

INDEPENDENT AUDITORS REPORT ON STATEMENT OF NET CAPITAL BALANCE

To the Chief Executive Officer of Optimus Capital Management (Private) Limited

Opinion

We have audited the Statement of Net Capital Balance of Optimus Capital Management (Private) Limited and notes to the Statement of Net Capital Balance as at December 31, 2018 (together 'the statement').

In our opinion, the financial information in the statement of the Securities Broker as at December 31, 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 regulation 6(3) of the Regulations 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 2 to the statement, which describes the basis of accounting. The statement is prepared to assist Optimus Capital Management (Private) Limited 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 Optimus Capital Management (Private) Limited, SECP, PSX and NCCPL and should not be distributed to parties other than Optimus Capital Management (Private) Limited or the SECP, PSX or NCCPL. Our opinion is not modified in respect of this matter.

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RIAZ AHMAD, SAQIB, GOHAR & CO.

Chartered Accountants

5-Nasim C.H.S., Major Nazir Bhatti Road, Off: Shaheed-e-Millat Road, Karachi.

Tel: (92-21) 34945427, 34931736, Email: rasgkhi@rasgco.com,

Website: www.rasgco.com

Regional Offices at Lahore & Islamabad

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 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.

The engagement partner on the audit resulting in this independent auditor's report is

Muhammad Kamal Gohar


Muhammad Kamal Gohar
Chartered Accountants
CMA

Karachi: 15 FEB 2019

OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED
STATEMENT OF NET CAPITAL BALANCE
AS AT DECEMBER 31, 2018

(In accordance with Second Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 read with regulation 6(3) of the Securities Brokers (Licensing and Operations) Regulations, 2016.)

	Notes	-----Rupees-----
<u>Current Assets</u>		
Cash and cash equivalents		
Cash in hand		97,174
Margin Deposits with exchange	3	195,135,466
		195,232,640
Bank Balances		
Bank balance(s) pertaining to brokerage house		21,199,106
Bank balance(s) pertaining to clients		78,420,768
		99,619,874
Trade receivables		
Book value		6,640,155
Less: Overdue for more than 14 days		(3,369,502)
		3,270,653
Securities held for clients		8,551
Receivable from NCCPL		216
Investment in listed securities in the name of broker		
Marked to market		-
Less: 15% discount		-
		-
Invest in PIB's		
Market Value		10,508,203
Less: 5% discount		(525,410)
		9,982,793
		308,114,727
<u>Current Liabilities</u>		
Trade payables		78,420,768
Less: Over due for more than 30 days		(14,243,565)
Trade payables more than 30 days		64,177,203
Other Payables		14,243,565
		2,574,288
		80,995,056
Net Capital Balance		227,119,671

The annexed notes from 1 to 4 form an integral part of this statement.


COMPANY SECRETARY




DIRECTOR

OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED
NOTES TO THE STATEMENT OF NET CAPITAL BALANCE
AS AT DECEMBER 31, 2018

1 STATUS AND NATURE OF BUSINESS

Optimus Capital Management (Private) Limited (the Company) was incorporated under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) on March 18, 2004 as a Single Member Private Limited Company vide Incorporation Certificate No. 13358 / 20040302. The company was subsequently converted from single member company to multi member private company with effect from October 05, 2005. The company is a corporate member of Pakistan Stock Exchange Limited (PSX) (formerly Karachi Stock Exchange Limited). The principal activities of the company are business of brokerage, sale and purchase of listed securities, etc. The registered office of the Company is situated at D 71/1, Clifton, Block 2, KDA Scheme No. 5, Karachi. The company is a subsidiary of Optimus Holdings (Private) Limited (formerly Peabody associates (Private) Limited) which holds 100% shares in the company.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

This statement of net capital balance has been prepared in accordance with the second schedule, to the Securities Brokers (Licensing and Operations) Regulations, 2016 read with regulation 6(3) of the Securities Brokers (Licensing and Operations) Regulations, 2016 issued by Securities and Exchange Commission of Pakistan (SECP) and clarifications/guidelines issued by SECP from time to time.

2.2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the valuation of assets and liabilities before haircut/adjustments is as per the accounting policies applied in the preparation of audited financial statements for the year ended June 30, 2018.

3 MARGIN DEPOSITS WITH EXCHANGE

December 31, 2018

	----Rupees----
Ready market exposure deposit	169,200,000
Future market exposure deposit	25,935,466
	<u>195,135,466</u>

4 GENERAL

4.1 Figures in this statement of liquid capital have been rounded off to the nearest rupee.


COMPANY SECRETARY




DIRECTOR