

First Tri-Star Modaraba



HALF YEARLY REPORT **DECEMBER 31, 2018 (Un-audited)**

Managed by:
A.R.T. Modaraba Management (Pvt) Ltd.



Board of Directors

Directors of Modaraba Company:

Mr. Ahmed Khizer Khan	Non Executive Chairman/Independent Director
Mr. Asad Ahmad	Chief Executive
Ms. Marium Ahmad	Non Executive Director

Auditors: M/s. Muniff Ziauddin & Co.
Chartered Accountants

Audit Committee:	Mr. Ahmed Khizer Khan	Chairman
	Ms. Marium Ahmad	Member
	Mr. Asad Ahmad	Member

Shariah Advisor: Alhamd Shariah Advisory Services (Pvt) Ltd.

Bankers: Al Baraka Bank (Pakistan) Ltd.
Bank Al-Habib Ltd.
Habib Bank Ltd.
National Bank of Pakistan

Registered Office: A/33, Central Commercial Area,
Block 7/8, KCHSU, Main Shahrah-e-Faisal,
Karachi.

Management Company: A.R.T. Modaraba Management (Pvt) Ltd.



**Report of the Directors
of A.R.T. Modaraba Management (Pvt) Ltd.,
For the half year ended December 31, 2018**

The un-audited accounts of First Tri-Star Modaraba for the half year ended December 31, 2018 are presented herewith.

As Reported earlier, the Modaraba has started an A-Level college in September, 2018 and this is its first year of operation. The college is picking up and is managed by a professional team. It is expected that college will have a bright future and will help Modaraba achieve better results.

On behalf of the Board

ASAD AHMAD
Chief Executive

Karachi.
February 28, 2019



INDEPENDENT AUDITORS' REVIEW REPORT

To the Certificate Holders of First Tri-Star Modaraba

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim balance sheet of **First Tri-Star Modaraba** (the Modaraba) as at **December 31, 2018**, the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity, and notes to the interim financial statements for the six month period then ended (here-in-after referred to as "interim financial statements"). Management Company is responsible for the preparation and presentation of these interim financial statements in accordance with approved accounting 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 profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and December 31, 2017 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended December 31, 2018.

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.

Basis for Qualified Conclusion

1. the Modaraba has an investment in the group company Tri Star Energy Limited (an unlisted associated company) amounting to Rs. 52.303 million (June 30, 2018: Rs. 64.585 million) in contravention to Clause 7(7) of the Prudential Regulations for Modaraba relating to investment in unlisted securities whereof the Modarabas are not allowed to have investment exceeding 5% of its equity;
2. As disclosed in note 10.2, the Modaraba has sold the shares of Tri Star Energy Limited at par value. However, due to various reasons including those as explained by the management on this regard we are unable to determine arm length price of these shares.
3. We were unable to ascertain the extent of the recoverability of dues in respect of rental income which amounts to Rs. 26.5 million. Therefore, the adequacy of relevant provisioning and any possible adjustments that may be required in the accompanying interim financial statements for the six months period ended December 31, 2018 remains uncertain.
4. As disclosed in note 6, zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Modaraba but the same amount was not deposited in the Central Zakat Fund established under section 7 of that Ordinance.



Qualified Conclusion

Based on our review, with the exception of the matters described in the paragraphs (1-4) above, 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 standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditors' report is Sohail Saleem.

sd/-

Muniff Ziauddin & Co.

Chartered Accountants

February 28, 2019

Karachi



**CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2018**

		December 31, 2018 (Un-audited)	June 30, 2018 (Audited)
	Note	-----Rupees-----	
CAPITAL AND RESERVES			
Authorised Capital 40,000,000 (June 30,2018: 40,000,000) Modaraba Certificates of Rs. 10 each		400,000,000	400,000,000
Issued, subscribed and paid-up certificate capital		211,631,040	211,631,040
Reserves	5	31,744,353	31,744,353
Accumulated loss		(39,835,472)	(34,550,400)
Certificate holders' equity		203,539,921	208,824,993
Unrealized loss on remeasurement of available-for-sale investments		(7,951,372)	(7,598,788)
CURRENT LIABILITIES			
Creditors, accrued and other liabilities	6	7,930,504	3,829,571
Unclaimed dividend		6,134,956	7,525,416
Total current liabilities		14,065,461	11,354,987
Contingencies and commitments	7		
TOTAL LIABILITIES AND EQUITY		209,654,010	212,581,192
NON-CURRENT ASSETS			
Property and equipments	8	3,821,380	1,321,950
Investment property	9	118,897,511	125,155,275
Long term deposit		21,000	21,000
Long term investments	10	52,312,387	64,595,418
Total non-current assets		175,052,278	191,093,643
CURRENT ASSETS			
Fee receivable, unsecured, considered good		4,500,000	-
Due from associated undertakings		26,500,000	18,000,000
Short term investments	11	2,590,029	2,941,582
Advance and deposits		362,344	302,221
Other receivables		13,061	13,061
Cash and bank balances	12	636,298	230,685
Total current assets		34,601,732	21,487,549
TOTAL ASSETS		209,654,010	212,581,192

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

For A.R.T. Modaraba Management (Private) Limited
(Modaraba Management Company)

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

Note	Quarter ended		Half year ended	
	31/Dec/18	31/Dec/17	31/Dec/18	31/Dec/17
	-----Rupees-----			
Revenue	9,295,000	9,000,000	13,795,000	9,000,000
Administrative expenses	(12,851,167)	(3,583,733)	(16,967,843)	(7,164,103)
	(3,556,167)	5,416,267	(3,172,843)	1,835,897
Other income	(89,398)	11,088	11,992	12,451
Financial charges	(7,885)	(75)	(7,910)	(525)
(Loss) / Profit before taxation	(3,653,450)	5,427,280	(3,168,761)	1,847,823
Taxation	-	-	-	-
(Loss) / Profit for the period	(3,653,450)	5,427,280	(3,168,761)	1,847,823
(Loss) / Earnings per certificate	(0.173)	0.256	(0.150)	0.087

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For A.R.T. Modaraba Management (Private) Limited
(Modaraba Management Company)

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Quarter ended		Half year ended	
	31/Dec/18	31/Dec/17	31/Dec/18	31/Dec/17
	-----Rupees-----			
(Loss) / Profit for the period	(3,653,450)	5,427,280	(3,168,761)	1,847,823
Other comprehensive income:				
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>				
Unrealized gain during the period on re-measurement of investment classified as available for sale	1,314,702	(498,827)	(352,585)	(829,705)
Total comprehensive (loss) / income for the period	<u><u>(2,338,748)</u></u>	<u><u>4,928,453</u></u>	<u><u>(3,521,346)</u></u>	<u><u>1,018,118</u></u>

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

For A.R.T. Modaraba Management (Private) Limited
 (Modaraba Management Company)

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER



CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	December 31, 2018	December 31, 2017
Note	-----Rupees-----	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(3,168,761)	1,847,823
Adjustments:		
Depreciation	6,463,005	6,966,625
Interest Income	-	-
Dividend income	(11,992)	(12,451)
	6,451,013	6,954,174
	3,282,252	8,801,997
Changes of Working Capital:		
(Increase) / Decrease in current assets	(13,000,000)	(9,000,000)
Decrease in current liabilities	2,710,474	(599,124)
	(10,289,527)	(9,599,124)
Income tax paid	(60,123)	(1,872)
Net cash used in operating activities	(7,067,398)	(799,000)
CASH FLOW FROM INVESTING ACTIVITIES		
Dividend income	11,992	12,451
Capital expenditure incurred	(2,704,671)	-
Sale proceeds of investments	12,282,000	1,080,000
Net cash inflow from investing activities	9,589,321	1,092,451
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(2,116,310)	-
Net cash outflow from financing activities	(2,116,310)	-
Net increase in cash & cash equivalents during the period	405,613	293,451
Cash & cash equivalent at the beginning of the period	230,685	141,014
Cash & cash equivalent at the end of the period	636,298	434,465

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

For A.R.T. Modaraba Management (Private) Limited
(Modaraba Management Company)

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

Particulars	Certificate Capital	General Reserve	Statutory Reserve	Accumulated Loss	Total
-----Rupees-----					
Balance as at June 30, 2017	211,631,040	10,000,000	21,280,446	(36,406,025)	206,505,461
Profit for the half year ended Dec 31, 2017	-	-	-	1,847,823	1,847,823
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,847,823	1,847,823
Balance as at December 31, 2017	211,631,040	10,000,000	21,280,446	(34,558,202)	208,353,284
Balance as at June 30, 2018	211,631,040	10,000,000	21,744,353	(34,550,400)	208,824,993
Profit for the half ended Dec 30, 2018	-	-	-	(3,168,761)	(3,168,761)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(3,168,761)	(3,168,761)
Final dividend for the year ended June 30, 2018				(2,116,310)	(2,116,310)
Transfer to statutory reserves	-	-	-	-	-
Balance as at December 31, 2018	211,631,040	10,000,000	21,744,353	(39,835,472)	203,539,921

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

For A.R.T. Modaraba Management (Private) Limited
(Modaraba Management Company)

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018**

1 LEGAL STATUS AND NATURE OF BUSINESS

First Tri-Star Modaraba was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by A.R.T. Modaraba Management (Private) Ltd. It is a perpetual, multipurpose and multidimensional Modaraba. The Modaraba is listed on Pakistan Stock Exchange Limited. The registered office of the Modaraba is situated at F/498, S.I.T.E., Karachi - 75700.

The Modaraba is engaged in the following activities:

- i) Renting out its building
- ii) Running an educational institution

2 BASIS OF PREPARATION

These condensed interim financial statements are unaudited but subject to limited scope review by the external auditors as required by the Code of Corporate Governance and are being submitted to the certificate holders as required under Rule-10 of the Modaraba Companies and Modaraba Rules, 1981.

The condensed interim financial statements of the Modaraba for the six months ended on 31 December 2018 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standard as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017 and
- Provisions of and directives issued under the Companies Act 2017, Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas.

Where requirements, provisions and directives as given under the Companies Act, 2017, Modaraba Companies and Modarabas (Floating and Control) Ordinance 1980, Modaraba Companies and Modarabas Rules, 1981, Prudential Regulations for Modaraba and Islamic Financial Reporting Standards differ from IAS 34, the requirements, provisions and directives given under the Companies Act, 2017, Modaraba Companies and Modarabas (Floating and Control) Ordinance 1980, Modaraba Companies and Modarabas Rules, 1981, Prudential Regulations for Modaraba and Islamic Financial Reporting Standards (IFRS) have been followed.



The condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Modaraba as at and for the year ended June 30, 2018.

3 SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2018, except for the adaptation of IFRS 15 "Revenue from contracts with customers". The revised accounting policies adopted by the management are as follows:

3.1 IFRS 15 – Revenue from Contracts with Customers

IFRS 15 'Revenue from contracts with customers' superseded IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations and its applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company has assessed that significant performance obligation in contracts with customers are closely related and therefore are discharged over the period of the relationship with relevant customers. Hence, the Company has concluded that it is in compliance with the requirements of the new accounting standard.

4 CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENTS

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of the Company for the year ended 30 June 2018.



	(Unaudited) Dec 31, 2018	(Audited) June 30, 2018
Note	-----Rupees-----	
5 Reserves		
General Reserve	10,000,000	10,000,000
Statutory Reserve	21,744,353	21,744,353
	<u>31,744,353</u>	<u>31,744,353</u>

In accordance with the Prudential Regulations for Modaraba Circular No: 4/2001 dated June 14, 2001 issued by the Registrar Modaraba, the Modaraba is required to transfer not less than 20% of its after tax profit to statutory reserve until the reserve equal the paid - up capital. Thereafter, 5% of the after tax are required to be transferred to the reserve.

6 Creditors, accrued and other liabilities

Accrued expenses	2,030,342	1,160,194
Management fee	384,672	384,672
Sales tax payable on Management fees	50,007	50,007
Zakat payable	3,399,788	679,150
Other liabilities	2,065,695	1,555,548
	<u>7,930,504</u>	<u>3,829,571</u>

7 Contingencies and commitments

There are no contingencies and commitments as on December 31, 2018 (June 2018 : Nil)

8 Property and equipments

Book value at the beginning of the period / year	1,321,950	139,263,912
Additions during the period / year	2,704,671	1,273,958
	<u>4,026,621</u>	<u>140,537,870</u>
Deletion during the period / year at book value	-	-
Impairment during the period / year reversed (net)	-	-
Transferred to investment property	-	(139,061,417)
Depreciation charge during the period / year	(205,241)	(154,503)
Book value at the end of the period / year	<u>3,821,380</u>	<u>1,321,950</u>



	(Unaudited) Dec 31, 2018	(Audited) June 30, 2018
9 Investment property	-----Rupees-----	
Year ended June 2018		
<i>Gross carrying amount</i>		
Balance at the beginning of the period / year	140,230,000	140,230,000
Additions during the period / year	-	-
Balance at the end of the period / year	<u>140,230,000</u>	<u>140,230,000</u>
<i>Accumulated Depreciation</i>		
Balance at the beginning of the period / year	15,074,725	1,168,583
Additions during the period / year	-	-
Depreciation charge for the period / year	6,257,764	13,906,142
Balance at the end of the period / year	<u>21,332,489</u>	<u>15,074,725</u>
<i>Net book amount</i>	<u>118,897,511</u>	<u>125,155,275</u>
As at December 31 2018 / June 30 2018		
Cost	140,230,000	140,230,000
Accumulated Depreciation	(21,332,489)	(15,074,725)
<i>Net book amount</i>	<u>118,897,511</u>	<u>125,155,275</u>
Rate	<u>10%</u>	<u>10%</u>

- 9.1 The Modaraba acquired building for a total consideration of Rs. 140.230 million during the year ended June 30, 2016 from a related party, however the title of the same was not transferred in the name of the Modaraba in view of the order passed by the Honorable Supreme Court of Pakistan imposing the condition of completion plan duly approved by the Sind Building Control Authority of registration of Sale Deed by the Sub-Registrar of Properties. The seller has already applied for approval of Completion Plan to the Sind Building Control Authority and the approval of same is awaited. As soon as Completion Plan is issued the Sale Deed will be registered before the concerned Sub-Registrar of Properties.



(Unaudited) (Audited)
Dec 31, June 30,
2018 2018

10 Long term investments

Note -----Rupees-----

Available for sale

Shares and certificates of listed companies & associated undertaking	10.1	9,387	10,418
Shares of unlisted subsidiary & associated undertakings	10.2	52,303,000	64,585,000
		<u>52,312,387</u>	<u>64,595,418</u>

10.1 Investments in listed companies

No. of Shares/Certificates		Name of Company/ Associated Undertaking	31/Dec/18		30/Jun/18	
			Cost	Fair Value	Cost	Fair Value
31/Dec/18	30/Jun/18		Rupees	Rupees	Rupees	Rupees
476	476	Tri-Star Polyester Limited	5,821	7,711	5,821	7,906
400	400	Tri-Star Power Limited	8,634	1,676	8,634	2,512
			<u>14,455</u>	<u>9,387</u>	<u>14,455</u>	<u>10,418</u>
		Less: Fair Value Adjustment	5,068		4,037	
		Fair Value	<u>9,387</u>		<u>10,418</u>	

10.2 Investment of Unlisted companies

No. of Shares/Certificates		Name of Company/ Associated Undertaking	31/Dec/18	30/Jun/18
			Cost	Cost
31/Dec/18	30/Jun/18		Rupees	Rupees
			<u>Cost</u>	<u>Cost</u>
5,230,300	6,458,500	Tri-Star Energy Limited	<u>52,303,000</u>	<u>64,585,000</u>

(Percentage Holding)

17% 21%

Less: Fair Value Adjustment

Break up value as per latest available audited financial statement is Rs. 25.27/-

11 Short term investments

No. of Shares/Certificates		Name of Company	31/Dec/18		30/Jun/18	
			Cost	Fair Value	Cost	Fair Value
31/Dec/18	30/Jun/18		Rupees	Rupees	Rupees	Rupees
437	437	Orix Modaraba	7,305	7,538	7,305	7,259
70	70	First IBL Modaraba	1,860	245	1,860	308
		Orix Leasing Pakistan				
434	362	Limited	9,938	11,388	9,938	15,736
		Saudi Pak Leasing				
132	132	Limited	2,349	-	2,349	-
12	12	Bank AL Habib Limited	23	825	23	946
86	86	Soneri Bank Limited	315	1,090	315	1,115
28	28	Samba Bank Limited	500	225	500	214



				(Unaudited) Dec 31,	(Audited) June 30,
		31/Dec/18		30/Jun/18	
No. of Shares/Certificates	Name of Company	Cost	Fair Value	Cost	Fair Value
		Rupees	Rupees	Rupees	Rupees
851	851 Saritow Spinning Mills	12,375	4,374	12,375	6,765
	Faisal Spinning Mills				
100	100 Limited	3,115	30,463	3,115	30,000
171	171 Sana Industries Limited	11,499	8,550	11,499	6,498
242	242 Nishat Chunian Limited	2,882	11,756	2,882	11,490
140	140 Nishat Mills Limited	3,533	17,714	3,533	19,729
120	- Din Textile Mills Ltd.	-	8,436	-	-
	Jubilee Spinning &				
127	127 Weaving Mills Limited	2,004	540	2,004	747
	Kohinoor Industries				
301	301 Limited	11,264	1,508	11,264	1,093
	Mohammad Farooq				
230	230 Textile Mills Limited	7,743	-	7,743	-
20	20 Hinopak Motors Limited	1,660	11,035	1,660	16,154
	Engro Corporation				
6,000	6,000 Limited	246,032	1,746,480	246,032	1,883,160
	Sanofi-Aventis (Aventis)				
100	100 Limited	16,064	75,000	16,064	107,000
259	259 Packages Limited	7,816	100,186	7,816	126,837
2,000	2,000 Cherat Cement Limited	83,600	139,300	83,600	194,460
613	613 Shell Pakistan Limited	1,280	187,946	1,280	193,763
	Pakistan State Oil				
1,000	1,000 Company limited	415,215	225,430	415,215	318,310
	Dewan Salman Fibre				
264	264 Limited	6,622	-	6,622	-
		854,994	2,590,029	854,994	2,941,582
Fair Value Adjustment		1,735,035		2,086,588	
Fair Value		2,590,029		2,941,582	

Companies delisted/Trading suspended

		31/Dec/18		30/Jun/18	
No. of Shares/Certificates	Name of Company	Cost	Fair Value	Cost	Fair Value
		Rupees	Rupees	Rupees	Rupees
400	400 Islamic Investment Bank Limited	2,757	-	2,757	-
	Innovative Investment Bank				
5	5 Limited	4,545	-	4,545	-
102,350	102,350 Mohib Exports Limited	2,436,070	-	2,436,070	-
	Business & Industries insurance				
500	500 company Limited	5,000	-	5,000	-
600	600 Mian Mohd. Sugar Mills Limited	6,000	-	6,000	-
17,671	17,671 Mohib Textile Mills Limited	897,530	-	897,530	-
10,000	10,000 Sunshine Cloth Limited	160,900	-	160,900	-
		3,512,802	-	3,512,802	-

The fair value of investments of companies which are under suspension and delisted by Pakistan Stock Exchange Limited is taken as nil.

12 Cash and Bank Balances

Cash on hand	576,023	172,703
Bank balances		
- Profit and loss account	7,761	7,761
- Current accounts	52,513	50,220
	60,275	57,982
	636,298	230,685



13 Segment Information

Segment revenue, segment result, cost, assets and liabilities for the six months are as follows:

	December 31, 2018			
	Income from property	Educational Institution	Unallocated	Total
	-----Rupees-----			
Segment revenue	9,000,000	4,795,000	-	13,795,000
RESULT				
Segment result				
Operating expenses	9,371,170	7,596,674	-	16,967,844
Financial and other charges	7,025	885	-	7,910
	9,378,195	7,597,558		16,975,753
Operating Profit	(378,195)	(2,802,558)	-	(3,180,753)
Other income	-	-	11,992	11,992
(Loss) / Profit for the period	(378,195)	(2,802,558)	11,992	(3,168,761)
Other information				
Segment assets	145,397,511	4,868,991	59,387,508	209,654,010
Total assets	145,397,511	4,868,991	59,387,508	209,654,010
Segment liabilities	12,714,975	1,350,486	-	14,065,461
Unallocated liabilities	-	-		-
Total liabilities	12,714,975	1,350,486	-	14,065,461
Net assets	132,682,537	3,518,505	59,387,508	195,588,549
Capital expenditure	-	2,704,671	-	2,704,671



14 Transaction With Related Parties

The related parties comprise related group companies, directors and close family members, executives, major certificate holders and staff retirement funds of the Modaraba. These are the associated companies as they are either under the same management and / or with common directors. The Modaraba has a policy whereby all transactions with related parties are entered into arm's length prices using the comparable uncontrollable method. The significant transactions with these associated companies are as follows:

Transactions	Relationship	(Unaudited) Dec 31, 2018	(Unaudited) Dec 31, 2017
		-----Rupees-----	
Disposal of unlisted shares of Tri star Energy Ltd to Ms. Shamima Begum	Key management personnel's relative	<u>12,282,000</u>	<u>1,080,000</u>
Rental income from Tri-Star Polyester Limited	Associate undertaking	<u>9,000,000</u>	<u>9,000,000</u>
		(Unaudited) Dec 31, 2018	(Audited) June 30, 2018
		-----Rupees-----	
Balance as at the year end	Relationship		
Payable to Modaraba Management Company	Management company	<u>384,672</u>	<u>384,672</u>
Investment in Tri - Star Energy Limited	Associate undertaking	<u>52,303,000</u>	<u>64,585,000</u>
Investment in Tri - Star Polyester Limited	Associate undertaking	<u>7,711</u>	<u>7,906</u>
Investment in Tri-Star Power Limited	Associate undertaking	<u>1,676</u>	<u>2,156</u>



15 Date of Authorization for Issue

These condensed interim financial statements were authorized for issue on _____ by the Board of Directors of the Modaraba Management Company.

16 General

16.1 Corresponding figures have been reclassified / re-arranged wherever necessary to facilitate comparison in the presentation in the current period. However, there are no material reclassification / re-arrangement to report.

16.2 Figures have been rounded off to the nearest rupees.

For A.R.T. Modaraba Management (Private) Limited
(Modaraba Management Company)

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR CHIEF FINANCIAL OFFICER