



AKD Securities Ltd.

AKD SECURITIES LIMITED

HALF YEARLY REPORT (Un-Audited)

31 DECEMBER 2019

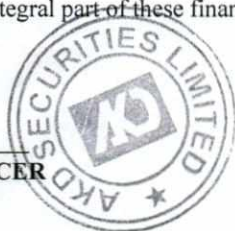


AKD SECURITIES LIMITED
Condensed Interim Statement of Financial Position
As at 31 December 2019

		Un-Audited	Audited
		31 Dec 2019	30 Jun 2019
	Note	Rupees	Rupees
ASSETS			
Non-current assets			
Property and equipment	5	104,571,853	96,769,456
Intangibles		7,885,864	7,937,864
Long term deposits		8,398,637	7,810,483
Total non-current assets		120,856,354	112,517,803
Current assets			
Short term investments		648,346,354	555,406,898
Trade debts - unsecured, considered good	6	116,290,185	96,955,079
Loans and advances		506,038,036	355,655,874
Deposits and prepayments		1,348,027,473	811,026,279
Other receivables		-	7,849,331
Accrued mark up - from related parties		7,727,806	80,099,972
Cash and bank balances		139,724,475	31,165,162
Total current assets		2,766,154,330	1,938,158,595
Total assets		2,887,010,684	2,050,676,398
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
250,000,000 (30 June 2019: 250,000,000) ordinary shares of Rupees 10 each		<u>2,500,000,000</u>	<u>2,500,000,000</u>
Issued, subscribed and paid up share capital		1,767,699,500	1,767,699,500
Surplus on revaluation of intangibles		2,500,000	2,500,000
Fair value reserve		8,330,732	8,330,732
Accumulated loss		(382,272,909)	(621,326,271)
		<u>1,396,257,323</u>	<u>1,157,203,961</u>
Non-current liabilities			
Liabilities against assets subject to finance lease		<u>20,205,089</u>	<u>11,263,842</u>
Total non current liabilities		20,205,089	11,263,842
Current liabilities			
Trade and other payables		1,428,022,773	873,552,914
Current portion of liabilities against assets subject to finance lease		4,070,205	4,678,397
Provision for taxation - (net of advance tax)		38,455,293	3,977,284
Total current liabilities		<u>1,470,548,272</u>	<u>882,208,595</u>
Total liabilities		1,490,753,361	893,472,437
Contingencies and commitments			
Total equity and liabilities		2,887,010,684	2,050,676,398

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

CHIEF FINANCIAL OFFICER



AKD SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS - Un-audited
For the half year and second quarter ended 31 December 2019

	Note	Half Year Ended		Second Quarter Ended	
		31 Dec 2019 Rupees	31 Dec 2018 Rupees	31 Dec 2019 Rupees	31 Dec 2018 Rupees
Operating revenue	7	258,946,177	164,075,866	183,931,680	91,402,722
Gain / (loss) on sale of investments - net		(30,688,259)	1,387,197	(24,188,711)	158,801
Fair value gain / (loss) on remeasurement of investments carried at fair value through profit or loss - net		143,551,176	(5,288,660)	243,335,299	(75,352,346)
		371,809,094	160,174,403	403,078,268	16,209,177
Administrative and operating expenses		(164,947,391)	(168,799,832)	(88,151,684)	(82,904,255)
Other income		84,501,274	44,144,371	50,264,962	26,727,188
Profit / (loss) from operations		291,362,977	35,518,942	365,191,546	(39,967,890)
Finance cost		(1,104,808)	(1,109,856)	(546,466)	(539,094)
Profit / (loss) before taxation		290,258,169	34,409,086	364,645,080	(40,506,984)
PROVISION FOR TAXATION		(51,204,806)	(9,205,812)	(48,134,474)	(7,668,262)
NET PROFIT / (LOSS) FOR THE PERIOD		239,053,363	25,203,274	316,510,606	(48,175,246)
Earnings per share - basic		2.39	0.25	3.17	(0.48)

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

CHIEF FINANCIAL OFFICER



AKD SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)
For the half year ended 31 December 2019

	Reserves						Total equity
	Issued, subscribed and paid up share capital	Capital			Revenue		
		Fair value reserve on available-for-sale investment	Fair value reserve on 'Fair value through other comprehensive income' investments	Surplus on revaluation of intangibles	Accumulated loss	Sub-total	
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at 30 June 2018	1,767,699,500	15,628,792	-	2,500,000	(394,738,956)	(376,610,164)	1,391,089,336
Adjustment on adoption of IFRS 9	-	(15,628,792)	15,628,792	-	-	-	-
Comprehensive income for the year							
Profit for the year	-	-	-	-	(226,512,315)	(226,512,315)	(226,512,315)
Other comprehensive income:							
Fair value adjustment on investment at FVTOCI	-	-	(7,373,060)	-	-	(7,373,060)	(7,373,060)
Transfer of loss from sale of investment at FVTOCI	-	-	75,000	-	(75,000)	-	-
	-	-	(7,298,060)	-	(226,587,315)	(233,885,375)	(233,885,375)
Balance as at 30 June 2019	1,767,699,500	-	8,330,732	2,500,000	(621,326,271)	(610,495,539)	1,157,203,961
Profit for the period					239,053,363	239,053,363	239,053,363
Other comprehensive income:							
Fair value adjustment on investment at FVTOCI	-	-	-	-	239,053,363	239,053,363	239,053,363
Transfer of loss from sale of investment at FVTOCI	-	-	-	-	-	-	-
Balance as at 31 December 2019	1,767,699,500	-	8,330,732	2,500,000	(382,272,908)	(371,442,176)	1,396,257,324

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

CHIEF FINANCIAL OFFICER



AKD SECURITIES LIMITED
STATEMENT OF CASH FLOWS
As at 31 December 2019

	Un-Audited 31 Dec 2019	Audited 30 Jun 2019
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	290,258,169	(182,436,782)
Adjustments for:		
Depreciation & amortization	12,563,247	28,151,311
Unrealized gain / loss on remeasurement of investment through profit or loss	(143,551,176)	253,740,526
Finance cost	1,104,808	2,521,494
Allowance for expected credit loss	-	-
Gain on sale of property, plant and equipment	-	217,905
Other income	-	(2,747,399)
Capital gain on sale of investment in listed securities - net	30,688,259	11,237,601
Accrued mark up from related party	72,372,166	(55,987,728)
Profit on exposures	(37,181,692)	(44,047,202)
Dividend income	(268,299)	(7,228,695)
Cash generated from operations before working capital changes	225,985,482	3,421,031
Working capital changes		
Decrease / (increase) in current assets		
Trade debts	(19,335,106)	18,284,565
Loans and advances	(150,382,162)	(57,281,329)
Short term deposits and prepayments	(537,001,194)	137,963,443
Other receivables	7,849,331	(4,083,210)
	(698,869,132)	94,883,469
Increase / (decrease) in current liabilities		
Trade and other payables	554,469,859	(205,830,997)
Cash flow / (used in) from operating activities	81,586,209	(107,526,496)
Finance cost paid	(1,104,808)	(380,465)
Income tax paid	(16,726,797)	(43,848,433)
Net cash flow / (used in) from operating activities	63,754,604	(151,755,395)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(11,082,800)	(5,299,096)
Additions to intangible assets	-	-
Proceeds from sale of property and equipment	-	263,360
Proceeds from sale of investments	1,285,614,424	872,575,133
Investments made (Net)	(1,237,740,114)	(1,002,646,101)
Increase in long term deposits	(588,154)	(2,513,618)
Dividend received	268,299	7,228,695
Net cash flow from investing activities	36,471,655	(130,391,627)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rental and security deposit paid against assets subject to finance lease	8,333,055	(4,305,149)
Net cash used in financing activities	8,333,055	(4,305,149)
Net increase in cash and cash equivalents	108,559,315	(286,452,171)
Cash and cash equivalents at the beginning of the period	31,165,161	317,617,333
Cash and cash equivalents at the end of the period	139,724,476	31,165,161

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

CHIEF FINANCIAL OFFICER



5. PROPERTY, PLANT & EQUIPMENT

During the period ended 31 December 2019, addition made amounting to PKR 8.33 million (30 June 2019: 5.299 million) which comprised of office equipment, furniture & fixture, computer & allied. Further, assets having WDV of PKR Nil million were sold for PKR Nil (30 June 2019: WDV of PKR 0.481 million were sold for PKR 0.263 million).

6. TRADE DEBTS

Trade debts and other receivables are recognized at fair value and subsequently measured at amortized cost. A provision for impairment in trade debts and other receivables is made when there is objective evidence that the Company will not be able to collect all amounts due according to original terms of receivables. Trade debts and other receivables considered irrecoverable are written off.

The aging of trade debts at reporting date is :

	Impaired		Not impaired	
	31 Dec 2019 Rupees	30 Jun 2019 Rupees	31 Dec 2019 Rupees	30 Jun 2019 Rupees
Past due 0-6 months	-	-	76,547,821	15,778,260
Past due 6-12 months	-	-	4,138,762	4,749,856
Past due 1-2 years	-	-	3,507,662	31,002,150
Past due 2 years and above	129,101,111	129,101,111	32,095,940	45,424,813
	<u>129,101,111</u>	<u>129,101,111</u>	<u>116,290,185</u>	<u>96,955,079</u>
Fair value of the collateral / securities held	-	-	<u>43,983,928</u>	<u>27,055,688</u>

7. OPERATING REVENUE

	31 Dec 2019 Rupees	31 Dec 2018 Rupees
Brokerage income	195,434,167	148,686,531
Consultancy income	48,997,003	8,306,465
Underwriting commission	14,246,708	-
Dividend income	268,299	7,082,870
	<u>258,946,177</u>	<u>164,075,866</u>

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There were no change in contingencies at the period end as disclosed in the financial statements for the year ended 30 June 2018.

9. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended 30 June 2018

10. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors in meeting held 27 February 2020.


CHIEF FINANCIAL OFFICER

