



**FIRST
ELITE
CAPITAL
MODARABA**

Quarterly Report
September 30, 2014
(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

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**, Manager of **First Elite Capital Modaraba** are pleased to present the unaudited financial statements of the Modaraba for the period ended September 30, 2014.

Operation's & Performance

	September 30, 2014 Rupees	September 30, 2013 Rupees
Total Income	13,871,531	13,952,298
Depreciation of assets leased out	7,932,645	8,999,960
Administrative and general expenses	4,109,850	3,212,792
Financial charges	1,831	3,247
Total Expenses	12,044,326	12,215,999
Operating Profit	1,827,205	1,736,299
Management Fee	182,721	173,630
Profit before taxation	1,644,484	1,562,669
Taxation	-	-
Profit after taxation	1,644,484	1,562,669

During the period under review, the Modaraba earned a net profit of Rs.1,644,484/= as compared to Rs.1,562,669/= during the corresponding period of last year. Earning per certificate is Re.0.15. Gross revenue was Rs.13,871,531/= 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 21, 2014



FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2014 (UN-AUDITED)

	September 30, 2014 Rupees	June 30, 2013 Rupees
ASSETS		
Current assets		
Cash and bank balances	44,658,191	52,219,076
Short term investments	17,651,778	19,069,742
Short term finances under musharakah arrangements-secured	1,340,000	1,340,000
Short term finances under murabahah arrangements-secured	13,646,078	7,665,516
Ijarah rentals receivable - secured	1,969,287	1,601,668
Profit receivable - secured	255,829	453,146
Advances, deposits, prepayments and other receivables	10,450,060	6,522,794
	89,971,223	88,871,942
Non-current assets		
Assets leased out under ijarah contracts	106,965,985	105,173,218
Property and equipment	1,991,689	2,068,018
	108,957,674	107,241,236
Total assets	198,928,897	196,113,178
LIABILITIES		
Current liabilities		
Accrued and other liabilities	2,078,052	3,585,513
Security deposits	12,889,728	12,149,449
Unclaimed profit distribution	6,660,478	6,707,271
	21,628,258	22,442,233
Non-current liabilities		
Security deposits	33,167,907	30,716,981
Employees retirement benefits	4,798,851	4,798,851
	37,966,758	35,515,832
Total liabilities	59,595,016	57,958,065
Net Assets	139,333,881	138,155,113
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	113,400,000	113,400,000
Reserves	25,933,881	24,755,113
	139,333,881	138,155,113

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, 2014 (UN-AUDITED)

	September 30, 2014 Rupees	September 30, 2013 Rupees
INCOME		
Income from ijarah financing	12,343,107	11,269,089
Profit on murabahah & musharakah financing	640,245	1,849,099
Return on investments	324,951	492,837
Other income	563,228	341,273
	13,871,531	13,952,298
EXPENSES		
Depreciation of assets leased out under ijarah contracts	7,932,645	8,999,960
Administrative and general expenses	4,109,850	3,212,792
Financial charges	1,831	3,247
	12,044,326	12,215,999
Operating profit	1,827,205	1,736,299
Management Fee	182,721	173,630
Profit before taxation	1,644,484	1,562,669
Taxation	-	-
Profit after taxation	1,644,484	1,562,669
Earnings per certificate - basic and diluted	0.15	0.14

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2014 (UN-AUDITED)

	September 30, 2014 Rupees	September 30, 2013 Rupees
Items that may be reclassified subsequently to profit or loss		
Changes in fair value of available for sale investments	(504,246)	(1,021,094)
Reclassification adjustments for losses/(gains) included in profit or loss	38,530	18,761
	(465,716)	(1,002,333)
Items that will not be reclassified to profit or loss	-	-
Other comprehensive (loss)/income before taxation	(465,716)	(1,002,333)
Taxation	-	-
Other comprehensive (loss)/income after taxation	(465,716)	(1,002,333)
Profit after taxation	1,644,484	1,562,669
Total comprehensive income	1,178,768	560,336

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FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2014 (UN-AUDITED)

	September 30, 2014 Rupees	September 30, 2013 Rupees
Cash Flow from operating activities		
Profit before taxation	1,644,484	1,562,669
Adjustment for non cash charges and other items		
Depreciation	76,329	89,022
Depreciation of assets leased out	7,932,645	8,999,960
Gain on sale of investments	(44,826)	(196,904)
Financial charges	1,831	3,247
Dividend income	(280,125)	(295,933)
Profit on bank deposits	(563,228)	(261,273)
	7,122,626	8,338,119
(Increase)/decrease in current assets		
Advances, deposits, prepayments and other receivables	(4,097,568)	(1,033,790)
Murabahah and Musharakah financing	(5,980,562)	2,416,909
	(10,078,130)	1,383,119
(Decrease)/Increase in current liabilities		
Creditors, accrued and other liabilities	(1,554,254)	(921,874)
Cash flow from operations	(2,865,274)	10,362,033
Financial charges	(1,831)	(3,247)
Receipt/(Payment) of security deposits from lessees	3,191,205	1,716,978
	3,189,374	1,713,731
Net cash inflow from operating activities	324,100	12,075,764
Cash flow from investing activities		
Sale proceeds of investments	2,092,606	1,075,133
Purchase of Investments	(1,095,532)	(1,050,198)
Dividend income	280,125	295,933
Profit on bank deposits	563,228	261,273
Investment in lease finance net	(9,725,412)	(9,565,685)
Net cash outflow from investing activities	(7,884,985)	(8,983,544)
Cash flow from financing activities		
Net Cash Outflow from financing Activities	-	-
Net (decrease)/increase in cash and cash equivalents	(7,560,885)	3,092,220
Cash and cash equivalents at the beginning of the period	52,219,076	24,481,081
Cash and cash equivalents at the end of the period	44,658,191	27,573,301

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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2014
(UN-AUDITED)**



FIRST ELITE CAPITAL MODARABA

	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	Total equity Rupees	
As at July 01, 2013	113,400,000	26,745,685	1,379,982	(8,773,704)	19,351,963	132,751,963	
Net profit for the period	-	-	-	1,562,669	1,562,669	1,562,669	
Other comprehensive loss for the period	-	-	(1,002,333)	-	(1,002,333)	(1,002,333)	
Transferred to statutory reserve	-	312,534	-	(312,534)	-	-	
As at September 30, 2013	113,400,000	27,058,219	377,649	(7,523,569)	19,912,299	133,312,299	
As at June 30, 2014	113,400,000	29,014,293	3,517,364	(7,776,544)	24,755,113	138,155,113	
Net profit for the period	-	-	-	1,644,484	1,644,484	1,644,484	
Other comprehensive loss for the period	-	-	(465,716)	-	(465,716)	(465,716)	
Transferred to statutory reserve	-	328,897	-	(328,897)	-	-	
As at September 30, 2014	113,400,000	29,343,190	3,051,648	(6,460,957)	25,933,881	139,333,881	

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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2014 (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, 2014.

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, 2014.

4. SHORT TERM INVESTMENTS

	September 30, 2014 Rupees	June 30, 2014 Rupees
Cost of investment	18,336,520	19,288,768
Fair value adjustment	3,051,648	3,517,364
Accumulated Impairment	(3,736,390)	(3,736,390)
	<u>17,651,778</u>	<u>19,069,742</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 21, 2014.

6. GENERAL

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

Figures have been rounded off to the nearest Rupee.

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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.
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E-mail: info@fecm.com.pk Web: www.fecm.com.pk