

AKD CAPITAL LIMITED

Quarterly Report September 18

COMPANY INFORMATION

Board of Directors

Mr. Nadeem Saulat Siddiqui
(Chairman)
Mr. Aurangzeb Ali Naqvi
Mr. Aamir Nazir Dhedhi
Mr. Muhammad Jamal Dhedhi
Mr. Muhammad Munir
Mr. Mohammad Sohail
Ms. Mehrunnisa Siddiqui

Company Secretary

Asghar Ali Anjum

Auditors

Riaz Ahmad & Co.
Chartered Accountants

Share Registrar

C&K Management Associates
(Pvt) Limited

Bankers

MCB Bank Limited
United Bank Limited
Bank Al-Habib Limited

Registered Office

618 Continental Trade Center
Main Clifton Road Clifton
Karachi-74000, Pakistan
Tel: (92-21) 35302902 (5 Lines)
Fax: (92-21) 35302913

Audit Committee

Mr. Muhammad Jamal Dhedhi
Mr. Muhammad Sohail
Mrs. Mehrunnisa Siddiqui

Directors' Report

The Board of Directors of your company hereby presents the un-audited financial statements of your Company for the quarter ended 30 September 2018.

During the period the company registered loss after tax of 0.867 million. Even though operating results for the quarter is slightly below as compared to quarter last time. However, the management is exploring other sources of revenues to meet its current expenditure and improve its profitability.

Pakistan's overall economy gaining some momentum and steps recently taken by Government in regards to privatization may benefit the private sector which may kick start the economic activity.

General

The Board of Directors wishes to express its pleasure and gratefulness to the shareholders for their continued support and to all the employees for their ongoing dedication and commitment to the Company.

For and on behalf of the Board

Chief Executive Officer

Karachi: 31 October 2018

**Condensed Interim Balance Sheet
as at 30 September 18**

	Note	(UnAudited) 30 Sep 2018	(Audited) 30 Jun 2018
------(Rupees)-----			
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	1,673,694	1,725,258
Long term investments		98,000	98,000
Long term deposits		20,000	20,000
		1,791,694	1,843,258
CURRENT ASSETS			
Trade debts - considered good		3,131,944	3,131,944
Advances and prepayments	6	295,202	10,000
Investments	7	29,270,720	27,780,800
Other receivables		4,059,427	4,058,402
Advance income tax		1,218,120	1,215,488
Bank balances		3,914,666	5,335,327
		41,890,079	41,531,961
TOTAL ASSETS		43,681,773	43,375,219
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
50,000,000 (2016: 50,000,000) ordinary shares of Rupees 10 each		500,000,000	500,000,000
Issued, subscribed and paid-up share capital		25,072,733	25,072,733
Reserves		15,049,500	14,426,176
TOTAL EQUITY		40,122,233	39,498,909
NON CURRENT LIABILITIES			
Deferred taxation		183,375	183,375
CURRENT LIABILITIES			
Trade and other payables		1,557,239	1,874,009
Provision for taxation		341,000	341,000
Unclaimed dividend		1,477,925	1,477,925
		3,376,164	3,692,934
TOTAL LIABILITIES		3,559,539	3,876,309
Contingencies and commitments			
TOTAL EQUITY AND LIABILITIES		43,681,772	43,375,218

The annexed notes from 1 to 11 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

Condensed Interim Profit and Loss Account (Un-audited)
for the period ended 30 September 18

	Note	Quarter Ended 30 September	
		2018	2017
------(Rupees)-----			
INCOME			
Consultancy fee		-	-
Dividend income		-	-
Gain on remeasurement of investment at fair value through profit or loss		-	-
Other income		-	-
		-	-
EXPENSES			
Administrative expenses		(865,323)	(716,965)
		(865,323)	(716,965)
Loss on Sale of Investment			-
Finance cost		(1,273)	(816)
		-	-
PROFIT BEFORE TAXATION		(866,596)	(717,781)
PROVISION FOR TAXATION			
Current - for the year		-	-
- prior year		-	-
Deferred		-	-
		-	-
NET PROFIT FOR THE YEAR		(866,596)	(717,781)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss:			
Transfer of fair value loss to profit and loss account on disposal of available for sale investment			-
Gain \ (Loss) on remeasurement of available for sale investments		1,489,920	4,019,680
Other comprehensive loss for the year		1,489,920	4,019,680
TOTAL COMPREHENSIVE (LOSS) / INCOME		623,324	3,301,899
EARNINGS PER SHARE-BASIC AND DILUTED	9	(0.35)	(0.29)

The annexed notes from 1 to 11 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

**Condensed Interim Cash Flow Statement (Un-audited)
for the period ended 30 September 18**

	30 September 2018	September 30, 2017
	------(Rupees)-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(866,596)	(717,781)
Adjustment for non cash items:		
Dividend income	-	-
Depreciation	51,564	59,883
Impairment loss on available for sale investments	-	-
Operating cash flow before working capital changes	<u>(815,032)</u>	<u>(717,781)</u>
Changes in working capital		
(Increase) / decrease in current assets		
Trade debts	-	-
Advances and prepayments	(285,202)	(203,457)
Other receivables	(1,025)	(25,754)
	<u>(286,227)</u>	<u>(229,211)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	(316,770)	(1,458,838)
	<u>(602,997)</u>	<u>(1,688,049)</u>
CASH FLOW FROM OPERATIONS	<u>(1,418,029)</u>	<u>(2,405,830)</u>
Income tax paid	(2,632)	(3,206)
Net cash (used in) / flow from operating activities	<u>(1,420,661)</u>	<u>(2,409,036)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Property and equipment purchased	-	-
Net cash used in investing activities	<u>-</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	-	1,383,357
Net cash used in financing activities	<u>-</u>	<u>1,383,357</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	<u>(1,420,661)</u>	<u>(1,025,679)</u>
Cash and cash equivalents at the beginning of the year	5,335,326	1,605,313
Cash and cash equivalents at the end of the year	<u>3,914,665</u>	<u>579,634</u>

The annexed notes from 1 to 11 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

Statement of Changes in Equity (Un-audited)
for the period ended 30 September 18

	Reserves					Sub total	Total Equity
	Capital Reserves		Fair value reserve on available for sale investments	Revenue Reserves			
	Share premium			General reserve	Accumulated loss		
Share capital							
Final dividend for the year ended 30 June 2016	-	-	-	-	(1,174,350)	(1,174,350)	(1,174,350)
Total comprehensive income for the year							
Profit for the year	-	-	-	-	798,801	798,801	798,801
Other comprehensive loss							
Gain on re-measurement of available for sale investment	-	-	7,061,600	-	-	7,061,600	7,061,600
	-	-	7,061,600	-	798,801	7,860,401	7,860,401
Balance as at 30 June 2017	25,072,733	20,891,600	1,866,913	752,000	(7,547,631)	15,962,882	41,035,615
Final dividend for the year ended 30 June 2017	-	-	-	-	(589,417)	(589,417)	(589,417)
Total comprehensive income for the year							
Profit for the year	-	-	-	-	1,202,232	1,202,232	1,202,232
Other comprehensive loss							
Gain on re-measurement of available for sale investment	-	-	(2,149,520)	-	-	(2,149,520)	(2,149,520)
	-	-	(2,149,520)	-	1,202,232	(947,288)	(947,288)
Balance as at 30 June 2018	25,072,733	20,891,600	(282,607)	752,000	(6,934,816)	14,426,177	39,498,910
Final dividend for the year ended 30 June 2018	-	-	-	-	-	-	-
Total comprehensive income for the year							
Profit for the year	-	-	-	-	(866,596)	(866,596)	(866,596)
Other comprehensive loss							
Gain on re-measurement of available for sale investment	-	-	1,489,920	-	-	1,489,920	1,489,920
	-	-	1,489,920	-	(866,596)	623,324	623,324
Balance as at 30 September 2018	25,072,733	20,891,600	1,207,313	752,000	(7,801,412)	15,049,501	40,122,234

The annexed notes from 1 to 11 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

Notes to the Condensed Interim Financial Information (Un-Audited)

for the period ended 30 September 18

1. THE COMPANY AND ITS BUSINESS

AKD Capital Limited ("the Company") was incorporated as a Public Limited Company in the year 1936 under Companies Act 1913 (Now the Companies Act, 2017). Shares of the Company are quoted on the Pakistan Stock Exchange. The principle activity of the Company is to deal in real estate / providing consultancy, projects financing and management, investment in listed securities and to engage in leasing.

The registered office of the company is situated at 416-418, Continental Trade Center, Clifton, Karachi.

2. BASIS OF PREPARATION

These interim financial statements are un-audited and are being submitted to the shareholders in accordance with the requirements of Section Companies Ordinance, 1984. These interim financial statements are presented in condensed form in accordance with the requirements of International Accounting Standard 34 'Interim Financial Reporting'. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30 June 2018. Comparative figures of the balance sheet are extracted from the annual financial statements for the year ended 2018 whereas comparative profit and loss account, statement of changes in equity and statement of cash flows are stated from un-audited condensed interim financial statements for the period ended 30 September 2017.

3. ACCOUNTING POLICIES

The accounting policies and method of computation followed for the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the year ended 30 June 2018.

- 3.1 IAS 1 (Amendment), 'Presentation of Financial Statements' The amendment clarifies that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counter party to settle in shares at any time. The application of the amendment will not effect the results or net assets of the Company as it is only concerned with presentation and disclosures.

Notes to the Condensed Interim Financial Information (Un-Audited)

for the period ended 30 September 18

4. ESTIMATES

The Preparation of interim financial statements require management to make judgments, estimates and assumption that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key resources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June 2018.

	30 September 2018	June 30, 2018
	Rupees	Rupees
5. FIXED ASSETS		
Opening Written down value	1,725,258	1,964,792
Addition	-	-
(Disposals)	-	-
Depreciation	(51,564)	(239,534)
	<u>1,673,694</u>	<u>1,725,258</u>

6. ADVANCES AND SHORT TERM DEPOSITS

Advance to employees - considered good	36,982	10,000
Prepayments	258,220	-
	<u>295,202</u>	<u>10,000</u>

7. AVAILABLE FOR SALE

30 September 2018	30 June 2018			
	Qty.			
776,000	776,000	Javedan corporation limited - cost	28,063,407	28,063,407
		Effect of re-measurement to fair value	1,207,313	(282,607)
			<u>29,270,720</u>	<u>27,780,800</u>

Notes to the Condensed Interim Financial Information (Un-Audited)

for the period ended 30 September 18

8. CONTINGENCIES AND COMMITMENTS

8.1 CONTINGENCIES

There were no contingencies at reporting date.

8.2 COMMITMENTS

There have been no commitments as at the period

9. EARNING / (LOSS) PER SHARE - BASIC AND DILUTED

There is no dilutive effects in the basic earning per share of the Company which is based on:

	30 September 2018	June 30, 2018
	Rupees	Rupees
Profit \ (Loss) for the period	(866,596)	1,202,232
Weighted average number of ordinary shares	2,507,471	2,507,471
Earning per share	(0.35)	0.48

10. DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on 31 October 2018 by the Board of Directors of the Company.

11. GENERAL

Figure have been rounded off to the nearest rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR

