



NET CAPITAL BALANCE CERTIFICATE

This is to certify that the Net Capital Balance of M/s. **FDM CAPITAL SECURITIES (PRIVATE) LIMITED**, a TRE Certificate Holder of the Pakistan Stock Exchange Limited, as defined under Rule 2(d) of, and Third Schedule to the Securities and Exchange Rules, 1971, amounted to Rs. 280,093,799 /- as at December 31, 2016.

We further confirm that the above net capital balance of M/s. **FDM CAPITAL SECURITIES (PRIVATE) LIMITED** is calculated / arrived at on the basis of numbers / figures duly audited.

Thanking you.

Yours truly,


Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

Karachi.

Dated: **15 MAR 2017**



INDEPENDENT AUDITORS REPORT ON STATEMENT OF NET CAPITAL BALANCE OF THE SECURITIES BROKERS

To the Board of Directors of FDM Capital Securities (Private) Limited

We have audited the accompanying Statement of Net Capital Balance of **FDM Capital Securities (Private) Limited** ("the Company") 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) Regulations 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 **FDM Capital Securities (Private) 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 to the statement, which describes the basis of accounting. Our report is intended solely for **FDM Capital Securities (Private) Limited** and SECP and should not be distributed to parties other than **FDM Capital Securities (Private) Limited** or SECP.

Karachi.

Dated: **15 MAR 2017**

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Rahman Sarfaraz Rahim Iqbal Rafiq

Chartered Accountants

Engagement Partner: **Muhammad Rafiq Dosani**

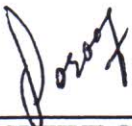
**FDM CAPITAL SECURTIES (PRIVATE) LIMITED
STATEMENT OF NET CAPITAL BALANCE
AS AT DECEMBER 31, 2016**

Excess of Current Assets over Current Liabilities determined in accordance with the Third Schedule of Securities and Exchange Rules, 1971 read with the SECP guidelines

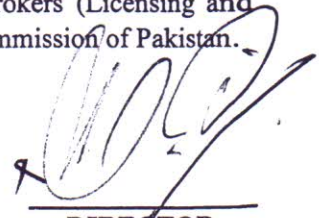
| DESCRIPTION | VALUATION | RUPEES |
|---|--|---------------------------|
| <u>CURRENT ASSETS</u> | | |
| Cash and Bank Balances | As per Book Value | 78,881,635 |
| Trade Receivables | Book Value less overdue for more than 14 days | 52,915,545 |
| Investment in listed securities in the name of broker | Securities marked to market less 15% discount | 282,252,425 |
| Securities purchased for client | Securities purchased for the client and held by the member where the payment has not been received within 14 days. | 29,658,125 |
| Listed TFCs/Corporate Bonds of not | Marked to market less 10% discount. | - |
| PIBs | Marked to market les 5% discount. | - |
| Treasury Bill | At market value | - |
| | | <u>443,707,730</u> |
| <u>CURRENT LIABILITIES</u> | | |
| Trade Payables | Book value less overdue for more than 30 days | 38,735,263 |
| Other Liabilities | As per Book values | 124,878,668 |
| | | <u>163,613,931</u> |
| NET CAPITAL BALANCE AS AT DECEMBER 31, 2016 | | <u>280,093,799</u> |

NOTE

The financial information has been prepared in conformity with the accounting policies of FDM Capital Securities (Private) Limited, provisions of Securities and Exchange Rules, 1971, the Securities Brokers (Licensing and Operations) Regulations, 2016 and the guidelines issued by the Securities and Exchange Commission of Pakistan.



CHIEF EXECUTIVE OFFICER

DIRECTOR