

QUARTERLY ACCOUNTS
(un-audited)

For the first quarter ended September 30, 2011



FIRST IMROOZ MODARABA

Managed by
A R Management Services (Private) Limited



FIRST IMROOZ MODARABA

REPORT OF THE DIRECTORS

The Board of Directors of A R Management Services (Private) Limited, the management company of First Imrooz Modaraba are pleased to present their quarterly report alongwith unaudited financial statements for the first quarter ended September 30, 2011.

1. Financial Highlights

Financial results of the Modaraba are summarized as under:-

	(Rupees in million)	
	Three months ended	
	30-Sep-11	30-Sep-10
Sales	191.645	109.608
Gross profit	26.982	17.293
Operating expenses	9.999	7.976
Other income	0.363	0.642
Unrealised diminution on re-measurement of investments	(0.134)	(0.037)
Profit for the quarter	5.764	4.122
Earnings per certificate - basic & diluted	Rupees 1.92	1.37

2. Review of Operations

Alhamdulillah, the performance of the Modaraba during the first quarter ended September 30, 2011 showed improvement as compared to the same period of last year.

The Modaraba's turnover for this quarter stood at Rs. 191.645 million as against Rs.109.608 million of the corresponding quarter.

The Modaraba has recorded diminution of Rs. 0.134 million on re-measurement of investments as against Rs. 0.037 million recorded in the corresponding quarter.

As a result, the Modaraba's profit for the quarter was Rs.5.764 million as compared to Rs.4.122 million of the comparable period of last year and earnings per certificate worked out to Rs.1.92 per certificate against Rs. 1.37 in the same period last year.

3. Acknowledgement

The Board wishes to express its thanks for continued guidance and support extended by the Registrar Modaraba and other officials of Securities and Exchange Commission of Pakistan. The Board also wishes to thank its certificate holders, colleagues, investors, bankers and business accounts for their continued support and co-operation and above all appreciates the dedication and hard work of each staff member of the Modaraba.

on behalf of the Board

Naveed Riaz
Chief Executive

October 25, 2011



FIRST IMROOZ MODARABA

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2011

	September 30, 2011 Rupees (Un-audited)	June 30, 2011 Rupees (Audited)
	Note	
NON CURRENT ASSETS		
Property and equipment	5,849,369	6,034,299
Intangible assets	295,089	333,852
	<u>6,144,458</u>	<u>6,368,151</u>
CURRENT ASSETS		
Stock in trade	222,271,164	202,756,589
Trade debtors - unsecured, considered good	64,798,572	82,968,883
Advances, deposits, prepayments and other receivables	5,240,184	1,982,374
Investments	1,079,638	1,213,177
Taxation	2,816,165	3,543,353
Cash & bank balances	21,590,659	17,555,322
	<u>317,796,382</u>	<u>310,019,698</u>
	<u>323,940,840</u>	<u>316,387,849</u>
CAPITAL AND RESERVES		
Authorised Certificate Capital 10,000,000 Modaraba Certificates of Rs. 10/- each	<u>100,000,000</u>	<u>100,000,000</u>
Issued certificate capital	30,000,000	30,000,000
Statutory reserve	60,557,907	60,557,907
Revenue reserve	10,107,075	26,392,845
	<u>100,664,982</u>	<u>116,950,752</u>
NON-CURRENT LIABILITY		
Staff gratuity	9,420,857	8,895,857
CURRENT LIABILITIES		
Obligation under murabaha finances	40,522,656	33,367,420
Qard-e-Hasana from modaraba mangement company	27,200,000	15,000,000
Creditors, accrued and other liabilities	124,082,345	142,173,820
Profit payable	22,050,000	-
	<u>213,855,001</u>	<u>190,541,240</u>
CONTINGENCIES AND COMMITMENTS		
	4	
	<u>323,940,840</u>	<u>316,387,849</u>

The annexed notes from 1 to 6 form an integral part of this condensed interim financial information

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director



FIRST IMROOZ MODARABA

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2011

	Jul - Sep 2011 Rupees	Jul - Sep 2010 Rupees
Sales	191,644,964	109,608,188
Cost of sales	<u>164,662,467</u>	<u>92,314,693</u>
Gross profit	26,982,497	17,293,495
Operating expenses	<u>9,999,999</u>	<u>7,975,584</u>
Operating profit	16,982,498	9,317,911
Murabaha charges	(900,249)	(513,452)
Workers' welfare fund	-	(188,198)
Other income	362,795	642,164
Unrealised diminution on remeasurement of investments	<u>(133,539)</u>	<u>(36,714)</u>
	16,311,505	9,221,711
Modaraba company's management fee	<u>1,468,035</u>	<u>829,954</u>
Profit before taxation	14,843,470	8,391,757
Taxation	<u>9,079,240</u>	<u>4,269,277</u>
Profit for the period	5,764,230	4,122,480
Other Comprehensive Income	-	-
Total comprehensive income	<u>5,764,230</u>	<u>4,122,480</u>
Earnings per certificate - basic & diluted	<u>1.92</u>	<u>1.37</u>

The annexed notes from 1 to 6 form an integral part of this condensed interim financial information

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2011

	Issued, subscribed and paid up certificate capital	Statutory reserve	Revenue reserve (un- appropriated profit)	Total
Rupees				
Balance at June 30, 2010	30,000,000	55,043,305	27,134,437	112,177,742
Profit distribution for the year ended June 30, 2010 @ Rs. 7.60 per certificate	-	-	(22,800,000)	(22,800,000)
Profit for the period July 10 to Sept 10	-	-	4,122,480	4,122,480
Balance at September 30, 2010	30,000,000	55,043,305	8,456,917	93,500,222
Profit for the period Oct 10 to Jun 11	-	-	23,450,530	23,450,530
Transfer to statutory reserve	-	5,514,602	(5,514,602)	-
Balance at June 30, 2011	30,000,000	60,557,907	26,392,845	116,950,752
Profit distribution for the year ended June 30, 2011 @ Rs. 7.35 per certificate	-	-	(22,050,000)	(22,050,000)
Profit for the period July 11 to Sept 11	-	-	5,764,230	5,764,230
Balance at September 30, 2011	<u>30,000,000</u>	<u>60,557,907</u>	<u>10,107,075</u>	<u>100,664,982</u>

The annexed notes from 1 to 6 form an integral part of this condensed interim financial information

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Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director



FIRST IMROOZ MODARABA

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2011

	Sept. 30, 2011 Rupees	Sept. 30, 2010 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	14,843,470	8,391,757
Adjustments:		
Depreciation on property and equipment	651,731	671,655
Amortization of intangible assets	38,763	38,763
Gain on disposal of property and equipment	-	(521,392)
Dividend income	(87,697)	-
Unrealised diminution on re-measurement of investments	133,539	36,714
Murabaha charges	900,249	513,452
Provision for staff gratuity	525,000	525,000
	<u>2,161,585</u>	<u>1,264,192</u>
	17,005,055	9,655,949
Changes in operating assets and liabilities (Increase) / Decrease in current assets		
Stock in trade	(19,514,575)	(69,301,953)
Trade debtors	18,170,311	54,207,808
Advances, deposits, prepayments and other receivables	(3,257,810)	(3,152,611)
	<u>(4,602,074)</u>	<u>(18,246,756)</u>
Decrease in current liabilities		
Creditors, accrued and other liabilities	<u>(17,642,461)</u>	<u>7,440,768</u>
Cash used in operations	(5,239,480)	(1,150,039)
Murabaha charges paid	(1,349,263)	(395,660)
Taxes paid	(8,352,053)	(5,178,598)
Gratuity paid	-	(1,343,849)
Net cash used in operating activities	<u>(14,940,796)</u>	<u>(8,068,146)</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(466,800)	(159,765)
Proceeds from disposal of property and equipment	-	551,600
Dividend received	87,697	-
Net cash (used in) / generated from investing activities	<u>(379,103)</u>	<u>391,835</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Qard-e-Hasana from modaraba management company	12,200,000	5,500,000
Proceeds from murabaha finances	43,761,243	26,401,745
Repayment of murabaha finances	(36,606,007)	(22,626,899)
Net cash generated from financing activities	<u>19,355,236</u>	<u>9,274,846</u>
Net increase in cash and bank balances A+B+C	4,035,337	1,598,535
Cash and bank balances at the beginning of the period	17,555,322	6,887,662
Cash and bank balances at the end of the period	<u>21,590,659</u>	<u>8,486,197</u>

The annexed notes from 1 to 6 form an integral part of this condensed interim financial information

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director



FIRST IMROOZ MODARABA

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2011

1. LEGAL STATUS AND NATURE OF BUSINESS

First Imrooz Modaraba (the Modaraba) was formed on September 27, 1993 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Rules framed thereunder and is managed by A R Management Services (Private) Limited. The Modaraba commenced its commercial operations from March 01, 1994. The Modaraba is listed on the Karachi Stock Exchange.

It is a multi purpose, perpetual Modaraba and is mainly engaged in domestic and international trading activities.

2. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of the Modaraba Companies & Modaraba (Floatation & Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities & Exchange Commission of Pakistan ["the Modaraba Regulations"] together with approved accounting standards as applicable in Pakistan ["the Modaraba Regulations"] together with approved accounting standards as applicable in Pakistan to Modarabas. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as are notified under the provisions of the Companies Ordinance, 1984 and made applicable to Modarabas. Wherever the requirements of "the Modaraba Regulations" differ from the requirements of these standards, the requirements of "the Modaraba Regulations" take precedence. The disclosures made in this condensed interim financial information have however been limited, based on the requirements of International Accounting Standard 34, Interim Financial Reporting'.

This condensed interim financial information is un-audited and has been prepared in all material respects, in accordance with the requirements of International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan and being submitted to the Certificate holders as required by Rule 10 of the Modaraba Companies and Modaraba Rules, 1981.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are the same which were applied for the preparation of financial statements for the year ended June 30, 2011.

4. CONTINGENCIES AND COMMITMENTS

Contingencies in respect of post dated cheques to Collector of Customs amounting to Rs.71,656,007. (June 30, 2011 : Rs. 62,074,694).

The Lahore High Court has struck down the amendments in section 2(f) of the Workers' Welfare Fund Ordinance, 1971, inserted through Finance Act 2008. The Modaraba is of the opinion that since amendment having being struck down, therefore no provision has been made in respect of Workers' Welfare Fund amounting to Rs.296,869 (June 30, 2011: Rs. 1,083,835)

Commitments in respect of outstanding letters of credit for trading stock amounting to Rs.4,130,874. (June 30, 2011 : Rs. 3,355,956).

5. APPROVAL OF FINANCIAL STATEMENTS

This condensed interim financial information was approved by the Board of Directors of the Modaraba Management Company and authorized for issue on October 25, 2011.

6. GENERAL

This condensed interim financial information is presented in Pak Rupees, which is the Modaraba's functional and presentation currency. Amounts have been presented and rounded off to the nearest rupee.

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director

If undelivered, please return to:

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