

QUARTERLY ACCOUNTS (Un-Audited)  
for the 1st Quarter ended  
30 September 2020

**BRAINS SECURITIES (PRIVATE) LIMITED**

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# 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  
Bank Al-Habib Limited

### REGISTERED OFFICE

Room # 613, LSE Building,  
19-Khayaban-e-Awan-e-Iqbal,  
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 ended 30th September, 2020.

During the quarter, the Company's Brokerage Income improved as compared to the quarter ended 30th September, 2019.

Profit after tax for the quarter is Rs. 5,018,286 as compared to the loss for the quarter ended 30th September, 2019, which was Rs.472,842.

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  
October 23, 2020

For and on behalf of the Board

  
Chaudhary Zahid Hussain  
Chairman



**BRAINS SECURITIES (PVT) LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2020 (Unaudited)**

(Audited)

	September 30, 2020 Rupees	June 30, 2020 Rupees
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property and equipment	2,056,083	2,117,596
Intangible assets	9,734,515	9,740,528
Long term investments	16,521,957	16,521,957
Long term deposits	1,500,000	1,500,000
	<b>29,812,555</b>	<b>29,880,080</b>
<b>CURRENT ASSETS</b>		
Trade debts	29,978,983	11,626,717
Trade deposits ,short term prepayments and current account balance with statutory authorities	11,203,977	6,793,546
Cash and bank balances	4,483,323	7,917,590
	<b>45,666,283</b>	<b>26,337,853</b>
	<b>75,478,838</b>	<b>56,217,933</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
<b>Authorized Share Capital</b>		
350,000 ordinary shares of Rs.100 each.	<b>35,000,000</b>	<b>35,000,000</b>
<b>Issued, Subscribed and Paid up Capital</b>		
350,000 ordinary shares of Rs.100 each.	35,000,000	35,000,000
Accumulated loss	(6,162,721)	(11,181,007)
Fair Value Adjustment Reserve	15,211,690	15,211,690
	44,048,969	39,030,683
Director's Loan	1,183,000	1,183,000
	<b>45,231,969</b>	<b>40,213,683</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	30,246,869	16,004,250
	30,246,869	16,004,250
<b>CONTINGENCIES AND COMMITMENTS</b>		
	-	-
	<b>75,478,838</b>	<b>56,217,933</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 QUARTER ENDED SEPTEMBER 30, 2020 (Unaudited)**

	Quarter ended September 30	
	2020	2019
	Rupees	Rupees
Brokerage and commission	7,980,344	2,110,986
	7,980,344	2,110,986
Direct cost	2,092,288	528,708
	5,888,056	1,582,278
Operating expenses	914,501	2,154,257
Other income	(47,587)	(100,297)
	866,914	2,053,960
<b>PROFIT/(LOSS) FROM OPERATIONS</b>	5,021,142	(471,682)
Finance cost	2,856	1,160
<b>PROFIT/(LOSS) BEFORE TAXATION</b>	5,018,286	(472,842)
Taxation	0	0
<b>PROFIT /(LOSS) FOR THE PERIOD</b>	5,018,286	(472,842)
<b>EARNING PER SHARE - BASIC AND DILUTED</b>	14.34	(1.35)

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 QUARTER ENDED SEPTEMBER 30, 2020 (Unaudited)**

	Quarter ended September 30	
	2020	2019
	Rupees	Rupees
Loss for the period	5,018,286	(472,842)
Other comprehensive income/(loss) for the period	-	-
<b>Total comprehensive loss for the period</b>	<u>5,018,286</u>	<u>(472,842)</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 QUARTER ENDED SEPTEMBER 30, 2020 (Unaudited)**

	Note	Quarter ended September 2020 Rupees	2019 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) before taxation		5,018,286	(472,842)
<b>Adjustments of items not involving movements of cash:</b>			
Depreciation		61,512	61,704
Amortization		6,013	6,681
Finance Cost		2,856	1,160
		70,381	69,545
<b>Operating Cash Flows Before Working Capital Changes</b>		<b>5,088,667</b>	<b>(403,297)</b>
<b>(Increase) / Decrease in Working Capital</b>			
(Increase) / decrease in current assets			
Trade Debts		(18,352,266)	(15,566,341)
Trade deposits and short term prepayments		(4,410,431)	217,500
Increase / (decrease) in current liabilities			
Trade and other payables		14,242,619	12,368,137
		(8,520,078)	(2,980,704)
<b>Cash Generated From / (Used in) Operations</b>		<b>(3,431,411)</b>	<b>(3,384,001)</b>
Taxes paid		-	(7,484)
Finance Cost Paid		(2,856)	(1,160)
<b>Net cash Flows From Operating Activities</b>		<b>(3,434,267)</b>	<b>(3,392,645)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Long Term Deposits		-	-
<b>Net Cash Flows From Investing Activities</b>		<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Director's Loan		-	-
<b>Net Cash Flows From Financing Activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(3,434,267)</b>	<b>(3,392,645)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>7,917,590</b>	<b>4,654,404</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>A</b>	<b>4,483,323</b>	<b>1,261,759</b>
<b>A Cash and Cash Equivalents</b>			
Cash and bank balances		4,483,323	1,261,759
		4,483,323	1,261,759

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 QUARTER ENDED SEPTEMBER 30, 2020 (Unaudited)

	Paid up capital	Accumulated loss	Fair Value Adjustment Reserve	Share deposit money	Long Term Loan	Total
----- (R u p e e s) -----						
Balance as at June 30, 2017	10,000,000	(1,278,451)	9,324,718	12,500,000	1,183,000	31,729,267
Shared Issued During the Year	12,500,000	0	0	0	0	12,500,000
Share Deposit Money	0	0	0	(12,500,000)	0	(12,500,000)
Director's Loan	0	0	0	0	(800,000)	(800,000)
Loss After Taxation	0	(373,240)	0	0	0	(373,240)
Other Comprehensive Loss	0	0	0	0	0	0
Total Comprehensive Loss for the Period	0	(373,240)	0	0	0	(373,240)
Balance as at September 30, 2017	22,500,000	(1,651,691)	9,324,718	0	383,000	30,556,027
Balance as at July 01, 2018	35,000,000	(16,505,711)	6,735,887	0	1,183,000	26,413,176
Profit After Taxation	0	30,025	0	0	0	30,025
Other Comprehensive Loss	0	0	0	0	0	0
Total Comprehensive Loss for the Period	0	30,025	0	0	0	30,025
Balance as at September 30, 2018	35,000,000	(16,475,686)	6,735,887	0	0	26,443,201
Balance as at July 01, 2019	35,000,000	(13,194,714)	15,571,033	0	1,183,000	38,559,319
Loss After Taxation	0	(472,842)	0	0	0	(472,842)
Other Comprehensive Loss	0	0	0	0	0	0
Total Comprehensive Loss for the Period	0	(472,842)	0	0	0	(472,842)
Balance as at September 30, 2019	35,000,000	(13,667,556)	15,571,033	0	0	38,086,477
Balance as at July 01, 2020	35,000,000	(11,181,007)	15,211,690	0	1,183,000	40,213,683
Pfprofit After Taxation	0	5,018,286	0	0	0	5,018,286
Other Comprehensive Loss	0	0	0	0	0	0
Total Comprehensive Loss for the Period	0	5,018,286	0	0	0	5,018,286
Balance as at September 30, 2020	35,000,000	(6,162,721)	15,211,690	0	1,183,000	45,231,969

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 QUARTER ENDED SEPTEMBER 30, 2020 (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 # 613, LSE Building, 19-Khayaban-e-Awan-e-Iqbal, 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 ended September 30, 2020 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 Act, Provision 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.

This interim financial information is un-audited and is being submitted to shareholders, as required by the Companies Act, 2017.

**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, 2020.

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, 2020.



#### 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, 2020.

#### 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 authorized for issue on October 23, 2020 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