

KP Securities (Pvt) Limited
Un-Audited Financial Statements
For the Period Ended
31 December 2023

KP SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

		Un-Audited Dec-2023	Jun-2023
	Note	----- Pak Rupees -----	
Non-Current Assets			
Property and equipment	7	163,252	177,413
Intangible asset	8	2,500,000	2,500,000
Long-term investments	9	37,434,867	37,434,867
Long-term deposits	10	100,000	100,000
		40,198,119	40,212,280
Current Assets			
Loan and advances	11	9,057,145	9,553,145
Deposits	12	300,601	300,601
Income tax - net	13	837,085	583,089
Cash and bank balances	14	582,936	33,010
		10,777,767	10,469,845
		<u>50,975,886</u>	<u>50,682,125</u>
Equity and Liabilities			
Share capital and reserves			
Share capital	15	37,419,100	37,419,100
Unappropriated profit		13,445,798	13,002,905
		50,864,898	50,422,005
Current Liabilities			
Trade and other payables	16	110,988	260,120
Provision for taxation	17	-	-
		110,988	260,120
Contingencies and commitments	18	-	-
		<u>50,975,886</u>	<u>50,682,125</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Executive Officer

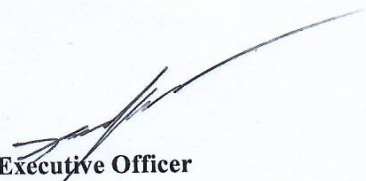


Director

KP SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2023

		Un-Audited	
		Dec-23	Jun-23
	Note	----- Pak Rupees -----	
Revenue		-	-
Unrealized gain/(loss) on investments		-	5,644,362
		-	5,644,362
Operating and administrative expenses	19	(1,272,344)	(2,403,151)
Operating profit		(1,272,344)	3,241,211
Bank charges		-	2,250
Other income and losses	20	1,715,237	1,202,635
Profit before taxation		442,893	4,446,096
Tax expense	21	-	(177,524)
Profit for the year		442,893	4,268,572

The annexed notes from 1 to 28 form an integral part of these financial statements.


Chief Executive Officer




Director

KP SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

	Un-Audited	
	Dec-23	Jun-23
Note	----- Pak Rupees -----	
Profit for the year	442,893	4,268,572
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	<u>442,893</u>	<u>2,116,251</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.


Chief Executive Officer

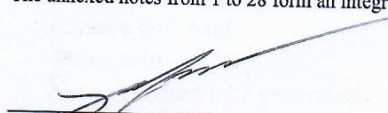



Director

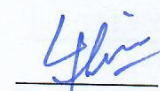
KP SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

	Share Capital	Unappropriated profit/(loss) - Revenue Reserve	Total
	----- Pak Rupees -----		
Balance as at 30 June 2023	37,419,100	13,002,905	50,422,005
Profit/(loss) for the year	-	442,893	442,893
Other comprehensive income/(loss) for the period	-	-	-
Balance as at 31 Dec 2023	37,419,100	13,445,798	50,864,898

The annexed notes from 1 to 28 form an integral part of these financial statements.


 Chief Executive Officer




 Director

KP SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

		Un-Audited	
		Dec-23	Jun-23
	Note	----- Pak Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		442,893	4,446,096
Adjustments:			
Depreciation and impairment		14,161	41,194
Interest Income		(21,928)	(252,915)
Finance cost -		-	2,438
Dividend income		(1,693,309)	(1,092,487)
Unrealized Gain		-	(5,644,362)
Operating cash flow before working capital changes		(1,258,183)	(2,500,036)
Changes in:			
Advances and other receivables		496,000	(3,427,000)
Deposits and prepayments		-	5,300
Other		-	(101,203)
Trade payables		(149,132)	61,063
		346,868	(3,461,840)
Cash flows (used in) / generated from operations		(911,315)	(5,961,876)
Proceeds from net sales of / (acquisition of) short-term investments			
Interest Received		21,928	252,915
Dividend received		1,693,309	1,092,487
Finance cost paid		-	(2,438)
Taxes paid		(253,996)	(168,871)
Net cash (used in) / generated from operating activities		549,927	(4,787,783)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term deposits		-	400,000
Advance against issue of shares		-	(6,000,000)
Net cash (used in) / generated from financing activities		-	(5,600,000)
Net (decrease)/increase in cash and cash equivalents		549,927	(10,387,783)
Cash and cash equivalents at the beginning of the period		74,361	10,261,130
Cash and cash equivalents at the end of the period	14	624,287	74,361

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Executive Officer



Director

KP SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

KP Securities (Private) Limited (the "Company") was incorporated in Pakistan on June 20, 2007 as a private limited company under the Companies Ordinance, 1984. The Company's registered office is situated at Islamabad Stock Exchange Tower. The Company is principally engaged in the business of investment advisory, purchase and sale of securities, financial consultancy, brokerage, underwriting, portfolio management and securities research.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of: International Financial Reporting Standards for Small and Medium Sized Entities (SMEs) 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

2.1 Change of Accounting Framework

The accounting framework for the preparation of financial has been changed from International Financial reporting standard to International Financial Reporting Standards (IFRS) for Small and Medium Entities (SMEs) issued by IASB. This change has no effect on the measurement of assets and liabilities except the investment at fair value through other comprehensive income (FVTOCI) has been reclassified to fair value through profit or loss (FVTPL), resultantly the fair value reserve through other comprehensive income has also been reclassified to fair value gain through profit or loss as mentioned below:

	2023	2023
Decrease in Unrealized surplus on remeasurement of investments measured at FVOCI	-	-
Increase in Unappropriated Profit	-	-

3 USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods in other cases. Judgments made by management in the application of approved accounting standards that may have a significant effect on the financial statements and estimates with significant risk of material adjustment in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgement was exercised in application of accounting policies are as follows:

- (i) Estimates of useful lives and residual values of items of property, plant and equipment;
- (ii) Estimates of useful lives of intangible assets;
- (iii) Provision against doubtful debts;
- (iv) Classification, recognition, measurement / valuation of financial instruments; and
- (v) Provision for taxation

KP SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

4 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except where disclosed otherwise.

4.1 Property and equipment

Items of property and equipment are stated at cost less accumulated depreciation (if any) and impairment losses (if any). Cost includes expenditure that is directly attributable to the acquisition of the items.

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. Where such subsequent costs are incurred to replace parts and are capitalized, the carrying amount of replaced parts is derecognized. All other repair, maintenance and day-to-day servicing expenditures are charged to the profit and loss account during the year in which they are incurred.

Depreciation on all items of property and equipment is calculated using the reducing balance method in accordance with the rates specified in note 7 to these financial statements and after taking into account residual value, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged on an asset from when the asset is available for use until the asset is disposed of.

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

The Company reviews the useful life and residual value of property, plant and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on depreciation charge and impairment.

4.2 Intangible assets

Intangible assets with indefinite useful lives, including Trading Right Entitlement Certificate ("TREC"), are stated at cost less accumulated impairment losses, if any. An intangible asset is considered as having an indefinite useful life when, based on an analysis of all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortized. However, it is tested for impairment at each balance sheet date or whenever there is an indication that the asset may be impaired. Gains or losses on disposal of intangible assets, if any, are recognized in the profit and loss account during the year in which the assets are disposed of.

4.3 Financial Instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument and assets and liabilities are stated initially at cost which is the fair value of consideration given or received. The financial assets are subsequently measured at fair value, amortized cost or cost as the case may be with classifications into i) at fair value through profit or loss (FVTPL) and ii) at amortized cost. Subsequently:

i) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

ii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in Statement of Profit or loss. Currently, there are no financial liabilities designated at FVTPL.

KP SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

4.3.1 Impairment of financial assets

there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably. The impairment loss is

4.3.2 Derecognition of financial instruments

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset 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. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability. The Company de-recognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

4.4 Taxation

Current

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using rates enacted or substantively enacted at the reporting date, and takes into account tax credits, exemptions and rebates available, if any. The charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessments framed / finalized during the year. The charge for current tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Deferred

Deferred tax is recognized using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is calculated using rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the balance sheet date.

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. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefits will be realized. Deferred tax is not recognized on temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

Deferred tax is charged or credited to the income statement, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

The Company takes into account current income tax law and decisions taken by tax authorities. In instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the relevant amounts are disclosed as contingent liabilities.

KP SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

4.5 Cash and cash equivalents

Cash and cash equivalents are carried at cost and include cash in hand, balances with banks in current and deposit accounts.

4.6 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost using the effective interest method. They are classified as current if payment is due within twelve months of the reporting date, and as non-current otherwise.

4.7 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. The amount recognized represents the best estimate of the expenditure required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

4.8 Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses. Revenue is recognized on the following basis:

- Brokerage and commission income is recognized when brokerage services are rendered
- Dividend income is recognized when the right to receive the dividend is established.
- Underwriting commission (if any) is recognized when the agreement is executed. Take-up commission is recognized at the time the commitment is fulfilled.
- Return on deposits is recognized using the effective interest method.
- Income on fixed term investments is recognized using the effective interest method.
- Gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which they arise.
- Unrealized capital gains / (losses) arising from marking to market financial assets classified as financial assets at fair value through profit or loss are included in profit and loss during the period in which they arise.
- Income / profit on exposure deposits is recognized using the effective interest rate.

4.9 Foreign currency transactions and translation

Monetary assets and liabilities in foreign currencies are translated into functional currency at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are translated into functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in income.

4.10 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency.

4.11 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the Board of Directors, it is in the interest of the Company to do so.

KP SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

7 PROPERTY AND EQUIPMENT

2023	As at 1 July 2023	Cost Additions/ (Deletions)	Accumulated Depreciation				Written down value as at 31 Dec 2023	Rate of Depreciation
			As at 31 Dec 2023	As at 1 July 2023	For the year	As at 31 Dec 2023		
					Pak Rupees			
Computer equipment	85,750	-	85,750	77,175	1,286	78,461	7,289	0.3
Furniture and fixtures	513,000	-	513,000	352,655	12,026	364,681	148,319	0.15
Vehicles	36,000	-	36,000	27,506	849	28,356	7,644	0.2
	634,750	-	634,750	457,337	14,161	471,498	163,252	

KP SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

		Un-Audited Dec-23	Jun-23
	Note	----- Pak Rupees -----	
8 INTANGIBLE ASSET			
Trading Right Entitlement Certificate ("TREC")	8.1	2,500,000	2,500,000
		<u>2,500,000</u>	<u>2,500,000</u>

- 8.1** Pursuant to the Stock Exchange (Corporatization, Demutualization and Integration) Act, 2012, stock exchanges operating as guarantee limited companies were converted to public limited companies. Ownership rights in exchanges were segregated from the right to trade on an exchange. As a result of such demutualization and corporatization, the Company received shares of the relevant exchange and a Trading Rights Entitlement Certificate ("TREC") against its membership card.

The TREC has been recorded as an indefinite-life intangible asset pursuant to the provisions and requirements of IAS 38. As the TREC is not a commonly tradable instrument, the value approved by the Board of Directors of the Pakistan Stock Exchange Limited ("PSX") post-mutualization was used as the initial value of the intangible. The TREC, which has been pledged with the PSX to meet Base Minimum Capital ("BMC") requirements, is assessed for impairment in accordance with relevant approved accounting standards.

		Un-Audited Dec-23	Jun-23
	Note	----- Pak Rupees -----	
9 LONG-TERM INVESTMENTS			
Investments available for sale			
ISE Towers Reit Management Limited - opening balance		31,790,505	31,790,505
Adjustment for remeasurement to fair value		<u>5,644,362</u>	<u>5,644,362</u>
ISE Towers Reit Management Limited (unquoted) - fair value	9.1	<u>37,434,867</u>	<u>37,434,867</u>

9.1

As a result of the demutualization and corporatization of stock exchanges as detailed in note 8.1, the Company received 3,034,603 shares of ISE Towers REIT Management Limited. Of these, 60% (1,820,762 shares) were held in a separate Central Depository Company Limited ("CDC") sub-account, blocked until they are sold to strategic investors, financial institutions and/or the general public. The remaining shares (40% of total, or 1,123,842 shares) were allotted to the Company which have been sold during the financial year 2019 and resultantly company hold 1,820,762 shares at year end. The related deferred tax has not been provided on unrealized gain since the market value taken here is break up value as per accounts of investee and its real market value is not available however some recent transactions these shares privately have been made at below cost.

These shares are neither listed on any exchange nor are they actively traded. As a result, fair value has been estimated by reference to the latest break-up or net asset value per share of these shares notified by ISE Towers REIT Management Limited (PKR 20.56 / per share, compared to PKR 17.46/per share as at June 30, 2022).

These shares of ISE Towers REIT Management Limited are pledged with the PSX to meet BMC requirements. The related deferred tax has not been provided on unrealized gain since the market value taken here is break up value as per accounts of investee and its real market value is not available however some recent transactions these shares privately have been made at below cost.

KP SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

FOR THE YEAR ENDED DECEMBER 31, 2023

		Un-Audited Dec-23	Jun-23
	Note	Pak Rupees	
10 LONG TERM DEPOSITS			
Central Depository Company Limited	10.1	100,000	100,000
		100,000	100,000
10.1 This represents security deposit held with Central Depository Company.			
		Un-Audited Dec-23	Jun-23
	Note	Pak Rupees	
11 LOANS AND ADVANCES			
Staff advances - unsecured, considered good		5,000	11,000
Receivables from Related party :			
-From directors - net	11.1	9,052,145	9,542,145
		9,057,145	9,553,145
11.1 Receivables from Related party :			
Receivable from the director	11.2	11,416,094	11,416,094
Payable to director	11.3	(2,363,949)	(1,873,949)
		9,052,145	9,542,145
11.2 This amount includes the agreed price for sale of 1,213,841 shares of "ISE Tower RIET Management Company Limited" @ Rs 12/- share collectively held in the CDC account to Mr Muhammad Fayyaz Ali in financial year 2019.			
11.3 This represents payments received from Director for office expenses.			
		Un-Audited Dec-23	Jun-23
	Note	Pak Rupees	
12 DEPOSITS			
Security deposit with NCCPL		196,700	196,700
Margin deposit with NCCPL		103,901	103,901
		300,601	300,601
12.1 This represents amount deposited against exposure with National Clearing Company of Pakistan Limited.			
		Un-Audited Dec-23	Jun-23
	Note	Pak Rupees	
13 INCOME TAX REFUNDABLE			
Balance at the beginning of the year		583,089	580,261
Add: Current year additions		253,996	180,352
		837,085	760,613
Less: Adjustment against provision for taxation		-	(177,524)
Balance at the end of the year		837,085	583,089
14 CASH AND BANK BALANCES			
Cash in hand		3,931	300
Cash at bank:			
Current accounts	14.1	16,239	16,239
Savings accounts	14.2	562,766	16,471
		579,005	32,710
		582,936	33,010
14.1 Cash in current accounts includes customers' assets in the amount of PKR Nil held in designated bank accounts.			
14.2 These carry interest rate of 13.5%.			

KP SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

FOR THE YEAR ENDED DECEMBER 31, 2023		Un-Audited	
	Note	Dec-23	Jun-23
		----- Pak Rupees -----	
15 SHARE CAPITAL			
15.1	Authorized capital		
	1,000,000 (2023: 1,000,000) ordinary shares of PKR 100/ each.	100,000,000	100,000,000
15.2	Issued, subscribed and paid-up share capital		
	374,191 (2023: 374,191) ordinary shares of PKR 100/- each, issued for cash	37,419,100	37,419,100
		<u>37,419,100</u>	<u>37,419,100</u>

15.3 Shareholders holding 5% or more of total shareholding

	Number of Shares		Percentage	
	2023	2022	2023	2022
Mr. Muhammad Fayyaz Ali	346,012	346,012	92%	92%
Mr. Mubashir Nazir	22,095	22,095	6%	6%

15.4 All shares carry equal voting, dividend and bonus rights.

16.7. All shares carry equal voting rights and bonus rights.

	Note	Un-Audited	
		Dec-23	Jun-23
		----- Pak Rupees -----	
16 TRADE AND OTHER PAYABLES			
Accrued expenses		105,988	99,037
Auditor's remuneration payable		5,000	160,000
Other payables		-	1,083
		110,988	260,120

17 PROVISION FOR TAXATION

Provision for taxation have been recorded on the basis of the minimum tax because of accumulated losses. No deferred tax asset has been recored over the accumulated losses because of the uncertainty regarding the future income to realize the tax benifts.

18 CONTINGENCIES AND COMMITMENTS

There are no contingencies or commitments of the Company as at December 31, 2023 (2022: Nil)

KP SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	Un-Audited Dec-23	Un-Audited Jun-23
		----- Pak Rupees -----	
19 ADMINISTRATIVE EXPENSES			
Staff salaries, allowances and other benefits		344,000	657,000
Rent, rates and taxes		446,551	838,530
Postage and courier expense		-	1,550
Printing and stationery		1,660	3,850
Software license fee		47,250	103,950
NCCPL charges		-	18,296
PSX charges		60,584	84,373
Legal and professional charges		21,700	20,850
Entertainment		10,245	27,697
Auditors' remuneration	19.1	-	150,000
Utilities		270,656	424,060
Travelling expenses		3,650	14,460
Fee and subscription		50,025	-
Depreciation	7	14,161	34,095
Misc. expenses		1,862	24,440
		<u>1,272,344</u>	<u>2,403,151</u>
19.1 Auditor's remuneration			
Statutory audit		-	150,000
Certifications and other charges		-	-
		-	150,000

2023: This includes expense of last year audit fee amounting to Rs 100,000/- as well as expense for current year amounting to Rs 100,000/- and accrued accordingly.

	Note	Un-Audited Dec-23	Un-Audited Jun-23
		----- Pak Rupees -----	
20 OTHER INCOME AND LOSSES			
Dividend income		1,693,309	1,183,495
Miscellaneous income		-	12,988
Profit on bank balances		21,928	6,152
		<u>1,715,237</u>	<u>1,202,635</u>
21 TAXATION			
Current tax		-	177,524

No deferred tax asset is being charged due to uncertainty over the future operating results of the entity.

22 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including benefits, to the chief executive and directors of the Company as per the terms of their employment are as follows:

	Un-Audited Dec-23		Un-Audited Jun-23	
	Remuneration	Number of persons	Remuneration	No. of Persons
Chief Executive	-	1	-	1
Directors	-	3	-	3

KP SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

24 EVENTS AFTER REPORTING PERIOD

No events occurred after the reporting period that would require adjustment or disclosure in the financial statements.

25 NUMBER OF EMPLOYEES

Total number of employees at the end of year was 02 (2023: 02). Average number of employees was 02 (2023: 02).

26 CAPITAL ADEQUACY

	Un-Audited	
	Dec-23 Pak Rupees	Jun-23 Pak Rupees
Total Assets	50,975,886	50,682,125
Less: Total Liabilities	110,988	260,120
Less: Revaluation Reserves (created upon revaluation of fixed assets)		-
Capital Adequacy Level	<u>50,864,898</u>	<u>50,422,005</u>

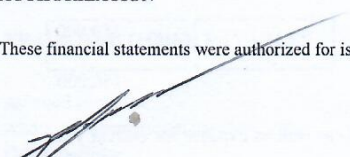
26.1 While determining the value of the total assets of the Company, the notional value as at December 31, 2023 of the TREC held by the Company has been considered.

27 GENERAL

Amounts have been rounded off to the nearest rupee, unless otherwise stated.

28 AUTHORIZATION

These financial statements were authorized for issue on 31 Jun 2024 by the Board of Directors of the Company.


Chief Executive Officer




Director