HALF YEARLY
FINANCIAL STATEMENTS
DECEMBER 31, 2024

Akik Capital (Private) Limited

Directors Report for the Half-Year Ended December 31, 2024

On behalf of the Board of Directors of Akik Capital (Private) Limited, I take pleasure in presenting to you an over-view of Akik Capital's performance for the half-year ended Dec 31, 2024.

Akik Capital (Private) Limited ("the Company", "Akik"), Al-Hamdolillah, closed the half-year with PAT at Rs26.30mn (EPS: Rs3.70). Profitability was supported by better operating revenues and portfolio gains.

Operating revenue clocked in at Rs55.8mn, supported by exceptionally strong volumes at PSX.

Future Outlook

Valuations at PSX remain reasonably attractive. Over-all, we expect the broking business environment to remain conducive Insha Allah (2HFY25E may not be as exciting as 1HFY25, though) and continue to pray to Allah SWT for Akik's success in FY25. Insha Allah.

We remain thankful to Allah SWT for Akik's performance since inception (August 2020) and are also thankful to our regulators, stakeholders, clients and colleagues for their wonderful support.

Thank You

Muhammad Qasim Lakhani
Chief Executive
Feb 25, 2025

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Company Information

Registered Office Address & Office Details

- Office # 11, Mezzanine Floor, Quality Arcade, Block-7 Clifton, Karachi (South).,
- info@akikcapital.com, www.akikcapital.com
- CUIN 01503011 & NTN 8160016-4

Board of Directors

- Muhammad Qasim Lakhani — Director / Chief Executive
- Muhammad Imran Kharadi — Director

Compliance Officer

- Syed Muhammad Athar Nasim

Head of Settlement

- Muhammad Imran Kharadi

External Auditor

- MS Kreston Hyder Bhimji & Co, Chartered Accountants

Legal Advisor

- Muhammad Tariq Qureshi

Tax Consultant

- Hyder Bhimji & Co, Chartered Accountants

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Note	2024 Dec	2024 Jun
		-----------(Rupees)----------	
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	8,723,676	9,857,157
Intangible assets	5	2,500,001	2,571,719
Investment property	6	24,136,000	23,311,000
Long term loan to employees	7	1,124,000	780,000
Long term deposits	8	427,000	416,300
		36,910,677	**36,936,176**
CURRENT ASSETS			
Trade debts - considered good	9	15,408,790	4,826,848
Short Term Investments	10	141,715,459	88,265,239
Loans, Advances and Prepayments	11	2,897,051	1,154,739
Income Tax Refundable - net of provision		1,306,140	2,574,843
Cash and Bank Balances	12	203,375,482	53,397,584
		364,702,923	**150,219,252**
		401,613,599	**187,155,428**
EQUITY AND LIABILITIES			
Authorized Capital			
8,000,000 Ordinary Shares of Rs. 10 each		**80,000,000**	**80,000,000**
Issued, subscribed and paid up capital			
7,100,000 ordinary shares of Rs. 10 each allotted for consideration paid in cash	13	71,000,000	71,000,000
Un-appropriated profit		78,140,421	51,835,963
		149,140,421	**122,835,963**
NON- CURRENT LIABILITIES			
Deferred Taxation	14	8,640,139	1,628,995
CURRENT LIABILITIES			
Trade and other payables	15	243,833,039	62,690,470
Contingencies and Commitment	16	-	-
		401,613,599	**187,155,428**

The annexed notes 1 to 25 form an integral part of these financial statements.

Chief Executive Officer

Director

STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
For The Period Ended December 31, 2024

	Note	2024 Dec	2023 Dec
		---(Rupees)---	
Operating Revenues	17	55,787,947	32,054,241
Net gain on disposal of short term investments		5,015,918	(287,339)
Unrealized gain on re-measurement of short term investments	10.1	47,173,248	16,110,300
		107,977,113	**47,877,202**
Expenses			
Operating and administrative expenses	18	(58,682,768)	(31,528,202)
Other Expenses	19	(7,224,380)	(6,317,556)
		(65,907,147)	**(37,845,758)**
		42,069,966	**10,031,444**
Other Income		250	107,010
		42,070,215	**10,138,454**
Finance cost - Bank charges		(770,909)	(720,376)
Profit before Levies and taxation		**41,299,307**	**9,418,078**
Levies	20	(7,530,209)	-
Profit before taxation		**33,769,098**	**9,418,078**
Provision for Taxation:	21	(7,464,640)	(6,684,213)
Profit after taxation		**26,304,458**	**2,733,865**
Other Comprehensive income :			
Comprehensive income		-	-
Total comprehensive income		**26,304,458**	**2,733,865**
Earning Per Share -Basic and Diluted	22	**3.70**	**0.39**

The annexed notes 1 to 25 form an integral part of these financial statements.

Chief Executive Officer **Director**

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED DECEMBER 31, 2024

	Issued, subscribed and paid up capital	Unappropriated Profit	Total
	------------------Rupees.------------------		
Balance as on July 01, 2023	71,000,000	42,587,381	113,587,381
Total comprehensive income for the period	-	2,733,865	2,733,865
	-	2,733,865	2,733,865
Balance as at Dec 31, 2023	**71,000,000**	**45,321,246**	**116,321,246**
Balance as on July 01, 2024	**71,000,000**	**51,835,963**	**122,835,963**
Total comprehensive income for the period	-	26,304,458	26,304,458
	-	**26,304,458**	**26,304,458**
Balance as at December 31, 2024	**71,000,000**	**78,140,421**	**149,140,421**

The annexed notes 1 to 25 form an integral part of these financial statements.

Chief Executive Officer

Director

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31, 2024

	Note	2024 Dec	2023 Dec
		---(Rupees)---	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		41,299,307	9,418,078
Adjustments for non-cash changes and other items:			
Depreciation	4	1,140,981	1,279,634
Amortization	5	71,718	374,550
Unrealized gain on re-measurement of investments	19	(47,173,248)	(16,110,300)
		(45,960,549)	**(14,456,116)**
Working capital changes			
Decrease / (increase) Current assets			
Trade debts - considered good		(10,581,943)	(342,503)
Loans, Advance and Prepayments		(1,742,312)	(1,615,203)
		(12,324,255)	**(1,957,706)**
Increase / (decrease) Current liabilities			
Trade and other payables		181,052,341	38,174,387
Cash generated from / (used in) operations		**164,066,843**	**31,178,643**
Increase in long term deposits		(10,700)	-
Increase in long term loan		(344,000)	-
Tax paid during the period		(6,624,773)	(2,299,411)
Net cash generated from / (used in) operating activities		**157,087,370**	**28,879,233**
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in property & equipment	4	(7,500)	-
Addition in Investment Property		(825,000)	(3,550,000)
Short term investments		(6,276,972)	1,067,292
Net cash (used in) / generated from investing activities		(7,109,472)	(2,482,708)
CASH FLOWS FROM FINANCING ACTIVITIES		-	-
Net cash generated from financing activities		-	-
Net increase / (decrease) in cash and cash equivalents		**149,977,898**	**26,396,524**
Cash and cash equivalents at the beginning of the period		53,397,584	17,576,933
Cash and cash equivalents at the end of the period	23	**203,375,482**	**43,973,456**

The annexed notes 1 to 25 form an integral part of these financial statements.

Chief Executive Officer

Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

1 **The Company and its operation**

The company was incorporated under the Companies Act, 2017 on April 20, 2020 as a Private Limited Company. The principal activity of the company is to carry on business as a Securities Broker. The company was granted License as Securities Broker by SECP on July 9, 2020. Its registered office is situated at Office no 11, Mezzanine Floor, Quality Arcade, Block 7, Clifton (Approx. 1,300 Sq ft.) Karachi.

2 BASIS OF PREPARATION

2.1 **Basis of measurement**

These financial statements have been prepared under the historical cost convention except otherwise specifically stated.

2.2 **Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of :

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

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 the nearest rupee.

2.4 **Critical Accounting estimates and judgments:**

The preparation of financial statements requires management to make judgments, estimates and assumption that have an effect on the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on the historical experience and various factors that are believe to be reasonable under the circumstances. The result of which the basis of making judgment about the carrying amount of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management that have significant effect on the financial statements and estimates with significant probability of material adjustment in future are disclosed hereunder:

a) **Useful lives, pattern of economic benefits and impairments**

The Company's management determines the estimated useful lives and related depreciation charge for its property, plant and equipment on each financial period end. The Company reviews the value of the assets for possible impairment on each financial period end. Any change in the estimate in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation, impairment and deferred tax.

b) **Impairment allowance against trade debts, loan, advances and other receivables**

The estimates of impairment of trade debts, advances and other receivables are made, using and appropriately judging the relevant inputs and applying parameters as stated in note 3.8, as the management considers appropriate, which, on actual occurrence of the subsequent event, may fluctuate. The effect of variation is recorded as and when it takes place.

c) **Income tax**

In making the estimate for income tax liabilities, the management considers current income tax law and the decisions of appellate authorities. Deferred tax estimate is made considering future applicable tax rate, as disclosed in note 3.11 to the financial statements.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Property, plant and equipment

Initial recognition

These are stated at cost less accumulated depreciation and capital work-in-progress which are stated at cost.

Depreciation

Depreciation is charged on reducing balance method at rates specified in the respective note. Depreciation on addition is charged from the month of the asset is available for use upto the month prior to disposal.

Subsequent cost

Subsequent costs (including those on account of major repairs) are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future additional economic benefits associated with such additional cost will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance incurred are taken to statement of profit or loss.

Impairment

The carrying amounts of the Company's assets are reviewed at each financial period end whether there is any indication of impairment. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their respective estimated recoverable amounts. Where estimated carrying amounts exceed the respective recoverable amounts, the estimated carrying amounts are appropriately adjusted with impairment loss recognized in statement of profit or loss for the year. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Fair value means the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount of the relevant assets. These are included in profit or loss.

3.2 Investment Property

Investment properties represents Company's leased hold land located at DHA Bahawalpur and Gwadar.

The Company adopted the cost model instead of fair value model. Accordingly the investment property is carried at cost.

3.3 Intangible assets

a) **Trading Right Entitlement Certificate (TREC)**

TREC is stated at cost of acquisition less impairment, if any. The carrying amount is reviewed at each reporting date to asses whether it is in excess of recoverable amount and where the carrying value exceed estimated recoverable amount, it is written down to its estimated recoverable amount.

b) **Computer Software**

An intangible asset is recognized as an asset if it is probable that future economic benefits attributable to the asset will flow to the entity and the cost of such asset can be measured reliably.

Costs directly associated with identifiable software that will have probable economic benefits exceeding, beyond one year, are recognized as an intangible asset.

These are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized on straight line basis over its estimated useful life (s). Amortization on additions during the financial year is charged from month in which the asset is intended to use, whereas no amortization is charged from the month the asset is disposed off.

3.4 Financial instruments

The Company classifies its financial assets into following three categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); and
- At amortized cost.

Initial measurement of financial asset

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at FVOCI: These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss. Other net gains and losses are recognized in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

Equity Investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to the statement of profit or loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognized in profit or loss.

Financial assets measured at amortized cost: These assets are subsequently measured at amortized cost using the effective interest rate method. The amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

Non-derivative financial assets

All non-derivative financial assets are initially recognized on the date of transaction i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognizes the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

3.5 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the profit or loss.

3.6 Employees' post employment benefits

The Company has started a VPS facility for employees.

3.7 Investments

Investments at fair value through profit or loss

Investments which are acquired principally for the purpose of selling in the near term are classified as investments at fair value through profit or loss. These are recognized initially at cost being the fair value of the consideration given. Subsequently, these are re-measured at fair values representing prevailing market prices. Resulting gain or loss is recognized in the statement of profit or loss. Regular way purchase of investments are recognized using settlement date accounting i.e. on the date on which settlement of the purchase transaction takes place.

Investment at fair Value through Other Comprehensive Income

Other investments not covered in the above categories are initially recognized at fair value plus attributable transactions costs. Subsequent to initial recognition these are measured at fair value, with any resultant gain or loss being recognized in other comprehensive income. Gains or losses on fair value through other comprehensive income are recognized in other comprehensive income and are never reclassified to the statement of profit or loss.

3.8 Impairment of assets

Financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortized cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the Gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expect no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are Companied together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Companies of assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss.

3.9 Trade debts and receivables against margin financing

These are carried at their transaction price less any allowance for lifetime expected credit losses. A receivable is recognized on the settlement date as this is the point in time that the payment of the consideration by the customer becomes due.

3.10 Trade and other payables

Liabilities for trade and other amount payables are carried at cost which is the fair value of the consideration to be paid in future for good and services.

3.11 Revenue Recognition

Commission revenue arising from sale / purchase of securities on client's behalf is recognized on the date of settlement of transaction by the clearing house.

Consultancy fees and other income are recognized as and when services are provided and invoiced. Dividend income is recognized when the right to receive is established

Gain/(Loss) arising on sale of investment through profit or loss is included in the statement of profit and loss in the period in which it arises.

Income from cash exposure margin , web access fees, IPOs/SPOs and profit on debt is accrued.

3.12 Provisions

A provision is recognized in the financial statements when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

3.13 Income tax

Current

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account applicable tax credits, rebates and exemptions available, if any, or minimum tax and alternate corporate tax under section 113 and 113 (C) of the Income Tax Ordinance, 2001, respectively, whichever is higher. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous periods arising from assessments framed during the period for such years.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income taxes are not accounted for if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is measured using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

A deferred tax asset is recognised only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that the sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the entity. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.14 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. Cash and cash equivalents consist of cash in hand and balances with banks.

3.15 Offsetting of financial assets and liabilities

All financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

3.16 Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The management has determined that the Company has a single reportable segment as the Board of Directors view the Company's operations as one reportable segment.

3.17 Contingent liabilities

Contingent liability is disclosed when

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3.18 Dividend and appropriation to reserve

Liability for dividend and appropriation to reserve are recognized in the financial statements in the period in which these are approved.

4 PROPERTY & EQUIPMENT

Particulars	Office equipment	Computer	Vehicles	Total
Net carrying value basis as at Dec 31, 2024				
Opening net book value	97,547	467,904	9,291,706	9,857,157
Addition (at Cost)	-	7,500	-	7,500
Depreciation Charge	(35,491)	(361,192)	(744,297)	(1,140,981)
Closing Net Book Value	62,056	114,212	8,547,409	8,723,676
Gross carrying value basis as at Dec 31, 2024				
Cost	283,700	1,257,388	18,385,000	19,926,088
Less : Accumulated Depreciation	(221,645)	(1,143,176)	(9,837,591)	(11,202,412)
	62,056	114,212	8,547,409	8,723,676
Net carrying value basis as at June 30, 2024				
Opening net book value	139,352	589,505	11,614,632	12,343,489
Addition (at Cost)	-	77,500	-	77,500
Disposal	-	-	-	-
Depreciation Charge	(41,805)	(199,101)	(2,322,926)	(2,563,832)
Closing Net Book Value	97,547	467,904	9,291,706	9,857,157
Gross carrying value basis as at June 30, 2024				
Cost	283,700	1,249,888	18,385,000	19,918,588
Less : Accumulated Depreciation	(186,153)	(781,984)	(9,093,294)	(10,061,431)
	97,547	467,904	9,291,706	9,857,157
Depreciation Rate	30%	33%	20%	

		Note	2024 Dec	2024 Jun
			---Rupees----	
5	**INTANGIBLE ASSETS**			
	Trading Right Entitlement Certificate (TREC) PSX	5.1	2,500,000	2,500,000
	Software	5.2	1	71,719
			2,500,001	2,571,719

5.1 This represents amount paid to Pakistan Stock Exchange Ltd for Trading Right Entitlement Certificate notified vide PSX notice no. PSX/N-725 dated June 16, 2020. PSX vide notice no. PSX/N - 225 dated February 16, 2021 has notified the notional fees of a Trading Right Entitlement Certificate which amounts to Rs. 2.5 million.

5.2 Software

Net carrying value basis as at June 30,			
Opening net book value		828,386	828,386
Amortization Charge (33%)		(828,385)	(756,667)
Closing Net Book Value		1	71,719
Gross carrying value basis as at June 30,			
Cost		2,270,000	2,270,000
Less : Accumulated Amortization (33%)		(2,269,999)	(2,198,281)
		1	71,719

6 INVESTMENT PROPERTY

Leasehold Land			
Plot No. 1450, Sector-A, Ph-I, DHA Bahawalpur, 1 Kanal		7,240,500	7,240,500
Plot No. 680, Sector-N, Ph-I, DHA Bahawalpur, 1 Kanal		9,245,500	9,245,500
		16,486,000	16,486,000
ADVANCE FOR THE PURCHASE OF INVESTMENT PROPERTY			
Plot No. 02, Line 1/1K St no. JK PH11 Gawader. 600 Sq yards	6.1	3,000,000	3,000,000
Plot No 308 Sector-J Ph-1 DHA Bahawalpur, 1 Kanal	6.2	4,650,000	3,825,000
		7,650,000	6,825,000
		24,136,000	23,311,000

6.1 The plot of Land bearing number 02, Line 1/1K St no. JK PH11 Gawader has been acquired and paid in full in 2022-23 and the title transfer of the land is under process.

6.2 Plot of Land bearing # 308 Sector-J, Phase-1, DHA Bahawalpur has been acquired and paid in full in 2023-24 and Company now pays installments of development charges and after payment of all installments and dues the same will be alloted in the name of the Company. Also refer in note 16.2.

		Note	2024 Dec	2024 Jun
			---Rupees----	
7	**LONG TERM LOAN TO EMPLOYEES - Considered good**			
	To employees other than Chief Executive and Directors		1,572,000	1,191,000
	Less: Amount due in twelve months shown under current assets	11	(448,000)	(411,000)
			1,124,000	**780,000**

7.1 The above loans are interest free and unsecured under the terms of employment and interest free long term loans have been carried out at cost as the effect of carrying these balances at amortized cost is not material.

		Note	2024 Dec	2024 Jun
8	LONG TERM DEPOSITS			
	Security Deposit - NCCPL		400,000	400,000
	Security deposits - Water supply		17,000	6,300
	Security deposits - Mobile (Mobilink)		10,000	10,000
			427,000	**416,300**
9	**TRADE DEBTS, unsecured**			
	Considered Good		**15,408,790**	**4,826,848**
9.1	Aging analysis of amount due from customers			
	Not exceeding 5 days from trade date		405,333	868,003
	Exceeding 5 days		15,003,458	3,958,845
			15,408,790	**4,826,848**
	Exceeding 14 days against which listed securities held		**31,826**	**2,461**
10	SHORT TERM INVESTMENTS			
	Fair value through profit or loss			
	Listed equity securities		**141,715,459**	**88,265,239**
10.1	LISTED EQUITY SECURITIES			
	Carrying value of Investment		94,542,211	83,911,906
	Remeasurement Gain for the year		47,173,248	4,353,333
	Carrying value of Investments at close		**141,715,459**	**88,265,239**
11	**LOANS, ADVANCES & PREPAYMENTS**			
	Current portion of long term loan to employees	7	755,000	411,000
	Advance against Investment		20,000	-
	Sindh Sales tax (SST)		1,318,186	246,532
	Prepaid Expense		803,865	497,207
			2,122,051	**743,739**
			2,897,051	**1,154,739**
12	CASH AND BANK BALANCES			
	Cash in Hand		70,195	16,433
	In Current Accounts			
	House Account bank balances		1,783,836	53,056,353
	Client Account bank balances		201,521,451	324,797
			203,305,287	**53,381,151**
			203,375,482	**53,397,584**

		Note	2024 Dec	2024 Jun
13	**ISSUED, SUBSCRIBED AND PAID UP CAPITAL**			
	7,100,000 (2023: 7,100,000) Ordinary shares allotted for consideration paid in cash	13.1	**71,000,000**	71,000,000

		Note	-----Shareholding-----	
13.1	Pattern of shareholdings is as follows:			
	Mr. Qasim Lakhani - Chief executive		7,099,500	7,099,500
	Mr. Imran Kharadi		500	500
			7,100,000	7,100,000

All ordinary shares rank equally with regards to the Company's residual assets. Holders of these shares are entitled to equal rights with respect to voting and distributions declared from time to time.

		-----Rupees-----	
14	**DEFERRED TAXATION**		
	Deferred tax arising on unrealised remeasurement gain		
	Opening balance	1,628,995	825,201
	Charge / (Reversal) during the year	7,011,144	803,794
		8,640,139	**1,628,995**
15	**TRADE AND OTHER PAYABLES**		
	Client balances	201,344,326	52,930,158
	Capital gain tax payable to NCCPL	358,810	268,582
	Accrued Expenses	42,129,903	9,491,730
		243,833,039	**62,690,470**

16 **CONTINGENCIES AND COMMITMENT**

16.1 **Contingencies**

The Company has furnished Bank guarantees against exposure requirements to NCCPL and for BMC requirements to Pakistan Stock Exchange Ltd issued by Banks upto Rs. 70 million (Jun-2024: Rs. 70 million). These guarantees have been secured against pledge of listed shares and other assets (vehicles) of the company, sponsor, family of sponsor, a related party and personal guarantees of sponsors/ directors as collateral. Also refer in note 10.

		2024 Dec	2023 Dec
17	**OPERATING REVENUES**		
	Brokerage Revenue	61,207,881	33,821,393
	Less: Directly attributable expenses:		
	Transaction and Settlement	(5,419,934)	(2,769,845)
		55,787,947	31,051,548
	Commission from IPO	-	-
	Dividend Income	-	1,002,693
		55,787,947	**32,054,241**
18	**OPERATING AND ADMINISTRATIVE EXPENSES**		
	Salaries and benefits	17,936,379	22,378,862
	Fees and Subscription	3,657,121	2,621,570
	Software Cost	1,278,399	1,126,453
	Rent, Rates and taxes	1,213,081	1,144,100
	Internet Connectivity	463,332	509,045
	Repair and Maintenance Equipment	507,915	921,348
	Other Expenses	30,002,470	-
	Power and Utilities Expenses	1,800,620	816,668
	Insurance Expenses	186,615	154,842
	Auditors' remuneration	17,600	15,300
	Legal and Professional charges	64,880	104,740
	Entertainment	337,757	72,590
	Travelling and Conveyances expenses	3,900	8,500
	Amortization of intangibles	71,718	374,550
	Depreciation	1,140,981	1,279,634
		58,682,768	**31,528,202**

		Note	2024 Dec	2023 Dec
			---Rupees----	
19	**OTHER EXPENSES**			
	Donation		7,224,380	6,317,556
	Workers welfare fund		-	-
			7,224,380	**6,317,556**
20	**LEVIES**			
	Final Tax		7,530,209	-
			7,530,209	-
21	**TAXATION**			
	Current year		453,496	4,398,290
	Deferred Tax		7,011,144	2,285,923
			7,464,640	**6,684,213**
22	**EARNING PER SHARE - Basic and Diluted**			
	Profit after taxation		**26,304,458**	**2,733,865**
	Number of issued Shares		**7,100,000**	**7,100,000**
	Earning per Share basic and diluted		**3.70**	**0.39**

		2024 Dec	2024 Jun
23	**CASH AND CASH EQUIVALENTS**		
	Cash and bank balances	203,375,482	53,397,584
		203,375,482	**53,397,584**
24	**CAPITAL ADEQUACY LEVEL**		
	Total Assets	401,613,599	187,155,428
	Less: Total Liabilities	(252,473,178)	(64,319,465)
	Less: Revaluation Reserves - Fixed assets	-	-
	Capital Adequacy Level	**149,140,421**	**122,835,963**

While determining the value of the total assets of the TREC Holder, Notional value of the TREC certificate held by the Akik Capital (Pvt.) Ltd as at June 30, 2024 as determined by Pakistan Stock Exchange has been considered.

25 These interim financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on February 25, 2025

Chief Executive Officer Director