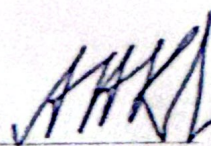


# Akhai Securities (Private) Limited


## Condensed Interim Statement of Financial Position

As at 31 December 2023

	Un-audited 31-Dec-24 Rupees
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property and equipment	19,436,525
Intangible asset	2,750,000
Long term deposits	1,510,230
	<u>23,696,755</u>
<b>Current assets</b>	
Short term investments	36,515,519
Trade debts	55,723,127
Advances, deposits and other receivables	7,199,390
Taxation - net	3,737,808
Bank balances	3,129,541
	<u>106,305,385</u>
<b>Total assets</b>	<u><u>130,002,140</u></u>
<b>EQUITY AND LIABILITIES</b>	
<b>Share capital and reserves</b>	
<i>Authorized capital</i>	
20,000,000 (2020: 20,000,000) ordinary shares of Rs. 10' each	<u>200,000,000</u>
Issued, subscribed and paid up capital	75,000,000
Capital Reserve	18,000,000
Unappropriated profit	(16,362,873)
	<u>76,637,127</u>
<b>Current liabilities</b>	
Loan from director	3,816,903
Trade and other payables	1,324,541
Short Term Running Finance	48,223,569
	<u>53,365,013</u>
<b>Contingency and commitments</b>	-
<b>Total equity and liabilities</b>	<u><u>130,002,140</u></u>

  
CHIEF EXECUTIVE



  
DIRECTOR

**AKHAI SECURITIES (PRIVATE) LIMITED**  
**CONDENSED INTERIM CASH FLOW**  
**FOR THE YEAR ENDED JUNE 30, 2024**

2024  
(Rupees)

**CASH FLOW FROM OPERATING ACTIVITIES**

<b>Loss before income tax, minimum tax and final tax</b>	(6,655,008)
<b>Adjustment for non-cash items:</b>	
Depreciation	1,384,261
Capital gain	740,273
Unrealized (gain) / loss - on investment at fair value through P&L	(2,226,383)
Dividend income	(1,365,122)
Finance costs	8,863,722
<b>Operating (loss) before working capital changes</b>	7,396,751
<b>Changes in working capital</b>	
<b>(Increase)/Decrease in current assets</b>	
Increase in trade debts	(6,299,937)
Increase in advances, deposits and prepayments	(3,339,598)
	(9,639,535)
<b>(Increase)/Decrease in current liabilities</b>	
Increase/(Decrease) in trade and other payable	206,668
<b>Net changes in working capital</b>	(2,036,116)
Finance cost paid	(8,863,722)
Taxes paid	(320,450)
	(9,184,172)
<b>Net cash (used in) from operating activities</b>	(17,875,296)

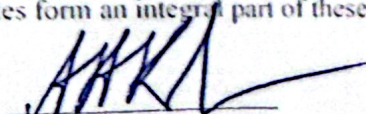
**CASH FLOW FROM INVESTING ACTIVITIES**

Long term deposit - net	9,017
Sale / (Purchase) of investments - net	9,818,930
Purchase of Property, Plant And Equipment	(596,367)
Loan disbursed to related parties	(3,536,935)
Capital gain	-
Dividend received	1,365,122
<b>Net Cash generated from / (used in) investing activities</b>	7,059,767

**CASH FLOW'S FROM FINANCING ACTIVITIES**

Issuance of shares	20,000,000
Directors loan	(3,966,903)
Short term running finance	1,106,165
<b>Net Cash generated from financing activities</b>	17,139,262
<b>Net increase in cash and cash equivalent</b>	6,323,734
<b>Cash and cash equivalents at beginning of the year</b>	2,058,546
<b>Cash and cash equivalents at end of the year</b>	8,382,280

The annexed notes form an integral part of these financial statements.

  
Chief Executive




  
Director

**Akhai Securities (Private) Limited**  
**Condensed Interim Profit or Loss (Un-audited)**

*For the Six months ended 31 December 2023*

	<u>Six Months Ended</u> <u>31 December</u> <u>2024</u> <u>— Rupees —</u>
<b>Operating Revenue</b>	1,126,314
<b>Capital Gain</b>	740,273
<b>Gain / (Loss) on remeasurement of Investment</b> carried at fair value through profit or loss	7,642,778
	<u>9,509,365</u>
Administrative and operating expenses	(4,094,175)
	<u>5,415,190</u>
<b>Operating profit / (loss)</b>	(4,742,277)
Finance Cost	1,511,088
Other income	2,184,001
	<u>2,184,001</u>
<b>Profit / (loss) before taxation</b> year ended December 31, 2023	-
Taxation	<u>2,184,001</u>
<b>Profit / (loss) after taxation</b>	<u><u>2,184,001</u></u>

  
CHIEF EXECUTIVE



  
DIRECTOR

**AKHAI SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Akhai Securities (Private) Limited (the Company) was incorporated on 29th September 2005 as a private limited company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017 on May 30, 2017).

The Company is a TREC (Trading Right Entitlement Certificate) holder of Pakistan Stock Exchange Limited (Formerly: Karachi Stock Exchange Limited). The Company is principally engaged in brokerage of shares, stocks, securities, commodities, securities research and other financial instruments. The registered office of the Company is located at Office #10, Ground Floor, Business Centre, Off I.I. Chundrigar Road, Karachi.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of such International Financial Reporting Standards (IFRS Standards), issued by International Accounting Standard Board (IASB) as notified under Companies Act, 2017 (the "Act"); and provisions of and directives issued under the Act. Where the provisions of and directives issued under the Companies Act, 2017 differ from the IFRS standard, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.2 Basis of measurement**

These financial statements have been prepared under historical cost convention except, for investment which are carried at its fair value.

**2.3 Functional and presentation currency**

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Company and rounded off to nearest rupee.

**2.4 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period**

The following standards, amendments and interpretations are effective for the year ended June 30, 2023. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	<i>Effective for period beginning on or after</i>
Amendments to IAS 16 'Property, Plant and Equipment': Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	January 1, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets': Amendments regarding the costs to include when assessing whether a contract is onerous	January 1, 2022

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

### ***Owned***

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged to profit and loss account by applying the reducing balance method at the rates specified in note 4. Depreciation on additions to property and equipment is charged from the month in which an item is acquired while no depreciation is charged in the month the item is disposed off. Surplus on revaluation of property and equipment is credited to surplus on revaluation of fixed assets account. To the extent of incremental depreciation charged on revalued assets, the related surplus on revaluation of fixed assets - net of deferred tax is transferred directly to equity.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If such an indication exists the carrying amount of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts. Where carrying values exceed the estimated recoverable amount, assets are written down to the recoverable amount; and the impairment losses are recognised in the profit and loss account.

The residual value, depreciation method and the useful lives of each part of property and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposal of assets, if any are included in profit and loss account for the current year.

Normal repairs and maintenance costs are charged to profit and loss account in the period of its occurrence, while major renovations and improvements are capitalized only when it is probable that the future economic benefits associated with the item will flow to the entity and its cost can be measured reliably. Disposal of assets is recognized when significant risk and rewards incidental to the ownership have been transferred to the buyers.

### ***Leased***

Assets subject to finance lease are stated at the lower of present value of minimum lease payments under the lease agreements and the fair value of the assets. The related obligations of the leases are accounted for as liabilities. Assets acquired under finance lease are depreciated over the useful life of the assets by applying straight line method systematically on yearly basis at the rates specified in note 10.

## **3.2 Intangible assets**

This represents Trading Right Entitlement Certificate of Pakistan Stock Exchange.

TRE Certificate is considered to have indefinite useful life. The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and when carrying value exceeds estimated recoverable amount, these are written to their estimated recoverable amount.

## **3.3 Borrowing costs**

Borrowing costs are interest or other costs incurred by the Company in connection with the borrowing of funds. Borrowing cost that is directly attributable to a qualifying asset, i.e., an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, is capitalized as part of cost of that asset. All other borrowing costs are charged to income in the period in which they are incurred.

## **3.4 Financial assets**

### **3.4.1 Classification and initial measurement**

*The Company classifies its financial assets in the following three categories:*

- (a) financial assets measured at amortized cost.
- (b) fair value through other comprehensive income (FVOCI);

(c) fair value through profit or loss (FVTPL); and

**(a) Financial assets measured at amortized cost**

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

**(b) Financial assets at FVOCI**

A financial asset is classified as at fair value through other comprehensive income when either:

it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; or

it is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the Company to at initial recognition.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

**Financial assets at FVTPL**

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income, as aforesaid.

Such financial assets are initially measured at fair value.

**3.4.2 Subsequent measurement**

**(a) Financial assets measured at amortized cost**

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses (if any).

Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the profit and loss account.

**(b) Financial assets at FVOCI**

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income in accordance is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment (except for investments in equity instruments which are designated as at fair value through other comprehensive income in whose case the cumulative gain or loss previously recognized in other comprehensive income is not reclassified). Interest is calculated using the effective interest method and impairment is recognised in statement of profit or loss. Dividend income on equity investment designated at FVOCI is recognised in