

## **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, 2017 (together 'the statement').

In our opinion, the financial information in the statement of the Securities Broker as at December 31, 2017 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.

### **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.

## **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.

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

Muhammad Kamal Gohar

  
Riaz A. S. Gohar  
Chartered Accountants  
MKG

26 FEB 2018  
Karachi: \_\_\_\_\_

**OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED**  
**STATEMENT OF NET CAPITAL BALANCE**  
**AS AT DECEMBER 31, 2017**

(In accordance with Second Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 read with Rule 2(d) of Securities and Exchange Rules, 1971)

<u>Current Assets</u>	Note	-----RUPEES-----
<b>Cash and cash equivalent</b>		
Cash in hand		170,556
Margin deposit with exchange	3	157,306,069
		157,476,625
<b>Bank balances</b>		
Bank balance(s) pertaining to brokerage house		22,691,696
Bank balance(s) pertaining to clients		150,511,543
		173,203,239
<b>Trade receivables</b>		
Book value		4,281,029
Receivable from NCCPL - net		834,277
Less: Overdue for more than 14 days		(2,302,998)
		2,812,308
Securities held for client		10,131
		333,502,303
<b>Less: Current Liabilities</b>		
<b>Trade payables</b>		
Book value		150,511,543
Less: Overdue for more than 30 days		(9,246,297)
Trade payables more than 30 days		9,246,297
Accrued expenses and other liabilities	4	1,908,244
		152,419,787
<b>NET CAPITAL BALANCE</b>		<b>181,082,516</b>

The annexed notes from 1 to 5 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, 2017**

**1 STATUS AND NATURE OF BUSINESS**

Optimus Capital Management (Private) Limited (the Company) was incorporated under the Companies Ordinance, 1984 (the Ordinance) - 'repealed' (now Companies Act, 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 99.87% shares in the company.

**2 BASIS OF PREPARATION**

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 rule 2(d) of the Securities and Exchange Rules, 1971 issued by the Securities and Exchange Commission of Pakistan (SECP).

**3 MARGIN DEPOSITS WITH EXCHANGE**

**December 31, 2017**

----Rupees----

Ready market exposure deposit	145,200,000
Future market exposure deposit	12,106,069
	<u>157,306,069</u>

**4 ACCRUED EXPENSES AND OTHER LIABILITIES**

Accrued expenses	824,133
Sales tax payable	1,084,111
	<u>1,908,244</u>

**5 GENERAL**

5.1 Figures in this statement of net capital balance have been rounded off to the nearest rupee.

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COMPANY SECRETARY

  
DIRECTOR