

Review report on Statement of Net Capital Balance

To the Chief Executive Officer of **Creative Capital Securities (Private) Limited**

Introduction

We have reviewed the accompanying Statement of Net Capital Balance of **Creative Capital Securities (Private) Limited as at 31st December 2020** and notes to the Statement of Net Capital Balance (here-in-after referred to as the 'Statement'). Management is responsible for the preparation of the statement in accordance with the requirements of the Second Schedule of the Securities Brokers (Licensing and operations) Regulations, 2016 (the regulations) issued by the Securities & Exchange Commission of Pakistan (SECP). Our responsibility is to express a conclusion on the statement based on our review.

Scope of Review

We conducted our review in accordance with the international Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity' which applies to review of historical financial information performed by the independent auditor of Securities Broker. A review of historical financial information consist of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the international Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying statement is not prepared, in all material respects, in accordance with the requirements of Second Schedule of the Regulations.

Other Matter- Restriction on Distribution and Use

Our report is intended solely for **Creative Capital Securities (Private) Limited, SECP, Pakistan Stock Exchange and National Clearing Company of Pakistan Limited** and should not be distributed to any other parties. Our conclusion is not modified in respect of this matter.

UHY Hassan Naeem & Co.

Imran Iqbal

Karachi

12th March 2021

CREATIVE CAPITAL SECURITIES (PRIVATE) LIMITED
Net Capital Balance As At 31 December 2020

DESCRIPTION	VALUATION BASIS		Rupees VALUE
<u>CURRENT ASSETS</u>			
Cash in hand	As per book value		
Cash at bank	Bank balances pertaining to brokerage house	825,826	
	Bank balances pertaining to client	8,892,289	9,718,115
	Total bank balances		
Deposits against exposure and losses	As per book value	21,550,000	21,550,000
Trade Receivable	Book Value	85,634,531	
	Less: overdue for more than 14 days	(66,355,031)	
	Book Value less Overdue for more than 14 days		19,279,500
Investment in Listed Securities in the name of broker	Market value	2,064,275	
Securities purchased for client	Less: 15% discount	(309,641)	1,754,633
	Securities purchased for the client and held by the member where the payment has not been received within 14 days.		12,722,393
Listed Term Finance Certificates/Corporate Bonds (Not less than BBB grade)	Market value		
Federal Investment Bonds	Less: 10% discount		
	Market value		
	Less: 15% discount		
Treasury bills	Market value		
			33,756,526
			65,024,641
<u>CURRENT LIABILITIES</u>			
Trade Payable	Book value	8,521,900	
	Less: Overdue for more than 30 days	(4,641,617)	3,880,283
Other liabilities	Overdue for more than 30 days	4,641,617	
	As classified under the generally accepted accounting principles.	536,870	5,178,487
			55,965,871

Net Capital Balance As At 31 December 2020

CHIEF EXECUTIVE



DIRECTOR

Notes To The Net Capital Balance Certificate
CREATIVE CAPITAL SECURITIES (PRIVATE) LIMITED
As On December 31, 2020

1 STATEMENT OF COMPLIANCE

The statement of net capital balance of the Company ('the Statement') of **CREATIVE CAPITAL SECURITIES (PRIVATE) LIMITED** ('the Company') has been prepared in accordance with the Rule 2(d) of, and Third Schedule to the Securities and Exchange Rules, 1971 and in accordance with the clarifications / guidelines issued by Securities and Exchange Commission of Pakistan (SECP). All figures have been obtained from the unaudited financial statements of the Company for the period ended **December 31, 2020**.

2 BANK BALANCES AND CASH DEPOSITS

Cash in Hand	-
Bank Balances pertaining to house	825,826
Bank Balances pertaining to client	8,892,289
	9,718,115
Deposit at clearing house	21,550,000
	<u>31,268,115</u>

3 TRADE RECEIVABLES

These are valued at cost less bad and doubtful debts (if any) and debt long outstanding for more than 14 days.

Book Value	85,634,531
Over Due for more than 14 Days	(66,355,031)
	<u>19,279,500</u>

4 SECURITIES PURCHASED FOR CLIENTS

These amount represent to the lower of value of securities appearing in the clients respective sub account to the extent of over due balance for more than 14 days or value of investments.

12,722,393

5 INVESTMENT IN LISTED SECURITIES IN THE NAME OF BROKER

These includes Investments in following listed equity Securities valued at market rates prevailing as on December 31, 2020 less discount as prescribed in Rule 2 (d) of the Third Schedule to the Securities and Exchange Rules, 1971.

Less 15% Marked to Market	2,064,275
	(309,641)
	<u>1,754,633</u>

6 TRADE PAYABLES

This represent balance payable against trading of shares less trade payable balances overdue for more than 30 days which has been included in other liabilities.

Book Value	8,521,900
Less Over Due more than 30 days	(4,641,617)
	<u>3,880,283</u>

7 OTHER LIABILITIES

These represents current liabilities, other than trade payable which are due within 30 days. Other liabilities are stated at book value.

Over Due More than 30 Days	4,641,617
Accrued and other liabilities	536,870
	<u>5,178,487</u>

DATE OF ISSUANCE

This statement is being issued on **12 MAR 2021**



CHIEF EXECUTIVE





DIRECTOR