

3RD QUARTERLY REPORT  
for the Quarter & Nine Months  
ended March 31, 2017

**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](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 quarter and nine months ended March 31, 2017.

During the quarter, the Company's Brokerage Income was much more than the quarter ended March 31, 2016.

Profit after tax for the quarter is Rs. 569,068 as compared to the loss of the quarter ended March 31, 2016, which was Rs.79,805.

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.

Lahore  
April 25, 2017

For and on behalf of the Board

  
Chaudhary Zahid Hussain  
Chairman



**BRAINS SECURITIES (PVT) LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2017 (Unaudited)**

	(Un-audited) March 31, 2017 Rupees	(Audited) June 30, 2016 Rupees
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property and equipment	1,130,372	1,150,208
Intangible assets	5,272,774	5,294,300
Long term investments	9,538,207	9,538,207
Long term deposits	535,000	535,000
	<u>16,476,353</u>	<u>16,517,715</u>
<b>CURRENT ASSETS</b>		
Trade debts	12,014,409	1,016,990
Investment at fair value through profit and loss	493,530	467,208
Trade deposits ,short term prepayments and current account balance with statutory authorities	973,941	445,862
Cash and bank balances	3,228,295	4,556,065
	<u>16,710,175</u>	<u>6,486,125</u>
	<u><b>33,186,528</b></u>	<u><b>23,003,840</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
<b>Authorized Share Capital</b>		
100,000 (June 30, 2016: 100,000) ordinary shares of Rs.100 each.	<u>10,000,000</u>	<u>10,000,000</u>
<b>Issued, Subscribed and Paid up Capital</b>		
100,000 (June 30, 2016: 100,000) ordinary shares of Rs.100 Capital Reserve	10,000,000	10,000,000
Accumulated Profit /(Loss)	8,227,940	8,227,940
	885,916	(1,120,257)
Share Deposit Money	19,113,856	17,107,683
	4,019,253	4,019,253
	<u>23,133,109</u>	<u>21,126,936</u>
Director's Loan	7,704,924	-
	<u>30,838,033</u>	<u>21,126,936</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	2,348,495	1,876,904
	<u>2,348,495</u>	<u>1,876,904</u>
<b>CONTINGENCIES AND COMMITMENTS</b>		
	-	-
	<u><b>33,186,528</b></u>	<u><b>23,003,840</b></u>

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 NINE MONTHS ENDED MARCH 31, 2017 (Unaudited)**

	Nine Months ended March 31		Quarter ended March 31	
	2017 Rupees	2016 Rupees	2017 Rupees	2016 Rupees
Brokerage and commission	5,435,383	182,640	2,002,328	168,604
	5,435,383	182,640	2,002,328	168,604
Direct cost	1,834,831	13,165	871,561	5,127
	3,600,552	169,475	1,130,767	163,477
Operating expenses	2,039,836	1,116,112	591,540	243,282
Other income	(453,591)	0	(30,933)	0
	1,586,245	1,116,112	560,607	243,282
<b>PROFIT/(LOSS) FROM OPERATIONS</b>	<b>2,014,307</b>	<b>(946,637)</b>	<b>570,160</b>	<b>(79,805)</b>
Finance cost	8,134	0	1,092	0
<b>PROFIT/(LOSS) BEFORE TAXATION</b>	<b>2,006,173</b>	<b>(946,637)</b>	<b>569,068</b>	<b>(79,805)</b>
Taxation	0	0	0	0
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>2,006,173</b>	<b>(946,637)</b>	<b>569,068</b>	<b>(79,805)</b>
<b>EARNING PER SHARE - BASIC AND DILUTED</b>	<b>20.06</b>	<b>(9.47)</b>	<b>5.69</b>	<b>(0.80)</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 NINE MONTHS ENDED MARCH 31, 2017 (Unaudited)**

	Nine Months ended March 31		Quarter ended March 31	
	2017	2016	2017	2016
	Rupees	Rupees	Rupees	Rupees
Profit /(Loss) Loss for the period	2,006,173	(946,637)	569,068	(79,805)
Other comprehensive income/(loss) for the period	-	-	-	-
<b>Total comprehensive loss for the period</b>	<u>2,006,173</u>	<u>(946,637)</u>	<u>569,068</u>	<u>(79,805)</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 NINE MONTHS ENDED MARCH 31, 2017 (Unaudited)

	Note	Nine Months ended March 31	
		2017 Rupees	2016 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) before taxation		2,006,173	(946,637)
Adjustments of items not involving movements of cash:			
Depreciation		139,236	109,138
Amortization		21,524	21,176
Finance Cost		8,134	-
		168,894	130,314
Operating Cash Flows Before Working Capital Changes		2,175,067	(816,323)
<b>(Increase)/Decrease in Working Capital</b>			
(Increase) / decrease in current assets			
Trade Debts		(10,997,419)	(1,544,239)
Trade deposits and short term prepayments		(528,079)	(261,773)
Increase / (decrease) in current liabilities			
Trade and other payables		471,591	1,572,864
		(11,053,907)	(233,148)
Cash Generated From / (Used in) Operations		(8,878,840)	(1,049,471)
Taxes paid		-	-
Finance Cost Paid		(8,134)	-
Net cash Flows From Operating Activities		(8,886,974)	(1,049,471)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed Capital Expenditure		(119,400)	(1,007,290)
Intangible Assets		-	(5,327,000)
Long Term Deposits		-	(670,000)
Investment at fair value through profit & loss		(26,322)	-
Long Term Investment		-	(9,538,207)
Net Cash Flows From Investing Activities		(145,722)	(16,542,497)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Share Capital		-	10,000,000
Capital Reserve		-	8,227,940
Share Deposit Money		-	259,961
Director's Loan		7,704,926	(246,536)
Net Cash Flows From Financing Activities		7,704,926	18,241,365
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(1,327,770)	649,397
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		4,556,065	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	A	3,228,295	649,397
<b>A Cash and Cash Equivalents</b>			
Cash and bank balances		3,228,295	649,397
		3,228,295	649,397

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

CHIEF EXECUTIVE



DIRECTOR

*M. Rizwan*

BRAINS SECURITIES (PVT) LIMITED  
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
 FOR THE NINE MONTHS ENDED MARCH 31, 2017 (Unaudited)

	Paid up capital	Accumulated loss	Capital Reserve	Share deposit money	Total
	----- (R u p e e s) -----				
Balance as at July 01, 2015	0	0	0	0	0
Share Capital Issued During the Period	10,000,000	0	0	0	10,000,000
Share Deposit Money	0	0	0	13,425	13,425
Capital Reserve	0	0	8,227,940	0	8,227,940
Loss After Taxation		(946,637)			(946,637)
Other Comprehensive Loss	0	0	0	0	0
Total Comprehensive Loss for the Period	0	(946,637)	0	0	(946,637)
Balance as at March 31, 2016	10,000,000	(946,637)	8,227,940	13,425	17,294,728
Balance as at July 01, 2016	10,000,000	(1,120,257)	8,227,940	0	17,107,683
Share Capital Issued During the Period	0	0	0	0	0
Profit After Taxation	0	2,006,173	0	0	2,006,173
Other Comprehensive Loss	0	0	0	0	0
Total Comprehensive Loss for the Period	0	2,006,173	0	0	2,006,173
Balance as at March 31, 2017	10,000,000	885,916	8,227,940	0	19,113,856

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 NINE MONTHS ENDED MARCH 31, 2017 (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 nine months ended March 31, 2017 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.

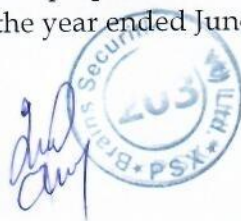
Where provisions of and directives issued under the Companies Ordinance, 1984 differ from the IFRS Standards, the provisions of and directives issued under the Companies Ordinance, 1984 have been followed.

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 April 25, 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