



AKD HOSPITALITY LIMITED

(FORMERLY AKD CAPITAL LIMITED)

QUARTERLY ACCOUNTS FOR THE PERIOD ENDED

30TH SEPTEMBER 2021

(UN-AUDITED)



AKD Hospitality Ltd.

(Formerly AKD Capital Ltd.)

DIRECTORS' REPORT

Date: 28th October 2021

The Board of Directors of AKD Hospitality Limited is pleased to presents un-audited financial statements for the quarter ended 30th September 2021.

During the period the company registered a profit after tax of Rupees 9.407 million. Operating results for the period ended 30th September 2021 are favorable as compared to the net loss (Rupees 0.361 million) after tax during the same period of last year. The main reason of profit is due to the Company made gain of Rs. 9.734 million on the selling of long term investment in Javedan Corporation Limited "JVDC" shares.

Future Outlook:

Pakistan is an emerging country as far as tourism is concerned especially after the improvement in law and order situation as well as Geo Political situation in the region. The tourism business has very bright future as far as revenue is concerned. Pakistan has rich local traditions, has several very famous Archeological and Historical attraction, Natural and Cultural attractions all over the country and Northern area are the key areas in which tourism will flourish in future and to achieve our target are also exploring different options in line of company new principal line of business.

The Board of Directors also appreciated shareholders for their continued support.

For and on behalf of the Board



Chief Executive Officer

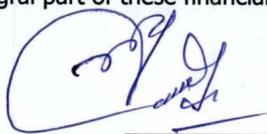
Chairman

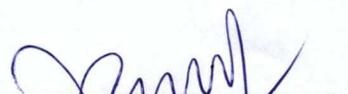
AKD HOSPITALITY LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2021

	Note	(Un-Audited) 30-Sep 2021 Rupees	(Audited) 30-Jun 2021 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	1,196,919	1,231,840
Right of Use Assets	6	440,403	475,277
Long-term investments	7	31,814,658	39,001,674
Long-term deposit		20,000	20,000
		33,471,980	40,728,791
CURRENT ASSETS			
Trade debts		2,500,000	2,400,000
Advance and prepayments	8	525,226	48,557
Other receivable		-	-
Advance income tax		2,161,237	912,487
Bank balances		329,110	526,155
		5,515,573	3,887,199
TOTAL ASSETS		38,987,553	44,615,990
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 100,000,000 (2020: 50,000,000) ordinary shares of Rupees 10 each		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up share capital		25,072,733	25,072,733
Reserves		2,028,005	6,969,855
TOTAL EQUITY		27,100,738	32,042,588
NON CURRENT LIABILITIES			
Lease liability	9	260,613	260,613
Deferred tax liability		340,219	1,695,252
CURRENT LIABILITIES			
Trade and other payables		3,250,197	2,624,121
Short term borrowing		4,450,001	4,450,001
Provision for taxation		591,533	559,533
Current & overdue portion of lease liability		517,290	506,920
Unclaimed dividend		2,476,962	2,476,962
		11,285,983	10,617,537
TOTAL LIABILITIES		-	-
Contingencies and commitments		-	-
TOTAL EQUITY AND LIABILITIES		38,987,553	44,615,990

The annexed notes from 01 to 13 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

AKD HOSPITALITY LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2021

	Note	30-Sep 2021 Rupees	30-Sep 2020 Rupees
INCOME			
Consultancy income		500,000	400,000
EXPENSES			
Administrative and general expenses		(784,247)	(761,035)
Other Income	10	9,734,001	-
Financial charges		(10,370)	-
LOSS BEFORE TAXATION		9,439,384	(361,035)
Taxation		(32,000)	-
LOSS AFTER TAXATION		9,407,384	(361,035)
OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified subsequently to profit & loss:			
- Unrealized gain / (loss) arising on remeasurement of investments at 'fair value through other comprehensive income'		(4,615,233)	405,631
- Deferred tax related adjustment		-	-
Items that may be reclassified subsequently to profit and loss:			
Other comprehensive income / (loss) for the year		(9,734,001)	-
		(14,349,234)	405,631
TOTAL COMPREHENSIVE INCOME / (LOSS)		(4,941,850)	44,596
(LOSS)/EARNINGS PER SHARE - BASIC AND DILUTED	11	3.75	(0.14)

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 CHIEF EXECUTIVE OFFICER


 DIRECTOR

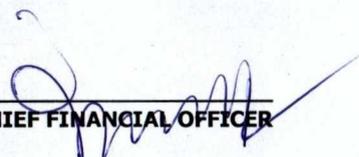

 CHIEF FINANCIAL OFFICER

**AKD HOSPITALITY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

Description	Reserves						Total Equity
	Issued, subscribed and paid-up share capital	Capital Reserves		Revenue Reserves		Sub Total	
		Share premium	Fair value reserve on 'Fair value through other comprehensive income' investments	General Reserve	Accumulated Loss		
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at 30 June 2019	25,072,733	20,891,600	(1,236,467)	752,000	(11,435,576)	8,971,557	34,044,290
Loss for the year	-	-	-	-	(2,868,347)	(2,868,347)	(2,868,347)
Other comprehensive loss	-	-	(6,084,460)	-	-	(6,084,460)	(6,084,460)
Total comprehensive loss for the year	-	-	(6,084,460)	-	(2,868,347)	(8,952,807)	(8,952,807)
Balance as at 30 June 2020	25,072,733	20,891,600	(7,320,927)	752,000	(14,303,923)	18,750	25,091,483
Loss for the year	-	-	-	-	(9,855,056)	(9,855,056)	(9,855,056)
Other comprehensive loss	-	-	16,806,161	-	-	16,806,161	16,806,161
Total comprehensive loss for the year	-	-	16,806,161	-	(9,855,056)	6,951,105	6,951,105
Balance as at 30 June 2021	25,072,733	20,891,600	9,485,234	752,000	(24,158,979)	6,969,855	32,042,588
Profit/(Loss) for the year	-	-	-	-	9,407,384	9,407,384	9,407,384
Other comprehensive income/(Loss)	-	-	(14,349,234)	-	-	(14,349,234)	(14,349,234)
Total comprehensive income/(Loss) for the year	-	-	(14,349,234)	-	9,407,384	(4,941,850)	(4,941,850)
Balance as at 30 September 2021	25,072,733	20,891,600	(4,864,000)	752,000	(14,751,595)	2,028,005	27,100,738


CHIEF EXECUTIVE OFFICER

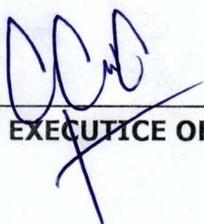

DIRECTOR


CHIEF FINANCIAL OFFICER

AKD HOSPITALITY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2021

	30-Sep 2021 Rupees	30-Sep 2020 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	9,439,384	(361,035)
Adjustments for non cash items:		
Allowance for expected credit loss	-	-
Reversal of allowance for expected credit loss	-	-
Depreciation	69,795	40,021
Finance Cost	10,370	-
Operating cash used before working capital changes	9,519,549	(321,014)
Changes in working capital		
(Increase) / decrease in current assets		
Trade debts	(100,000)	(400,000)
Advance and prepayments	(476,669)	(220,912)
Other receivables	-	-
Increase in current liabilities		
Trade and other payables	626,076	953,281
	49,407	332,369
Net working capital changes	9,568,956	11,355
Income tax paid	(32,000)	(238)
Net cash used in operating activities	9,536,956	11,117
CASH FLOW FROM INVESTING ACTIVITIES	(9,734,001)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowing from related party	-	-
Dividend paid	-	-
Net cash used in financing activities	(9,734,001)	-
Net increase / (decrease) in cash and cash equivalents	(197,045)	11,117
Cash and cash equivalents at the beginning of the year	526,155	161,236
Cash and cash equivalents at the end of the year	329,110	172,353

The annexed notes from 01 to 13 form an integral part of these financial statements.


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 CHIEF FINANCIAL OFFICER

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

1. THE COMPANY AND ITS BUSINESS

AKD Hospitality Limited (Formerly 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 Limited. The Principal activity of the Company is tourism business including hospitality business, motel, destination management services, developing and building tourism attractions and to undertake all ancillary business activities to provide end to end service solutions.

The registered office of the company is situated at 511, Continental Trade Center, Block-08, 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 2021. Comparative figures of the balance sheet are extracted from the annual financial statements for the year ended June 2021 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 2020.

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 2021.

- 3 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) not withstanding 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.

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 2021.

5 PROPERTY AND EQUIPMENT

Description	Furniture & fixtures	Office equipment	Computer equipment	Vehicles	Lockers	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
At 30 June 2020						
Cost	3,991,830	1,622,644	1,878,265	5,122,500	41,500	12,656,739
Accumulated depreciation	(3,155,371)	(1,271,280)	(1,871,472)	(4,929,457)	(37,238)	(11,264,818)
Net book value	<u>836,459</u>	<u>351,364</u>	<u>6,793</u>	<u>193,043</u>	<u>4,262</u>	<u>1,391,921</u>
Year ended 30 June 2020						
Opening net book value	836,459	351,364	6,793	193,043	4,262	1,391,921
Addition - at cost	-	-	-	-	-	-
Depreciation charge	(83,646)	(35,136)	(2,264)	(38,609)	(426)	(160,081)
Closing net book value	<u>752,813</u>	<u>316,228</u>	<u>4,529</u>	<u>154,434</u>	<u>3,836</u>	<u>1,231,840</u>
At 30 June 2021						
Cost	3,991,830	1,622,644	1,878,265	5,122,500	41,500	12,656,739
Accumulated depreciation	(3,239,017)	(1,306,416)	(1,873,736)	(4,968,066)	(37,664)	(11,424,899)
Net book value	<u>752,813</u>	<u>316,228</u>	<u>4,529</u>	<u>154,434</u>	<u>3,836</u>	<u>1,231,840</u>
Year ended 30 Sep 2021						
Opening net book value	752,813	316,228	4,529	154,434	3,836	1,231,840
Addition - at cost	-	-	-	-	-	-
Depreciation charge	(18,820)	(7,906)	(377)	(7,722)	(96)	(34,921)
Closing net book value	<u>733,993</u>	<u>308,322</u>	<u>4,152</u>	<u>146,712</u>	<u>3,740</u>	<u>1,196,919</u>
At 30 September 2021						
Cost	3,991,830	1,622,644	1,878,265	5,122,500	41,500	12,656,739
Accumulated depreciation	(3,257,837)	(1,314,322)	(1,874,113)	(4,975,788)	(37,760)	(11,459,820)
Net book value	<u>733,993</u>	<u>308,322</u>	<u>4,152</u>	<u>146,712</u>	<u>3,740</u>	<u>1,196,919</u>
Depreciation rate	10%	10%	33.33%	20%	10%	

	30-Sep-21 Rupees	30-Jun-21 Rupees
6. Right of use Assets		
Cost	712,915	712,915
Accumulated depreciation	(272,512)	(237,638)
Net book value	440,403	475,277

Movement in right of use asset:

Opening net book value	475,277	712,915
Recognised during the year under IFRS-16	-	-
Depreciation Charges	(34,874)	(237,638)
Closing net book value	440,403	475,277
	33.33%	33.33%

7. INVESTMENT AVAILABLE FOR SALE

30-Sep-21 Qty.	30-Jun-21 Qty.		30-Sep-21 Rupees	30-Jun-21 Rupees
9,800	9,800	Creek Developer Private Limited - unquoted	98,000	98,000
921,888	921,888	Javedan corporation Limited - Cost Sold @ 41 Rupees	-	38,903,674
3,800,000	0	Byco Petroleum Pakistan Limited Cost @ 9.46 Rupees Effect of Re-Measurement to fair value	35,948,000	-
		Trading Account - Credit Balance	(4,864,000)	-
			632,658	-
			31,814,658	39,001,674

8. ADVANCES AND SHORT TERM DEPOSITS

Advances	44,630	44,630
Prepayments	480,596	3,927
	525,226	48,557

9. LEASE LIABILITY

	30-Sep-21	30-Jun-21
	Rupees	Rupees
Balance as at 01 July	767,533	
Addition during the year under IFRS 16	-	712,915
Finance cost	10,370	54,618
Less: payment made during the year	-	-
	777,903	767,533
Overdue portion shown under current Liabilities	(337,500)	(270,000)
Current portion shown under current Liabilities	(179,790)	(236,920)
Non Current portion	260,613	260,613

10. OTHER INCOME

Capital Gain on Sale of Investment of Javedan Corporation Limited

	Number Of Shares	Amount Rs.
Cost Value	921,888	28,063,407
Less: Sold out	921,888	37,797,408
Gain on Sale of Investment		9,734,001

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

	30-Sep-21	30-Sep-20
	Rupees	Rupees
Profit \ (Loss) for the period	9,407,384	(361,035)
Weighted average number of ordinary shares	2,507,471	2,507,471
Earning/(Loss) per share	3.75	(0.14)

12. DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on 28th Oct 2021 by the Board of Directors of the Company.

13. GENERAL

Figure have been rounded off to the nearest rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER