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**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 2011. 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 2011 in accordance with Rule 2(d) of, and Third Schedule to the Securities and Exchange Rules, 1971.

**Date:** 14 September 2011

**Karachi**

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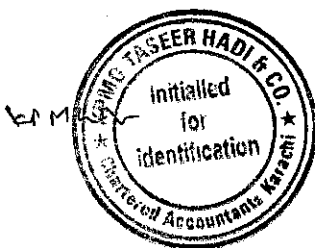
**GLOBAL SECURITIES PAKISTAN LIMITED**  
**STATEMENT OF NET CAPITAL BALANCE AS AT 30 June 2011**

(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")
<b>Current Assets</b>		
Cash and Bank Balances	As per Book Value	
	- Cash at banks	16,680
	- Cash in hand	33
		<b>16,713</b>
Trade Receivables	Book Value	111,027
	Less: Bad debts	(16,349)
	Less: Overdue for more than 14 days	(61,025)
	Book Value less overdue for more than 14 days	<b>33,652</b>
Short Term Investment	Fair value less 15% discount	524
	Less: 15% discount	(79)
		<b>445</b>
Securities Purchased for client		<b>59,594</b>
<b>Other Current Assets</b>		
Interest Accrued	As per Book Value	48
Advances, deposits, prepayments and other receivables	As per Book Value	
	Deposits and Prepayments	23,322
	Advance Income tax net of provision for tax	8,170
	Income tax refundable	11,142
	Other Advances	10,803
	Other receivables net of provision for doubtful other receivables	27
		<b>53,464</b>
<b>Total Current Assets</b>		<b>104,323</b>
<b>Current Liabilities</b>		
Trade Payables	As per book value	16,319
	Less: Overdue for more than 30 days	(3,653)
	Book Value less overdue for more than 30 days	<b>12,666</b>
<b>Other Current Liabilities</b>		
Accrued expenses	As per Book Value	1,277
Current portion of long term loan	As per Book Value	20,000
Running finance under mark up arrangement	As per Book Value	70,606
Accrued mark-up	As per Book Value	6,854
Tax deducted at source	As per Book Value	751
Other liabilities	As per Book Value	356
		<b>99,844</b>
<b>Total Current Liabilities</b>		<b>112,510</b>
<b>Net capital balance as at 30 June 2011</b>		<b>51,407</b>

This statement should be read in conjunction with the auditors report dated 14 SEP 2011

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.



*[Signature]*  
**CHIEF EXECUTIVE**

