

Riaz Ahmad & Company

Chartered Accountants

**AKD SECURITIES LIMITED
CERTIFICATION OF NET CAPITAL BALANCE AS AT
30 JUNE 2016**

NET CAPITAL BALANCE CERTIFICATE

This is to certify that the Net Capital Balance of AKD SECURITIES LIMITED ("the company"), a Trading Right Entitlement Certificate (TREC) holder of the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited), as defined under Rule 2(d) to the Securities and Exchange Rules, 1971, amounted to Rupees 116,271,508 (Rupees one hundred sixteen million, two hundred seventy one thousand, five hundred and eight only) as at 30 June 2016. This balance has been arrived at on the basis of numbers duly verified by us.


RIAZ AHMAD & COMPANY
Chartered Accountants

Engagement partner: Muhammad Hamid Jan

KARACHI

Dated: 10 SEP 2016

AKD SECURITIES LIMITED
CALCULATION OF "NET CAPITAL BALANCE" FOR THE PURPOSE OF RULE 2(d) OF "THE
SECURITIES AND EXCHANGE RULES, 1971"
AS AT 30 JUNE 2016

A- DESCRIPTION OF CURRENT ASSETS	Rupees	Rupees
Cash and bank balances		
Cash in hand	99,612	
Cash at bank:		
-clients accounts	74,169,539	
-proprietary accounts	8,932,092	83,101,631
Cash and cash equivalents (Note 3)	800,745,857	883,947,100
Trade receivable		
Book value	882,811,869	
Less : Overdue for more than fourteen days	863,603,259	19,208,610
Investment in listed securities		
Securities on the exposure list mark to market (Note 4)	24,973,875	
Less: 15% discount	3,746,081	21,227,794
Securities purchased for clients		57,985,070
TOTAL CURRENT ASSETS		982,368,574
B- DESCRIPTION OF CURRENT LIABILITIES		
Trade payables		
Book value	748,727,628	
Less: Overdue for more than thirty days	514,150,351	234,577,277
Other liabilities (Note 5)		631,519,789
TOTAL CURRENT LIABILITIES		866,097,066
NET CAPITAL BALANCE		116,271,508

The annexed note 1 to 7 form an integral part of this calculation.


 Manager Accounts


 Chief Executive Officer


 RIAZ AHMAD AND COMPANY
 Chartered Accountants

AKD SECURITIES LIMITED
 NOTES TO THE CALCULATION OF "NET CAPITAL BALANCE" FOR THE PURPOSE OF RULE 2(d) OF
 "THE SECURITIES AND EXCHANGE RULES, 1971"
 AS AT 30 JUNE 2016

1 THE COMPANY AND ITS OPERATIONS

AKD Securities Limited ("the Company") was incorporated as a public limited company under the Companies Ordinance, 1984 on 16 May 2007. The Company is a corporate member of Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). The registered office of the company is located at 602, Continental Trade centre, Block-8, Clifton Karachi. The Company is principally engaged in the business of brokerage, financial consultancy, underwriting, and securities research.

The Company is wholly-owned subsidiary of Aqeel Karim Dhedhi Securities (Private) Limited which holds 100% shares of the Company through direct and beneficial ownership.

2 STATEMENT OF COMPLIANCE

2.1 This statement showing calculation of net capital balance (here in after referred as "the statement") has been prepared and presented in accordance with requirements of The Securities and Exchange Rules, 1971 and further in light of the clarifications / guidelines in respect of third schedule of Securities and Exchange Rules, 1971 issued by Securities and Exchange Commission of Pakistan vide their File No. SMD-/MRSD-C&IW/22-1(132)/2013 dated 03 July 2013 and File No. SMD-/MRSD-C&IW/4-1(246)/2013 dated 20 December 2013.

2.2 The statement is presented in Pak Rupees, which is the Company's functional and presentation currency.

3 CASH AND CASH EQUIVALENT

Cash and cash equivalents represents the balances deposited with Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited) {PSX} and National Clearing Company of Pakistan Limited (NCCPL) as margins in respect of the followings:

	Rupees
Ready market exposure	598,900,000
Future market exposure	171,033,600
Concentration margin	30,812,257
	800,745,857

Cash and cash equivalents comprises of:

Client balances	674,558,089
Proprietary Funds	126,187,768
	800,745,857

RIAZ AHMAD AND COMPANY
 Chartered Accountants

A

4 SECURITIES ON THE EXPOSURE LIST MARK TO MARKET

Number of Shares	Security	Market Value Rupees
57,290	AKD Capital Limited	8,536,210
2,766	Golden Arrow Selected Stocks Fund Limited	23,234
11,000	Pakistan Strategic Allocation Fund	95,920
41	Pakistan Stock Market Fund	3,571
251,000	Balochistan Glass Limited	1,212,330
500	Attock Refinery Limited	140,070
1,455,500	Hum Network Limited	14,962,540
		<u>24,973,875</u>

5 OTHER LIABILITIES

	Rupees
Current portion of long term financing	70,000,000
Current portion of liabilities against assets subject to finance lease	2,600,263
Payable to Staff Provident Fund	2,185,396
Accrued mark up on borrowings	2,696,133
Accrued expenses	15,613,373
Sindh sales tax payable	8,123,243
Withholding income tax payable	1,384,080
Other payables	14,766,950
Trade payables overdue more than 30 days	514,150,351
	<u>631,519,789</u>

6 AUTHORIZATION OF THE STATEMENT

This statement has been duly signed by chief executive officer and manager accounts on 10 September 2016.

7 GENERAL

Figures have been rounded off to the nearest of Rupee.


Manager Accounts


Chief Executive Officer

