



**FIRST
ELITE
CAPITAL
MODARABA**

Quarterly Report
September 30, 2013
(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

SHARIAH ADVISOR

Mufti Tayyab Amin

AUDITORS OF THE MODARABA

Ilyas Saeed & Co.
Chartered Accountants
(Subject to approval of Registrar Modaraba Companies & Modarabas)

BANKERS OF THE MODARABA

Allied Bank Limited
Bank Alfalah Limited
KASB Bank Limited
Samba 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 : info@fecm.com.pk

Web : www.fecm.com.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 un-audited financial statements of the Modaraba for the period ended September 30, 2013.

Operation's & Performance

	September 30, 2013 Rupees	September 30, 2012 Rupees
Total Income	13,952,298	13,173,953
Amortization of assets leased out	8,999,960	8,096,119
Administrative and general expenses	3,212,792	3,150,529
Financial charges	3,247	3,904
Total Expenses	12,215,999	11,250,552
Operating Profit	1,736,299	1,923,401
Management Fee	173,630	192,340
Profit before taxation	1,562,669	1,731,061
Taxation	-	-
Profit after taxation	1,562,669	1,731,061

During the period under review, the Modaraba earned a net profit of Rs.1,562,669/= as compared to Rs.1,731,061/= during the corresponding period of last year. Earning per certificate is Rs.0.14. Gross revenue was Rs.13,952,298/= in the first quarter of the year, which was mainly derived from Ijarah & Murabahah Financing.

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
October 22, 2013



FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2013 (UN-AUDITED)

	September 30, 2013 Rupees	June 30, 2013 Rupees
ASSETS		
Current assets		
Cash and bank balances	27,573,301	24,481,081
Short term investments	14,582,277	15,412,641
Short term finances under musharakah arrangements-secured	1,440,000	1,440,000
Short term finances under murabahah arrangements-secured	21,565,409	23,982,318
Ijarah rentals receivable - secured	2,996,277	2,228,963
Profit receivable - secured	600,834	673,950
Advances, deposits, prepayments and other receivables	6,365,473	6,025,881
	75,123,571	74,244,834
Non-current assets		
Assets leased out under ijarah contracts	117,413,655	116,847,930
Property and equipment	2,292,869	2,381,891
	119,706,524	119,229,821
Total assets	194,830,095	193,474,655
LIABILITIES		
Current liabilities		
Accrued and other liabilities	1,800,365	2,721,729
Security deposits	9,352,554	10,476,524
Unclaimed profit distribution	6,053,007	6,053,517
	17,205,926	19,251,770
Non-current liabilities		
Security deposits	39,060,329	36,219,381
Employees retirement benefits	4,318,233	4,318,233
	43,378,562	40,537,614
Total liabilities	60,584,488	59,789,384
Net Assets	134,245,607	133,685,271
REPRESENTED BY		
Authorized capital 20,000,000 Modaraba Certificates of Rs. 10/- each	200,000,000	200,000,000
Issued, subscribed and paid-up capital Reserves	113,400,000 20,845,607	113,400,000 20,285,271
	134,245,607	133,685,271

Chairman
Crescent Modaraba
Management Company
Limited

Chief Executive
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Limited

Director
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FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30, 2013 (UN-AUDITED)

	September 30, 2013 Rupees	September 30, 2012 Rupees
INCOME		
Income from ijarah financing	11,269,089	10,234,672
Profit on murabahah & musharakah financing	1,849,099	2,123,381
Return on investments	492,837	508,182
Other income	341,273	307,718
	13,952,298	13,173,953
EXPENSES		
Amortization of assets leased out under ijarah contracts	8,999,960	8,096,119
Administrative and general expenses	3,212,792	3,150,529
Financial charges	3,247	3,904
	12,215,999	11,250,552
Operating profit	1,736,299	1,923,401
Management Fee	173,630	192,340
Profit before taxation	1,562,669	1,731,061
Taxation	-	-
Profit after taxation	1,562,669	1,731,061
Earnings per certificate - basic and diluted	0.14	0.15

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CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2013 (UN-AUDITED)

	September 30, 2013 Rupees	September 30, 2012 Rupees
Items that may be reclassified subsequently to profit or loss		
Changes in fair value of available for sale investments	(1,021,094)	812,928
Reclassification adjustments for losses/(gains) included in profit or loss	18,761	14,816
	(1,002,333)	827,744
Items that will not be reclassified to profit or loss	-	-
Other comprehensive (loss)/income before taxation	(1,002,333)	827,744
Taxation	-	-
Other comprehensive (loss)/income after taxation	(1,002,333)	827,744
Profit after taxation	1,562,669	1,731,061
Total comprehensive income	560,336	2,558,805

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FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2013 (UN-AUDITED)

	September 30, 2013 Rupees	September 30, 2012 Rupees
Cash Flow from operating activities		
Profit before taxation	1,562,669	1,731,061
Adjustment for non cash charges and other items		
Depreciation	89,022	99,204
Amortization of assets leased out	8,999,960	8,096,119
Gain on sale of investments	(196,904)	(189,582)
Financial charges	3,247	3,904
Dividend income	(295,933)	(318,600)
Profit on bank deposits	(261,273)	(267,393)
	8,338,119	7,423,652
(Increase)/decrease in current assets		
Advances, deposits, prepayments and other receivables	(1,033,790)	(4,143,620)
Murabahah and Musharakah financing	2,416,909	986,643
	1,383,119	(3,156,977)
(Decrease)/Increase in current liabilities		
Creditors, accrued and other liabilities	(921,874)	(843,263)
Cash flow from operations	10,362,033	5,154,473
Financial charges	(3,247)	(3,904)
Receipt/(Payment) of security deposits from lessees	1,716,978	(1,236,098)
	1,713,731	(1,240,002)
Net cash inflow from operating activities	12,075,764	3,914,471
Cash flow from investing activities		
Sale proceeds of investments	1,075,133	2,039,462
Purchase of Investments	(1,050,198)	(2,389,082)
Dividend income	295,933	318,600
Profit on bank deposits	261,273	267,393
Investment in lease finance net	(9,565,685)	456,098
Net cash outflow from investing activities	(8,983,544)	692,471
Cash flow from financing activities		
Net Cash Outflow from financing Activities	-	-
Net increase in cash and cash equivalents	3,092,220	4,606,942
Cash and cash equivalents at the beginning of the period	24,481,081	13,630,184
Cash and cash equivalents at the end of the period	27,573,301	18,237,126

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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2013
(UN-AUDITED)**

	Reserve					Total equity Rupees
	Issued, Subscribed and Paid-up Capital Rupees	Statutory Reserve Rupees	Available for sale financial assets Rupees	Accumulated losses Rupees	Total Rupees	
As at July 01, 2012	113,400,000	24,486,366	(1,440,229)	(8,381,354)	14,664,783	128,064,783
Net profit for the period	-	-	-	1,731,061	1,731,061	1,731,061
Transferred to statutory reserve	-	346,212	-	(346,212)	-	-
Other comprehensive income for the period	-	-	827,744	-	827,744	827,744
As at September 30, 2012	113,400,000	24,832,578	(612,485)	(6,996,505)	17,223,588	130,623,588
Net profit for the period	-	-	-	7,306,216	7,306,216	7,306,216
Profit distribution @ 5.50 %	-	-	-	(6,237,000)	(6,237,000)	(6,237,000)
Transferred to statutory reserve	-	1,913,107	-	(1,913,107)	-	-
Other comprehensive income for the period	-	-	1,992,467	-	1,992,467	1,992,467
As at June 30, 2013	113,400,000	26,745,685	1,379,982	(7,840,396)	20,285,271	133,685,271
Net profit for the period	-	-	-	1,562,669	1,562,669	1,562,669
Transferred to statutory reserve	-	312,534	-	(312,534)	-	-
Other comprehensive loss for the period	-	-	(1,002,333)	-	(1,002,333)	(1,002,333)
As at September 30, 2013	113,400,000	27,058,219	377,649	(6,590,261)	20,845,607	134,245,607

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Management Company Limited



FIRST ELITE CAPITAL MODARABA



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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2013 (UN-AUDITED)

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 Baker 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 information is un-audited and is being submitted to certificate holders. This condensed interim financial information has been prepared in accordance with the International Accounting Standard (IAS 34) "Interim Financial Reporting" as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). This condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Modaraba for the year ended June 30, 2013.

This condensed interim financial information is being submitted to the certificate holders as required under Rule 10 of Modaraba Companies and Modaraba Rules 1981.

3 ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Modaraba for the year ended June 30, 2013.

September 30, 2013 Rupees	June 30, 2013 Rupees
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4. SHORT TERM INVESTMENTS

Cost of investment	18,695,173	18,523,204
Fair value adjustment	377,649	1,379,982
Accumulated Impairment	(4,490,545)	(4,490,545)
	<u>14,582,277</u>	<u>15,412,641</u>

5 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information have been approved by the Board of Directors of the Management Company and authorized for issue on October 22, 2013.

6 GENERAL

Comparative figures have been re-arranged, wherever necessary for the purpose of comparison.

Figures have been rounded off to the nearest Rupee.

Chairman
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Limited

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Crescent Modaraba
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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: info@fecm.com.pk Web: www.fecm.com.pk