

2nd QUARTERLY REPORT
for the Quarter & Half Year
ended December 31, 2016

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

Amin Mudassar & 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
Emai: 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, 2016.

During the quarter, the Company's Brokerage Income increased as compared to the quarter ended December 31, 2015.

Profit after tax for the quarter is Rs. 1,320,988 as compared to the loss for the quarter ended December 31,, 2015, which was Rs.298,950.

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

Lahore
January 26, 2017


Chaudhary Zahid Hussain
Chairman



BRAINS SECURITIES (PVT) LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016 (Unaudited)

	(Un-audited)	(Audited)
	December	June 30,
	31, 2016	2016
	Rupees	Rupees
ASSETS		
NON CURRENT ASSETS		
Property and equipment	1,175,891	1,150,208
Intangible assets	5,279,768	5,294,300
Long term investments	9,538,207	9,538,207
Long term deposits	535,000	535,000
	16,528,866	16,517,715
CURRENT ASSETS		
Trade debts	7,559,006	1,016,990
Investment at fair value through profit and loss	214,060	467,208
Trade deposits ,short term prepayments and current account balance with statutory authorities	2,809,037	445,862
Cash and bank balances	4,290,529	4,556,065
	14,872,632	6,486,125
	31,401,499	23,003,840
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized Share Capital	10,000,000	10,000,000
100,000 ordinary shares of Rs.100 each.		
Issued, Subscribed and Paid up Capital	10,000,000	10,000,000
100,000 ordinary shares of Rs.100 each.		
Capital Reserve	8,227,940	8,227,940
Accumulated Profit/(Loss)	316,849	(1,120,257)
	18,544,789	17,107,683
Share Deposit Money	4,019,253	4,019,253
	22,564,042	21,126,936
Director's Loan	3,563,189	-
	26,127,231	21,126,936
CURRENT LIABILITIES		
Trade and other payables	5,274,268	1,876,904
	5,274,268	1,876,904
CONTINGENCIES AND COMMITMENTS		
	31,401,499	23,003,840

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, 2016 (Unaudited)

	Half Year ended December 31		Quarter ended December 31	
	2016 Rupees	2015 Rupees	2016 Rupees	2015 Rupees
Brokerage and commission	3,433,055	14,036	2,578,796	14,036
	3,433,055	14,036	2,578,796	14,036
Direct cost	963,270	8,038	812,797	8,039
	2,469,785	5,998	1,765,999	5,997
Operating expenses	1,448,295	872,831	851,877	304,947
Other income	(422,658)	0	(411,158)	0
	1,025,637	872,831	440,719	304,947
PROFIT/(LOSS) FROM OPERATIONS	1,444,148	(866,833)	1,325,280	(298,950)
Finance cost	7,042	0	4,292	0
PROFIT/(LOSS) BEFORE TAXATION	1,437,106	(866,833)	1,320,988	(298,950)
Taxation	0	0	0	0
PROFIT/(LOSS) FOR THE PERIOD	<u>1,437,106</u>	<u>(866,833)</u>	<u>1,320,988</u>	<u>(298,950)</u>
EARNING PER SHARE - BASIC AND DILUTED	<u>14.37</u>	<u>(8.67)</u>	<u>13.21</u>	<u>(2.99)</u>

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

CHIEF EXECUTIVE



DIRECTOR

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BRAINS SECURITIES (PVT) LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (Unaudited)

	Half Year ended December 31		Quarter ended December 31	
	2016 Rupees	2015 Rupees	2016 Rupees	2015 Rupees
Profit/(Loss) for the period	1,437,106	(866,833)	1,320,988	(298,950)
Other comprehensive income/(loss) for the period	-	-	-	-
Total comprehensive Profit/(loss) for the period	<u>1,437,106</u>	<u>(866,833)</u>	<u>1,320,988</u>	<u>(298,950)</u>

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, 2016 (Unaudited)

		Half year ended December 31	
	Note	2016 Rupees	2015 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before taxation		1,437,106	(866,833)
Adjustments of items not involving movements of cash:			
Depreciation		93,717	73,263
Amortization		14,531	13,335
Finance Cost		7,042	-
		115,290	86,598
Operating Cash Flows Before Working Capital Changes		1,552,396	(780,235)
(Increase) / Decrease in Working Capital			
(Increase) / decrease in current assets			
Trade Debts		(6,542,016)	(213,310)
Trade deposits and short term prepayments		(2,363,175)	(10,709)
Increase / (decrease) in current liabilities			
Trade and other payables		3,397,364	212,028
		(5,507,827)	(11,991)
Cash Generated From / (Used in) Operations		(3,955,431)	(792,226)
Finance Cost Paid		(7,042)	-
Net cash Flows From Operating Activities		(3,962,473)	(792,226)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed Capital Expenditure		(119,400)	(984,760)
Intangible Assets		0	(5,314,000)
Long Term Deposits		-	(1,431,727)
Short Term Investment		253,148	(9,538,207)
Net Cash Flows From Investing Activities		133,748	(17,268,694)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share Capital		-	10,000,000
Capital Reserves		-	8,227,940
Share Deposit Money		(331,772)	261,910
Director's Loan (Repayment)/Receipt		3,894,961	4,448,464
Net Cash Flows From Financing Activities		3,563,189	22,938,314
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(265,536)	4,877,394
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		4,556,065	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	A	4,290,529	4,877,394
A Cash and Cash Equivalents			
Cash and bank balances		4,290,529	4,877,394
		4,290,529	4,877,394

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, 2016 (Unaudited)

	Paid up capital	Accumulated loss	Capital Reserve	Share deposit money	Total
	----- (R u p e e s) -----				
Balance as at June 30, 2015	0	0	0	0	0
Share Capital	10,000,000	0	0	0	10,000,000
Capital Reserve	0	0	8,227,940	0	8,227,940
Loss After Taxation		(866,833)			(866,833)
Other Comprehensive Loss	0	0	0	0	0
Total Comprehensive Loss for the Period	0	(866,833)	0	0	(866,833)
Balance as at December 31, 2015	10,000,000	(866,833)	8,227,940	0	17,361,107
Balance as at June 30, 2016	10,000,000	(1,120,257)	8,227,940	4,019,253	21,126,936
Loss After Taxation	0	1,437,106	0	0	1,437,106
Other Comprehensive Loss	0	0	0	0	0
Total Comprehensive Loss for the Period	0	1,437,106	0	0	1,437,106
Balance as at December 31, 2016	10,000,000	316,849	8,227,940	4,019,253	22,564,042

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



 CHIEF EXECUTIVE


 DIRECTOR

BRAINS SECURITIES (PVT) LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (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, 2016 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 as at June 30, 2016.

The accounting policies adopted for the preparation of this interim financial information are same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2016.



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, 2017 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