



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

Description	Certificate Capital	Statutory Reserve	Accumulated profit	Total
Balance as at June 30, 2013	100,000,000	15,236,919	9,531,921	124,768,840
Profit for the year	-	-	3,381,245	3,381,245
Balance as at June 30, 2014	100,000,000	15,236,919	12,913,166	128,150,085
Profit for the period	-	-	803,211	803,211
Balance as at September 30, 2014	100,000,000	15,236,919	13,716,377	128,953,296

The annexed notes form an integral part of these condensed interim financial information.

**Chief Executive** **Chief Financial Officer**  
**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

1.1 First Islamic Modaraba is a multipurpose, perpetual Modaraba formed under the Modaraba and Modaraba (floatation and control) Ordinance, 1980 and the rules framed there under and is managed by the Popular Islamic Modaraba Management Company (Private) Limited (formerly by Islamic Investment Bank Limited-under liquidation), a company incorporated in Pakistan under the Companies Ordinance, 1984 and registered with Registrar of Modaraba Companies. The registered office of the modaraba is situated at 813, 8th Floor, Chappal Plaza, Hasrat Mohani Road, Off I.I.Chundrigar Road, Karachi. The Modaraba is listed on the Islamabad Stock Exchange.

**2. BASIS OF PREPARATION**

These condensed Interim financial information are unaudited and being submitted to Certificate Holders as required under Rule 10 of Modaraba Companies and Modaraba Rules 1981 and have been prepared in accordance with International Accounting Standard(IAS)-34 " Interim Financial Reporting" as applicable in Pakistan.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation followed in the preparation of these condensed interim financial information are the same as those applied in preparing the unaudited financial statements for the year ended June 30, 2014.

	Un-audited Sept. 2014 Rupees	Un-audited June 2014 Rupees
<b>4. PROPERTY AND EQUIPMENTS</b>		
<b>Owned assets</b>		
Cost	71,150	71,150
Less:Accumulated Depreciation	(18,290)	(12,358)
	52,860	58,792
<b>Ijarah/Leased-Property, Plant and Equipment</b>		
Cost	15,028,000	-
Addition	20,626,000	15,028,000
Less:Accumulated Depreciation	(2,135,094)	(845,325)
	33,518,906	14,182,675
	33,571,766	14,241,467



**4.1 Ijarah/Leased-Property and Equipment**

Following additions in assets leased out, at cost, were made during the period:

	Un-audited Sept. 2014 Rupees	Un-audited June 2014 Rupees
	----- Additions -----	
Equipments	-	9,328,000
Vehicles	20,626,000	5,700,000
	20,626,000	15,028,000

**5. CONTINGENCIES AND COMMITMENTS**

There are no material change in the contingencies and commitments as disclosed in the annual financial statements for the year ended June 30, 2014.

**6 RELATED PARTY TRANSACTION**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include a subsidiary company, associated companies with or without common directors, retirement benefits funds, directors and key management personnel.

The Modaraba has related party relationships with the Modaraba Management Company, Associated Undertakings and its key Management Personnel.

The detail of transactions with related parties and balances with them, apart from compensation to executives, is given below.

Relationship with the Modaraba	Nature of Transactions	Un-audited Sept. 2014 Rupees	Un-audited June 2014 Rupees
Popular Islamic Modaraba Management Company (Pvt.) Ltd.	Management Fee Accrued	473,355	382,494

These condensed interim financial information was authorised for issue on October 31, 2014 by the Board of Directors of the Popular Islamic Modaraba Management Company (Pvt.) Limited.

**7. GENERAL**

Figures have been rounded off to the nearest Rupee.

The annexed notes form an integral part of these condensed interim financial information.

**Chief Executive**

**Chief Financial Officer**



**First Islamic Modaraba**  
An Islamic Financial Institution

**Quarterly Accounts  
September 30, 2014  
(Un-Audited)**

First Islamic Modaraba Management Company (Pvt.) Ltd.  
813 Chappal Plaza, Hasrat Mohani Road, Off. I.I. Chundrigar Road, Karachi-74000, Pakistan

**Managed by :**  
Popular Islamic Modaraba  
Management Company (Pvt.) Ltd

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**DIRECTORS' REPORT**

The Board of Directors of First Islamic Modaraba managed by Popular Islamic Modaraba Management Company (Pvt.) Ltd., takes pleasure in presenting the condensed un-audited financial information for the three months period ended September 30, 2014.

	<b>September 30, 2014 Rupees</b>
<b>Financial Results</b>	
<b>Description</b>	
Total Income	3,165,056
Total Expenses	2,256,446
Profit before Management Fee, WWF & Sales Tax	908,610
Management Fee	90,861
Sales Tax on Management Fee	14,538
Net Profit	803,211

The performance of First Islamic Modaraba, during the first quarter under review remained satisfactory. Operating income increased, contributed mainly by ijarah (lease) and Modaraba transactions. Further opportunities are also being explored to diversify income portfolio. The Modaraba has developed a balanced mix of sound and trust worthy clientele from diversified industrial and trading sectors.

Your management is committed to further strengthen operations of your Modaraba. Implementation of well thought out policies are expected to yield improved results of the Modaraba for the benefit of all stake holders.

As the Modaraba started operations in August 2013, its operational performance during September 2013 quarter was not significant, hence not mentioned for comparison.

For and on behalf of the Board of Directors

October 31, 2014  
Karachi.

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

	Un-audited Sept. 2014 Rupees	Un-audited June, 2014 Rupees
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property and Equipments	4 33,571,766	14,241,467
<b>CURRENT ASSETS</b>		
Cash and bank balances	6,266,227	4,578,833
Amount due from management company	9,579,509	9,579,509
Short term investments	9,329,577	9,329,577
Short term morabaha finance	2,202,682	2,202,682
Short term modaraba finance	30,000,000	45,000,000
Short term musharaka finance	45,000,000	45,000,000
Advances, deposit, prepayments and other receivables	3,467,857	3,441,334
Advance against Ijarah	-	1,039,000
	<u>105,845,852</u>	<u>120,170,935</u>
<b>TOTAL ASSETS</b>	<u>139,417,618</u>	<u>134,412,402</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Creditors, accrued and other liabilities	8,596,726	4,500,120
Provision for taxation	333,855	333,855
Unclaimed profit distribution	984,649	984,649
Management fee Payable	473,355	382,494
Sales Tax on Management Fee	75,737	61,199
<b>TOTAL LIABILITIES</b>	<u>10,464,322</u>	<u>6,262,317</u>
<b>NET ASSETS</b>	<u>128,953,296</u>	<u>128,150,085</u>
<b>REPRESENTED BY</b>		
<b>CAPITAL AND RESERVES</b>		
Certificate Capital		
Authorized modaraba certificates of Rs. 10/- each	<u>140,000,000</u>	<u>140,000,000</u>
Certificate Capital		
Issued, subscribed and paid - up in cash	<u>100,000,000</u>	<u>100,000,000</u>
Statutory reserve	15,236,919	15,236,919
Accumulated profit	13,716,377	12,913,166
	<u>28,953,296</u>	<u>28,150,085</u>
<b>CONTINGENCIES &amp; COMMITMENTS</b>	5 -	-
	<u>128,953,296</u>	<u>128,150,085</u>

The annexed notes form an integral part of these condensed interim financial information.

Chief Executive

Chief Financial Officer

**INTERIM CONDENSED PROFIT AND LOSS ACCOUNT  
(UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

	Un-audited Sept. 2014 Rupees
<b>INCOME</b>	
Ijarah rentals	1,705,067
Income on modaraba finance	1,387,367
Income on morabaha finance	-
Income on deposits	-
Income on bank balances	62,622
Dividend Income	-
Other income	10,000
	<u>3,165,056</u>
<b>EXPENSES</b>	
Amortization on Ijarah assets	1,289,769
Administrative and operating expenses	966,677
Reversal for dimintion in value of investment	-
	<u>2,256,446</u>
Modaraba management company's fee	908,610
Sales Tax on Management fee	90,861
	<u>14,538</u>
<b>Profit before taxation</b>	<u>803,211</u>
Taxation	-
<b>Profit after taxation</b>	<u>803,211</u>
Other comprehensive income	-
	<u>803,211</u>
Total comprehensive income for the period	<u>803,211</u>
Earnings per certificate - basic & diluted	<u>0.08</u>

The annexed notes form an integral part of these condensed interim financial information.

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

	Un-audited Sept. 2014 Rupees
Profit for the period	803,211
<b>Other Comprehensive Income</b>	
Other Comprehensive income for the period ended	-
Total Comprehensive Income for the period ended	<u>803,211</u>

The annexed notes form an integral part of these condensed interim financial information.

Chief Executive

Chief Financial Officer

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

	Un-audited Sept. 2014 Rupees	Un-audited June 2014 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	803,211	3,381,245
<b>Adjustments for:</b>		
Depreciation	5,930	-
Amortization on assets leased out under Ijarah	1,289,769	845,325
	<u>1,295,699</u>	<u>845,325</u>
Operating profit before working capital changes	2,098,910	4,226,570
<b>(Increase) / Decrease in current assets</b>		
Short term modaraba finance	15,000,000	(45,000,000)
Advance against Ijarah	1,012,477	-
	<u>16,012,477</u>	<u>(45,000,000)</u>
<b>Increase /(Decrease) in current liabilities</b>		
Accrued & other liabilities	4,202,005	16,606,168
<b>Cash generated from operation</b>	<u>22,313,392</u>	<u>(24,167,262)</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Dividend received	-	-
Tax paid	-	-
	<u>-</u>	<u>-</u>
Net cash used in operating activities	-	-
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of Property and Equipments	(20,626,000)	(71,150)
	<u>(20,626,000)</u>	<u>(71,150)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	<u>-</u>	<u>-</u>
<b>Net increase in cash &amp; cash equivalent</b>	<u>1,687,392</u>	<u>(24,238,412)</u>
Cash and cash equivalents at the beginning of the period	4,578,833	28,817,245
<b>Cash and cash equivalents at the end of the period</b>	<u>6,266,227</u>	<u>4,578,833</u>

The annexed notes form an integral part of these condensed interim financial information.

Chief Executive

Chief Financial Officer