



**FIRST  
ELITE  
CAPITAL  
MODARABA**

Half Yearly Report  
December 31, 2010  
(Un-Audited)

Managed by  
**CRESCENT MODARABA MANAGEMENT  
COMPANY LIMITED**



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## FIRST ELITE CAPITAL MODARABA

### **CORPORATE INFORMATION**

#### **BOARD OF DIRECTORS OF MODARABA MANAGEMENT COMPANY**

Mr. Muneeb Ahmed Dar	Chairman
Mr. Aamir Iftikhar Khan	Chief Executive
Dr. Sardar Ahmad Khan	Director
Mr. Ghazanfar Farrokh	Director
Mr. Muhammad Javed Amin	Director
Mrs. Rukhsana Javed Amin	Director
Mrs. Shahana Javed Amin	Director

#### **AUDIT COMMITTEE**

Mr. Muneeb Ahmed Dar	Chairman
Mr. Aamir Iftikhar Khan	Member
Mr. Muhammad Javed Amin	Member
Mrs. Shahana Javed Amin	Member

#### **COMPANY SECRETARY**

Mr. Muhammad Arif Hilal

#### **LEGAL ADVISOR**

Mr. Haq Nawaz Chattha,  
International Legal Services

#### **AUDITORS OF THE MODARABA**

Rahman Sarfaraz Rahim Iqbal Rafiq  
Chartered Accountants

#### **BANKERS OF THE MODARABA**

Allied Bank Limited  
Askari Bank Limited  
Habib Bank Limited  
KASB Bank Limited  
Samba Bank Limited  
Silk Bank Limited

#### **PRINCIPAL & REGISTERED OFFICE**

31/10-A, Abu Baker Block, New Garden Town,  
Lahore - Pakistan.

Tel : (042) 35913701, 35913702

Fax : (042) 35913703

E-mail : fecm@nexlinx.net.pk

#### **REGISTRAR**

Hassan Farooq Associates (Pvt.) Limited  
7-G, Mushtaq Ahmad Gormani Road,  
Gulberg - II, Lahore.

Tel : 042-35761661-35761662

Fax : 042-35760521



## FIRST ELITE CAPITAL MODARABA

### **DIRECTORS' REPORT**

#### **Valued Certificate Holders**

The Board of Directors of **Crescent Modaraba Management Company Limited**, Managers of **First Elite Capital Modaraba** are pleased to present the reviewed financial statements of the Modaraba for the half year ended December 31, 2010.

#### **Operation's & Performance**

	<b>December 31 2010 Rupees</b>	December 31 2009 Rupees
Total Income	<b>25,333,277</b>	23,151,637
Amortization of assets leased out	<b>13,514,463</b>	12,651,071
Administrative and general expenses	<b>6,678,095</b>	5,466,825
Financial charges	<b>4,250</b>	7,144
Total Expenses	<b>20,196,808</b>	18,125,040
Operating Profit	<b>5,136,469</b>	5,026,597
Management Fee	<b>513,647</b>	502,660
Profit before taxation	<b>4,622,822</b>	4,523,937
Taxation	-	-
Profit after taxation	<b>4,622,822</b>	4,523,937

During the period under review, the Modaraba has earned a net profit of Rs.4,622,822/= as compared to a profit of Rs.4,523,937/= during the corresponding period of last year which is slightly better. The Management of your Modaraba is mainly focusing on Murabahah and Ijarah and is hope full to show better results in the period to come.

The Board thanks the Regulatory Authorities for their continuous guidance and cooperation and places on record its appreciation of the services rendered by the staff members of their hard work.

On behalf of the Board

**AAMIR IFTIKHAR KHAN**  
CHIEF EXECUTIVE

Lahore  
February 17, 2011



## FIRST ELITE CAPITAL MODARABA

### **REVIEW REPORT TO THE MEMBERS**

#### **Introduction**

We have reviewed the accompanying condensed interim balance sheet of **First Elite Capital Modaraba** ("the Modaraba") as of December 31, 2010, and the related profit and loss account, statements of other comprehensive income, cash flows and changes in equity for the six months period then ended, and a summary of significant accounting policies and other explanatory notes (here-in-after collectively referred to as "the interim financial information"). Management is responsible for the preparation and fair presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan and the requirements of Companies Ordinance, 1984. Our responsibility is to express a conclusion on this interim financial information based on our review.

#### **Scope of Review**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity." A review of interim financial information consist of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the Modaraba as at December 31, 2010, and of its financial performance and its cash flows for the six month period then ended in accordance with approved accounting standards as applicable in Pakistan.

The figures for the quarter ended December 31, 2010 in the condensed interim profit and loss account and condensed interim statement of other comprehensive income have not been reviewed and we do not express opinion on them.

**RAHMAN SARFARAZ RAHIM IQBAL RAFIQ**  
Chartered Accountants

**Engagement Partner: IRFAN RAHMAN MALIK**

Date: February 17, 2011  
Place: LAHORE



## FIRST ELITE CAPITAL MODARABA

### CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2010

NOTE	December 31, 2010 Rupees (Un-Audited)	June 30, 2010 Rupees (Audited)
<b>ASSETS</b>		
<b>Current assets</b>		
	Cash and bank balances	6,480,085
4	Short term investments	11,858,691
	Short term finances under murabahah arrangements - Secured	25,422,253
	Ijarah rentals receivable - Secured	1,113,243
	Profit receivable - Secured	1,045,127
	Advances, deposits, prepayments and other receivables	2,735,072
	Advance income tax	1,259,828
	<b>61,747,861</b>	<b>49,914,299</b>
<b>Non-current assets</b>		
	Long term finances under musharakah arrangements - Secured	9,065,500
	Long term finances under murabahah arrangements - Secured	11,612,638
5	Assets leased out under ijarah contracts	82,673,259
	Property and equipment	1,757,616
	<b>95,456,188</b>	<b>105,109,013</b>
	<b>Total assets</b>	<b>157,204,049</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
	Accrued and other liabilities	4,056,728
	Security deposits	5,974,736
	Management fee payable	813,359
	Unclaimed profit distribution	4,304,693
	<b>13,667,704</b>	<b>15,149,516</b>
<b>Non-current liabilities</b>		
	Security deposits	19,811,816
	Employees retirement benefits	2,382,202
	<b>24,492,616</b>	<b>22,194,018</b>
6	Contingencies and commitments	-
	<b>Total liabilities</b>	<b>37,343,534</b>
	<b>NET ASSETS</b>	<b>117,679,778</b>
<b>REPRESENTED BY</b>		
	Issued, subscribed and paid-up capital	113,400,000
7	Reserves	4,279,778
	<b>119,043,729</b>	<b>117,679,778</b>

The annexed notes from 1 to 14 form an integral part of these financial statements.

**Chairman**  
Crescent Modaraba  
Management Company  
Limited

**Chief Executive**  
Crescent Modaraba  
Management Company  
Limited

**Director**  
Crescent Modaraba  
Management Company  
Limited



## FIRST ELITE CAPITAL MODARABA

### CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED DECEMBER 31, 2010

	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2010 Rupees (Un-Audited)	December 31, 2009 Rupees (Un-Audited)	December 31, 2010 Rupees (Un-Audited)	December 31, 2009 Rupees (Un-Audited)
<b>INCOME</b>				
Income from ijarah financing	17,996,244	16,937,280	9,275,545	9,406,546
Profit on musharakah financing	454,298	455,048	226,799	227,499
Profit on murabahah financing	5,157,503	4,524,781	2,516,141	2,325,021
Return on investments	1,080,475	776,331	813,671	278,333
Other income	644,757	458,197	333,530	129,066
	<b>25,333,277</b>	<b>23,151,637</b>	<b>13,165,686</b>	<b>12,366,465</b>
<b>EXPENSES</b>				
Amortization of assets leased out	13,514,463	12,651,071	6,657,724	6,345,332
Administrative and general expenses	6,678,095	5,466,825	3,874,604	3,153,613
Financial charges	4,250	7,144	2,138	5,416
	<b>20,196,808</b>	<b>18,125,040</b>	<b>10,534,466</b>	<b>9,504,361</b>
<b>Operating profit</b>	<b>5,136,469</b>	<b>5,026,597</b>	<b>2,631,220</b>	<b>2,862,104</b>
Management fee	513,647	502,660	263,122	286,210
Profit before taxation	4,622,822	4,523,937	2,368,098	2,575,894
Taxation	-	-	-	-
<b>Profit after taxation</b>	<b>4,622,822</b>	<b>4,523,937</b>	<b>2,368,098</b>	<b>2,575,894</b>
<b>Earnings per certificate - basic and diluted</b>	<b>0.41</b>	<b>0.40</b>	<b>0.21</b>	<b>0.23</b>

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## FIRST ELITE CAPITAL MODARABA

### CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED DECEMBER 31, 2010

NOTE	HALF YEAR ENDED		QUARTER ENDED		
	December 31, 2010 Rupees (Un-Audited)	December 31, 2009 Rupees (Un-Audited)	December 31, 2010 Rupees (Un-Audited)	December 31, 2009 Rupees (Un-Audited)	
	4,622,822	4,523,937	2,368,098	2,575,894	
<b>Profit after taxation</b>					
<b>Other comprehensive income :</b>					
Changes in fair value of available for sale financial assets	4	2,411,129	3,200,072	2,114,178	541,512
Taxation relation to other comprehensive income	-	-	-	-	
<b>Total comprehensive income</b>	<b>7,033,951</b>	<b>7,724,009</b>	<b>4,482,276</b>	<b>3,117,406</b>	

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## FIRST ELITE CAPITAL MODARABA

### CONDENSED INTERIM CASH FLOW STATEMENT FOR THE HALF YEAR ENDED DECEMBER 31, 2010

	December 31, 2010 Rupees (Un-Audited)	December 31, 2009 Rupees (Un-Audited)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,622,822	4,523,937
Adjustments for non-cash items and other items	6,844,778	7,073,905
<b>Operating profit before changes in working capital</b>	<b>11,467,600</b>	<b>11,597,842</b>
Changes in working capital	6,406,629	(6,038,710)
<b>Cash generated from operations</b>	<b>17,874,229</b>	<b>5,559,132</b>
<b>(Payments)/receipts for</b>		
Profit on musharakah and murabahah finances	5,778,230	4,608,641
Taxes paid	(25,326)	(19,350)
<b>Net cash flow from operating activities</b>	<b>23,627,133</b>	<b>10,148,423</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(1,825,156)	(162,915)
Proceeds from sale of assets in own use	565,000	-
Purchase of short term investments	(12,920,597)	(4,918,039)
Proceeds from sale of short term investments	11,895,556	5,748,875
Assets leased out	(14,095,900)	(14,338,000)
Proceeds from sale/transfer of assets leased out	4,257,275	2,572,197
Net (decrease)/increase in security deposits	(152,466)	2,326,192
Dividend received	695,404	411,366
<b>Net cash used in investing activities</b>	<b>(11,580,884)</b>	<b>(8,360,324)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Profit distribution	(4,335,455)	(4,375,864)
<b>Net cash used in financing activities</b>	<b>(4,335,455)</b>	<b>(4,375,864)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>7,710,794</b>	<b>(2,587,765)</b>
<b>Cash and cash equivalents as at beginning of the period</b>	<b>6,480,085</b>	<b>10,438,727</b>
<b>Cash and cash equivalents as at end of the period</b>	<b>14,190,879</b>	<b>7,850,962</b>

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Management Company  
Limited



## FIRST ELITE CAPITAL MODARABA

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2010

	Reserve					Total equity Rupees
	Certificate Capital Rupees	Statutory Reserve Rupees	Available for sale financial assets Rupees	Accumulated losses Rupees	Total Rupees	
As at July 1, 2009	113,400,000	18,739,804	(8,809,377)	(10,780,025)	(849,598)	112,550,402
Profit for the half year ended December 31, 2009	-	-	-	4,523,937	4,523,937	4,523,937
Transferred to statutory reserve	-	904,787	-	(904,787)	-	-
Profit distribution @ 45 paisas per certificate for the year ended June 30, 2009	-	-	-	(5,103,000)	(5,103,000)	(5,103,000)
Other comprehensive income for the half year ended December 31, 2009	-	-	3,200,072	-	3,200,072	3,200,072
As at December 31, 2009	113,400,000	19,644,591	(5,609,305)	(12,263,875)	1,771,411	115,171,411
Profit for the half year ended June 30, 2010	-	-	-	2,796,294	2,796,294	2,796,294
Transferred to statutory reserve	-	559,259	-	(559,259)	-	-
Other comprehensive loss for the half year ended June 30, 2010	-	-	(287,927)	-	(287,927)	(287,927)
As at June 30, 2010	113,400,000	20,203,850	(5,897,232)	(10,026,840)	4,279,778	117,679,778
Profit for the half year ended December 31, 2010	-	-	-	4,622,822	4,622,822	4,622,822
Transferred to statutory reserve	-	924,564	-	(924,564)	-	-
Profit distribution @ 50 paisas per certificate for the year ended June 30, 2010	-	-	-	(5,670,000)	(5,670,000)	(5,670,000)
Other comprehensive income for the half year ended December 31, 2010	-	-	2,411,129	-	2,411,129	2,411,129
As at December 31, 2010	113,400,000	21,128,414	(3,486,103)	(11,998,582)	5,643,729	119,043,729

The annexed notes from 1 to 14 form an integral part of these financial statements

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Management Company Limited

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Crescent Modaraba  
Management Company Limited

**Director**  
Crescent Modaraba  
Management Company Limited





## FIRST ELITE CAPITAL MODARABA

### NOTES TO AND FORMING PART OF CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED DECEMBER 31, 2010

#### 1 REPORTING ENTITY

First Elite Capital Modaraba ("the Modaraba") is a perpetual, multi-purpose and multi-dimensional non-trading modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed there under and is managed by Crescent Modaraba Management Company Limited ("the Management Company"), a company incorporated in Pakistan under the Companies Ordinance 1984. The registered office of the Modaraba is situated at 31/10-A Abu Bakar Block, New Garden Town, Lahore. The Modaraba was floated on September 26, 1991 and is listed on Karachi, Lahore and Islamabad Stock Exchanges. The Modaraba is primarily engaged in the business of ijarah, musharakah and murabahah financing, investment in marketable securities and other related businesses.

#### 2 BASIS OF PREPARATION

This condensed interim financial report of the Company for the six months period ended December 31, 2010 has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting, and provisions of and directives issued under the Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed there under. In case where requirements differ, the provisions of and directives issued under the Modaraba (Floatation and Control) Ordinance, 1980 have been followed.

The interim financial information report is not audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2010. Further, the amounts for the quarters ended December 31, 2010 and December 31, 2009 are neither audited nor reviewed.

The comparative interim balance sheet as at June 30, 2010 and the related notes to the condensed interim financial information are based on audited financial statements. The comparative interim profit and loss account, interim statement of other comprehensive income, interim cash flow statement, interim statement of changes in equity and related notes to the condensed interim financial information for the six months period ended December 31, 2009 are based on unaudited, reviewed interim financial information. The interim profit and loss account and interim statement of other comprehensive income for the quarters ended December 31, 2010 and December 31, 2009 are neither audited nor reviewed.

The Securities and Exchange Commission of Pakistan vide Circular No. 10 of 2004 date February 13, 2004 has deferred, till further orders, the applicability of the IAS 17 "Leases" with effect from July 01, 2003. Accordingly, this IAS has not been considered for the purpose of preparation of these financial statements.

##### 2.1 Statement of compliance

This interim financial information has been prepared in accordance with the directives issued by the Securities and Exchange Commission of Pakistan is in compliance with the requirements of "International Accounting Standard 34 - Interim Financial Reporting" as applicable in Pakistan.

##### 2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments at fair value or amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

##### 2.3 Judgements, estimates and assumptions

The preparation of financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgements are based on historical experience and various other factors that are



## FIRST ELITE CAPITAL MODARABA

believed to be reasonable under the circumstances, the result of which forms the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

### 2.4 Functional currency

This financial information is prepared in Pak Rupees which is the Company's functional currency.

### 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are consistent with those applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2010.

	Note	December 31, 2010 Rupees	June 30, 2010 Rupees
<b>4 SHORT TERM INVESTMENTS</b>			
<b>Available for sale investments</b>			
Cost of investment	4.1	22,820,497	21,410,385
Fair value adjustment	4.1	(7,140,565)	(9,551,694)
		<u>15,679,932</u>	<u>11,858,691</u>

These represent 883,159 (June 30, 2010: 862,001) fully paid ordinary shares/certificates of Rs. 10 each except for 76,837 (June 30, 2010: 76,837) fully paid ordinary shares of Premier Insurance Limited which have a face value of Rs. 5 each.



**4.1 Particulars**

**Oil and Gas Producers**

Attock Petroleum Limited  
Pakistan State Oil Company Limited  
Pakistan Oilfield Limited  
Pakistan Petroleum Limited  
Byco Petroleum Pakistan Limited

**Chemicals**

Fauji Fertilizer Bin Qasim Limited  
Fauji Fertilizer Company Limited

**Industrial Metals and Mining**

Crescent Steel and Allied Products Limited

**Construction and Materials**

D. G. Khan Cement Company Limited  
Fauji Cement Company Limited  
Lafarge Pakistan Cement Limited

**Beverages**

Shakarganj Foods Limited

**Food Producers**

Hussain Sugar Mills Limited  
JDW Sugar Mills Limited

**Personal Goods**

Crescent Jute Products Limited  
The Crescent Textile Mills Limited  
Libaas Textiles Limited  
Nishat (Chunian) Limited  
Sunrise Textiles Limited  
Suraj Cotton Mills Limited

**Pharma and Bio Tech**

Ferozsons Laboratories Limited

**Fixed Line Telecommunication**

Callmate Telips Telecom Limited  
Pakistan Telecommunication Company Limited

**Electricity**

Hub Power Company Limited  
Sitara Energy Limited

**Gas Water and Multiutilities**

Sui Northern Gas Pipelines Limited  
Sui Southern Gas Pipelines Limited

**Banks**

Bank Al-Falah Limited  
Askari Bank Limited  
The Bank of Khyber  
JS Bank Limited  
MCB Bank Limited  
NIB Bank Limited  
Samba Bank Limited  
United Bank Limited

**Non Life Insurance**

Premier Insurance Limited

**Financial Services**

Dadabhoy Leasing Company Limited  
IGI Investment Bank Limited  
Invest Capital and Investment Bank Limited  
Javed Omer Vohra and Company Limited  
Jahangir Siddiqui and Company Limited  
Bankers Equity Limited

**Equity Investment Instruments**

First Equity Modaraba

**Mutual Funds**

National Investment Trust Limited

**TOTAL**



## FIRST ELITE CAPITAL MODARABA

No. of Shares / Certificates		Cost		Fair Value	
December 31, 2010 Numbers	June 30, 2010 Numbers	December 31, 2010 Rupees	June 30, 2010 Rupees	December 31, 2010 Rupees	June 30, 2010 Rupees
1,500	1,000	502,442	299,071	501,780	289,750
3,000	-	886,007	-	885,540	-
3,000	4,200	896,932	1,200,238	887,880	906,780
3,000	-	654,198	-	651,450	-
20,000	-	240,121	-	225,400	-
51,000	61,000	1,665,724	1,992,324	1,822,230	1,588,440
20,000	20,000	906,966	906,966	2,517,200	2,061,400
4,400	4,400	348,369	348,369	121,044	110,484
5,000	5,000	178,041	178,041	150,850	118,100
10,000	10,000	85,280	85,280	50,200	45,500
26,100	26,100	376,989	376,989	83,781	71,514
2,000	2,000	39,708	39,708	3,640	2,240
2,200	1,700	66,957	61,978	24,200	8,568
12,000	12,000	178,272	178,272	1,064,520	762,120
122	122	579	579	95	124
30,877	30,877	443,209	443,209	732,402	666,017
82,000	82,000	815,655	815,655	57,400	82,000
10,000	10,000	421,373	421,373	227,200	157,800
153,900	153,900	2,023,076	2,023,076	-	-
7,500	7,500	276,970	276,970	264,525	236,325
91	51	7,858	5,132	7,929	5,292
5,100	5,100	530,323	530,323	9,690	9,690
52,000	52,000	3,555,002	3,555,002	1,009,840	925,600
16,000	16,000	561,413	561,413	598,560	511,360
10,000	10,000	287,557	287,557	185,000	205,000
11,000	11,000	409,772	409,772	294,140	305,690
14,093	11,275	483,072	483,072	301,872	179,385
1,795	1,295	29,531	24,652	20,122	12,251
40,860	40,860	853,783	853,783	722,813	621,889
15,240	15,240	351,885	351,885	65,532	57,607
15,500	15,500	303,183	303,183	39,990	43,555
2,000	2,000	457,738	436,792	457,080	388,380
11,150	11,150	252,583	252,583	32,893	33,338
40,371	40,371	588,172	588,172	79,127	91,642
1,500	1,500	103,137	82,562	102,345	81,315
76,837	76,837	1,138,965	1,138,965	876,710	722,268
1,000	1,000	9,000	9,000	1,400	1,400
7,000	7,000	36,358	36,358	20,510	14,980
36,523	36,523	108,169	108,169	28,488	31,045
8,800	8,800	1,164,611	1,164,611	35,200	12,640
1,000	1,000	41,658	41,658	10,900	46,992
2,000	2,000	26,100	26,100	-	-
52,000	50,000	313,739	311,523	78,000	62,500
13,700	13,700	200,020	200,020	430,454	387,710
<b>883,159</b>	862,001	<b>22,820,497</b>	21,410,385	<b>15,679,932</b>	11,858,691



## 5 ASSETS LEASED OUT UNDER IJARA CONTRACTS

PARTICULARS	HALF YEAR ENDED DECEMBER 31, 2010											
	COST					AMORTISATION					Carrying Value	
	As at July 01	Additions	Deletions	As at December 31	As at July 01	Adjustment	For the year	As at December 31	As at December 31	Rupees	Rupees	
Vehicles	80,013,276	13,486,900	(9,396,500)	84,103,676	24,178,161	(6,526,851)	8,227,896	25,879,206	58,224,470			
Office equipment	14,833,428	-	(1,291,000)	13,542,428	5,363,027	(1,045,400)	1,460,750	5,778,377	7,764,051			
Machinery	27,923,000	609,000	(4,855,000)	23,677,000	10,555,257	(3,847,750)	3,825,817	10,533,324	13,143,676			
	122,769,704	14,095,900	(15,542,500)	121,323,104	40,096,445	(11,420,001)	13,514,463	42,190,907	79,132,197			

  

PARTICULARS	YEAR ENDED JUNE 30, 2010											
	COST					AMORTISATION					Carrying Value	
	As at July 01	Additions	Deletions	As at June 30	As at July 01	Adjustment	For the year	As at June 30	As at June 30	Rupees	Rupees	
Vehicles	67,309,776	23,980,000	(11,276,500)	80,013,276	17,062,712	(7,794,782)	14,910,231	24,178,161	55,835,115			
Office equipment	10,651,428	7,795,000	(3,613,000)	14,833,428	4,547,337	(3,091,566)	3,907,256	5,363,027	9,470,401			
Machinery	28,707,500	6,650,000	(7,434,500)	27,923,000	9,716,205	(6,433,500)	7,272,552	10,555,257	17,367,743			
	106,668,704	38,425,000	(22,324,000)	122,769,704	31,326,254	(17,319,848)	26,090,039	40,096,445	82,673,259			



## FIRST ELITE CAPITAL MODARABA

### 6 CONTINGENCIES AND COMMITMENTS

#### Contingencies

There is no change in contingencies since June 30, 2010.

#### Commitments

There are no significant commitments at the reporting date except for those under ijarah contracts regarding use by lessees of assets leased out to them under ijarah contracts against future rentals.

	December 31, 2010 Rupees	June 30, 2010 Rupees
<b>7 CERTIFICATE CAPITAL</b>		
<b>Authorised certificate capital</b>		
20,000,000 (June 30, 2010: 20,000,000) modaraba certificates of Rs. 10 each	200,000,000	200,000,000
<b>Issued, subscribed and paid-up certificate capital</b>		
Modaraba certificates of Rs. 10 each.		
10,000,000 (June 30, 2010: 10,000,000) certificates issued for cash	100,000,000	100,000,000
1,340,000 (June 30, 2010: 1,340,000) certificates issued as bonus certificates	13,400,000	13,400,000
	<b>113,400,000</b>	<b>113,400,000</b>

### 8 STATUTORY RESERVE

This represents special reserve created in compliance with the Prudential Regulations for Modarabas issued by the Securities and Exchange Commission of Pakistan.

### 9 TAXATION

**9.1** No provision for current tax has been made in these financial statements as the income of non-trading modaraba is exempt from income tax under clause 100 of Part-I of Second Schedule to the Income Tax Ordinance 2001, if the Modaraba distributes at least ninety percent of its profits, as reduced by the amount transferred to statutory reserve, as cash dividends to the certificate holders and the Modaraba intends to avail the exemption.

**9.2** No deferred tax has been provided in these financial statements as the management intends to continuously avail the tax exemption by distributing the minimum prescribed amount as cash dividend to certificate holders.

### 10 DIVIDEND

The Modaraba during the period has distributed profit among certificate holders at 5% i.e. Rs. 0.50 per certificate of Rs. 10 each.

### 11 RELATED PARTY TRANSACTIONS

Transactions with related parties are limited to payment of management fee to Crescent Modaraba Management Company Limited. The Modaraba during the period charged the following on account of management fee.

	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2010 Rupees	December 31, 2009 Rupees	December 31, 2010 Rupees	December 31, 2009 Rupees
Management Company's management fee	513,647	502,660	263,122	286,210





## FIRST ELITE CAPITAL MODARABA

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### 12 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on February 17, 2011 by the Board of Directors of the Company.

### 13 OTHERS

There are no other significant activities since June 30, 2010 that may affect these financial statements.

### 14 GENERAL

Figures have been rounded off to the nearest rupee.

**Chairman**  
Crescent Modaraba  
Management Company  
Limited

**Chief Executive**  
Crescent Modaraba  
Management Company  
Limited

**Director**  
Crescent Modaraba  
Management Company  
Limited

**Book Post**  
Under Postal Certificate



IF UNDELIVERED PLEASE RETURN TO  
**FIRST ELITE CAPITAL MODARABA**  
Managed By  
**CRESCENT MODARABA MANAGEMENT COMPANY LIMITED**

**PRINCIPAL & REGISTERED OFFICE**  
31/10-A, Abu-Baker Block, New Garden Town, Lahore.  
Tel : 042-35913701, 35913702 Fax: 042-35913703  
E-mail: fecm@nexplinx.net.pk