

QUARTERLY ACCOUNTS

(un-audited)

For the first quarter ended September 30, 2008



FIRST IMROOZ MODARABA

Managed by
A R Management Services (Private) Limited



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 along with unaudited financial statements for the first quarter ended September 30, 2008.

1. Financial Highlights

Financial results of the Modaraba are summarized as under:

	(Rupees in million)	
	Three months ended	
	30-Sept-08	30-Sept-07 Restated
Sales	125.265	78.329
Gross profit	14.638	10.657
Operating expenses	5.747	6.479
Other income	0.505	0.700
Diminution on re-measurement of investments	(1.130)	(0.101)
Profit for the quarter	5.431	1.664

2. Review of Operations

During the first quarter the Modaraba's turnover increased by 60% that is from Rs.78.329 million to Rs.125.625 million as compared to the same period last year. Similarly, the gross profit increased by 37% from Rs.10.657 million to Rs.14.638. Furthermore, the Modaraba has decreased its operating expenses from Rs.6.479 million to Rs.5.747 million and recorded diminution on re-measurement of investments of Rs.1.130 million as against diminution of Rs.0.101 million recorded in the corresponding period.

As a result, the Modaraba's profit after tax was Rs.5.431 million as compared to Rs.1.664 million for the corresponding period.

3. Acknowledgment

The Board wishes to express its thanks for continued guidance and support extended by the Registrar Modaraba and other officials of Securities and Exchange Commission of Pakistan. The Board also wishes to thank its certificate holders, colleagues, investors, bankers and business associates for their continued support and co-operation.

on behalf of the Board

Naveed Riaz

Chief Executive

October 22, 2008



FIRST IMROOZ MODARABA

BALANCE SHEET AS AT SEPTEMBER 30, 2008

	Note	Sept. 30, 2008 Rupees (Un-audited)	June 30, 2008 Rupees (Audited)
NON CURRENT ASSETS			
Tangible fixed assets		6,784,802	6,623,924
Intangible assets		113,511	122,399
		<u>6,898,313</u>	<u>6,746,323</u>
CURRENT ASSETS			
Stock in trade		131,302,226	102,735,769
Trade debtors		56,421,131	36,461,074
Advances, deposits, prepayments & other receivables		1,210,077	959,566
Investments		1,346,252	2,475,985
Taxation		690,547	747,896
Cash & bank balances		15,550,434	57,749,835
		<u>206,520,667</u>	<u>201,130,125</u>
		<u>213,418,980</u>	<u>207,876,448</u>
CAPITAL AND RESERVES			
Authorized capital 10,000,000 Modaraba Certificates of Rs. 10/- each		<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid up capital 3,000,000 Modaraba Certificates of Rs. 10/- each		30,000,000	30,000,000
Statutory reserve		47,122,826	47,122,826
Revenue reserve		8,750,994	15,319,974
		<u>85,873,820</u>	<u>92,442,800</u>
NON CURRENT LIABILITY			
Staff gratuity		5,350,366	4,860,584
CURRENT LIABILITIES			
Obligation under murabaha finances		30,751,807	22,319,390
Creditors, accrued and other liabilities		79,442,987	88,253,674
Profit distribution		12,000,000	-
		<u>122,194,794</u>	<u>110,573,064</u>
CONTINGENCIES AND COMMITMENTS 4			
		<u>213,418,980</u>	<u>207,876,448</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

PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2008

	Jul. to Sep. 2008 Rupees	Jul. to Sep. 2007 Rupees Restated
Sales	125,265,377	78,329,527
Cost of sales	<u>110,627,446</u>	<u>67,672,288</u>
Gross profit	14,637,931	10,657,239
Operating expenses	<u>5,746,661</u>	<u>6,478,861</u>
Operating profit	8,891,270	4,178,378
Other income	504,877	700,432
Diminution on re-measurement of investments	<u>(1,129,733)</u>	<u>(100,817)</u>
	8,266,414	4,777,993
Modaraba Company's management fee	<u>661,313</u>	<u>334,460</u>
Profit before taxation	7,605,101	4,443,533
Taxation	<u>2,174,081</u>	<u>2,780,245</u>
Profit for the period	<u>5,431,020</u>	<u>1,663,288</u>
Earnings per certificate - Basic	<u>1.81</u>	<u>0.55</u>

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

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2008

	Issued, Subscribed and paid up capital	Statutory Reserve	Revenue Reserve (Unappropriated Profit)	Total
	Rupees			
Balance at June 30, 2007 as previously reported	30,000,000	44,089,366	21,974,723	96,064,089
Effect of change in accounting policy for taxation	-	-	711,412	711,412
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 Sept. 07	-	-	1,663,288	1,663,288
Balance at September 30, 2007 as restated	<u>30,000,000</u>	<u>44,089,366</u>	<u>4,849,423</u>	<u>78,938,789</u>
Profit for the period Oct. 07 to Jun. 08	-	-	13,504,011	13,504,011
Transfer to statutory reserve	-	3,033,460	(3,033,460)	-
Balance at June 30, 2008	<u>30,000,000</u>	<u>47,122,826</u>	<u>15,319,974</u>	<u>92,442,800</u>
Profit distribution for the year ended June 30, 2008 @ Rs. 4.00 per certificate	-	-	(12,000,000)	(12,000,000)
Profit for the period July 08 to Sept. 08	-	-	5,431,020	5,431,020
Balance at September 30, 2008	<u>30,000,000</u>	<u>47,122,826</u>	<u>8,750,994</u>	<u>85,873,820</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

CASH FLOW STATEMENT (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2008

	Sept. 30, 2008 Rupees	Sept. 30, 2007 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	7,605,101	4,443,533
Adjustments:		
Depreciation on tangible fixed assets	572,122	606,497
Amortization of intangible assets	8,888	1,388
Gain on sale of investments	-	(161,175)
Diminution on re-measurement of investments	1,129,733	100,817
Provision for staff gratuity	489,782	199,751
	<u>2,200,525</u>	<u>747,278</u>
	9,805,626	5,190,811
Changes in operating assets and liabilities (Increase) / Decrease in current assets		
Stock in trade	(28,566,457)	(19,240,698)
Trade debtors	(19,960,057)	2,096,219
Advances, deposits, prepayments & other receivables	(250,511)	(2,701,060)
	<u>(48,777,025)</u>	<u>(19,845,539)</u>
(Decrease) / Increase in current liabilities creditors, accrued and other liabilities	<u>(8,810,687)</u>	<u>20,124,646</u>
Cash generated from operations	<u>(47,782,086)</u>	<u>5,469,918</u>
Taxes paid	<u>(2,116,733)</u>	<u>(3,959,460)</u>
Net cash (used in) / generated from operating activities	<u>(49,898,819)</u>	<u>1,510,458</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(733,000)	(1,772,430)
Investments - net	-	1,795,675
Net cash (used in) / generated from investing activities	<u>(733,000)</u>	<u>23,245</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from murabaha finance	30,751,800	-
Repayment of murabaha finance	(22,319,382)	-
Net cash generated from financing activities	<u>8,432,418</u>	<u>-</u>
Net (decrease) / increase in cash and bank balances A+B+C	<u>(42,199,401)</u>	<u>1,533,703</u>
Cash and bank balances at the beginning of the period	<u>57,749,835</u>	<u>45,180,399</u>
Cash and bank balances at the end of the period	<u><u>15,550,434</u></u>	<u><u>46,714,102</u></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 FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 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 & Modaraba (Floatation & Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities & 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 International Accounting Standard 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, 2008.

4. CONTINGENCIES AND COMMITMENTS

Contingencies in respect of post dated cheques to Collector of Customs amounting to Rs. 39,958,732 (June 30, 2008: Rs. 19,508,715).

Commitments in respect of outstanding letters of credit for trading stock amounting to Rs. 4,923,598 (June 30, 2008: Rs. 11,969,171).

5. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors of the Modaraba Management Company and authorized for issue on October 22, 2008.

6. 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 rupee.

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director

If undelivered, please return to:

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