

INDEPENDENT AUDITORS REPORT ON STATEMENT OF NET CAPITAL BALANCE

To the Chief Executive Officer of Axis Global Limited

Opinion

We have audited the Statement of Net Capital Balance of Axis Global Limited and notes to the Statement of Net Capital Balance as at June 30, 2018 (together 'the Statement').

In our opinion, the financial information in the Statement of the Securities Broker as at June 30, 2018 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.

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.

Karachi: 13 SEP 2018

Muniff Ziauddin & Co.
Chartered Accountants
(Sohail Saleem)

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AXIS GLOBAL LIMITED
Net Capital Balance
June 30, 2018

<u>DESCRIPTION</u>	<u>VALUATION BASIS</u>	<u>Note #</u>	<u>AMOUNT IN 'RS'</u>
<u>CURRENT ASSETS</u>			
Cash at Bank	As per Book Value	1	42,929,565
Trade Receivables	Book Value less those overdue for more than fourteen days	2	41,246,883
Investment in listed securities in the name of broker	Securities on the exposure list marked to market less 15% discount	3	17,689,639
Securities purchase for the customers	Securities purchased for the customer and held by the broker where the payment has not been received within fourteen days	4	22,693,157
Listed TFCs/ Corporate Bonds of not less than BBB grade assigned by a credit rating company in Pakistan	Marked to Market less 10% discount	3	
<u>TOTAL CURRENT ASSETS</u>			<u>124,559,244</u>
<u>CURRENT LIABILITIES</u>			
Trader payable	Book Value less those overdue for more than 30 days	5	22,804,525
Balances more than 30 days	Book Value Overdue for more than 30 days	6	19,686,205
All other liabilities	As classified under the generally accepted accounting principles	7	17,789,322
<u>TOTAL CURRENT LIABILITIES</u>			<u>60,280,052</u>
NET CAPITAL BALANCE AS ON JUNE 30, 2018			<u>64,279,192</u>



CHIEF EXECUTIVE



DIRECTOR



AXIS GLOBAL LIMITED

Note to the - Net Capital Balance

June 30, 2018

Note #	Description	Amount in Rs.
CURRENT ASSETS		
1	Cash at Bank	
	<u>Balances Pertaning to Company</u>	
	Cash in Hand	-
	Bank Alfalah	57,427
	Dubai Islami Bank	263,991
	MCB	13,298
	National Bank of Pakistan	8,149
	NIB	50
		342,915
	<u>Deposit With NCCPL</u>	
	- Exposure Depsorit Regulat Market	15,000,000
	- Exposure Depsorit Future Market	15,300,000
	- Exposure Depsorit MFS Market	-
	- Exposure Depsorit MTS Market	3,700,000
		34,000,000
	<u>Balances Pertaning to Clients</u>	
	Bank Alfalah	813,032
	JS Bank	2,570,974
	Dubai Islami Bank	545,447
	Meezan Bank	2,277,046
	Bank Al Habib Limited	2,380,150
		8,586,649
	Total Cash at Bank	42,929,565
2	Trade Receivables	
	Total Trade Receivables	64,637,695
	Less : Outstanding for more than 14 Days	(23,390,812)
	Total Receivables (not more than 14 Days)	41,246,883
3	Investment in Listed Securities in the Name of Broker	
	Market Value	20,811,340
	Less: 15% Discount	(3,121,701)
		17,689,639
4	Securities Purchase for the Clients' (where the payment has not been received within 14 days)	22,693,157
	TOTAL CURRENT ASSETS	124,559,244



AXIS GLOBAL LIMITED
Note to the - Net Capital Balance
June 30, 2018

<u>Note #</u>	<u>Description</u>	<u>Amount in Rs.</u>
<u>CURRENT LIABILITIES</u>		
5	Book Value less those overdue for more than 30 days	
	Total Trade Payable	42,490,730
	Less : Balance more than 30 days	(19,686,205)
	Total Trade Payable (not more than 30 days)	22,804,525
6	Balances more than 30 days	19,686,205
7	Other Liabilities	
	Short term Running Finance under Mark-up Arrangement	15,160,530
	Sindh Sales Tax on brokerage services	228,806
	Withholding income tax	265,450
	Accrued Liabilities	516,332
	Provision for taxation	763,909
	Accrued markup	160,098
	Others	694,197
		17,789,322
	TOTAL CURRENT LIABILITIES	60,280,052
	NET CAPITAL BALANCE AS ON JUNE 30, 2018	64,279,192


 CHIEF EXECUTIVE


 DIRECTOR

