

2nd QUARTERLY REPORT  
for the Quarter & Half Year  
ended December 31, 2015

**BRAINS SECURITIES (PRIVATE) LIMITED**

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### CHAIRMAN

Chaudhary Zahid Hussain

### CHIEF EXECUTIVE

Chaudhary Zahid Hussain

### DIRECTORS

Chaudhary Zahid Hussain  
Mr. Muhammad Rizwan Zafar Khan

### AUDITORS

Phinehas & Co  
Chartered Accountants

### LEGAL ADVISOR

Mian Asghar Mahmood

### BANKERS

Habib Bank Limited

### REGISTERED OFFICE

Room # 613 & 614 6th floor LSE Plaza  
19-khayaban-e-aiwan-e-Iqbal Lahore  
Lahore.  
Tel: +92-42-36300161-3  
Website: [www.brainssecurities.com](http://www.brainssecurities.com)  
Emai: [info@brainssecurities.com](mailto:info@brainssecurities.com)



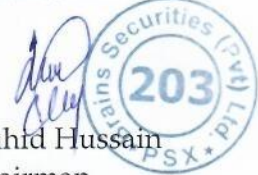
## DIRECTORS' REVIEW

I am pleased to present the interim financial results of the Company for the six months and quarter ended 31 December, 2015.

This was the 2nd quarter in which the Company did not start commercial operations.

I would like to commend and acknowledge, on behalf of the Board, the devotion and hard work of our employees and all other stakeholders in creating Brains Securities (Pvt) Ltd. what it is today.

For and on behalf of the Board



Chaudhary Zahid Hussain  
Chairman

Lahore  
January 26, 2016

**BRAINS SECURITIES (PVT) LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2015 (Unaudited)**

	(Un-audited) December 31, 2015 Rupees	(Audited) June 30, 2015 Rupees
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property and equipment	911,496	-
Intangible assets	5,300,666	-
Long term deposits	1,431,727	-
Long term investments	9,538,207	-
	17,182,096	-
<b>CURRENT ASSETS</b>		
Trade debts	213,310	-
Trade deposits ,short term prepayments and current account balance with statutory authorities	10,709	-
Cash and bank balances	4,877,394	-
	5,101,413	-
	<b>22,283,509</b>	<b>-</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorized Share Capital		
100,000 ordinary shares of Rs.100 each.	10,000,000	-
Issued, Subscribed and Paid up Capital		
100,000 ordinary shares of Rs.100 each.	10,000,000	-
Capital Reserve	8,227,940	-
Accumulated loss	(866,833)	-
	17,361,107	-
Share Deposit Money	261,910	-
Director's Loan	4,448,464	-
	22,071,481	-
<b>CURRENT LIABILITIES</b>		
Trade and other payables	212,028	-
	212,028	-
<b>CONTINGENCIES AND COMMITMENTS</b>		
	-	-
	<b>22,283,509</b>	<b>-</b>

The annexed notes form an integral part of the condensed interim financial information.

  
  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**BRAINS SECURITIES (PVT) LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2015 (Unaudited)**

	Half Year ended December 31		Quarter ended December 31	
	2015 Rupees	2014 Rupees	2015 Rupees	2014 Rupees
Brokerage and commission	14,036	-	14,036	-
	14,036	0	14,036	-
Direct cost	8,038	0	8,038	0
	5,998	0	5,998	0
Operating expenses	872,831	0	304,947	0
Other income	0	0	0	0
	872,831	0	304,947	0
<b>PROFIT/(LOSS) FROM OPERATIONS</b>	<b>(866,833)</b>	<b>-</b>	<b>(298,949)</b>	<b>-</b>
Finance cost	0	0	0	0
<b>PROFIT/(LOSS) BEFORE TAXATION</b>	<b>(866,833)</b>	<b>0</b>	<b>(298,949)</b>	<b>0</b>
Taxation	0	0	0	0
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(866,833)</b>	<b>0</b>	<b>(298,949)</b>	<b>0</b>
<b>EARNING PER SHARE - BASIC AND DILUTED</b>	<b>(8.67)</b>	<b>-</b>	<b>(2.99)</b>	<b>-</b>

The annexed notes form an integral part of the condensed interim financial information.




CHIEF EXECUTIVE



DIRECTOR

**BRAINS SECURITIES (PVT) LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2015 (Unaudited)**

	Half Year ended December 31		Quarter ended December 31	
	2015	2014	2015	2014
	Rupees	Rupees	Rupees	Rupees
Profit/(Loss) for the period	(866,833)	-	(298,949)	-
Other comprehensive income/(loss) for the period	-	-	-	-
<b>Total comprehensive Profit/(loss) for the period</b>	<b>(866,833)</b>	<b>-</b>	<b>(298,949)</b>	<b>-</b>

The annexed notes form an integral part of the condensed interim financial information.

CHIEF EXECUTIVE



DIRECTOR

**BRAINS SECURITIES (PVT) LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2015 (Unaudited)**

	Note	Half year ended December 31	
		2015 Rupees	2014 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) before taxation		(866,833)	-
Adjustments of items not involving movements of cash:			
Depreciation		73,263	-
Amortization		13,335	-
		86,598	-
<b>Operating Cash Flows Before Working Capital Changes</b>		<b>(780,235)</b>	<b>-</b>
<b>(Increase) / Decrease in Working Capital</b>			
(Increase) / decrease in current assets			
Trade Debts		(213,310)	-
Loan and Advances		-	-
Trade deposits and short term prepayments		(10,709)	-
Increase / (decrease) in current liabilities			
Trade and other payables		212,028	-
		(11,991)	-
<b>Cash Generated From / (Used in) Operations</b>		<b>(792,226)</b>	<b>-</b>
Taxes paid		-	-
<b>Net cash Flows From Operating Activities</b>		<b>(792,226)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed Capital Expenditure		(984,760)	-
Intangible Assets		(5,314,000)	-
Long Term Deposits		(1,431,727)	-
Short Term Investment		(9,538,207)	-
<b>Net Cash Flows From Investing Activities</b>		<b>(17,268,694)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Share Capital		10,000,000	-
Capital Reserves		8,227,940	-
Share Deposit Money		261,910	-
Receipt / (Repayment) of Loan from Directors		4,448,464	-
<b>Net Cash Flows From Financing Activities</b>		<b>22,938,314</b>	<b>-</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>4,877,394</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>-</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>A</b>	<b>4,877,394</b>	<b>-</b>
<b>A Cash and Cash Equivalents</b>			
Cash and bank balances		4,877,394	-
		0	0

The annexed notes form an integral part of the condensed interim financial information.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

BRAINS SECURITIES (PVT) LIMITED  
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
 FOR THE HALF YEAR ENDED DECEMBER 31, 2015 (Unaudited)

	Paid up capital	Accumulated loss	Capital Reserve	Total
	----- (R u p e e s) -----			
Balance as at July 01, 2015	0	0	0	0
Share Capital	10,000,000	0	0	10,000,000
Loss After Taxation	0	(567,884)	0	(567,884)
Other Comprehensive Loss	0	0	0	0
Total Comprehensive Loss for the Period	0	(567,884)	0	(567,884)
Balance as at September 30, 2015	10,000,000	(567,884)	0	9,432,116
Capital Reserve			8,227,940	8,227,940
Loss After Taxation	0	(298,949)	0	(298,949)
Other Comprehensive Loss	0	0	0	0
Total Comprehensive Loss for the Period	0	(298,949)	0	(298,949)
Balance as at December 31, 2015	10,000,000	(866,833)	8,227,940	17,361,107

The annexed notes form an integral part of the condensed interim financial information.

  
 CHIEF EXECUTIVE
 





**BRAINS SECURITIES (PVT) LIMITED**  
**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2015 (Unaudited)**

**1 COMPANY AND ITS OPERATION**

The company was incorporated as Private Limited Company on July 24, 2015 under the Companies Ordinance, 1984. The company is engaged in the business of share brokerage and investment in securities. The registered office of the company is situated at Room No. 3-A, National Homes, D-Block, New Muslim Town, Near New Campus Bridge, Lahore.

The company is a holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited.

**2 STATEMENT OF COMPLIANCE**

This interim financial information of the Company for the quarter and half year ended December 31, 2015 has 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 (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Provision of and directives issued under the Companies Ordinance, 1984.

Where provisions of and directives issued under the Companies Ordinance, 1984 differ from the IFRS Standards, the provisions of and directives issued under the Companies Ordinance, 1984 have been followed.

This interim financial information is un-audited and is being submitted to shareholders, as required by the Companies Ordinance, 1984.

**3 BASIS OF PREPARATION**

This interim financial information does not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements.

The accounting policies adopted for the preparation of this interim financial information are same as those applied in the preparation of the annual financial statements of the Company.



#### 4 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, incomes and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended June 30, 2016.

#### 5 CONTINGENCIES AND COMMITMENTS

There has been no significant change in the contingencies since the date of preceding annual financial statements.

#### 6 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on January 26, 2016 by the Board of Directors of the Company.

#### 7 CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.



CHIEF EXECUTIVE



DIRECTOR