



**FIRST
ELITE
CAPITAL
MODARABA**

Quarterly Report
September 30, 2015
(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. Ghazanfar Farrokh	Chairman
Mr. Muneeb Ahmed Dar	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
BankIslami Pakistan 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

CorpTec Associates (Pvt.) Limited
503-E, Johar Town, Lahore.

Tel : 042-35170336-7

Fax : 042-35170338

E-mail : info@corptec.com.pk



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, 2015.

Operation's & Performance

	September 30, 2015 Rupees	September 30, 2014 Rupees
Total Income	14,227,710	13,871,531
Depreciation of assets leased out	8,160,988	7,932,645
Administrative and general expenses	4,155,760	4,109,850
Financial charges	3,999	1,831
Total Expenses	12,320,747	12,044,326
Operating Profit	1,906,963	1,827,205
Management Fee	190,696	182,721
Profit before taxation	1,716,267	1,644,484
Taxation	-	-
Profit after taxation	1,716,267	1,644,484

During the period under review, the Modaraba earned a net profit of Rs.1,716,267/= as compared to Rs.1,644,484/= during the corresponding period of last year. Earning per certificate is Re.0.15. Gross revenue was Rs.14,227,710/= 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 27, 2015



FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2015 (UN-AUDITED)

	September 30, 2015 Rupees	June 30, 2015 Rupees
ASSETS		
Current assets		
Cash and bank balances	12,969,091	13,414,329
Short term investments	18,884,837	22,393,707
Short term finances under musharakah arrangements-secured	1,192,160	1,221,160
Short term finances under murabahah arrangements-secured	51,861,188	50,964,945
Ijarah rentals receivable - secured	2,633,091	2,136,778
Profit receivable - secured	851,661	641,149
Advances, deposits, prepayments and other receivables	10,680,742	8,744,073
	99,072,770	99,516,141
Non-current assets		
Assets leased out under ijarah contracts	100,899,196	101,985,763
Property and equipment	1,773,871	1,839,568
	102,673,067	103,825,331
Total assets	201,745,837	203,341,472
LIABILITIES		
Current liabilities		
Accrued and other liabilities	2,730,980	4,039,237
Security deposits	12,889,728	16,135,405
Unclaimed profit distribution	7,258,298	7,325,563
	22,879,006	27,500,205
Non-current liabilities		
Security deposits	32,659,078	27,965,880
Employees retirement benefits	5,689,317	5,689,317
	38,348,395	33,655,197
Contingencies and commitments	-	-
Total liabilities	61,227,401	61,155,402
Net Assets	140,518,437	142,186,070
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	27,118,437	28,786,070
	140,518,437	142,186,070

Chairman
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Management Company
Limited

Chief Executive
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FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30, 2015 (UN-AUDITED)

	September 30, 2015 Rupees	September 30, 2014 Rupees
INCOME		
Income from ijarah financing	10,214,044	12,343,107
Profit on murabahah & musharakah financing	3,112,199	640,245
Return on investments	685,425	324,951
Other income	216,042	563,228
	14,227,710	13,871,531
EXPENSES		
Depreciation of assets leased out under ijarah contracts	8,160,988	7,932,645
Administrative and general expenses	4,155,760	4,109,850
Financial charges	3,999	1,831
	12,320,747	12,044,326
Operating profit	1,906,963	1,827,205
Management Fee	190,696	182,721
Profit before taxation	1,716,267	1,644,484
Taxation	-	-
Profit after taxation	1,716,267	1,644,484
Earnings per certificate - basic and diluted	0.15	0.15

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2015 (UN-AUDITED)

	September 30, 2015 Rupees	September 30, 2014 Rupees
Items that may be reclassified subsequently to profit or loss		
Changes in fair value of available for sale investments	(3,439,980)	(504,246)
Reclassification adjustments for losses/(gains) included in profit or loss	56,080	38,530
	(3,383,900)	(465,716)
Items that will not be reclassified to profit or loss	-	-
Other comprehensive (loss)/income before taxation	(3,383,900)	(465,716)
Taxation	-	-
Other comprehensive (loss)/income after taxation	(3,383,900)	(465,716)
Profit after taxation	1,716,267	1,644,484
Total comprehensive (loss)/income	(1,667,634)	1,178,768

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CONDENSED INTERIM CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2015 (UN-AUDITED)

	September 30, 2015 Rupees	September 30, 2014 Rupees
Cash Flow from operating activities		
Profit before taxation	1,716,267	1,644,484
Adjustment for non cash charges and other items		
Depreciation	65,697	76,329
Depreciation of assets leased out	8,160,988	7,932,645
Gain on sale of investments	(352,583)	(44,826)
Financial charges	3,999	1,831
Dividend income	(332,842)	(280,125)
Profit on bank deposits	(63,309)	(563,228)
	7,481,950	7,122,626
(Increase)/decrease in current assets		
Advances, deposits, prepayments and other receivables	(2,643,494)	(4,097,568)
Murabahah and Musharakah financing	(867,243)	(5,980,562)
	(3,510,737)	(10,078,130)
(Decrease)/Increase in current liabilities		
Creditors, accrued and other liabilities	(1,375,523)	(1,554,254)
Cash flow from operations	4,311,957	(2,865,274)
Financial charges	(3,999)	(1,831)
Receipt/(Payment) of security deposits from lessees	1,447,521	3,191,205
	1,443,522	3,189,374
Net cash inflow from operating activities	5,755,479	324,100
Cash flow from investing activities		
Sale proceeds of investments	3,967,125	2,092,606
Purchase of Investments	(3,489,572)	(1,095,532)
Dividend income	332,842	280,125
Profit on bank deposits	63,309	563,228
Investment in lease finance net	(7,074,421)	(9,725,412)
Net cash outflow from investing activities	(6,200,717)	(7,884,985)
Cash flow from financing activities		
Net Cash Outflow from financing Activities	-	-
Net (decrease)/increase in cash and cash equivalents	(445,238)	(7,560,885)
Cash and cash equivalents at the beginning of the period	13,414,329	52,219,076
Cash and cash equivalents at the end of the period	12,969,091	44,658,191

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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2015
(UN-AUDITED)**

	Issued, Subscribed and Paid-up Capital	Reserve				Total	Total equity
		Statutory Reserve	Available for sale financial assets	Accumulated losses			
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
As at July 01, 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	
As at June 30, 2015	113,400,000	31,074,260	5,217,391	(7,505,581)	28,786,070	142,186,070	
Net profit for the period	-	-	-	1,716,267	1,716,267	1,716,267	
Other comprehensive loss for the period	-	-	(3,383,900)	-	(3,383,900)	(3,383,900)	
Transferred to statutory reserve	-	343,253	-	(343,253)	-	-	
As at September 30, 2015	113,400,000	31,417,513	1,833,491	(6,132,568)	27,118,437	140,518,437	



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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2015 (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, 2015.

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, 2015.

4. SHORT TERM INVESTMENTS

	September 30, 2015 Rupees	June 30, 2015 Rupees
Cost of investment	20,787,736	20,912,706
Fair value adjustment	1,833,491	5,217,391
Accumulated Impairment	(3,736,390)	(3,736,390)
	<u>18,884,837</u>	<u>22,393,707</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 27, 2015.

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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