

TOPLINE SECURITIES LIMITED

STATEMENT OF NET CAPITAL BALANCE

FOR THE PERIOD ENDED JUNE 30, 2017

Independent Auditor's Report to the Board of Directors of Topline Securities Limited, on the Statement of Net Capital Balance as at June 30, 2017

We have audited the accompanying Statement of Net Capital Balance of **Topline Securities Limited**, as at June 30, 2017 and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

Management's Responsibility for the Statement

Management is responsible for the preparation of the statement in accordance with the requirements as contained in the Schedule II of the Securities Brokers (Licensing and Operations) Regulations, 2016 and the guidebook issued by Securities and Exchange Commission of Pakistan (SECP) vide its letter dated September 08, 2016 (hereinafter, collectively referred to as 'the Requirements'), 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.

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Opinion

In our opinion, the financial information provided in the Statement of Net Capital Balance of **Topline Securities Limited**, as at June 30, 2017 is prepared, in all material respects, in accordance with the Requirements.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to the Note 1 to the statement, which describes the statement of compliance. The statement is prepared to assist the Company to meet the Requirements; as a result, the statement may not be suitable for another purpose. Our report is intended solely for the Company, Pakistan Stock Exchange Limited, National Clearing Company of Pakistan Limited and the Securities and Exchange and Commission of Pakistan and should not be distributed to other parties.


Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants



Karachi

Dated: August 29, 2017

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TOPLINE SECURITIES LIMITED
NET CAPITAL BALANCE AS AT JUNE 30, 2017

(Excess of Current Assets over Current Liabilities as determined in accordance with the Schedule II of the Securities Brokers (Licensing and Operations) Regulations, 2016)

DESCRIPTION	VALUATION BASIS	VALUE
CURRENT ASSETS		
(Amount in Rupees)		
Cash in hand	As per book value	10,500
Cash at bank:		
- Pertaining to brokerage house	As per book value	7,740,324
- Pertaining to clients	As per book value	376,068,428
Deposits against exposure with Pakistan Stock Exchange	As per book value	598,061,519
Total bank balances	As per book value	981,870,271
Trade Receivable		
	Book Value	103,994,622
	Less: overdue for more than 14 days	(11,000,019)
		92,994,603
Investment in Listed Securities in the name of broker		
	Market value	-
	Less: 15% discount	-
Securities purchased for client	Securities purchased for the client and held by the member where the payment has not been received within 14 days.	1,937,164
Listed Term Finance Certificates/Corporate Bonds (Not less than BBB grade)	Market value	-
	Less: 10% discount	-
Federal Investment Bonds	Market value	-
	Less: 5% discount	-
Treasury bills	Market value	48,718,650
		1,125,531,188
CURRENT LIABILITIES		
Trade Payable	Book value	371,908,128
	Less: Overdue for more than 30 days	(123,676,467)
		248,231,661
Other liabilities	As classified under the generally accepted accounting principles.	201,805,568
Trade payables overdue by 30 days		123,676,467
		573,713,696
NET CAPITAL AS AT JUNE 30, 2017		551,817,492

CHIEF EXECUTIVE



DIRECTOR

