Operations) Regulations, 2016 (the Regulations), read with Rule 2(d) of the Securities and Exchange Rules, 1971, and guidelines / clarifications issued by the Securities and 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 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: June 30, 2021
Karachi

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IGI FINEX SECURITIES LIMITED
 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 MAY 31, 2021

A- Current Assets

1. Cash in hand
2. Cash deposit as margin with Pakistan Stock Exchange
3. Cash at bank
 - Bank balance pertaining to brokerage house
 - Bank balance pertaining to clients
 - Total bank balances
4. Trade Receivables
 - Total receivables
 - Outstanding for more than fourteen days
 - Balance generated within fourteen days and not yet due
5. Investments in listed securities in the name of broker.
 (Securities on the exposure list marked to market less 15% discount)
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)

Note	Rupees	Rupees
		54,131
2		321,530,690
3	15,254,405	
	822,269,464	
		837,523,869
4	297,163,024	
	(20,083,559)	
		277,079,465
		1,436,188,155
		901,388,656
5	1,125,131,349	
	(223,744,693)	
		411,558,732
5		1,312,945,388
		123,242,767

B- Current Liabilities

1. Trade Payables
 - Book Value
 - Less: Overdue for more than 30 days
2. Other liabilities (including trade payables overdue for more than 30 days)

NET CAPITAL BALANCE (A-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 MAY 31, 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.

2	Cash deposit as margin with Pakistan Stock Exchange (PSX)	Note	Rupees
	Deposit with PSX - Ready Exposure		236,350,000
	Deposit with PSX - Future Exposure		84,450,000
	Deposit with PSX - MTS Exposure		730,690
			321,530,690
3	Cash at bank		
	Bank balances pertaining to brokerage house		
	- current accounts - non interest bearing		2,050,317
	- savings accounts		13,204,088
			15,254,405
	Bank balances pertaining to clients		
	- current accounts - non interest bearing		1,735,336
	- savings accounts		820,534,128
			822,269,464
	Total cash at bank		837,523,869
4	Trade receivables		
	Considered good		
	Receivable from clients against purchase of marketable securities		282,560,786
	Considered doubtful		
	Receivable from clients against purchase of marketable securities		594,467,013
	Provision for doubtful receivables	4.1	(579,864,775)
			14,602,238
			297,163,024

- 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.

5	Trade and other payables	Amount in Rupees
	Other liabilities	
	Trade Payables over due within 30 days	901,386,656
	Trade payables over due for more than 30 days	223,744,693
		1,125,131,349
	Others	5.1
	Total Trade and other payables	411,558,732
		1,312,945,388

- 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

