

# QUARTERLY ACCOUNTS

(un-audited)

For the period ended September 30, 2017



FIRST IMROOZ MODARABA

Managed by  
A R Management Services (Private) Limited



## FIRST IMROOZ MODARABA

### REPORT OF THE DIRECTORS

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 financial statements for the first quarter ended on September 30, 2017.

#### 1. Financial Highlights

Financial results of the Modaraba are summarized as under:-

	(Rupees in million)	
	30-Sep-17	30-Sep-16
Sales	189,444	154,767
Gross profit	35,318	24,605
Operating expenses	15,847	13,925
Other income	0.465	0.438
Profit for the quarter	10,905	3,558
<b>Earnings per certificate - basic &amp; diluted</b>	<b>(Rupees) 3.64</b>	<b>1.19</b>

#### 2. Review of Operations

Alhamdulillah, the turnover of Modaraba for this quarter increased to Rs. 189,444 million as against Rs. 154,767 million of the corresponding quarter. Gross Profit also increased to Rs. 35,318 million as compared to Rs. 24,605 million of the corresponding quarter.

Other income for this quarter is Rs. 0.465 million as against Rs. 0.438 million of the corresponding quarter.

As a result, the Modaraba recorded a profit of Rs. 10,905 million as against Rs. 3,558 million of the corresponding quarter.

#### 3. Acknowledgement

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, bankers, business partners and the employees of the Modaraba for their continued support and co-operation.

on behalf of the Board

**Naveed Riaz**  
Chief Executive

October 24, 2017



## FIRST IMROOZ MODARABA

### ڈائریکٹرز رپورٹ

فہرست امروڑ منڈاربا کی انتظامی کمیٹی نے آرہنڈمنٹ سروسرز (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز منڈاربا کی سہ ماہی رپورٹ ہمہ پہلے سے ماہ اختتام 30 ستمبر 2017 کے غیر آڈیٹڈ مالی حسابات کے ساتھ پیش کرتے ہیں۔

### نمایاں مالیاتی نکات

منڈاربا کے مالیاتی نتائج مندرجہ ذیل ہیں:

30-Sep-16	30-Sep-17	
	(ملین روپوں میں)	
154.767	189.444	فروخت اشیاء
24.605	35.318	مجموعی منافع
13.925	15.847	آپریٹنگ اخراجات
0.438	0.465	دیگر آمدنی
3.558	10.905	سہ ماہی منافع
1.19	3.64	نی کس سرٹیفکیٹ آمدنی (بنیادی اور تحلیل شدہ) روپے

### کارکردگی کا جائزہ

الہذا اس سہ ماہی میں منڈاربا کی اشیاء کی فروخت 189.444 ملین روپے تک رہی جبکہ اسکے مقابلے میں پچھلے دورانیے میں یہ فروخت 154.767 ملین روپے تھی۔ اس کی مناسبت سے مجموعی منافع 35.318 ملین روپے تک رہا، جب کہ اس کے مقابلے پچھلی مدت کے دوران مجموعی منافع 24.605 ملین روپے تھا۔

دیگر آمدنی اس مدت میں 0.465 ملین روپے رہی جب کہ گزشتہ مدت میں یہ 0.438 ملین روپے تھی۔

نتیجاً منڈاربا کا خاص منافع سہ ماہی اختتام پہ 10.905 ملین روپے رہا، جو کہ گزشتہ مقابل مدت پہ 3.558 ملین روپے تھا۔

### اعتراف

بورڈ اس موقع پر جسٹرار منڈاربا اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے دیگر حکام کی مسلسل رہنمائی اور مدد کے لئے اپنے تشکر کا اظہار کرتا ہے۔ بورڈ اس کے علاوہ اپنے سرٹیفکیٹ مالکان اور حقانے کار، سرمایہ کاروں، بینکاروں اور کاروباری پارٹنروں کی رہنمائی اور خصوصاً منڈاربا کے تمام ملازمین کی انتھک محنت اور لگن کے لئے ان سب کا شکر گزار ہے۔

منجانب بورڈ

نوید ریاض

چیف ایگزیکٹو

24 اکتوبر، 2017



## FIRST IMROOZ MODARABA

### CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2017

	September 30, 2017 Rupees (Un-audited)	June 30, 2017 Rupees (Audited)
<b>NON CURRENT ASSETS</b>		
Property and equipment	11,368,767	12,008,848
Intangible assets	1,211,597	1,337,993
Long term deposits	381,352	381,352
	<u>12,961,716</u>	<u>13,728,193</u>
<b>CURRENT ASSETS</b>		
Stock in trade	367,458,747	258,027,759
Trade debtors	77,729,664	83,996,800
Advances, deposits, prepayments and other receivable	2,878,697	2,423,971
Taxation	5,149,750	5,174,807
Cash & bank balances	9,114,650	7,427,068
	<u>462,331,508</u>	<u>357,050,405</u>
	<u>475,293,224</u>	<u>370,778,598</u>
<b>CAPITAL AND RESERVES</b>		
Authorised 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 certificate capital	30,000,000	30,000,000
Statutory reserve	73,064,543	73,064,543
Revenue reserve	15,312,773	34,407,488
	118,377,316	137,472,031
<b>NON-CURRENT LIABILITY</b>		
Defined Benefit Plan - Staff gratuity	19,297,226	21,263,114
<b>CURRENT LIABILITIES</b>		
Obligation under murabaha finances	37,692,990	34,371,227
Qard-e-Hasana from modaraba management company	53,300,000	34,300,000
Creditors, accrued and other liabilities	216,625,692	143,372,226
Profit distribution	30,000,000	-
	337,618,682	212,043,453
<b>CONTINGENCIES AND COMMITMENTS</b>		
4	<u>475,293,224</u>	<u>370,778,598</u>

The annexed notes from 1 to 6 form an integral part of this condensed interim financial information

Naveed Riaz  
Chief Executive

Ameed Riaz  
Director

Mrs. Saadat Ikram  
Director



## FIRST IMROOZ MODARABA

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	Jul - Sep 2017 Rupees	Jul - Sep 2016 Rupees
Sales	189,444,216	154,767,058
Cost of sales	<u>154,126,282</u>	<u>130,162,117</u>
Gross profit	35,317,934	24,604,941
Operating expenses	<u>15,846,808</u>	<u>13,924,968</u>
Operating profit	19,471,126	10,679,973
Murabaha charges	(686,671)	(632,149)
Other income	<u>465,089</u>	<u>438,664</u>
Profit before taxation	19,249,544	10,486,488
Taxation	<u>8,344,259</u>	<u>6,928,341</u>
Profit for the period	10,905,285	3,558,147
Other Comprehensive Income	-	-
Total comprehensive income	<u>10,905,285</u>	<u>3,558,147</u>
Earnings per certificate - basic & diluted	<u>3.64</u>	<u>1.19</u>

The annexed notes from 1 to 6 form an integral part of this condensed interim financial information

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	Issued, subscribed and paid up certificate capital	Statutory reserve	Revenue reserve (un- appropriated profit)	Total
	Rupees			
Balance at June 30, 2016	30,000,000	71,399,574	38,773,073	140,172,647
Profit distribution for the year ended June 30, 2016 @ Rs. 12.00 per certificate	-	-	(36,000,000)	(36,000,000)
Comprehensive income for the period: July 16 to Sept 16				
Profit for the period	-	-	3,558,147	3,558,147
Other comprehensive income	-	-	-	-
Balance as at September 30, 2016	30,000,000	71,399,574	6,331,220	107,730,794
Comprehensive income for the period: Oct 16 to Jun 17				
Profit for the period	-	-	29,741,237	29,741,237
Other comprehensive income	-	-	-	-
	30,000,000	71,399,574	36,072,457	137,472,031
Transfer to statutory reserve	-	1,664,969	(1,664,969)	-
Balance at June 30, 2017	30,000,000	73,064,543	34,407,488	137,472,031
Profit distribution for the year ended June 30, 2017 @ Rs. 10.00 per certificate	-	-	(30,000,000)	(30,000,000)
Comprehensive income for the period: July 17 to Sept 17				
Profit for the period	-	-	10,905,285	10,905,285
Other comprehensive income	-	-	-	-
Balance as at September 30, 2017	<u>30,000,000</u>	<u>73,064,543</u>	<u>15,312,773</u>	<u>118,377,316</u>

The annexed notes from 1 to 6 form an integral part of this condensed interim financial information

Naveed Riaz  
Chief Executive

Ameed Riaz  
Director

Mrs. Saadat Ikram  
Director



## FIRST IMROOZ MODARABA

### CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	Sept. 30, 2017 Rupees	Sept. 30, 2016 Rupees
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	19,249,544	10,486,488
Adjustments:		
Depreciation on property and equipment	899,012	898,260
Amortization of intangible assets	126,396	161,842
Murabaha charges	686,671	632,149
Provision for staff gratuity	668,739	668,740
Gain on disposal of property and equipment	(437,886)	-
	<u>1,942,932</u>	<u>2,360,991</u>
	21,192,476	12,847,479
Changes in operating assets and liabilities		
Increase in current assets		
Stock in trade	(109,430,988)	(60,330,127)
Trade debtors	6,267,136	30,268,058
Advances, deposits, prepayments and other receivables	(454,726)	(1,695,228)
	<u>(103,618,578)</u>	<u>(31,757,297)</u>
Increase / (Decrease) in current liabilities		
Creditors, accrued and other liabilities	73,204,741	(21,534,141)
Cash used in operations	<u>(9,221,361)</u>	<u>(40,443,959)</u>
Murabaha charges paid	(637,946)	(578,939)
Taxes paid	(8,319,202)	(9,209,115)
Staff Gratuity paid	(2,634,628)	-
Net cash used in operating activities	<u>(20,813,137)</u>	<u>(50,232,013)</u>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(476,044)	(171,575)
Proceeds from disposal of property and equipment	655,000	-
Net cash generated from / (used in) investing activities	<u>178,956</u>	<u>(171,575)</u>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Qard-e-Hasana obtained from modaraba management company	57,000,000	22,000,000
Qard-e-Hasana repaid to modaraba management company	(38,000,000)	-
Proceeds from murabaha finances	37,692,991	36,442,418
Repayment of murabaha finances	(34,371,228)	(37,002,487)
Net cash generated from financing activities	<u>22,321,763</u>	<u>21,439,931</u>
Net increase / (decrease) in cash and bank balances A+B+C	1,687,582	(28,963,657)
Cash and bank balances at the beginning of the period	7,427,068	61,300,889
Cash and bank balances at the end of the period	<u>9,114,650</u>	<u>32,337,232</u>

The annexed notes from 1 to 6 form an integral part of this condensed interim financial information

Naveed Riaz  
Chief Executive

Ameed Riaz  
Director

Mrs. Saadat Ikram  
Director



## FIRST IMROOZ MODARABA

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

#### 1. LEGAL STATUS AND NATURE OF BUSINESS

First Imrooz Modaraba (the Modaraba) was formed on September 27, 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 Pakistan Stock Exchange Limited.

The principal place of the business of the Modaraba is situated at room No. 405, 4th floor, Beaumont Plaza, Beaumont Road, Civil Line Quarters, Karachi, in the province of Sindh.

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 and 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 (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP), 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. The disclosures made in this condensed interim financial information have however been limited, based on the requirements of International Accounting Standard 34, 'Interim Financial Reporting'.

This condensed interim financial information is un-audited and has 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 this condensed interim financial information are the same which were applied for the preparation of financial statements for the year ended June 30, 2017.

#### 4. CONTINGENCIES AND COMMITMENTS

##### 4.1 Contingencies

- a. The Modaraba has issued post dated cheques to the Collector of Customs amounting to Rs. 155.814 million (June 30, 2017 : Rs. 103.857 million) on account of custom dues / taxes on goods at bonded warehouse.
- b. There is no change in the status of WWF as reported in note 18.1 to the published financial statements of the Modaraba for the year ended June 30, 2017.

##### 4.2 Commitments

Commitments in respect of outstanding letters of credit (LC) for trading stock amounting to Rs. 9.043 million (June 30, 2017 : Rs. 7.905 million).

#### 5. APPROVAL OF FINANCIAL STATEMENTS

This condensed interim financial information was approved by the Board of Directors of the Modaraba Management Company and authorized for issue on October 24, 2017.

#### 6. GENERAL

This condensed interim financial information is 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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