

JS GLOBAL CAPITAL LIMITED
STATEMENT OF NET CAPITAL BALANCE
UNDER REGULATION 6 (3) AND SCHEDULE II OF
THE SECURITIES BROKERS (LICENSING AND OPERATION) REGULATION, 2016
AS AT JUNE 30, 2019

Description	Valuation Basis	June 30, 2019 ------(Rupees)-----
Current Assets		
Cash in hand or in bank	As per book value	2,688,914,506
Trade Receivables	Book Value	977,129,468
	Less : Overdue for more than 14 days	(334,028,950)
	Book value less those overdue for more than 14 days	643,100,518
Investment in listed securities in the name of the broker	Market Value	201,491,627
	Less : 15% discount	(30,223,744)
		171,267,883
Investment in listed TFCs of not less than BBB grade assigned by credit rating company in Pakistan	Market Value	-
	Less : 10% discount	-
Securities purchased for client	Securities purchased for client and held by the member where the payment has not been received within 14 days	105,759,666
	A	<u>3,609,042,573</u>
Current Liabilities		
Trade Payables	Book Value	1,560,626,033
	Less : Overdue for more than 30 days	(1,203,877,209)
	Book value less these overdue for more than 30 days	356,748,824
Other Liabilities	As classified under generally accepted accounting principles	1,751,562,710
	B	<u>2,108,311,534</u>
	C = A-B	<u>1,500,731,039</u>
NET CAPITAL BALANCE AS AT JUNE 30, 2019		

To be read with our report dated 13th September 2019.


 Chief Executive Officer


 Chief Financial Officer



JS GLOBAL CAPITAL LIMITED
NOTES TO THE STATEMENT OF NET CAPITAL BALANCE
AS AT JUNE 30, 2019

1. STATEMENT OF COMPLIANCE

The Statement of Net Capital Balance (the Statement) of JS Global Capital Limited (the Company) has been prepared in conformity 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 Exchange Commission (SEC) Rules 1971 (SEC Rules 1971) issued by the Securities & Exchange Commission of Pakistan (SECP) and the guidelines issued by SECP from time to time.

	June 30, 2019 (Rupees)
2. CASH IN HAND OR IN BANK	
Cash in hand	249,000
Exposure margins with National Clearing Company of Pakistan Limited	39,311,724
Bank balances pertaining to:	
- Brokerage house	1,259,839,510
- Clients	1,389,514,272
	2,688,914,506

3. TRADE RECEIVABLES

This also includes receivables against margin finance transactions amounting to Rs.232.711 million.

4. SECURITIES PURCHASED FOR CLIENTS

Value of trade receivable outstanding for more than 14 days are included in the computation of net capital balance to the extent of outstanding amount or value of securities (after applying VAR) whichever is less.


 Chief Executive Officer


 Chief Financial Officer



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INDEPENDENT AUDITOR'S REPORT ON STATEMENT OF NET CAPITAL BALANCE OF JS GLOBAL CAPITAL LIMITED

To the Chief Executive Officer of JS Global Capital Limited (the Securities Broker)

Opinion

We have audited the Statement of Net Capital Balance of **JS Global Capital Limited** and notes to the Statement of Net Capital Balance as at **30 June 2019** (together 'the statement').

In our opinion, the financial information in the statement of the Securities Broker as at 30 June 2019 is prepared, in all material respects, 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 Exchange Commission (SEC) Rules 1971 (SEC Rules 1971) issued by the Securities & Exchange Commission of Pakistan (SECP).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the statement section of our report. We are independent of the Securities Broker in accordance with the ethical requirements that are relevant to our audit of the statement in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to Note 1 to the statement, which describes the basis of accounting. The statement is prepared to assist the Securities Broker to meet the requirements of the SECP, Pakistan Stock Exchange (PSX) and National Clearing Company of Pakistan Limited (NCCPL). As a result, the statement may not be suitable for another purpose. Our report is intended solely for the Securities Broker, SECP, PSX and NCCPL and should not be distributed to parties other than the Securities Broker or the SECP, PSX or NCCPL. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the statement

Management is responsible for the preparation of the statement in accordance with the Regulations and the SEC Rules 1971, 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.

Those charged with governance is responsible for overseeing the Securities Broker's financial reporting process.

Auditor's Responsibilities for the Audit of the statement

Our objectives are to obtain reasonable assurance about whether the statement is free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Securities Broker's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants

Date: 13 September 2019

Place: Karachi