

Dollar East Exchange (Private) Limited
Financial Statements
For the year period 31 December 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of Dollar East Exchange Company (Private) Limited (the Company), which comprise the statement of financial position as at December 31, 2024 and the related statement of profit or loss & other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss & other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2024 and of the profit, other comprehensive income, changes in equity and its' cash flows for the period then ended.

Basis For Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises of the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether

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the other information is materially inconsistent with financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We were not provided with any other information, whatsoever, and thus, we have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of the financial statements. As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

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related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report On Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss & other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the period were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Bushra Sana.

Lahore

Dated: March 26, 2025

UDIN: AR202410278ZS7fyoG8X


Ilyas Saeed & Co
Chartered Accountants

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

ASSETS	Note	December-24 Rupees	June-24 Rupees
NON CURRENT ASSETS			
Property and equipment	4	68,133,472	68,519,860
Long term investments	5	183,181,007	186,567,352
Long term deposits and prepayments	6	35,530,800	21,384,808
Deferred taxation	7	740,202	-
		287,585,481	276,472,020
CURRENT ASSETS			
Trade deposits and short term prepayments	8	55,818,316	38,015,983
SBP inward incentive receivable	9	102,835,210	58,813,292
Taxation-net	10	23,961,827	-
Cash and bank balances	11	1,329,461,454	1,431,060,368
		1,512,076,807	1,527,889,643
		1,799,662,288	1,804,361,663
EQUITY AND LIABILITIES			
EQUITY			
Authorized Capital		1,500,000,000	1,500,000,000
Issued,subscribed and paid up capital	12	1,200,000,000	1,200,000,000
Accumulated profit		509,927,919	500,952,396
		1,709,927,919	1,700,952,396
NON CURRENT LIABILITIES			
Deferred liabilities	13	14,609,610	3,305,420
		14,609,610	3,305,420
CURRENT LIABILITIES			
Trade and other payables	14	75,124,759	96,889,443
Provision for taxation	10	-	3,214,404
		75,124,759	100,103,847
CONTINGENCIES AND COMMITMENTS			
	15	-	-
		1,799,662,288	1,804,361,663

The annexed notes from 1 to 27 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER


DIRECTOR

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
& OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED DECEMBER 31, 2024

PARTICULARS	Note	December-24 (6 Months) Rupees	June-24 (12 Months) Rupees
REVENUE	16	442,626,369	1,141,646,075
OPERATING EXPENSES			
Administrative expenses	17	(429,649,599)	(843,738,401)
Operating profit		12,976,770	297,907,674
Other income	18	441,790	356,143
		13,418,560	298,263,816
Financial charges	19	(716,691)	(4,386,325)
Profit before taxation		12,701,869	293,877,491
Taxation & tax levies	20	(3,726,346)	(92,565,157)
Profit after taxation		8,975,523	201,312,335
Other comprehensive income		-	-
Total comprehensive income		8,975,523	201,312,335
Earnings per share- basic	21	0.75	16.78

The annexed notes from 1 to 27 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER


DIRECTOR

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2024

PARTICULARS	SHARE CAPITAL	ACCUMULATED PROFIT	TOTAL
	Rupees	Rupees	Rupees
Balance as at June 30, 2023	1,200,000,000	299,640,061	1,499,640,061
Issue of bonus shares during the year	-	-	-
Profit for the year	-	201,312,335	201,312,335
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	201,312,335	201,312,335
Balance as at June 30, 2024	1,200,000,000	500,952,396	1,700,952,396
Profit for the period	-	8,975,523	8,975,523
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	8,975,523	8,975,523
Balance as at December 31, 2024	1,200,000,000	509,927,919	1,709,927,919

The annexed notes from 1 to 27 form an integral part of these financial statements.

ISC6


CHIEF EXECUTIVE OFFICER


DIRECTOR

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31, 2024

PARTICULARS	Note	December-24 (6 Months) Rupees	June-24 (12 Months) Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before taxation		12,701,869	293,877,491
Adjustments for non-cash & other items:			
Depreciation	4	6,253,112	12,663,308
Amortization of renovation	6.2.1	1,461,481	2,451,998
Gain on sale of vehicles	18	-	(6,090)
Finance charges		716,691	4,386,325
Other income		-	-
Provision for gratuity		11,723,096	-
Cash flow before working capital		32,856,249	313,373,033
Changes in working capital:			
(Increase) / decrease in current assets			
Trade deposits and short term prepayments		(17,802,333)	(4,196,351)
SBP Inward Incentive Receivable		(44,021,918)	108,785,676
Increase / (decrease) in current liabilities			
Trade and other payables		(21,764,684)	38,328,134
Net working capital changes		(83,588,935)	142,917,459
Finance charges paid		(716,691)	(4,386,325)
Gratuity Paid		-	-
Taxes paid		(32,061,685)	(117,336,974)
Total payments made		(32,778,376)	(121,723,299)
Net cash inflow from operating activities		(83,511,062)	334,567,193
CASH FLOW FROM INVESTING ACTIVITIES			
Additions in tangible assets	4	(5,866,725)	(14,058,260)
Sale of fixed assets		-	110,300
Additions in renovation	6	(5,859,146)	(6,957,754)
Long term deposits		(9,748,326)	19,154,931
Long term investment		3,386,345	(1,838,239)
Net cash (outflow) / inflow from investing activities		(18,087,852)	(3,589,022)
CASH FLOW FROM FINANCING ACTIVITIES			
Right Share issue during the year		-	-
Net cash inflow from financing activities		-	-
Net increase in cash and cash equivalents		(101,598,914)	330,978,172
Cash and cash equivalents at the beginning of the year		1,431,060,368	1,100,082,196
Cash and cash equivalents at the end of the year		1,329,461,454	1,431,060,368

The annexed notes from 1 to 27 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER


DIRECTOR

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER,31 2024

1 CORPORATE AND GENERAL INFORMATION

1.1 LEGAL STATUS AND NATURE OF BUSINESS

Dollar East Exchange Company (Private) Limited is a large-sized company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017), vide registration No. 0044608 (old 12305/20021102). The Company's registered office is located at 97-A Jail Road, Lahore, Pakistan. The Company has been licensed as Exchange Company by the State Bank of Pakistan vide license number -07 - issued on 02-05-2003. The license has further been renewed up to 31-12-2025. The Company has fifty (June 2024: forty eight) branches, and no franchisees (June 2024: nil) all over the Pakistan as on December 31, 2024. The geographical location and addresses are as under:

- 1- Abbottabad Branch: Shop No. 2, Kamran Plaza, Opposite Daewoo Terminal, Madian,
- 2- Daska Branch : Opposite Purani katchary, Near Government High School, Daska Kot, Daska.
- 3- Dina Branch: Shop No. 1, Ground Floor, Jinnah Market, Dina.
- 4- Dinga Branch : Shop No. 13, Milad Chowk, Kharian Link Road, Dinga Tehsil Kharian District
- 5- Chiniot Bazar Branch, Faisalabad: Shop No P-79, Chiniot Bazar, Kotwali Road, Faisalabad.
- 6- D-Ground Branch, Faisalabad: Shop No. 33-B, Malik Plaza, D-Ground, Faisalabad.
- 7- Katchery Bazar Branch, Faisalabad: Shop No. 12-13, City Plaza, Chowk Katchery Bazar,
- 8- Madina Town, Faisalabad: Shop # 5CZ, 101, Sussan road, Madina Town, Faisalabad.
- 9- Gujar Khan Branch : Shop No. B-3, 217-218, Abdul Hameed Plaza, G.T Road, Gujar Khan.
- 10- Bank Square Branch, Gujranwala: Bank Square, Gujranwala.
- 11- Rail Bazar Branch, Gujranwala: Shop No. B 27, Rail Bazar, Gujranwala.
- 12- Wapda Town Branch, Gujranwala: Shop No. 24-B Muhafiz Town, Main Wapda Town,
- 13- GTS Chowk Branch, Gujrat: Shop No.24, Center Point Plaza,Opposite Bank Alfalah GTS Chowk, G.T Road, Gujrat.
- 14- Timbal Chowk Branch, Gujrat: Shop # 1-4 , East Circular Road, Ashraf Plaza, Timbal Chowk,
- 15- Haripur Branch: Shop No. 2, G.T Road near Paris Hotel Plaza, Haripur.
- 16- Hazro Branch: Shop No. B1-183 (Opposite Sabzi Mandi, Near MCB Bank) Tehsil hazro
- 17- Blue Area Branch, Islamabad: Shop # 04 , 51 - Chaudhary Plaza, Opposite Beverly Centre, Blue Area, Islamabad.
- 18- Jhelum Branch: Shop No. 2-Fazal Plaza, Civil Lines, Near Shandar Chowk Jhelum.
- 19- Kamoke Branch: Shop # 03, Ali Arcade, Khan Plaza, Main G.T Road, Kamoke.
- 20- Shahrah e Faisal Branch, Karachi: Shop No.9,Ground Floor-Amber Castle,Plot #21-A, P.E.C.H.S, Block 6,Opposite Lal Kothi, Shahrah e Faisal, karachi..
- 21- Kharian Branch: Shop No. 1-2, Dawood Rasha Plaza,Near Subhan Hotel G.T Road, Kharian..
- 22- Airport Branch, Lahore: Allama Iqbal International Airport, Lahore.
- 23-Bahria Town Branch, Lahore: Shop No. 2, Adeel Plaza, Mehmood Kot Main Canal Road near PSO Pump, Bahria Town, Lahore.
- 24- Davis Road Branch, Lahore: Shop No. 14/A, Davis Road, Adjacent Gourmet Bakers, Lahore.
- 25- DHA Branch, Lahore: Shop 58-GF Inner Circle, Defense Commercial Plaza, Y-Block, DHA-3,
- 26- Emporium Mall Branch, Lahore: Ground Floor, Emporium Mall, Johar Town, Lahore.
- 27- Faisal Town Branch, Lahore: Shop No. 881-A Block D, Faisal Town, Lahore.
- 28- Gulberg Branch, Lahore: Shop No. 7, Tahawar Plaza, 1st Floor 129 E-1, Main Boulevard, Gulberg , Lahore.
- 29- Lower Mall Branch, Lahore: Shop No. 1-2, Mecca Tower, Outside Bhatti Gate, Opposite Gamay Shah Karbala, Lower Mall Lahore.
- 30- Mall Road Branch, Lahore: Shop No.02, Property # S-19, R-61 Ghulam Rasool Building ,Near Al Falah Building 60-Shahrah e Quaid e Azam,Lahore..
- 31- Mandi Bahauddin Branch: Shop # 8, Saddar Chowk, Main Bazar, Mandi Bahauddin.
- 32- Mansehra Branch: Shop No. 1, Sattar Khan Market, Near Jamia Masjid Abbottabad Road ,

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER,31 2024

- 33- Mardan Branch: Shop No. 27-28, Pakistan Plaza Ground Floor, Sehra Market, Mardan.
 34- Mian Channu Branch: Shop # 2A, Ghalla Mandi, GT Road Near Khushi Sweets, Mian Channu District Khanewal..
 35- Mirpur Branch: Shope Number 39,40 Muhmmadi Plaza, Allama Iqbal Road, Mirpur.
 36- Gulgasht Colony Branch: Shop No. 549/C, Ground Floor, Bata Chowk, Gulgasht Colony, Multan.
 37- Mall Plaza Branch, Multan Cantt: Shop No. 88,89 - Mall Plaza, Shangrila Chowk,Quaid e Azam Road Multan Cantt.
 38- Okara Branch: Shop # 14-A Depalpur Road Near Venus Chowk, Okara.
 39- Dean's Plaza Branch, Peshawar: UG-52 Deans Trade Center Cantt, Peshawar.
 40- Naz Cinema Road Branch, Peshawar: Shop No. 40-41, (Ground Floor) Shaikh Yaseen Gold Tower, Peshawar.
 41- Phalia Branch: Khewat No.215, Opposite Masjid Gulzar e Madina, Near Finca Microfinance Bank Heela Road, Mohala Meeman Phalia.
 42- Chandni Chowk Branch, Rawalpindi: Shop No. 2, 418-B Chandni Chowk Opposite Bank of Punjab, Satellite Town, Rawalpindi.
 43- Sahiwal Branch: Shop No. 1 Mufti Market Near Habib Bank Limited, High Street
 44- Sambrial Branch: Shop # 1135, Opposite Press Club Sialkot-Wazirabad Road, Sambrial.
 45- Sargodha Branch: Shop No. P-153, Block no 03,Opposite Diamond Jewellers, Ameen Bazar,
 46- Sheikhpura Branch: Shop No.1, Karkhana Street, Near Gourmet Bakery, Sargodha Road,
 47- Cantt Branch, Sialkot: Shop No. 111, Near HBL, Ghanta Ghar Chowk, Sialkot Cantt.
 48-Urdu Bazar Branch, Sialkot: Shop No. 88-90, Urdu Bazar, Opposite City Fort, Sialkot.
 49- Swat Branch: Shope # 7,8,9 G.T Road Near Nishat Chowk, Swat Market, Mingora, Swat.
 50- Wazirabad Branch: Shop No. 2, Opposite Masjid Masfiran, Siddique Sipal Market, Lari Adda.GT.Road Wazirabad.

The company currently collaborates with following foreign associate and branchless banking provided institutions:

- Money Gram Payment System Inc.
- RIA Financial Services
- Western Union Network Limited
- Lulu International Exchange
- Reems Exchange Company
- Universal Exchange Center
- Wall Street
- Bahrain Finance Company
- 1 Link Private Limited
- SNGPL

The principal activity of the Company is to deal in foreign currency notes, coins, postal notes, money orders, bank draft, traveler's cheques and transfers subject to the regulations, terms and conditions as may be specified by the State Bank of Pakistan from time to time.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Accounting and reporting standards comprise of such International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017 (the Act), 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.

As per Section 34 of the Income Tax Ordinance, 2001, which allows a company to change its tax year with the approval of the Federal Board of Revenue (FBR), the company has changed its tax year in compliance with the directive issued by the State Bank of Pakistan (SBP) under the regulatory framework for exchange companies.

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER,31 2024

Accordingly, these financial statements are prepared for the six-month period ended on December 31, 2024. Since the audited comparative figures are available for the year ended June 30, 2024, these have been disclosed as comparatives. However, the balances in the statement of profit or loss, statement of comprehensive income, statement of cash flows, statement of changes in equity, and notes to the accounts are not directly comparable due to this reason.

2.2 IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes (the Guidance) issued by ICAP

The Institute of Chartered Accountants of Pakistan (ICAP) has issued the aforementioned Guidance through Circular No. 07 / 2024 dated May 15, 2024. In light of the said Guidance, as the minimum taxes and final taxes are not calculated on the 'taxable income' as defined in IAS 12 (Income Taxes) but calculated on turnover or other basis (as per relevant sections of the Income Tax Ordinance, 2001 - the Ordinance); accordingly, minimum taxes and final taxes should be accounted for under IAS 37 (Provisions, contingent liabilities and contingent assets) / IFRIC 21 (Levies) as levies (though these are charged under tax law) and not under IAS 12 as income taxes. Based on the Guidance, the minimum taxes and final taxes under the Ordinance are hybrid taxes, which comprise The aforesaid Guidance has been applied retrospectively by the Company and the comparative information has been restated, which has not affected current year or prior years' net sales, profit after taxes and levies, equity and cash flows. Impact as of July 01, 2022 is not material to these financial statements. In accordance with the requirements of IAS 1 (Presentation of financial statements), the balances as at June 30, 2023 have been restated and third statement of financial position as of July 01, 2022 has not been presented due to immaterial impact.

In the statement of profit or loss for the period ended December 31, 2024, in terms of the requirements of IFRIC 21 / IAS 37 (the requirements), minimum tax and final tax, which were previously presented as 'taxation' have now been reclassified as 'minimum and final tax levies'.

2.3 New standards, interpretations and amendments to published accounting and reporting standards

2.3.1 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Company for accounting periods beginning on or after July 1, 2023. These are considered either not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.3.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective and have not been early adopted

		Effective Date
IAS 1	Presentation of Financial Statements (Amendments)	1-Jan-24
IAS 7	Statement of Cash Flows (Amendments)	1-Jan-24
IFRS 16	Leases (Amendments)	1-Jan-24
IAS 21	The Effects of changes in Foreign Exchange Rates (Amendments)	1-Jan-25
IFRS 7	Financial Instruments: Disclosures (Amendments)	1-Jan-26
IFRS 17	Insurance Contracts	1-Jan-26
IFRS 9	Financial Instruments - Classification and Measurement of Financial instrument (Amendments)	1-Jan-26

The management is in the process of assessing the impact of these amendments on the financial statements of the Company.

There are certain other new standards, amendments to the published accounting and reporting standards and new interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2023. However, these will not have any significant impact on the Company's financial reporting and therefore have not been detailed in these financial statements.

150

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER,31 2024

Further, the following new standards and interpretations have been issued by the IASB, which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1	–	First Time Adoption of International Financial Reporting Standards
IFRIC 12	–	Service Concession Arrangement
IFRS 18	–	Presentation and Disclosures in Financial Statements.
IFRS19	–	Subsidiaries without Public Accountability: Disclosures

The Company expects that the adoption of the above standards will have no material effect on the Company's financial statements, in the period of initial application.

2.4 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention.

2.5 FUNCTIONAL & PRESENTATION CURRENCY

These financial statements are presented in Pakistani Rupees which is the Company's functional & presentational currency. Amounts presented in these financial statements have been rounded off to the nearest of rupee, unless otherwise stated.

2.6 KEY JUDGMENTS & ESTIMATES

The preparation of financial statements in conformity with the approved accounting and financial reporting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgments in the process of applying the Company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to these financial statements, are stated in the following accounting policies and notes and relate primarily to:

- Useful lives of property, plant and equipment and method of depreciation
- Renovation on rented property.
- Provision for taxation.
- Provision for amortization of amortized cost.

The revisions to accounting estimates, if any, are recognized in the period in which the estimate is 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.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 PROPERTY & EQUIPMENT

Owned assets

All the property and equipment have been valued at cost less accumulated depreciation and accumulated impairment losses, if any, except freehold land and capital work in progress which are stated at cost. Cost includes purchase price and all incidental expenses incurred up to the date the asset is put to use.

The capital work in progress is transferred to fixed assets as and when assets are available for intended use. All expenses including borrowing costs, if any, as per IAS-23, will be capitalized till the time these assets will start economic benefits.

Depreciation on property and equipment is charged to profit on reducing balance method over its estimated useful life so as to write off the historical cost of an asset at the rates specified. Depreciation on additions is charged on the basis of number of days commencing from the day at which assets become available for use, while on disposals, depreciation is charged up to the day of deletion. The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair & maintenance costs are charged to profit during the period in which they are incurred.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the income during the year in which the asset is derecognized.

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER,31 2024

Right-of-use asset

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the estimated useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company has elected not to recognize right-of-use assets and lease liabilities for short term and low value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term. The payments associated with such leases are recognised as an expense.

Ijarah contracts

Ijarah rentals (Ijarah) under Ijarah contracts are recognized as an expense in the profit and loss account on a straight-line basis over the Ijarah term as per Islamic Financial Accounting Standard issued by SECP vide S.R.O 431(I)/2007 dated May 22, 2007.

3.2 IMPAIRMENT

An assessment is made at each statement of financial position date to determine whether there is any indication of impairment or reversal of previous impairment, including items of property and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognized as an expense.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined (net of amortization or depreciation), had no impairment loss(es) been recognized for the asset in prior years.

3.3 DEFERRED COSTS

All expenditures incurred during renovation are capitalized unless they are complete and in a condition intended for use by the management. Once the branches are complete and capitalized; the same is amortized over the expected useful life of the renovation. The detailed information and impact of this is provided in Note 6.2 to the financial statements.

3.4 INVESTMENTS

Investments with fixed or determinable payments and fixed maturity, which the Company has the positive intent and ability to hold to maturity, are carried at amortized cost, using the effective interest rate method less impairment losses, if so determined.

3.5 TRADE DEBTORS AND RECEIVABLES

Trade debtors & other receivables are stated at estimated realizable value after each debt has been considered individually. Where the payment of a debt becomes doubtful, a provision is made and charged to as an expense.

3.6 TRADE AND OTHER PAYABLES

Trade & other payables are obligations under normal short term credit terms. These are measured at the undiscounted amount of cash to be paid.

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER,31 2024

3.7 PROVISIONS

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognized at present value using a pre-tax discount rate. The unwinding of the discount is recognized as finance cost in the profit or loss.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably with

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices & conditions and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

3.8 RELATED PARTY TRANSACTIONS

All transactions with related parties are made at arm's length prices determined in accordance with comparable uncontrolled price method. Parties are said to be related if they are able to influence the operating and financial decisions of each other. The related parties and associated undertakings comprise associated companies, companies in which directors are interested, staff retirement funds, directors and key management personnel.

3.9 REVENUE RECOGNITION

The Company recognizes revenue from contract with customer based on a five step model as set out in IFRS 15.

- i) Identify contract with customer(s): A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that
- ii) Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- iii) Identify performance obligations in the contract: A performance obligation is a promise in a contract a customer to transfer a good or service to the customer.
- iv) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- v) Recognize revenue when (or as) the Company satisfies a performance obligation.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- a) The Company's performance does not create an asset with an alternate use to the Company and the Company has as an enforceable right to payment for performance completed to date.
- b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- c) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

156

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER,31 2024

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

3.10 TAXATION

Current

Income tax expense represents current tax expense. Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates, if any, or minimum tax, which ever is higher as required under the Income Tax Ordinance, 2001.

Deferred

Deferred taxation is recognized using the balance sheet liability method on all major temporary differences arising between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are recognized for all taxable temporary differences. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Off-setting

Deferred tax assets and liabilities are off-set if there is a legally enforceable right to set off current tax assets against current tax liabilities and they relate to income taxes levied by the same tax

3.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash balances, bank deposits, term deposit receipts and short term borrowings.

3.12 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are translated into Pak rupees at the rates of exchange approximating those prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into rupees at the exchange rates prevailing at the balance sheet date. Current exchange differences are included in profit and loss account.

3.13 FINANCIAL INSTRUMENTS

3.13.1 FINANCIAL ASSETS

a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at fair value through Profit or loss and other comprehensive income. The classification of financial asset at initial recognition depends on the financial assets contractual cash flows characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financial component or for which the Company has applied the practical expedient, the Company initially measures financial asset at its fair value plus, in case of financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are In order for a financial asset to be classified and measured at amortized cost or fair value through OCI. It needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at it an instrument level.

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER,31 2024

The Company's business model for managing financial asset refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both. Purchases or sales of the financial assets that require delivery of assets within a time frame established by regulation or convention in a market place (regular way trades) are recognized on the trade date, i.e. the date that the Company commits to purchase or sell the assets.

b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two categories:

- i) Financial assets at amortized cost (debt instruments).
- ii) Financial assets at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

The financial asset is held within a business model with the objective to held financial assets in order to collect contractual cash flows; and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on The principal amount outstanding financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, The Company's financial assets at amortized cost includes trade and other receivables.

c) Derecognition

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial

- The rights to receive cash flows from the asset have expired or

- The Company has transferred its rights to receive cash flows from The asset or has assumed 'an obligation to pay The received cash flows in full without material delay to a third party under ' a 'pass-through' arrangement; and either.

a) the Company has transferred substantially all the risks and rewards of the asset, or

b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

3.13.2 FINANCIAL LIABILITIES

a) Initial recognition and measurement

Financial liabilities are classifying, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER,31 2024

b) Subsequent measurement

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial Liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedge instruments

Gains or losses on liabilities held for trading are recognized in statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

c) Derecognition

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

3.14 STAFF RETIREMENT BENEFITS

Gratuity Scheme

The Company operates a gratuity scheme (defined benefit plan) for its employees, eligible for the scheme, who have completed the qualifying period as defined under the respective scheme.

The amount of liability of each employee is computed by number of years completed multiplied by the last drawn monthly gross salary. The difference between the current and the previous liability is charged to profit or loss account as expense for the year. Gratuity is for regular employees only, which is close to the actuarial valuation estimate, while some employees are on contractual basis who are not entitled to gratuity. However, the company has a policy to pay gratuity each year calculated on current salary of an eligible employee under the scheme.

Employees' Provident Fund

The Company operated an un-approved funded provident fund scheme for its permanent employees eligible under the Employees Provident Fund Rules of the Company till the year ended June 30, 2020. The employees and the Company were making equal monthly contributions at the prescribed rates of basic salary. The Company discontinued provident fund scheme and replaced it with gratuity scheme from July 01, 2020. The balance standing to the respected employees were paid during the year June 30, 2020.

3.15 OFFSETTING

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

3.16 DIVIDEND

Dividend is recognized as liability in the period in which it is approved.

ISCO

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

4 PROPERTY AND EQUIPMENT

PARTICULARS	FURNITURE & FIXTURES	VEHICLE	OFFICE EQUIPMENT	COMPUTER & SOFTWARE	TOTAL
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
COST					
Balance at July 01, 2023	8,875,268	91,983,384	43,795,390	26,930,737	171,584,779
Additions	1,063,264	321,600	9,378,458	3,294,938	14,058,260
Disposals	-	-	(156,308)	(45,609)	(201,917)
Balance at June 30, 2024	9,938,532	92,304,984	53,017,540	30,180,066	185,441,122
Balance at July 01, 2024	9,938,532	92,304,984	53,017,540	30,180,066	185,441,122
Additions	157,253	157,900	4,363,685	1,187,887	5,866,725
Disposals	-	-	-	-	-
Balance at Dec 31, 2024	10,095,785	92,462,884	57,381,225	31,367,953	191,307,847
ACCUMULATED DEPRECIATION					
Balance at July 01, 2023	5,564,893	59,383,119	22,364,385	17,043,265	104,355,661
Depreciation for the year	549,299	4,917,236	3,792,665	3,404,109	12,663,309
Disposals	-	-	(68,945)	(28,762)	(97,707)
Balance at June 30, 2024	6,114,192	64,300,355	26,088,104	20,418,612	116,921,262
Balance at July 01, 2024	6,114,192	64,300,355	26,088,104	20,418,612	116,921,262
Depreciation for the year	295,865	2,109,205	2,242,158	1,605,884	6,253,112
Disposals	-	-	-	-	-
Balance at Dec 31, 2024	6,410,057	66,409,559	28,330,262	22,024,497	123,174,375
CARRYING AMOUNTS					
At June 30, 2024	3,824,340	28,004,630	26,929,436	9,761,454	68,519,860
At Dec 31, 2024	3,685,728	26,053,325	29,050,963	9,343,456	68,133,472
Rate of depreciation	15%	15%	15%	30%	

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

4.1	PARTICULARS	SOLD TO	COST	NET BOOK VALUE	SALE PROCEEDS	GAIN/ (LOSS) ON PROCEEDS
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	No operating fixed assets having net book value exceeding Rs 500,000 were disposed-off during the year ended Dec 31, 2024.					
	June 30,2024		-	-	-	-
	December 31,2024		-	-	-	-
	Fixed Asset sold having book value less than Rs.500,000					
	June 30,2024		201,917	104,210	110,300	6,090
	December 31,2024		-	-	-	-
	TOTAL					
	YEAR ENDED JUNE 30, 2024		201,917	104,210	110,300	6,090
	YEAR ENDED Dec 31, 2024		-	-	-	-

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

		Dec-24 Rupees	Jun-24 Rupees
5 LONG TERM INVESTMENTS	Note		
At Amortised cost:			
GOP Ijara-Sukuk Bonds	5.1	<u>183,181,007</u>	<u>186,567,352</u>
		<u>183,181,007</u>	<u>186,567,352</u>
5.1 Investments in GOP Ijara-Sukuk bonds			
Cost	5.1.1	180,000,000	180,000,000
Premium paid on purchase		119,098	276,762
Less: Amortization		(57,320)	(157,664)
	5.1.2	61,778	119,098
Advance profit paid on purchase		-	407,352
		180,061,778	180,526,450
Accrued profit	16.2	3,119,229	6,040,902
		<u>183,181,007</u>	<u>186,567,352</u>
5.1.1 Cost			
Opening balance		180,000,000	180,000,000
Movement during the year:			
Add: Purchases		-	30,000,000
Less: Redeemed		-	(30,000,000)
Net movement		-	-
Closing balance		<u>180,000,000</u>	<u>180,000,000</u>
5.1.2 Premium paid on purchase			
Opening balance		119,098	246,762
Less: Paid on redeemed bonds		-	-
Add: Paid on new purchase bonds		-	30,000
Less: Amotization during the year		(57,320)	(157,664)
		<u>61,778</u>	<u>119,098</u>
5.1.3 These Ijara-Sukuk bonds are kept with State Bank of Pakistan under Statutory liquidatory reserves.			
6 LONG TERM DEPOSITS AND PREPAYMENTS			
Regulatory Reserve with SBP Current A/C	6.1	19,454,760	9,706,434
Deferred cost	6.2	16,076,040	11,678,374
		<u>35,530,800</u>	<u>21,384,808</u>
6.1 For carrying on business of currency exchange, the Company is required to maintain a Regulatory Reserve (RR) equal to 15% (June 2024: 15%) of the issued share capital including the share capital of franchises, if any, with the State Bank of Pakistan in the form of "Unencumbered Approved Government Securities" under the rules and regulations of Exchange Policy Department. This reserve is in addition to the IASBs (Ref note 5.1.3).			
6.2 Deferred Cost	Note	Dec-24 Rupees	Jun-24 Rupees
Opening balance		11,678,374	7,172,618
Addition during the year		5,859,147	6,957,754
		17,537,521	14,130,372
Amortized during the year	6.2.1	(1,461,481)	(2,451,998)
		<u>16,076,040</u>	<u>11,678,374</u>
6.2.1 Major renovation and construction expenses incurred on rented premises to bring it into workable condition are capitalized. These expenditures are amortized over the expected useful life of the renovation.			

ISCO

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

		Dec-24 Rupees	Jun-24 Rupees
7 DEFERRED TAX ASSET / (LIABILITY)	Note		
Deferred taxation	7.1	740,202	(418,906)
		<u>740,202</u>	<u>(418,906)</u>
7.1 Deferred taxation			
The liability / (asset) of deferred taxation comprises temporary differences arising due to:			
Taxable temporary differences:	Note	Dec-24 Rupees	Jun-24 Rupees
Unrealized exchange gain		(96,887)	(1,255,995)
		<u>(96,887)</u>	<u>(1,255,995)</u>
Deductible temporary differences:			
Provision for gratuity		837,089	837,089
Deferred tax asset/ (liability) - net		<u>740,202</u>	<u>(418,906)</u>
7.1.1 PARTICULARS		Net Asset / (Liability) Rupees	
Balance as at July 01, 2023			837,089
Charged to profit & loss account			(1,255,995)
Balance as at June 30, 2024			<u>(418,906)</u>
Charged to profit & loss account			<u>1,159,108</u>
Balance as at December 31, 2024			<u>740,202</u>
8 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS	Note	Dec-24 Rupees	Jun-24 Rupees
Security and deposits		29,958,363	30,451,529
Other advances - unsecured		25,859,953	7,564,454
		<u>55,818,316</u>	<u>38,015,983</u>
9 SBP INWARD INCENTIVE RECEIVABLE			
SBP inward incentive receivable		102,835,210	58,813,292
		<u>102,835,210</u>	<u>58,813,292</u>
9.1 This amount represent accrued income under State Bank of Pakistans's (SBP) Promotion of Home Remittance Scheme. SBP through its EPD Circular Letter No. 03 of 2022, dated February 03, 2022 introduced Promotion of Home Remittances Scheme. Under this scheme Exchange companies are provided with an incentive of PKR 1 for each USD of home remittances surrendered in inter bank market Pakistan.			
10 PROVISION FOR TAXATION	Note	Dec-24 Rupees	Jun-24 Rupees
Income Tax Payable at the beginning of the year		(3,214,404)	(29,242,216)
Income Tax Paid during the year		30,927,685	92,328,409
Aमित Income Tax for the year 2023-24		1,134,000	25,008,565
Provision for taxation			
- Current year	20	(5,532,830)	(92,814,872)
- Prior year		647,376	1,505,710
		<u>(4,885,454)</u>	<u>(91,309,162)</u>
Income Tax Payable at the end of the year		<u>23,961,827</u>	<u>(3,214,404)</u>
11 CASH AND BANK BALANCES			
Cash in hand	11.1	977,482,930	370,029,991
Cash at banks	11.2	663,645,143	715,283,436
Foreign correspondents	11.3	(311,666,619)	345,746,941
		<u>1,329,461,454</u>	<u>1,431,060,368</u>

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

		Dec-24 Rupees	Jun-24 Rupees
11.1 Cash in hand	Note		
Cash in hand - head office		170,721,543	93,721,543
Cash in hand - branches		102,372,776	95,664,250
Foreign currency (in PKR)		704,388,611	180,644,198
		<u>977,482,930</u>	<u>370,029,991</u>
11.2 Cash at banks			
Cash at bank -current accounts		492,942,083	397,676,462
Foreign currency at bank (in PKR) - current accounts		170,703,060	317,606,974
		<u>663,645,143</u>	<u>715,283,436</u>
11.3 Foreign correspondents			
Balances with foreign correspondents		(302,051,557)	381,584,863
Outward remittance payable		(9,615,062)	(35,837,922)
		<u>(311,666,619)</u>	<u>345,746,941</u>
12 SHARE CAPITAL			
12.1 Authorised capital			
15,000,000 (2023:15,000,000) shares of Rs.100/- each		1,500,000,000	1,500,000,000
		<u>1,500,000,000</u>	<u>1,500,000,000</u>
12.2 Issued, Subscribed & Paid Up Capital - In cash			
12,000,000 (2023:12,000,000) shares of Rs. 100/- each		1,200,000,000	1,200,000,000
		<u>1,200,000,000</u>	<u>1,200,000,000</u>
13 DEFERRED LIABILITIES			
Deferred tax liability	7.1	-	418,906
Staff retirement benefits - Gratuity Scheme	13.1	14,609,610	2,886,514
		<u>14,609,610</u>	<u>3,305,420</u>
13.1 Staff retirement benefits			
<i>Provision for gratuity-</i>			
Opening balance		2,886,514	2,886,514
Provision for the year		11,723,096	-
		<u>14,609,610</u>	<u>2,886,514</u>
Paid during the year		-	-
Closing net liability		<u>14,609,610</u>	<u>2,886,514</u>
The Company, as per its policy, paid gratuity to eligible employees during the year under report, therefore, no provision was required.			
14 TRADE AND OTHER PAYABLES			
Accrued liabilities	14.1	36,625,322	36,101,437
Bills payable - unsecured		5,509,994	11,948,529
Other payables	14.2	32,989,443	48,839,477
		<u>75,124,759</u>	<u>96,889,443</u>
14.1 Accrued liabilities			
Telephone, postage & telegrams		559,996	515,711
Directors' remuneration		1,200,000	1,200,000
Staff salary		31,205,456	29,355,635
Audit fee		750,000	850,000
Employee old age benefits		1,102,696	967,168
Social security		805,371	754,042
Utilities payable		1,001,803	2,458,881
		<u>36,625,322</u>	<u>36,101,437</u>

ISCO

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

		Dec-24	Jun-24
14.2 Other payables	Note	Rupees	Rupees
Income tax withheld		3,600	660,650
Other payables		4,419,028	5,216,610
T.T payable		28,023,968	42,424,750
Rent and rates payable		542,847	537,467
		<u>32,989,443</u>	<u>48,839,477</u>

15 CONTINGENCIES & COMMITMENTS

15.1 Contingencies

15.1.1 Taxpayer has filed Application for Rectification u/s 221 for Tax Year - 2010, 2011, 2012 and 2013 respectively, which are still pending for final decision by the Commissioner FBR. The outcome of such Applications effected only for Tax Year - 2013 by creating Liability of Rs. 1,573,272 in veiw of legal advisor of the companythe case will hopefully be dismissed and company will not be liable to pay any amount in this regard. Therefore, no provision in this regard has been made in this financial statements,

15.1.2 The Company has filed Second Appeals filed u/s 131 for Tax Year- 2010, 2011 & 2012 against Order passed u/s 161/205 which is yet not fixed pending for final hearing by the Appellate Tribunal.

15.1.3 The Company has filed 2nd appeal u/s 131/161/205 for the Tax Year 2013 against disputed tax demand of Rs. 8.81 million. It is also noted that second appeal filed before ATIR-Islamabad since 08-04-2020 on the basis of remand back cause for vexing taxpayer twice for the same cause. Therefore, no provision in this regard has been made in these financial statements.

15.1.4 The Company has filed 2nd appeal u/s 131/161(1) for tax year 2016 against dispusted tax demand of Rs. 29.63 million. It is also noted that 2nd appeal filed before ATIR-Lahore since 08-04-2020 on the basis of remand back cause for vexing taxpayer twice for the same cause. Therefore, no provision in this regard has been made in these financial statements.

15.1.5 There is no matter/case is pending adjudication. However, an amount of Rs. 300,000 had been deposited on the direction of Lahore Supreme Court as surety in a case title as Dollar East Exchange Company (Private) Limited vs presiding officer District Consumer Court Sailkot etc. The said amount is recoverable

15.2 Commitments

The Company has no commitments as at December 31, 2024

16 REVENUE

		Dec-24	Jun-24
	Note	Rupees	Rupees
Exchange gain		241,204,122	724,951,585
Commission		83,218,366	203,581,269
SBP inward incentive scheme	9.1	102,833,822	172,398,668
Profit on investment against SLR	16.1	15,370,059	40,714,553
		<u>442,626,369</u>	<u>1,141,646,075</u>
16.1 Profit on investment, against SLR			
Income on Ijarah Sukuk bonds	16.2	15,370,059	40,714,553
		<u>15,370,059</u>	<u>40,714,553</u>
16.2 Income on Ijara Sukuk Bonds			
Mark up received during the year		18,291,732	38,172,338
Adjustment of mark up for prior period		(6,040,902)	(3,498,687)
Net mark up received		12,250,830	34,673,651
Add: accrued mark up	5.1	3,119,229	6,040,902
		<u>15,370,059</u>	<u>40,714,553</u>

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

17 ADMINISTRATIVE EXPENSES	Note	Dec-24 Rupees	Jun-24 Rupees
Director's remuneration	17.1	7,200,000	19,241,997
Salaries, wages and benefits	17.2	209,921,172	421,017,930
Advertisement		3,881,866	22,996,398
Postage, telegram & telephone		5,314,025	11,001,000
Legal & professional charges		4,460,741	5,555,768
Auditor's remuneration	17.3	750,000	850,000
News papers and periodicals		49,620	85,650
Travelling and conveyance		2,220,526	2,561,433
Printing and stationary		4,303,202	13,114,863
Rent, rates and taxes		51,640,369	92,090,714
FC rates screen expense		1,005,493	2,149,329
Entertainment		31,959,425	55,149,464
Utilities	17.4	34,514,583	56,179,847
Vehicle running and maintenance		22,376,307	46,030,080
Repair and maintenance		3,964,988	6,189,015
Import and export of currency expenses		27,469,385	58,706,998
Depreciation	4	6,253,112	12,663,308
Amortization of renovation	6.2	1,461,481	2,451,998
Security expenses		604,534	1,171,943
Donations	17.5	702,090	1,995,000
Web site expenses		2,799,005	4,626,060
State Bank of Pakistan penalty		3,570,000	500,000
Staff training and development		44,970	629,002
Amortization of investments	5	57,320	157,664
Miscellaneous		1,935,225	4,196,588
Biometric verifications expense		18,840	786,876
Uniform & Accessories Expense		1,171,320	1,639,476
		429,649,599	843,738,401

17.1 Remuneration of Chief Executive and Directors

	Chief Executive		Directors		Executives	
	Dec-24	Jun-24	Dec-24	Jun-24	Dec-24	Jun-24
Remuneration	1,485,167	3,927,273	6,552,000	13,090,909	23,217,045	47,716,364
Medical	146,684	392,727	648,000	1,309,091	2,293,042	4,771,636
Other	201,689	521,997	-	-	3,152,932	6,788,333
	1,833,540	4,841,997	7,200,000	14,400,000	28,663,019	59,276,333

17.2 Salaries, wages and benefits

Salaries, wages and benefits	187,432,239	403,176,697
Employees old age benefits expense	5,946,772	9,486,478
Social security expense	4,819,065	8,354,755
	198,198,076	421,017,930

17.2.1 Staff salaries & benefits include Rs. 11,723,096 (June 2024 Rs. 25,865,730/-) in respect of staff retirement benefits - gratuity.

17.3 Auditor's remuneration	Note	Dec-24 Rupees	Jun-24 Rupees
Audit fee		680,000	750,000
Out of pocket expenses		70,000	100,000
		750,000	850,000

DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

	Note	Dec-24 Rupees	Jun-24 Rupees
17.4 Utilities			
Electricity expense		22,179,018	33,440,805
Gas expense		266,670	499,990
Generator expense		2,628,969	6,301,725
UPS expense		736,362	793,023
Internet expenses		6,797,833	11,597,007
Drinking water expense		499,739	1,060,473
Cleaning and hygiene		1,405,992	2,486,824
		<u>34,514,583</u>	<u>56,179,847</u>
17.5 Donations			
Roshni Homes Trust		-	1,000,000
Alkhidmat Foundation Pakistan		-	995,000
		<u>-</u>	<u>1,995,000</u>
18 OTHER INCOME			
Gain on sale of fixed assets		-	6,090
Miscellaneous income		441,790	350,053
		<u>441,790</u>	<u>356,143</u>
19 FINANCIAL CHARGES			
Bank charges		716,691	4,386,325
		<u>716,691</u>	<u>4,386,325</u>
20 TAXATION AND TAX LEVIES			
Levies - final and minimum tax:			
-Final tax		-	-
-Minimum tax		5,532,830	-
Current tax levies		5,532,830	-
-Prior years levies		-	-
		<u>5,532,830</u>	<u>-</u>
Current taxation:			
- For the year		-	92,814,872
- Prior year		(647,376)	(1,505,710)
Deferred Tax		(1,159,108)	1,255,995
		<u>3,726,346</u>	<u>92,565,157</u>
21 EARNINGS PER SHARE - BASIC AND DILUTED			
Profit after taxation	Rupees	8,975,523	201,312,335
Weighted average number of shares	Number	12,000,000	12,000,000
Earnings per share - basic and diluted	Rupees	0.75	16.78

Diluted earning per share

The Company has not issued any instrument carrying options which would have a dilutive impact on earnings per share, when exercised, therefore, the earnings per share and diluted earnings per share remain the same.

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIALS STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

22 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

DESCRIPTION	INTEREST / MARK UP BEARING			NON INTEREST / MARK-UP BEARING			TOTAL	
	Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	Dec-24	Jun-24
FINANCIAL ASSETS	RUPEES							
Long term investments	-	183,181,007	183,181,007	-	-	-	183,181,007	186,567,352
Long term deposits	-	-	-	-	19,454,760	19,454,760	19,454,760	9,706,434
Trade deposits and short term prepayments	-	-	-	55,818,316	-	55,818,316	55,818,316	38,015,983
Bank balances	-	-	-	351,978,524	-	351,978,524	351,978,524	1,061,030,377
	-	183,181,007	183,181,007	407,796,840	19,454,760	427,251,600	610,432,607	1,295,320,146
FINANCIAL LIABILITIES								
Trade and other payables	-	-	-	75,124,759	-	75,124,759	75,124,759	96,889,443
	-	-	-	75,124,759	-	75,124,759	75,124,759	96,889,443

22.1 Financial Instruments and Financial risk management

The Company's activities are exposed to a variety of financial risks namely credit risk, interest rate risk, foreign exchange risk and liquidity risk. Overall, risks arising from the Company's financial instruments are limited. The Company manages its exposure to financial risk in the following manner:

22.1.1 Credit Risk

Credit risk represents the accounting loss that would be recognized at the reporting if counter parties fail to perform as contracted. The Company does not have any significant exposure to individual customer.

22.1.2 Interest Rate Risk

Interest rate risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of change in market interest rates.

The Company is exposed to interest rate risk on investment in GOP-Ijarah Sukuks. Investment in GOP-Ijarah Sukuk is at variable rates expose the Company to cash flow risk and borrowing is at fixed rate expose the Company to fair value interest rate risk. Significant interest rate risk exposures are primarily managed by a suitable mix of investments. At December 31, 2024, the Company's interest bearing financial assets amounted to Rs.183,181,007/- (June 2024: Rs.186,567,352/-).

At December 31, 2024, if the interest rate on the Company's investment had been 1% higher / lower with other variables held constant, profit before tax for the year would have been higher / (lower) by Rs.1,831,810/- (June 2024: Rs.1,865,674/-) mainly as a result of higher / (lower) interest income.

22.1.3 Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument shall fluctuate because of changes in foreign exchange rates.

The Company operates as a exchange company and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. The Company's exposure to foreign currency risk for cash and bank balances in foreign currency at the reporting date is as follows:

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIALS STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

	Dec-24			Jun-24		
	Quantity	Rate	5 % Variance*	Quantity	Rate	5 % Variance*
AED (UAE Dirham)	1,125,656.01	75.84	4,268,262	187,748.13	75.78	711,381
AUD (Australian Dollar)	27,205.00	173.24	235,655	3,315.00	184.61	30,599
AZN (Azerbaijani Manat)	283.00	140.00	1,981	782.00	140.00	5,474
BHD (Baharaini Dinar)	7,972.00	738.47	294,353	3,321.00	738.35	122,604
BRN (Brazilian Real)	1.00	15.00	1	47.00	14.51	34
CAD (Canadian Dollar)	30,380.00	193.78	294,353	10,400.00	203.01	105,567
CHF (Swiss Franc)	33,770.00	308.44	520,797	9,940.00	309.41	153,775
CNY (Chinese Yuan)	16,853.00	38.16	32,157	5,949.00	38.31	11,394
DKK (Danish Krone)	850.00	38.90	1,653	-	-	-
EGP (Egyptian Pound)	2,300.00	5.48	630			
EURO	222,136.98	288.57	3,205,103	40,986.06	297.69	610,049
GBP (Pound Sterling)	76,965.30	349.71	1,345,760	(25,273.70)	351.92	(444,717)
HKD (Hong Kong Dollar)	6,440.00	35.88	11,552	750.00	35.65	1,337
IQD (Iraqi Dinar)	2,775,000.00	0.21	29,498	75,000.00	0.79	2,944
JOD (Jordanian Dina)	10.00	392.74	196			
JPY (Japanese Yen)	3,037,000.00	1.78	270,809	438,000.00	1.73	37,883
KRW (South Korean Won)	639,000.00	0.19	6,019	161,000.00	0.20	1,624
KWD (Kuwaiti Dinar)	10,670.00	904.12	482,348	2,276.25	907.24	103,255
MAD (Moroccan Dirham)	400.00	15.00	300			
MYR (Malaysian Ringgit)	29,302.00	62.27	91,227	23,188.92	59.00	68,410
NZD (New Zealand Dollar)	20,200.00	156.87	158,434	110.00	168.91	929
OMR (Omani Ria)	62,483.00	723.47	2,260,225	4,232.39	722.94	152,987
PHP (Philippine peso)	(21,000.00)	4.78	(5,024)			
QTR (Qatari Rial)	23,373.00	76.39	89,268	8,679.00	76.35	33,131
SAR (Saudi Riyal)	5,202,627.84	74.14	19,286,558	895,180.00	74.19	3,320,881
SEK (Swedish Krona)	300.00	25.33	380	8,380.00	26.13	10,950
SGD (Singapore Dollar)	3,206.00	204.91	32,847	4,052.00	205.11	41,555
STP (Scotish Pound)	1,750.00	354.83	31,048	915.00	344.12	15,743
THB (Thai Baht)	21,760.00	8.14	8,852	39,120.00	7.56	14,794
TRL (Turkish Lira)	6,955.00	7.88	2,739	39,355.42	8.45	16,634
USD (US Dollar)	(346,025.0)	278.55	(4,819,263)	2,662,189.72	278.34	37,049,854
XOF	(103,509.0)	0.30	(1,553)	-	-	-
ZAR (South African Rand)	2,135.00	14.88	1,589	27,270.00	15.28	20,836
Total	12,916,450.11		28,138,755.31	4,626,913.19		42,199,906

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIALS STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

*At Decmeber 31, 2024, if the Pakistani Rupee had strengthened / weakened by 5% against above currencies with all other variables held constant, profit before tax for the year would have been higher / (lower) by the amount shown below mainly as a result of net foreign exchange gains / (losses) on translation of foreign denominated financial assets and liabilities.

22.1.4 Liquidity Risk

Liquidity risk is the risk that an enterprise will encounter difficulties in raising funds to meet commitments associated with financial instruments. Prudent liquidity risk management implies maintaining sufficient cash and bank balances and availability of funding through an adequate amount of committed credit facilities. The Company aims to maintain flexibility in funding by keeping committed credit lines available. Financial liabilities in accordance with their contractual maturities are presented below:

PARTICULARS	Dec-24			Jun-24		
	Carrying amount	Contractual cash flows	Less than 1 year	Carrying amount	Contractual cash flows	Less than 1 year
	-----Rs.-----			-----Rs.-----		
Trade and other payables	75,124,759	75,124,759	75,124,759	96,889,443	96,889,443	96,889,443
	<u>75,124,759</u>	<u>75,124,759</u>	<u>75,124,759</u>	<u>96,889,443</u>	<u>96,889,443</u>	<u>96,889,443</u>

22.2 Capital Risk Management

The company's prime objectives when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business. In order to maintain or adjust the capital structure, the company may adjust the amount of dividend paid to shareholders, issue new shares or sell assets to reduce debts. Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowing less cash and bank balances. Total capital is calculated as equity as shown in the balance sheet plus net debts. The gearing ratio as at period ended December 31, 2024 and June 30, 2024 are as follows:-

	Dec-24 Rupees	Jun-24 Rupees
Total borrowing	-	-
Total equity	<u>1,709,927,919</u>	<u>1,700,952,396</u>
Gearing ratio	<u>0%</u>	<u>0%</u>

22.3 Fair Value of Financial Instruments

The carrying amounts of financial assets and financial liabilities approximate their fair values.

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DOLLAR EAST EXCHANGE COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIALS STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

23 RELATED PARTY TRANSACTIONS

The related parties and associated undertakings comprise, associated companies, companies in which directors are interested, directors and key management personnel's. The Company in the normal course of business carries out transactions with various related parties. It has a policy whereby all transactions with related parties are entered into at arm's length prices. Remuneration of Chief Executive and Directors is disclosed in its relevant note. Other transactions with related parties during the period are as follows:-

Name of Related Party	Basis of Relationship	Nature of transaction	Shareholding	Dec-24 Rupees	Jun-24 Rupees
Muhammad Rizwan	CEO	Remuneration	-	1,833,540	4,841,997
Ihsan-ul-Haq Abbasi	Director	Remuneration	17.63%	3,600,000	7,200,000
Syed Irfan Hassan Gillani	Shareholder	-	14.63%	-	-
Syed Imtiaz ul Hassan Gillani	Director	-	21.84%	-	-
Mehfooz ur Rehman	Shareholder	-	19.29%	-	-
Hafeez-ur-Rehman	Director	Remuneration	26.61%	3,600,000	7,200,000
Roshni Homes Trust	Common Management	Donation		-	1,000,000
Chain Designer (Pvt.) Limited	Common Shareholders	Rent		663,575	1,717,286

24 NUMBER OF EMPLOYEES

Number of employees at the end of the year
Average number of employees during the year

Dec-24 Number **Jun-24 Number**

536	517
536	510

25 CORRESPONDING FIGURES

Corresponding figures have been re-arranged and re-classified wherever necessary, for the purpose of better comparison. Following reclassifications have been made:

26 DATE OF AUTHORIZATION OF ISSUE

The financial statements were authorized for issue by the Board on 26 March 2025.

27 GENERAL

-Figures have been rounded off to the nearest rupee.

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CHIEF EXECUTIVE OFFICER


DIRECTOR