

# **QUARTERLY REPORT**

September 30, 2016



**Trust Modaraba**

Managed By:

Al-Zāmin Modaraba Management (PVT) Ltd.

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## CORPORATE INFORMATION

### Modaraba Company

Al-Zamin Modaraba Management (Private) Limited

#### Board of Directors

Mr. Syed Manzoor Hussain Shah Kazmi	Chairman
Mr. Basheer Ahmed Chowdry	Chief Executive
Mr. Shaikh Arshad Farooq	Director
Mr. Muhammad Imranul Haque	Director
Mr. Sohail Ansar	Director
Dr. Namoos Baquar	Director
Mr. Syed Shahnawaz A. Rizvi	Director

#### Management

Mr. Basheer Ahmed Chowdry	Chief Executive
Ms. Hamida Aqeel	Chief Operating Officer/ Company Secretary
Mr. Ijaz Ahmed Khan	Chief Financial Officer/ Regional Head

#### Audit Committee

Mr. Syed Shahnawaz A. Rizvi	Chairman
Mr. Shaikh Arshad Farooq	Member
Mr. Sohail Ansar	Member
Ms. Hamida Aqeel	Secretary Audit Committee

#### Human Resource Committee

Mr. Shaikh Arshad Farooq	Chairman
Mr. Syed Shahnawaz A. Rizvi	Member
Mr. Basheer Ahmed Chowdry	Member
Dr. Namoos Baquar	Member

#### Internal Auditors

Grant Thornton Anjum Rahman.  
Chartered Accountants

#### Auditors of the Modaraba

M/S Harwath Hussain Chaudhary & Co.

\*\*Chartered Accountants

#### Bankers

Meezan Bank Limited  
Bank Alfalah Limited – Islamic Banking

#### Legal Advisors

Shakeel Ahmed Awan  
Advocate, Supreme Court of Pakistan.  
S&B Durrani Law Associates  
Sameera Usto & Associates

#### Registered Office/Principal Place of Business

104-106, Kassam Court, BC-9, Block-5, Clifton, Karachi-75600  
Telephone: 021-35876651, 35876652,  
Fax : 021-35870408 Web: trustmodaraba.com

#### Regional office

301-320, 3rd Floor, Garden Heights, 8- Aibak Block, New Garden Town, Lahore  
Telephone: 042-35941957-8 Fax : 042-35866513

#### Gujranwala Branch

51-A, Adjacent Standerd Chartered Bank, Trust Plaza G. T. Road, Gujranwala.  
Telephone: 055-3730308, 055-3730300 Fax : 055-3731108

#### Registrars

Hameed Majeed Associates (Private) Limited  
1st Floor, H.M House, 7 –Bank Square, Lahore Telephone: 042-37235081-2 Fax : 042- 37358817

\*\* Subject To Approval of Registrar Modaraba, SECP, Islamabad



## DIRECTORS' REPORT

The Directors of Al-Zamin Modaraba Management (Private) Limited are pleased to present the unaudited financial statements of Trust Modaraba for the quarter ended 30th September, 2016.

Economic growth accelerating in Pakistan on the cumulative impact on the Government's micro and structural reform programme, continued lower oil prices and improved security, beating earlier forecast. Inflation is lower than expected. Foreign exchange reserves strengthened and the budget deficit shrank. Pakistan is eyeing 5.7% GDP growth for the fiscal year 2017 against earlier forecast of it being 4.80% after a robust performance in the outgoing year ended 30th June 2016, helped by lower global oil prices, investment in China sponsored investment and improvement in energy supplies.

Your Management has kept its' policies aligned to the market trends and positive future prospects. A solid and steady growth pattern is being maintained under the circumstances. Fresh business transactions are being developed after careful due diligence of all the risk parameters. During the quarter, your Modaraba earned a profit of Rs.5.127 Million before providing for management fee as compared to Rs.4.615 million in the previous corresponding quarter. Total operating income for the quarter stood at Rs.21.849 million as compared to previous comparable of Rs.21.801 million.

### EARNING PER CERTIFICATE

Earning per certificate of the Modaraba is 0.15 per certificate for the quarter ended 30th September 2016 as compared to Rs.0.14 per certificate in the corresponding period last year.

Your Management being fully aware of the valuable contributions of the Certificate holders would continue to make every possible effort to maximize profits through efficiency and effectiveness in business operations.

Outpacing.

For and on behalf of the Board of Directors

Karachi  
Date: October 27, 2016

Basheer A. Chowdry  
Chief Executive

**CONDENSED INTERIM BALANCE SHEET  
AS AT SEPTEMBER 30, 2016**

		<i>(Un-audited) September 30 2016 Rupees</i>	<i>(Audited) June 30 2016 Rupees</i>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances	4	3,640,738	11,920,526
Short term investments	5	15,765,291	11,741,863
Advances, deposits, prepayments and other receivables	6	23,238,178	22,307,460
Short term murabaha finances		45,013,487	38,086,090
Current portion of long term murabaha finances		81,238,819	76,842,699
Ijarah rental receivables		22,341,618	22,529,575
Short term musharakah finances		16,400,000	12,900,000
Current portion of long term musharakah finances		1,630,009	1,818,634
Accrued profit		1,402,853	2,641,431
Tax refunds due from Government		4,169,805	3,850,825
Stock in trade		19,042	2,796,592
<b>Total current assets</b>		<b>214,859,840</b>	<b>207,435,695</b>
<b>Non-current assets</b>			
Long term murabaha finances		37,750,616	41,608,871
Long term musharakah finances		1,656,339	1,803,208
Long term deposits		1,788,640	1,788,640
Long term investments	7	8,377,753	8,848,649
Fixed assets	8	135,813,530	134,687,314
<b>Total non-current assets</b>		<b>185,386,878</b>	<b>188,736,682</b>
<b>TOTAL ASSETS</b>		<b>400,246,718</b>	<b>396,172,377</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Current portion of customers' security deposits		22,113,710	24,438,310
Creditors, accrued and other liabilities	9	25,181,753	24,142,415
<b>Total current liabilities</b>		<b>47,295,463</b>	<b>48,580,725</b>
<b>Non-current liabilities</b>			
Deferred income on murabaha		5,203,371	5,769,711
Customers' security deposits		32,731,152	31,656,452
<b>Total Liabilities</b>		<b>85,229,986</b>	<b>86,006,888</b>
<b>NET ASSETS</b>		<b>315,016,731</b>	<b>310,165,489</b>
<b>REPRESENTED BY CAPITAL AND RESERVES</b>			
Certificate capital		298,000,000	298,000,000
Reserves		17,016,731	12,165,489
		<b>315,016,731</b>	<b>310,165,489</b>
<b>Contingencies and Commitments</b>		<b>-</b>	<b>-</b>

The annexed notes from 1 to 14 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**DIRECTOR**



Trust Modaraba

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	<i>(Un-audited)</i> <b>September</b> <i>2016</i>	<i>(Audited)</i> <b>September</b> <i>2015</i>
<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
<b><i>Operating income</i></b>		
Income from leasing / ijarah operations	14,783,261	16,237,698
Profit on murabaha finances	3,063,089	3,380,096
Profit on musharakah finances	1,131,733	361,087
Dividend income	133,275	41,744
Profit on long term investment-available for sale	1,010,247	-
Profit on sale of short term investment-held-for-trading	1,023,216	328,130
Trading income	(42,447)	88,688
Other income	660,790	1,281,221
	<b>21,763,164</b>	<b>21,718,664</b>
Reversal / (Provision) against non performing finances and other receivables-net	-	82,830
Unrealized Gain / (loss) on revaluation of held-for-trading investments	160,488	-
	<b>21,923,652</b>	<b>21,801,494</b>
<b><i>Operating costs</i></b>		
Depreciation on operating assets given on lease/ijarah	10,005,881	10,745,150
Administrative expenses	6,701,608	6,482,852
Other charges	-	20,852
	<b>(16,707,489)</b>	<b>(17,248,854)</b>
	<b>5,216,163</b>	<b>4,552,640</b>
Modaraba company's management fee	(521,616)	(455,264)
Profit for the period before taxation	4,694,547	4,097,376
Taxation	-	-
Profit for the period	<b>4,694,547</b>	<b>4,097,376</b>
Earnings per certificate basic -and diluted	<b>0.16</b>	<b>0.14</b>

The annexed notes from 1 to 14 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	<u>September 30</u> <u>2016</u> <i>Rupees</i>	<u>September 30</u> <u>2015</u> <i>Rupees</i>
Profit for the period	4,694,547	4,584,973
<i>Other comprehensive Income</i>		
Net change in fair value of available-for-sale investment	156,695	186,199
<i>Total comprehensive income for the year</i>	<u>4,851,242</u>	<u>4,771,172</u>


The annexed notes from 1 to 14 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



DIRECTOR



**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	<u>September</u> <u>2016</u>	<u>September</u> <u>2015</u>
Note	Rupees	Rupees
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from operations	11 15,681,377	20,498,799
Disbursement of Ijarah (lease financing) assets	(20,237,500)	(13,497,500)
Proceeds from transfer of Ijarah (leased financing) assets	8,423,455	20,291,376
Short term investments	(4,023,428)	514,558
Short term murabaha finances	(11,323,517)	(2,918,499)
Long term murabaha finances	3,858,255	4,756,465
Short term musharakah finances	(3,311,375)	313,285
Long term musharakah finances	146,869	(187,830)
Held for sale assets	-	2,100,000
Deferred income on murabaha	(566,340)	-
Lessee's security deposits:		
Received	5,791,400	3,222,200
Refund/Adjusted	(7,041,300)	(18,363,950)
Net lessee's security deposit	(1,249,900)	(15,141,750)
Stock in trade	2,777,550	1,467,500
Net cash flow (used in) / from operating activities	(9,824,554)	18,196,404
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure owned assets	-	(5,348,700)
Proceeds from disposal of owned assets	783,900	5,313,000
Sale of Investments - net	627,591	(2,641,648)
Dividend received	133,275	41,744
Net cash generated from / (used in) investing activities	1,544,766	(2,635,604)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net cash flow from Financing activities	-	-
Net (decrease) / increase in the cash and cash equivalents	(8,279,788)	15,560,800
Cash and cash equivalents at beginning of the period	11,920,526	827,212
Cash and cash equivalents at end of the period	3,640,738	16,388,012

The annexed notes from 1 to 14 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**DIRECTOR**



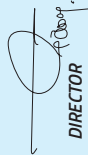
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	Certificate capital	Capital reserve		Revenue reserves			Total reserves	Total equity
		Statutory reserve		Unrealized gain/(loss) on revaluation	Accumulated loss			
Rupees-								
Balance as at 01 July 2015	298,000,000	73,294,987	-	(61,236,014)	12,058,973	310,058,973		
Total comprehensive income for the period ended 30 September 2015	-	-	(891,432)	4,097,376	3,205,944	3,205,944		
Balance as at 30 September 2015	298,000,000	73,294,987	(891,432)	(57,138,638)	15,264,917	313,264,917		
Balance as at 01 July 2016	298,000,000	75,901,034	(258,715)	(63,476,830)	12,165,489	310,165,489		
Total comprehensive income for the period ended 30 September 2016	-	-	156,695	4,694,547	4,851,242	4,851,242		
Balance as at 30 September 2016	298,000,000	75,901,034	(102,020)	(58,782,283)	17,016,731	315,016,731		

The annexed notes from 1 to 14, form an integral part of these financial statements.



**CHIEF EXECUTIVE**



**DIRECTOR**



**DIRECTOR**

## SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

### 1. LEGAL STATUS AND NATURE OF BUSINESS

**1.1** Trust Modaraba was formed in Pakistan under the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and being managed Al-Zamin Modaraba Management (Private) Limited (AMML) since 23 February 2009. The Modaraba is perpetual, multi-purpose and multi-dimensional, engaged in the business of Murabahas, Musharikas, leasing (Ijraha), investment in marketable securities, tradings and other permissible businesses. The Modaraba commenced its business operations from 12 November 1991. The Principal place of business and registered office is located at 104-106, Kassam Court BC-9 Block-5, Clifton, Karachi-75600 while regional office is located at 301,320, 3rd Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore. It is listed on the Karachi, Lahore and Islamabad Stock Exchanges.

### 2. BASIS OF PREPARATION

These interim condensed financial information are unaudited and are being submitted to the certificate holders as required under Rule 10 of the Modaraba Companies and Modaraba Rules, 1981 and have been prepared in accordance with requirements of the International Accounting Standard (IAS)-34, "Interim Financial Reporting". These should be read in conjunction with the financial statements of the Modaraba for the year ended 30 June 2016.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, judgments and estimates made by the management in the preparation of the condensed interim financial statements are the same as those applied in the preparation of the preceding annual published financial statements of the Modaraba for the year ended 30 June 2016.

	<i>(Un-audited)</i>	<i>(Audited)</i>
	<i>September 30</i>	<i>June 30</i>
	<i>2016</i>	<i>2016</i>
<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>

### 4. CASH AND BANK BALANCES

Cash in hand	108,976	10,208
Cash at banks		
- Current accounts	163,028	159,580
- Saving accounts	3,368,735	11,750,738
	3,531,762	11,910,318
	3,640,738	11,920,526

### 5. SHORT TERM INVESTMENTS

#### *Financial assets at fair value through profit and loss - Held-for-trading*

NIT Islamic Unit Fund	2,084,000	2,084,000
Meezan Islamic Fund	1,627,833	1,627,833
Shares of listed companies - at cost	5.1 12,027,650	8,008,015
Unrealized (loss) on revaluation of held-for-trading investments	25,808	22,015
	15,765,291	11,741,863

**SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	<i>September 30, 2016</i>		<i>June 30, 2016</i>	
	<i>cost</i>	<i>Value</i>	<i>Cost</i>	<i>Value</i>
	<i>-----Rupees-----</i>			
<b>5.1 Shares of listed companies</b>				
<b>Byco Petroleum Pakistan Ltd.</b> 30,000 (2016 : 25,000) ordinary shares of Rupees 10 each fully paid	747,033	709,500	517,647	513,500
<b>Engro Corporation Pakistan</b> 2,000 (2016 : 1,000) ordinary shares of Rupees 10 each fully paid	644,126	582,500	334,440	332,970
<b>Fauji Fertilizers Company Ltd.</b> 10,000 (2016 : 5,000) ordinary shares of Rupees 10 each fully paid	1,151,658	1,039,800	575,106	573,600
<b>Fauji Fertilizer Bin Qasim Ltd</b> 30,000 (2016 : 19,000) ordinary shares of Rupees 10 each fully paid	1,682,201	1,541,400	1,066,551	1,007,190
<b>GalaxoSmithKline Pakistan Ltd.</b> 1,000 (2016 : 2,000) ordinary shares of Rupees 10 each fully paid	218,832	215,900	436,996	414,220
<b>K- Electric Ltd.</b> 25,000 (2016 : 15,000) ordinary shares of Rupees 10 each fully paid	208,391	230,250	125,754	120,900
<b>Mari Petroleum Company Ltd.</b> 1,500 (2016 : 2,000) ordinary shares of Rupees 10 each fully paid	1,189,410	1,431,795	1,835,495	1,816,440
<b>Mughal Iron and Steel Industries Ltd.</b> Nil (2016 : 1,000) ordinary shares of Rupees 10 each fully paid	-	-	75,542	67,190
<b>Pakistan Int'l Container Ltd.</b> Nil (2016 : 300) ordinary shares of Rupees 10 each fully paid	-	-	93,476	100,950
<b>Sui North Gas Pipeline Ltd.</b> 10,000 (2016 : 15,000) ordinary shares of Rupees 10 each fully paid	486,209	501,200	526,793	544,350
<b>The Searle Company Ltd.</b> Nil (2016 : 2,500) ordinary shares of Rupees 10 each fully paid	-	-	1,399,775	1,340,375
<b>Treet Corporation Ltd.</b> 10,000 (2016 : 10,000) ordinary shares of Rupees 10 each fully paid	580,098	546,200	595,064	494,300
<b>Lucky Cement Ltd.</b> 3,500 (2016 : 500) ordinary shares of Rupees 10 each fully paid	2,464,912	2,370,410	272,955	324,255



# **SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	September 30, 2016		June 30, 2016	
	cost	Value	Cost	Value
	-----Rupees-----			
<b>Lotte Chemical Pakistan Ltd.</b> 40,000 (2016 : 20,000) ordinary shares of Rupees 10 each fully paid	279,862	306,000	152,421	120,200
<b>D. G. KHAN CEMENT COMPANY LIMITED</b> 2,500 (2016 : Nil) ordinary shares of Rupees 10 each fully paid	511,554	464,700	-	-
<b>ENGRO FOODS LIMITED</b> 2,000 (2016 : Nil) ordinary shares of Rupees 10 each fully paid	292,741	292,620	-	-
<b>THE HUB POWER COMPANY LIMITED</b> 500 (2016 : Nil) ordinary shares of Rupees 10 each fully paid	65,058	59,585	-	-
<b>MAPLE LEAF CEMENT FACTORY LIMITED</b> 5,500 (2016 : Nil) ordinary shares of Rupees 10 each fully paid	597,797	526,900	-	-
<b>PACKAGES</b> 850 (2016 : Nil) ordinary shares of Rupees 10 each fully paid	577,658	568,880	-	-
<b>PAK ELECTRON LTD</b> 500 (2016 : Nil) ordinary shares of Rupees 10 each fully paid	35,888	35,385	-	-
<b>PIONEER CEMENT LIMITED</b> 2,500 (2016 : Nil) ordinary shares of Rupees 10 each fully paid	294,222	264,225	-	-
<b>GSKCHC PAK LTD</b> 300 (2016 : Nil) ordinary shares of	-	3,000	-	-
	<b>12,027,650</b>	<b>11,690,250</b>	<b>8,008,015</b>	<b>7,770,440</b>

## **6. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**

Advances to employees against salary - considered good	197,000	392,500
Security deposits	4,500	4,500
Prepayments	2,090,394	2,415,041
Due from brokers against sale of shares	1,203,418	70,769
Advances to supplier	2,722,000	3,382,000
Trade receivables	13,686,637	12,443,324
Receivable from Trust Management Services (Pvt.) Ltd.	1,489,036	1,489,036
Provision for doubtful receivables	(1,489,036)	(1,489,036)
	-	-
Legal suits charges receivable	3,015,950	3,087,595
Provision for doubtful receivables	(781,223)	(781,223)
	<b>2,234,727</b>	<b>2,306,372</b>

**SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	<i>(Un-audited)</i> <u>September 30</u> 2016	<i>(Audited)</i> <u>June 30</u> 2016
<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
Late payment charges receivable	3,192,155	3,192,155
Suspended income	(3,192,155)	(3,192,155)
	-	-
Sundry receivables	1,597,956	1,791,408
Provision for doubtful sundry receivables	(498,454)	(498,454)
	1,099,502	1,292,954
	<u>23,238,178</u>	<u>22,307,460</u>

**7. LONG TERM INVESTMENTS**

*Available for sale*

Equity securities	7.1	4,474,655	3,231,864
Sukuk certificates		3,746,403	5,875,500
Total investment at cost		8,221,058	9,107,364
Unrealized gain on revaluation of investments		156,695	(258,715)
Net investments at fair value		<u>8,377,753</u>	<u>8,848,649</u>

<i>September 30, 2016</i>		<i>June 30, 2016</i>	
<i>Average cost</i>	<i>Market value</i>	<i>Average cost</i>	<i>Market value</i>
<i>-----Rupees-----</i>			

**7.1 Equity Securities - listed**

Pakistan Telecommunication Company Limited 100,000 (2016 : 65,000) ordinary shares of Rupees 10 each fully paid	1,905,193	1,828,000	1,076,565	976,950
Sui Southern Gas Company Limited 30,000 (2016 : 40,000) ordinary shares of Rupees 10 each fully paid	882,984	1,216,200	1,203,154	1,101,199
Fauji Cement 45,000 (2016 : 25,000) ordinary shares of Rupees 10 each fully paid	1,686,478	1,587,150	952,145	895,000
	<u>4,474,655</u>	<u>4,631,350</u>	<u>3,231,864</u>	<u>2,973,149</u>

	<i>(Un-audited)</i> <u>September 30</u> 2016	<i>(Audited)</i> <u>June 30</u> 2016
<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>

**8. FIXED ASSETS**

Operating fixed assets given on lease (ijarah) - tangible	8.1	122,653,115	120,610,544
Operating fixed assets in own use - tangible	8.2	13,160,415	14,076,770
		<u>135,813,530</u>	<u>134,687,314</u>

**8.1 Operating assets given on lease - tangible**

Opening book value	120,610,544	139,426,280
Add: Additions during the period	20,237,500	59,207,170
	<u>140,848,044</u>	<u>198,633,450</u>



# **SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	<i>(Un-audited)</i> <b>September 30</b>	<i>(Audited)</i> <b>June 30</b>
<i>Note</i>	<b>2016</b>	<b>2016</b>
	<b>Rupees</b>	<b>Rupees</b>
Less: Deletions during the period - (at cost)	<u>17,979,000</u>	93,151,499
	122,869,044	105,481,951
Less: Depreciation during the period	<u>10,005,881</u>	41,126,532
	112,863,163	64,355,419
Add: Depreciation adjustments for assets sold during the period	<u>9,789,952</u>	56,255,125
Book value at the end of period	<u>122,653,115</u>	120,610,544
<b>8.2 Fixed assets in own use - tangible</b>		
Opening book value	14,076,770	13,634,127
Add: Additions during the period	-	1,034,200
	14,076,770	14,668,327
Less: Deletions during the period - at cost	<u>804,000</u>	1,427,090
	13,272,770	13,241,237
Less: Depreciation during the period	<u>132,455</u>	584,207
	13,140,315	12,657,030
Add: Depreciation adjustments for assets sold during the period	<u>20,100</u>	1,419,740
Book value at the end of period	<u>13,160,415</u>	14,076,770
<b>9. CREDITORS, ACCURED AND OTHER LIABILITIES</b>		
Accrued expenses	21,604	13,659
Management fee payable	1,969,420	1,447,804
Deferred income on murabaha	9,617,608	9,529,717
Security deposit	40,000	40,000
Unclaimed dividends	12,232,347	12,241,820
Advance against new lease	463,423	-
Other liabilities	<u>837,352</u>	869,415
	<u>25,181,753</u>	24,142,415
<b>10. ADMINISTRATIVE EXPENSES</b>		
	<i>(Un-audited)</i> <b>September 30</b>	<i>(Un-audited)</i> <b>September 30</b>
	<b>2016</b>	<b>2015</b>
	<b>Rupees</b>	<b>Rupees</b>
Salaries, allowances and other benefits	2,602,339	2,405,290
Legal and professional charges	-	300,000
Fees and subscription	736,959	480,033
Electricity, gas and water	226,137	261,952
Telephone, postage and courier	175,142	117,496
Printing and stationery	71,003	48,338
Traveling and conveyance	53,184	15,750
Entertainment	149,636	147,100
Insurance	1,045,825	989,315
Vehicle running and maintenance	516,398	549,478
Newspaper & Periodicals	3,868	5,281
Repairs and maintenance	624,790	675,723
Depreciation on own assets	132,455	137,778
Bank charges and commission	4,911	5,437
Miscellaneous	75,136	35,015
Lease rental expense - vehicle	276,075	306,066
Sales tax	7,750	2,800
	<u>6,701,608</u>	<u>6,482,852</u>

**SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	<i>Note</i>	<i>(Un-audited) September 30 2016 Rupees</i>	<i>(Un-audited) September 30 2015 Rupees</i>
<b>11. CASH GENERATED FROM OPERATIONS</b>			
Profit before taxation		4,694,547	4,097,376
Adjustment for:			
Depreciation			
Ijarah (lease financing)		10,005,881	10,745,150
In own use		132,455	137,778
Unrealised/(loss) on revaluation of held for trading		-	(891,432)
Gain on disposal of fixed assets		(234,407)	(854,426)
Dividend income		(133,275)	(41,744)
Movement in working capital	11.1	1,216,176	7,306,097
		<u>15,681,377</u>	<u>20,498,799</u>
<b>11.1 Movement in working capital</b>			
(Increase) / decrease in operating current assets			
Advances, deposits, prepayments and other receivables		(930,718)	9,609,414
Accrued Profit		1,238,578	(182,661)
Tax refunds due from government		(318,980)	(124,454)
Ijarah rental receivables		187,958	(538,049)
Increase / (decrease) in operating current liabilities:			
Creditors, accrued and other liabilities		1,039,338	(1,458,153)
		<u>1,216,176</u>	<u>7,306,097</u>

**12. NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE**

The Board of Directors of the Management Company in their meeting held on September 27, 2016 has approved dividend for the year ended June 30, 2016 @ 3% (2015: 4.25%).

**13. DATE OF AUTHORIZATION**

These financial statements were authorized for issuance by the Board of Directors of Al-Zamin Modaraba Management (Private) Limited ( the management company) on October, 27 2016

**14 GENERAL**

**14.1** Corresponding figures have been rearranged and restated for better presentation, where necessary.

**14.2** Figures have been rounded off to the nearest rupee.

  
CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

BOOK POST

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