



FIRST IMROOZ MODARABA

REPORT OF THE DIRECTORS OF THE
MODARABA MANAGEMENT COMPANY

The Board of Directors of A R Management Services (Private) Limited, the management company of First Imrooz Modaraba, are pleased to present their quarterly report alongwith unaudited interim financial statement for the third quarter ended March 31, 2008.

1. Financial Highlights and Review of Operations

The turnover during the period was Rs.267.197 million as compared to Rs.281.283 million for the corresponding period of 2007. Gross profit diminished by Rs.6.640 million as compared to last corresponding period mainly due to lesser margins on lowered sales and weakening of rupee against major foreign currencies. The operating expenses were 15.264 million as compared to 13.659 million of last corresponding period. However, other income of the Modaraba has grown by 53% from 1.748 million to 2.676 million. Provision for appreciation in value of investments is at Rs.0.584 million in current period as compared to Rs.0.343 million made during the corresponding period. For the third quarter ended March 31, 2008 the Modaraba's profit after tax is Rs. 8.878 million as compared to Rs.16.068 million for the corresponding period of 2007.

Owing to the after effects of the recently held election as well as the political uncertainty in the country during the last few months, the Modaraba expects its performance this year to be less than in previous years.

2. Acknowledgment

We express our thanks for the continued guidance extended by the Registrar Modaraba and other officials of Securities and Exchange Commission of Pakistan. We are also thankful to our colleagues, investors, bankers and business associates for their support and co-operation.

On behalf of the Board

Naveed Riaz
Chief Executive

April 18, 2008



FIRST IMROOZ MODARABA

CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2008

	March 31, 2008 Rupees (Un-audited)	June 30, 2007 Rupees (Audited)
NON CURRENT ASSETS		
Tangible fixed assets	6,982,464	5,041,285
Intangible assets	8,786	12,949
	<u>6,991,250</u>	<u>5,054,234</u>
CURRENT ASSETS		
Stock in trade	98,244,066	51,081,318
Trade debtors	33,032,702	37,611,575
Investments	3,605,002	4,612,984
Advances, deposits, prepayments & other receivables	2,261,741	1,237,222
Taxation	278,705	156,379
Cash & bank balances	13,208,961	45,180,399
	<u>150,631,177</u>	<u>139,879,877</u>
	<u>157,622,427</u>	<u>144,934,111</u>
CAPITAL AND RESERVES		
Authorized capital		
10,000,000 modaraba certificates of Rs. 10/- each	100,000,000	100,000,000
Issued, subscribed and paid up capital		
3,000,000 modaraba certificates of Rs. 10/- each	30,000,000	30,000,000
Statutory reserve	44,089,366	44,089,366
Unappropriated profit	11,352,863	21,974,723
	<u>85,442,229</u>	<u>96,064,089</u>
NON CURRENT LIABILITY		
Staff gratuity	4,173,243	3,573,990
CURRENT LIABILITIES		
Obligation under murabaha finances	32,566,265	-
Creditors, accrued and other liabilities	35,440,690	45,296,032
	<u>68,006,955</u>	<u>45,296,032</u>
	<u>157,622,427</u>	<u>144,934,111</u>

The annexed notes form an integral part of these financial statements.

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director



FIRST IMROOZ MODARABA

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THIRD QUARTER ENDED MARCH 31, 2008

	Nine Months ended		Quarter ended	
	Mar. 31, 2008	Mar. 31, 2007	Mar. 31, 2008	Mar. 31, 2007
	Rupees			
Sales	267,196,802	281,283,431	98,449,458	99,542,478
Cost of sales	<u>233,784,227</u>	<u>241,229,988</u>	<u>87,770,850</u>	<u>85,392,143</u>
Gross profit	33,412,575	40,053,443	10,678,608	14,150,335
Operating expenses	15,263,950	13,658,693	4,311,240	3,878,168
Operating profit	18,148,625	26,394,750	6,367,368	10,272,167
Other income	2,676,031	1,747,546	601,247	271,950
Unrealised appreciation / (diminution) on re-measurement of investments	584,097	343,293	(475,708)	669,197
	<u>21,408,753</u>	<u>28,485,589</u>	<u>6,492,907</u>	<u>11,213,314</u>
Modaraba company's management fee	1,498,613	1,993,991	454,504	784,932
Profit before taxation	19,910,140	26,491,598	6,038,403	10,428,382
Taxation	11,032,000	10,424,000	3,960,000	3,460,000
Profit for the period	<u>8,878,140</u>	<u>16,067,598</u>	<u>2,078,403</u>	<u>6,968,382</u>
Earnings per certificate - basic and diluted	2.96	5.36	0.69	2.32

The annexed notes form an integral part of these financial statements.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THIRD QUARTER ENDED MARCH 31, 2008

	Issued, Subscribed and paid up capital	Statutory Reserve	Unappro- riated Profit	Total
	Rupees			
Balance at June 30, 2006	30,000,000	39,092,680	17,587,979	86,680,659
Profit distribution for the year ended June 30, 2006 @ Rs. 5.20 per certificate	-	-	(15,600,000)	(15,600,000)
Profit for the period - July 06 to Mar. 07	-	-	16,067,598	16,067,598
Balance at March 31, 2007	30,000,000	39,092,680	18,055,577	87,148,257
Profit for the period - Apr. 07 to June 07	-	-	8,915,832	8,915,832
Transfer to statutory reserve	-	4,996,686	(4,996,686)	-
Balance at June 30, 2007	30,000,000	44,089,366	21,974,723	96,064,089
Profit distribution for the year ended June 30, 2007 @ Rs. 6.50 per certificate	-	-	(19,500,000)	(19,500,000)
Profit for the period - July 07 to Mar. 08	-	-	8,878,140	8,878,140
Balance at March 31, 2008	<u>30,000,000</u>	<u>44,089,366</u>	<u>11,352,863</u>	<u>85,442,229</u>

The annexed notes form an integral part of these financial statements.

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director



FIRST IMROOZ MODARABA

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THIRD QUARTER ENDED MARCH 31, 2008

	Mar. 31, 2008 Rupees	Mar. 31 2007 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	19,910,140	26,491,598
Adjustments:		
Depreciation on tangible fixed assets	2,052,670	1,739,571
Amortization of intangible assets	4,163	5,661
Gain on disposal of fixed assets	(953,238)	(1,017,872)
Gain on sale of investments	(326,226)	(49,970)
Dividend Income	(69,247)	(314,801)
Unrealized appreciation on re-measurement of investments	(584,097)	(343,293)
Provision for staff gratuity	679,753	599,253
	<u>20,713,918</u>	<u>27,110,147</u>
(Increase)/Decrease in current assets		
Stock in trade	(47,162,748)	5,055,620
Trade debtors	4,578,873	(2,397,558)
Advances, deposits, prepayments & other receivables	(1,024,519)	(191,345)
	<u>(43,608,394)</u>	<u>2,466,717</u>
Decrease in current liabilities		
Creditors, accrued and other liabilities	(10,443,598)	(32,534,180)
Cash used in operations	<u>(33,338,074)</u>	<u>(2,957,316)</u>
Taxes paid	(11,154,326)	(10,495,093)
Gratuity paid	(80,500)	(393,757)
Dividend paid	(18,911,745)	(14,916,174)
Net cash used in operating activities	<u>(63,484,645)</u>	<u>(28,762,340)</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(4,351,410)	(1,576,890)
Purchase of intangible assets	-	(12,000)
Proceeds from disposal of tangible assets	1,310,800	1,150,700
Dividend received	69,247	314,801
Investments - net	1,918,305	(432,340)
Net cash used in investing activities	<u>(1,053,058)</u>	<u>(555,729)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Murabaha finances obtained from a bank	32,566,265	9,779,853
Qard-e-Hasna from modaraba management company	-	2,000,000
Net cash generated from financing activities	<u>32,566,265</u>	<u>11,779,853</u>
Net decrease in cash and bank balances A+B+C	<u>(31,971,438)</u>	<u>(17,538,216)</u>
Cash and bank balances at the beginning of the period	45,180,399	22,566,604
Cash and bank balances at the end of the period	<u>13,208,961</u>	<u>5,028,388</u>

The annexed notes form an integral part of these financial statements.

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director



FIRST IMROOZ MODARABA

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THIRD QUARTER ENDED MARCH 31, 2008

1. LEGAL STATUS AND NATURE OF BUSINESS

First Imrooz Modaraba (the Modaraba) was formed on 27 September 1993 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Rules framed thereunder and is managed by A R Management Services (Private) Limited. The Modaraba commenced its commercial operations from March 01, 1994. The Modaraba is listed on the Karachi Stock Exchange.

It is a multi purpose, perpetual modaraba and is mainly engaged in domestic and international trading activities.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the requirements of the Modaraba Companies and Modaraba (Floatation & Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan ["the Modaraba Regulations"] together with approved accounting standards as applicable in Pakistan to Modarabas. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the provisions of the Companies Ordinance, 1984 and made applicable to Modarabas. Wherever the requirements of "the Modaraba Regulations" differ from the requirements of these standards, the requirements of "the Modaraba Regulations" take precedence.

These financial statements are un-audited and have been prepared in all material respects in accordance with the requirements of International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan and being submitted to the Certificate holders as required by Rule 10 of the Modaraba Companies and Modaraba Rules, 1981.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these financial statements are the same which were applied for the preparation of financial statements for the year ended June 30, 2007.

4. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors of the Modaraba Management Company and authorized for issue on April 18, 2008.

5. GENERAL

These financial statements are presented in Pak Rupees, which is the Modaraba's functional and presentation currency. Amounts have been presented and rounded off to the nearest rupees.

Corresponding figures have been rearranged and/or reclassified, wherever necessary, for the purpose of comparison. However no significant rearrangement/reclassification has been made.

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director

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QUARTERLY ACCOUNTS
(un-audited)

For the period ended March 31, 2008



FIRST IMROOZ MODARABA

Managed by:
A R Management Services (Private) Limited