



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2
Beaumont Road
Karachi, 75530 Pakistan

Telephone + 92 (21) 3568 5847
Fax + 92 (21) 3568 5095
Internet www.kpmg.com.pk

**Auditors' Report to the Chief Executive of
Global Securities Pakistan Limited**

We have audited the accompanying Statement of Net Capital Balance ("the Statement") of **Global Securities Pakistan Limited** as of 30 June 2010. The Statement has been prepared in accordance with the Rule 2(d) of, and Third Schedule to the Securities and Exchange Rules, 1971. The Statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the Statement based on our audit.

We conducted our audit in accordance with Auditing Standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. The audit also includes examining on test basis evidence supporting the amounts and disclosures in the Statement. An audit also includes assessing the compliance by the management with the provisions of Relevant Rules for preparation of the Statement. We believe that our audit provides reasonable basis for our opinion.

In our opinion, the Statement gives a true and fair view of the net capital balance of the Company as of 30 June 2010 in accordance with Rule 2(d) of, and Third Schedule to the Securities and Exchange Rules, 1971.

Date: 22 SEP 2010

Karachi

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Chartered Accountants

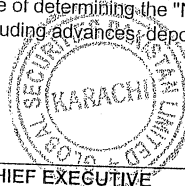
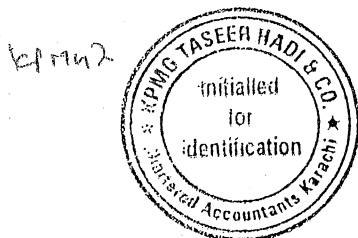
GLOBAL SECURITIES PAKISTAN LIMITED
STATEMENT OF NET CAPITAL BALANCE AS AT 30 June 2010

(Excess of Current Assets over Current Liabilities determined in accordance with the Third Schedule of Securities and Exchange Rules, 1971)

| DESCRIPTION | VALUATION BASIS | VALUE (Rs in "000") |
|--|---|---------------------|
| Current Assets | | |
| <i>Cash and Bank Balances</i> | | |
| | As per Book Value | |
| | - Cash at banks | 81,733 |
| | - Cash in hand | 5 |
| | | <u>81,738</u> |
| <i>Trade Receivables</i> | | |
| | Book Value | 68,527 |
| | Less: Bad debts | (16,222) |
| | Less: Overdue for more than 14 days | (27,782) |
| | Book Value less overdue for more than 14 days | 24,523 |
| <i>Short Term Investment</i> | | |
| | Fair value less 15% discount | 523 |
| | Less: 15% discount | (78) |
| | | 445 |
| <i>Securities Purchased for client</i> | | |
| | | 26,455 |
| Other Current Assets | | |
| <i>Advances, deposits, prepayments and other receivables</i> | | |
| | As per Book Value | |
| | Deposits and Prepayments | 12,211 |
| | Advance Income tax net of provision for tax | 11,176 |
| | Other Advances | 7,862 |
| | Accrued Income | 869 |
| | Other receivables net of provision for doubtful other receivables | 264 |
| | | 32,382 |
| Total Current Assets | | |
| | | <u>165,543</u> |
| Current Liabilities | | |
| <i>Trade Payables</i> | | |
| | As per book value | 15,377 |
| | Less: Overdue for more than 30 days | (5,423) |
| | Book Value less overdue for more than 30 days | 9,954 |
| Other Current Liabilities | | |
| <i>Accrued expenses</i> | | |
| | As per Book Value | 5,552 |
| <i>Current portion of long term loan</i> | | |
| | As per Book Value | 80,000 |
| <i>Accrued mark-up</i> | | |
| | As per Book Value | 767 |
| <i>Tax deducted at source</i> | | |
| | As per Book Value | 675 |
| <i>Other liabilities</i> | | |
| | As per Book Value | 436 |
| | | 87,430 |
| Total Current Liabilities | | |
| | | <u>97,384</u> |
| Net capital balance as at 30 JUNE 2010 | | |
| | | <u>68,159</u> |

This statement should be read in conjunction with the auditors report dated 22 SEP 2010

Note: The Third Schedule to the Securities and Exchange Rules, 1971 "Requirements for calculation of Net Capital for purpose of Rule 2(d)", provides that "Current assets and current liabilities in relation to the member of a Stock Exchange for the purpose of Net Capital shall be determined by accounting for the current assets and current liabilities". Accordingly, for the purpose of determining the "Net Capital" all the current assets and current liabilities of the Company, including advances, deposits, prepayments and other receivables have been taken into consideration.



Robert S...
CHIEF EXECUTIVE