



**FIRST
ELITE
CAPITAL
MODARABA**

Half Yearly Report
December 31, 2023
(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
Mr. Ghazanfar Farrokh	Director
Mr. Muhammad Javed Amin	Director
Mrs. Rukhsana Javed Amin	Director
Mrs. Shahana Javed Amin	Director
Miss Jehanara Javed Amin	Director

(Subject to approval of Registrar Modaraba Companies & Modarabas)

AUDIT COMMITTEE

Mr. Ghazanfar Farrokh	Chairman
Mr. Muneeb Ahmed Dar	Member
Mr. Muhammad Javed Amin	Member

CFO & COMPANY SECRETARY

Mr. Muhammad Arif Hilal

LEGAL ADVISOR

International Legal Services

SHARIAH ADVISOR

Mufti Muhammad Umar

AUDITORS OF THE MODARABA

Ilyas Saeed & Co.
Chartered Accountants

BANKERS OF THE MODARABA

Bank Alfalah Limited
Bank Islami Pakistan Limited
Meezan Bank Limited

PRINCIPAL & REGISTERED OFFICE

50-A, Garden Block, New Garden Town,
Lahore - Pakistan.

Tel : (042) 35442735-37
Fax : (042) 35442738
E-mail : info@fecm.com.pk
Web : www.fecm.com.pk

SHARE 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 reviewed financial statements of the Modaraba for the half year ended December 31, 2023.

Operations & Performance

	December 31 2023 Rupees	December 31 2022 Rupees
Total Income	19,115,734	16,737,474
Depreciation of assets leased out	12,465,156	12,016,802
Administrative and general expenses	8,305,822	7,833,907
Financial charges	7,920	3,873
	20,778,898	19,854,582
Operating Loss	(1,663,164)	(3,117,108)
Management Fee	-	-
Loss before taxation	(1,663,164)	(3,117,108)
Taxation	(238,947)	(209,218)
Loss after taxation	(1,902,111)	(3,326,326)
Loss per certificate - basic and diluted	(0.17)	(0.29)

During the six months' period under review, the Modaraba suffered a loss of Rs.1,902,111/= as compared to loss of Rs.3,326,326/= in the corresponding period of last year, depicting a decrease in loss by Rs.1,424,215/=.

Gross revenue was Rs.19,115,734/= in the first half of the year, which was mainly derived from Ijarah/lease and profit on investment in Mutual Funds. Despite the high inflation, administrative expenses kept in control during the period under review. Loss per certificate remained at Re 0.17.

During the period under review, the economy of Pakistan has shown some positive signs and business conditions are slightly improved, but uncertainties are also prevailing around particularly on political fronts.

Regarding the current status of Civil Original Petition No.23936/2022 filed by one of the certificate holders under the provisions of the Companies Act, 2017 before the honorable Lahore High Court, Lahore, prayer has been made to restrain the Modaraba from selling any Property / Asset of First Elite Capital Modaraba and transfer the control of First Elite Capital Modaraba to any person/ company/ Institution/ Organization. The learned Court, on the first date of hearing of the said petition, ordered that status quo in respect of the land owned by the Modaraba shall be maintained. The case is now fixed for hearing on February 28, 2024.

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 23, 2024

MUNEEB AHMED DAR
CHAIRMAN



ڈائریکٹرز رپورٹ

معزز سرٹیفکیٹ ہولڈرز:-

فرسٹ ایلٹے کیپیٹل مضاربہ زیر انتظام کریڈنٹ مضاربہ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز مضاربہ کی 31 دسمبر 2023ء کو ختم ہونے والی مدت کے جائزہ شدہ مالی حسابات پیش کرتے ہیں۔

آپریٹنگ اور کارکردگی :-

31 دسمبر 2022ء (روپے)	31 دسمبر 2023ء (روپے)	
16,737,474	19,115,734	کل آمدن
12,016,802	12,465,156	لیزڈ آؤٹ اثاثوں کی فرسودگی
7,833,907	8,305,822	انتظامی و عمومی اخراجات
3,873	7,920	مالی اخراجات (فنانس چارجز)
19,854,582	20,778,898	کل اخراجات
(3,117,108)	(1,663,164)	آپریٹنگ خسارہ
-	-	انتظامی فیس
(3,117,108)	(1,663,164)	خسارہ قبل ازٹیکسیشن
(209,218)	(238,947)	ٹیکسیشن
(3,326,326)	(1,902,111)	خسارہ بعد ازٹیکسیشن
(0.29)	(0.17)	خسارہ فی سرٹیفکیٹ - بنیادی اور تحلیل شدہ

زیر جائزہ چھ ماہ کی مدت کے دوران مضاربہ کو =/1,902,111 روپے کا نقصان ہوا جبکہ گزشتہ سال اسی مدت کے دوران =/3,326,326 روپے کا نقصان تھا، جو گزشتہ نقصان کے مقابلے میں =/1,424,215 روپے نقصان میں کمی کو ظاہر کرتا ہے۔ سال کی پہلی ششماہی میں مجموعی آمدنی =/19,115,734 روپے رہی، جو کہ بنیادی طور پر اجارہ / لیز اور میوچل فنڈز میں سرمایہ کاری پر منافع سے حاصل کی گئی۔ زیادہ مہنگائی کے باوجود، زیر جائزہ مدت کے دوران انتظامی اخراجات کو کنٹرول میں رکھا گیا۔ فی سرٹیفکیٹ 0.17 روپے کا خسارہ ہوا۔

زیر جائزہ مدت کے دوران، پاکستان کی معیشت نے کچھ مثبت اشارے دکھائے ہیں اور کاروباری حالات میں قدرے بہتری آئی ہے، لیکن خصوصی طور پر سیاسی محاذ پر بھی غیر یقینی صورتحال موجود ہے۔

کمپنیز ایکٹ، 2017 کی دفعات کے تحت سرٹیفکیٹ ہولڈرز میں سے ایک نے معزز لاہور ہائی کورٹ، لاہور میں ایک سول اور بیجیل پٹیشن نمبر 23936/2022 دائر کی ہے کہ مضاربہ کو فرسٹ ایلٹے کیپیٹل مضاربہ کی کوئی بھی جائیداد / اثاثہ فروخت کرنے اور فرسٹ ایلٹے کیپیٹل مضاربہ کا کنٹرول کسی بھی شخص / کمپنی / ادارے / تنظیم کو منتقل کرنے سے روکنے کی استدعا کی ہے۔ فاضل عدالت نے مذکورہ درخواست کی سماعت کی پہلی پیشی پر حکم دیا کہ مضاربہ کی ملکیتی اراضی کے سلسلے میں جمود برقرار رکھا جائے گا۔ اب کیس کی سماعت 28 فروری 2024 کو مقرر ہے۔

بورڈ ریگولیٹری حکام کی جانب سے مسلسل رہنمائی اور تعاون کا شکریہ ادا کرتا ہے اور عملے کی جانب سے پیش کی گئی خدمات، محنت و لگن سے کام کرنے پر ان کو خراج تحسین پیش کرتا ہے۔

از طرف بورڈ آف ڈائریکٹرز:-

نبیب احمد
چیرمین

عامر خان
چیف ایگزیکٹو
لاہور

23 فروری 2024ء

☆☆☆☆



FIRST ELITE CAPITAL MODARABA

INDEPENDENT AUDITORS' REVIEW REPORT

TO THE CERTIFICATE HOLDERS OF FIRST ELITE CAPITAL MODARABA

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of First Elite Capital Modaraba (the Modaraba) as at 31 December 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the financial statements for the six-month period then ended. (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-months period ended December 31, 2023 and 2022 have not been reviewed, as we are required to review only the cumulative figures for the six-months period then ended.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of interim financial statements consists 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 an 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 statements are not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The condensed interim financial information for the half year ended December 31, 2022 and the annual financial statements for the year ended June 30, 2023 of the Modaraba were reviewed and audited, by another firm of chartered accountants who expressed an unmodified conclusion and opinion thereon vide their reports dated February 24, 2023 and September 28, 2023, respectively.

The engagement partner on the review resulting in this independent auditors' review report is Shahid Mehmood.

Lahore
Date: February 23, 2024

UDIN: RR202310055MSIYEt0K

Ilyas Saeed & Company
Chartered Accountants



FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023 (UN-AUDITED)

	NOTE	December 31, 2023 Rupees (Un-Audited)	June 30, 2023 Rupees (Audited)
ASSETS			
CURRENT ASSETS			
Cash and bank balances	4	3,044,110	2,398,266
Short term investments	5	15,510,906	8,607,942
Short term Investments in Mutual Funds	6	19,155,123	20,239,036
Short term finances under musharakah arrangements-Secured	7	-	-
Short term finances under murabahah arrangements-Secured	8	16,403	16,403
Ijarah rentals receivable - Secured	9	717,100	1,859,248
Profit receivable - Secured	10	-	-
Advances, deposits, prepayments and other receivables	11	4,898,561	5,097,343
Advance income tax	12	869,169	722,764
		44,211,372	38,941,002
NON-CURRENT ASSETS			
Assets leased out under ijarah contracts	13	106,290,596	98,797,049
Property and equipment	14	1,488,313	1,626,196
Investment Property		23,533,287	23,533,287
		131,312,196	123,956,532
TOTAL ASSETS		175,523,568	162,897,534
LIABILITIES			
CURRENT LIABILITIES			
Accrued and other liabilities	15	1,118,320	1,344,966
Security deposits	16	7,229,559	5,906,805
Unclaimed profit distribution		8,486,021	8,486,021
		16,833,900	15,737,792
NON-CURRENT LIABILITIES			
Security deposits	16	50,805,859	43,326,769
Employee's retirement benefits		11,397,129	11,291,679
		62,202,988	54,618,448
Contingencies and commitments	17	-	-
TOTAL LIABILITIES		79,036,888	70,356,240
NET ASSETS		96,486,680	92,541,294
REPRESENTED BY			
Authorized Certificate Capital			
20,000,000 (June 30, 2023:20,000,000) modaraba certificates of Rs. 10 each		200,000,000	200,000,000
Issued, subscribed and paid-up certificate capital	18	113,400,000	113,400,000
Other reserves		(16,913,320)	(20,858,705)
		96,486,680	92,541,294

The annexed notes from 1 to 23 form an integral part of these financial statements

**For CRESCENT MODARABA MANAGEMENT COMPANY LIMITED
(MANAGEMENT COMPANY OF FIRST ELITE CAPITAL MODARABA)**

Chairman

Chief Executive

Director

Chief Financial Officer



FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2023 Rupees (Un-Audited)	December 31, 2022 Rupees (Un-Audited)	December 31, 2023 Rupees (Un-Audited)	December 31, 2022 Rupees (Un-Audited)
INCOME				
Income from ijarah financing	16,495,697	14,903,251	8,243,868	7,148,309
Profit on murabahah and musharakah financing	329	-	329	-
Reversal of provision	61,735	97,951	23,735	6,000
Return on investments	2,418,939	803,595	1,291,120	522,855
Other income	139,034	932,677	71,129	707,202
	19,115,734	16,737,474	9,630,181	8,384,366
EXPENSES				
Depreciation of assets leased out	12,465,156	12,016,802	6,062,911	5,713,285
Administrative and general expenses	8,305,822	7,833,907	4,448,458	4,327,219
Financial charges	7,920	3,873	3,268	2,348
	20,778,898	19,854,582	10,514,637	10,042,852
Operating Loss	(1,663,164)	(3,117,108)	(884,456)	(1,658,486)
Management fee	-	-	-	-
Loss before taxation	(1,663,164)	(3,117,108)	(884,456)	(1,658,486)
Taxation	(238,947)	(209,218)	(120,378)	(104,804)
Loss after taxation	(1,902,111)	(3,326,326)	(1,004,834)	(1,763,290)
Loss per certificate - basic and diluted	(0.17)	(0.29)	(0.09)	(0.16)

The annexed notes from 1 to 23 form an integral part of these financial statements

For CRESCENT MODARABA MANAGEMENT COMPANY LIMITED
(MANAGEMENT COMPANY OF FIRST ELITE CAPITAL MODARABA)

Chairman

Chief Executive

Director

Chief Financial Officer



FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2023 Rupees (Un-Audited)	December 31, 2022 Rupees (Un-Audited)	December 31, 2023 Rupees (Un-Audited)	December 31, 2022 Rupees (Un-Audited)
Loss after taxation	(1,902,111)	(3,326,326)	(1,004,834)	(1,763,290)
Other comprehensive incomes/(loss)				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Changes in fair value of available for sale financial assets	5,847,496	(487,490)	4,454,023	(255,563)
Re-classification adjustment for gain/(loss) included in profit or loss	-	-	-	-
	5,847,496	(487,490)	4,454,023	(255,563)
<i>Items that may not be reclassified subsequently to profit or loss</i>	-	-	-	-
Total comprehensive incomes/(loss)	3,945,385	(3,813,816)	3,449,189	(2,018,853)

The annexed notes from 1 to 23 form an integral part of these financial statements

For CRESCENT MODARABA MANAGEMENT COMPANY LIMITED
(MANAGEMENT COMPANY OF FIRST ELITE CAPITAL MODARABA)

Chairman

Chief Executive

Director

Chief Financial Officer



FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	December 31, 2023 Rupees (Un-Audited)	December 31, 2022 Rupees (Un-Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(1,663,164)	(3,117,108)
Adjustments for non-cash and other items:		
Depreciation	128,366	108,253
Depreciation of assets leased out under ijarah contracts	12,465,156	12,016,802
(Profit)/loss on sale of investments	(200,361)	(360)
Reversal of provision	-	(97,951)
Gain on disposal of property and equipment	(20,084)	(33,295)
Dividend income	(2,218,578)	(803,235)
Gain on transfer of assets leased out	-	(70,172)
Provision for employees retirement benefits	650,000	500,000
	10,804,499	11,620,042
Operating cash inflow before changes in working capital	9,141,335	8,502,934
Changes in working capital:		
Ijarah rentals receivable	1,142,148	1,738,291
Advances, deposits and prepayments	198,782	21,203,159
Accrued and other liabilities	(226,646)	45,865
Security deposits	8,801,844	(7,931,192)
Decrease in short term investment under musharakah and murabahah arrangements	-	76,000
	9,916,128	15,132,123
Cash flows from operations	19,057,463	23,635,057
(Payments)/receipts for:		
Purchase of ijarah assets	(21,269,000)	(25,458,818)
Transfer of ijarah assets	1,310,300	14,529,095
Purchase of property & equipment	-	(266,500)
Sales proceed from operating assets	29,600	51,500
Income taxes paid	(385,352)	(283,840)
Employees retirement benefits	(544,550)	-
Profit distribution	-	(3,993)
	(20,859,002)	(11,432,556)
Net cash generated from/(used in) operating activities	(1,801,539)	12,202,501
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of short term investments	(3,062,300)	(14,463,337)
Proceeds from sale of short term investments	3,291,105	3,953
Dividend received	2,218,578	803,235
Net cash (used in)/generated from investing activities	2,447,383	(13,656,149)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase/(decrease) in cash and cash equivalents	645,844	(1,453,648)
Cash and cash equivalents at the beginning of the period	2,398,266	15,851,128
Cash and cash equivalents at the end of the period	3,044,110	14,397,480

The annexed notes from 1 to 23 form an integral part of these financial statements

For CRESCENT MODARABA MANAGEMENT COMPANY LIMITED
(MANAGEMENT COMPANY OF FIRST ELITE CAPITAL MODARABA)

Chairman

Chief Executive

Director

Chief Financial Officer



FIRST ELITE CAPITAL MODARABA

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Certificate Capital Rupees	Reserves			Total Reserves Rupees	Total equity Rupees
		Statutory Reserve Rupees	Unrealized Gain/(Loss) on Available for sale financial assets Rupees	Accumulated losses Rupees		
Balance as at June 30, 2022 - Audited	113,400,000	32,870,088	(12,027,792)	(34,958,369)	(14,116,073)	99,283,927
Comprehensive (loss)/income	-	-	-	(3,326,326)	(3,326,326)	(3,326,326)
Loss after taxation	-	-	(487,490)	-	(487,490)	(487,490)
Other comprehensive loss	-	-	(487,490)	(3,326,326)	(3,813,816)	(3,813,816)
Balance as at December 31, 2022 - Un-audited	113,400,000	32,870,088	(12,515,282)	(38,284,695)	(17,929,889)	95,470,111
Balance as at June 30, 2023 - Audited	113,400,000	32,870,088	(13,058,341)	(40,670,452)	(20,858,705)	92,541,295
Comprehensive income/(loss)	-	-	-	(1,902,111)	(1,902,111)	(1,902,111)
Loss after taxation	-	-	5,847,496	-	5,847,496	5,847,496
Other comprehensive gain	-	-	5,847,496	(1,902,111)	3,945,385	3,945,385
Balance as at December 31, 2023 - Un-audited	113,400,000	32,870,088	(7,210,845)	(42,572,563)	(16,913,320)	96,486,680

The annexed notes from 1 to 23 form an integral part of these financial statements

For CRESCENT MODARABA MANAGEMENT COMPANY LIMITED
(MANAGEMENT COMPANY OF FIRST ELITE CAPITAL MODARABA)


Chairman


Director


Chief Financial Officer



FIRST ELITE CAPITAL MODARABA

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023 (UN-AUDITED)

1 REPORTING ENTITY

First Elite Capital Modaraba ("the Modaraba") is a perpetual, multi-purpose and multi-dimensional 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 Act, 2017, vide Registration No. L 01630 dated May 30, 1989. The registered office of the Modaraba is situated at 50-A, Garden Block, New Garden Town, Lahore. The Modaraba was floated on September 26, 1991 and is listed on Pakistan Stock Exchange Limited. 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 interim financial information 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 information should be read in conjunction with the audited financial statements of the Modaraba for the year ended June 30, 2023. The Securities and Exchange Commission of Pakistan vide Circular No. 10 of 2004 dated 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 this financial information.

The comparative interim statement of financial position as at June 30, 2023 and the related notes to the condensed interim financial information are based on audited financial statements. The comparative interim statement of profit or loss, interim statement of comprehensive income, interim statement of cash flows, interim statement of changes in equity and related notes to the condensed interim financial information for the half year ended December 31, 2023 are based on unaudited, reviewed interim financial information. The interim statement of profit or loss account and interim statement of comprehensive income for the quarters ended December 31, 2023 and December 31, 2022 are neither audited nor reviewed.

2.1 Statement of Compliance

This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the provisions of the Companies Act, 2017, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and the directives issued by SECP differ with the requirements of IFRSs or IFAS, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 or the directives issued by the SECP prevail.

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 Judgments, estimates and assumptions

The preparation of financial information requires management to make judgments, 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 judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments 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 Modaraba's functional currency.



FIRST ELITE CAPITAL MODARABA

8.4 The Modaraba has filed one (2023: one) criminal complaint under section 20 of the Financial Institutions (Recovery of Finances) Ordinance, 2001, against party in Banking Court, Lahore.

Note	Un-Audited December 31, 2023 Rupees	Audited June 30, 2023 Rupees
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9 IJARAH RENTALS RECEIVABLE - SECURED

These represent rentals receivable against assets leased out under Ijarah contracts. These are secured against vehicles and machinery. The details are as follows:

Considered good	717,100	1,859,248
Considered doubtful	6,726,504	6,726,504
	7,443,604	8,585,752
Less: Provision for doubtful receivables	(6,726,504)	(6,726,504)
	717,100	1,859,248

9.1 The Modaraba has filed two (2023: two) execution petitions for claim of Rs. 6,686,020/- (2023: 6,686,020/-) against two parties in Banking Court, Lahore. The management is hotly pursuing its cases in the Court of law. The management expects favourable decisions regarding the above matters.

10 PROFIT RECEIVABLE - SECURED

This represents profit receivable on murabahah and musharakah finance.

Considered good	-	-
Considered doubtful	21,687,140	21,687,470
	21,687,140	21,687,470
Less: Provision for doubtful receivables	(21,687,140)	(21,687,470)
	-	-

11 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advances to employees-considered good	3,394,246	3,486,053
Prepayments	1,446,657	1,396,942
Deposits and other advances	40,450	40,450
Other Receivable - unsecured	17,208	173,898
	4,898,561	5,097,343

11.1 These mainly include amounts recoverable from customers in respect of expenses incurred by the Modaraba on their behalf. Particulars of other receivables are as follows:

Considered good	17,208	173,898
Considered doubtful	2,667,990	2,667,990
	2,685,198	2,841,888
Less: Provision for doubtful receivables	(2,667,990)	(2,667,990)
	17,208	173,898

12 ADVANCE INCOME TAX

Opening balance	722,764	856,910
Add: tax paid during the period	385,352	670,918
Less: provision for the period	(238,947)	(805,064)
Closing balance	869,169	722,764

13 ASSETS LEASED OUT UNDER IJARAH CONTRACT

Leased Assets	106,290,596	98,797,049
13.1 Movement in assets leased out under ijarah contract		
Opening assets leased	131,068,313	137,258,500
Additions during the period	21,269,000	56,695,813
Disposal during the period	(9,147,300)	(62,886,000)
	143,190,013	131,068,313
Accumulated Amortization Assets Leased	(36,899,417)	(32,271,264)
Closing net book value	106,290,596	98,797,049



FIRST ELITE CAPITAL MODARABA

	Un-Audited December 31, 2023 Rupees	Audited June 30, 2023 Rupees
14 PROPERTY AND EQUIPMENT		
Operating Fixed Assets	1,488,313	1,626,196
14.1 Movement in operating fixed assets		
Opening cost of Fixed assets	5,613,546	5,228,942
Additions during the period	-	637,864
Disposal during the period	(37,306)	(253,260)
	5,576,240	5,613,546
Accumulated Depreciation Assets Own Use	(4,087,927)	(3,987,350)
Closing net book value	1,488,313	1,626,196
15 ACCRUED AND OTHER LIABILITIES		
Accrued expenses	533,859	820,076
Advance ijarah rentals	367,693	410,241
Withholding tax payable	12,104	9,465
Charity payable	-	14,457
Other payables - <i>unsecured</i>	204,664	90,727
	1,118,320	1,344,966
16 SECURITY DEPOSITS		
Security deposits under ijarah contracts	58,035,418	49,233,574
Current maturity presented under current liabilities	(7,229,559)	(5,906,805)
	50,805,859	43,326,769
17 CONTINGENCIES AND COMMITMENTS		
17.1 Contingencies		
17.1.1 There is no significant change in the status of contingencies since June 30, 2023.		
17.2 Commitments		
There are no significant commitments as at the reporting date		
18 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
Modaraba certificates of Rs. 10 each.		
10,000,000 (June 30, 2023: 10,000,000)		
certificates issued for cash	100,000,000	100,000,000
1,340,000 (June 30, 2023: 1,340,000)		
certificates issued as bonus certificates	13,400,000	13,400,000
	113,400,000	113,400,000
19 TAXATION		
19.1 The tax exemption by virtue of Clause 100 of Part 1 of the second Schedule to the Income Tax Ordinance, 2001 has been withdrawn through Tax Laws (Second amendment), 2021 dated March 21, 2021 which is subsequently adopted in Finance Act, 2021.		
19.2 Provision for current taxation is based on taxable income for the period at the current rates of taxation after taking into account applicable tax credits, rebates and exemptions available, if any.		
20 RELATED PARTY TRANSACTIONS AND BALANCES		
Details of transactions with related parties are as follows:		
20.1 Transaction with related party during the period		
	Nature of relationship	Nature of transaction
	Management Company	Sale of asset
	Associated Company	Sale of asset
		22,500
		16,000
		38,500
21 EVENTS AFTER THE REPORTING PERIOD		
There are no significant events after the reporting period that may require any adjustment or disclosure in this condensed interim financial information.		
22 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 February 23, 2024.		
23 GENERAL		
Figures have been rounded off to the nearest Rupee.		

**For CRESCENT MODARABA MANAGEMENT COMPANY LIMITED
(MANAGEMENT COMPANY OF FIRST ELITE CAPITAL MODARABA)**

Chairman

Chief Executive

Director

Chief Financial Officer

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FIRST ELITE CAPITAL MODARABA
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