

QUARTERLY REPORT

September 30, 2017



Trust Modaraba

Managed By:

Al-Zāmin Modaraba Management (PVT) Ltd.

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Trust Modaraba

CORPORATE INFORMATION

Modaraba Company

Al-Zamin Modaraba Management (Private) Limited

Board of Directors

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

Chairman
Chief Executive
Director
Director
Director
Director
Director

Management

Mr. Basheer Ahmed Chowdry
Ms. Hamida Aqeel
Mr. Ijaz Ahmed Khan

Chief Executive
Chief Operating Officer/ Company Secretary
Chief Financial Officer/ Regional Head

Audit Committee

Mr. Syed Shahnawaz A. Rizvi
Mr. Shaikh Arshad Farooq
Mr. Sohail Ansar
Ms. Hamida Aqeel

Chairman
Member
Member
Secretary Audit Committee

Human Resource Committee

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

Chairman
Member
Member
Member

Internal Auditors

Grant Thornton Anjum Rahman.
Chartered Accountants

Auditors of the Modaraba

Horwath Hussain Chaudhary & Co.
Chartered Accountants

Bankers

Meezan Bank Limited
The Bank of Punjab

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 Standard 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

DIRECTORS' REPORT

The Directors of Al-Zamin Modaraba Management (Private) Limited take pleasure in presenting the unaudited financial statements of Trust Modaraba for the quarter ended 30th September, 2017.

The performance of the Modaraba for the quarter ended 30th September, 2017 has shown mixed trends. Its' profitability has been reduced due to un-realized loss in stock market operations. Pakistan Stock Exchange 100 index ended the quarter as of 30th September, 2017, at 42,409 points as compared to 52,876 points as of May 2017, down by 10,467 points which depicts 20% down within four months' time due to political instability coupled with Supreme Court orders for disqualification of Ex-prime minister. This turmoil is still continuing although government has announced a bailout package of Rs. 20 billion for stock market. During the quarter under review, your Modaraba has recorded total income of Rs.15.308 million as compared to Rs. 20.979 million of the previous comparable period. A profit of Rs. 0.579 million has been recorded for the quarter as compared to Rs. 5.216 million of the previous corresponding period which includes Rs. 2.167 million gain on stock market operations.

In order to enhance our profitability, various opportunities are being explored which include increase in the equity and funding pool of your Modaraba, which will enhance future profitability of the Modaraba. Negotiations with prospective investors to contribute towards Modaraba's equity are progressing and subject to satisfactory conclusions and regulatory approvals will add significant improvements in Modaraba's business.

EARNING PER CERTIFICATE

Earning per certificate of the Modaraba is 0.02 per certificate for the quarter ended 30th September, 2017, as compared to Rs. 0.16 per certificate in the corresponding period last year.

For and on behalf of the Board of Directors



Karachi
25th October 2017

Basheer A. Chowdry
Chief Executive

ڈائریکٹر کی رپورٹ

الضامن مضاربہ منجھٹ (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹر (بورڈ کے ناظمین)، ٹرسٹ مضاربہ کی جانب سے 30 ستمبر 2017 کو اختتام پذیر سرمایہ کی غیر محتسب شدہ مالیاتی دستاویزات پیش کرتے ہیں۔

30 ستمبر 2017 کو ختم ہونے والی سرمایہ میں مضاربہ کی کارکردگی کا رجحان ملا جلا رہا۔ اس کی منافع بخشی کم ہوئی ہے جس کی وجہ حصص کی منڈی کے آپریشن میں ہونے والے نقصان کا پورا نہ ہونا ہے۔ پاکستان اسٹاک ایکسچینج 100 انڈیکس مئی 2017 میں 52,876 پوائنٹس تھا جس میں چار ماہ میں سیاسی غیر یقینی کے ساتھ عدالتِ عظمیٰ کے سابق وزیرِ اعظم کی نااہلیت کے فیصلے کے نتیجے میں 10,467 پوائنٹس یعنی (20 فیصد) کمی کے ساتھ 30 ستمبر 2017 کو ہونے والی سرمایہ کا اختتام 42,409 پوائنٹس پر کیا۔ یہ بھونچال ابھی تک جاری ہے اگرچہ حکومت نے اسٹاک مارکیٹ کو 20 ارب روپے کا بچاؤ کا پیکیج بھی اعلان کیا ہے۔ زبردستی سرمایہ میں، آپ کے مضاربہ نے 15,308 ملین روپے آمدنی ہوئی جو گذشتہ سال اسی مدت میں 20,979 ملین روپے تھی۔ اس سرمایہ میں 0.579 ملین روپے کا منافع کا اندراج کیا جو گذشتہ سال اسی مدت میں 5,216 ملین روپے تھا جس میں حصص منڈی کے آپریشن سے حاصل 2.167 ملین روپے کی آمدنی شامل تھی۔

منافع بخشی میں اضافے کے لیے متعدد مواقع تلاش کیے گئے ہیں جن میں شامل ہیں منقسم ملکیتی سرمایہ (equity) اور فنڈنگ پول جو آپ کے مضاربہ کی منافع بخشی کو مزید بڑھائے گا۔ مضاربہ کے منقسم ملکیتی سرمایہ (equity) میں حصہ ڈالنے کے لیے ممکنہ سرمایہ کاروں کے ساتھ مذاکرات میں پیش رفت جاری ہے اور ان کے اطمینان بخش نتائج اور انضباطی منظوری سے مشروط کامیابی سے مضاربہ کے کاروبار میں خاصی بہتری آئے گی۔

آمدنی فی سرٹیفکیٹ

30 ستمبر 2017 کو ختم ہونے والی سرمایہ پر آمدنی فی سرٹیفکیٹ 0.02 روپے فی سرٹیفکیٹ رہی جبکہ گذشتہ سال اسی مدت کے درمیان یہ آمدنی 0.16 روپے فی سرٹیفکیٹ تھی۔

برائے بورڈ آف ڈائریکٹر کے جانب سے



بشیر احمد چودھری
چیف ایگزیکٹو آفیسر

کراچی

25 اکتوبر 2017

**CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2017**

		<i>(Un-audited) September 30 2017</i>	<i>(Audited) June 30 2017</i>
	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
ASSETS			
Current assets			
Cash and bank balances		11,862,401	15,996,812
Short term investments	4	11,640,011	12,476,192
Advances, deposits, prepayments and other receivables	5	28,433,288	29,653,675
Short term murabaha finances	6	31,129,487	30,019,480
Current portion of long term murabaha finances		86,838,751	78,158,580
Ijarah rental receivables		25,989,778	24,530,948
Short term musharakah finances		19,835,000	16,400,000
Current portion of long term musharakah finances		4,839,445	5,658,882
Tax refunds due from Government		4,678,461	4,620,590
Stock in trade		-	3,267,316
Total current assets		225,246,622	220,782,475
Non-current assets			
Long term murabaha finances	7	19,787,772	24,231,535
Long term musharakah finances		1,333,495	1,677,240
Long term deposits		2,297,590	2,093,590
Long term investments	8	11,243,049	7,576,698
Fixed assets	9	125,979,642	133,572,070
Total non-current assets		160,641,548	169,151,133
TOTAL ASSETS		385,888,170	389,933,608
LIABILITIES			
Current liabilities			
Current portion of customers' security deposits		22,185,005	22,786,530
Creditors, accrued and other liabilities	10	22,933,292	23,013,510
Total current liabilities		45,118,297	45,800,040
Non-current liabilities			
Deferred income on murabaha		2,683,378	2,384,375
Customers' security deposits		24,155,250	26,580,292
		26,838,628	28,964,667
Total Liabilities		71,956,925	74,764,707
NET ASSETS		313,931,245	315,168,901
REPRESENTED BY			
CAPITAL AND RESERVES			
Certificate capital		298,000,000	298,000,000
Reserves		15,931,245	17,168,901
Contingencies and Commitments		-	-
		313,931,245	315,168,901

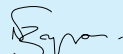
The annexed notes form 1 to 16 an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

		----- (Un-audited) -----	
		September 2017	September 2016
	Note	Rupees	Rupees
Operating income			
Income from ijarah operations		11,027,715	13,796,611
Profit on murabaha finances		2,324,400	3,063,089
Profit on musharakah finances		1,408,587	1,131,733
Dividend income on equity investments		78,250	133,275
Profit on long term investment - available for sale		50,059	1,010,247
Gain realised on sale of short term investment - held-for-trading		-	1,023,216
Trading income		1,273,554	-
Other income		250,803	660,790
		<u>16,413,368</u>	<u>20,818,961</u>
Unrealized Gain / (loss) on revaluation of held-for-trading investments		<u>(1,104,735)</u>	<u>160,488</u>
		<u>15,308,633</u>	<u>20,979,449</u>
Operating costs			
Depreciation on operating assets given on lease/ijarah		8,226,837	10,005,881
Administrative expenses	11	6,502,223	5,714,958
Trading loss		-	42,447
		<u>(14,729,060)</u>	<u>(15,763,286)</u>
		579,573	5,216,163
Modaraba company's management fee		(57,957)	(521,616)
Profit before taxation		521,616	4,694,547
Taxation		-	-
Net Profit for the Period		<u>521,616</u>	<u>4,694,547</u>
Earnings per certificate basic -and diluted	12	<u>0.02</u>	<u>0.16</u>

The annexed notes form 1 to 16 an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	----- <i>(Un-audited)</i> -----	
	<i>September 30</i>	<i>September 30</i>
	<i>2017</i>	<i>2016</i>
	<i>Rupees</i>	<i>Rupees</i>
Profit for the period	521,616	4,694,547
<i>Other comprehensive Income</i>		
Net change in fair value of available-for-sale investment	(1,759,272)	156,695
<i>Total comprehensive income for the period</i>	<u>(1,237,656)</u>	<u>4,851,242</u>

The annexed notes form 1 to 16 an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR



Trust Modaraba

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

	<i>Note</i>	<i>September 2017 Rupees</i>	<i>September 2016 Rupees (Restated)</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations			
Cash generated from operations	13	8,211,729	4,327,082
Decrease / (increase) in non-current assets:			
- Long term murabaha finances		(4,236,408)	(537,865)
- Long term musharakah finances		1,163,182	335,494
(Decrease) / increase in non-current liabilities:			
- Deferred income on murabaha		299,003	(566,340)
- Customers security deposits		462,285	5,791,400
Purchase of ijarah assets		(8,020,940)	(20,237,500)
Proceeds from disposal of ijarah assets		3,573,003	1,382,155
Income tax paid / deducted		(57,871)	(318,980)
Net Cash Generated from Operating Activities		1,393,983	(9,824,554)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of owned assets		(83,200)	-
Proceeds from disposal of owned assets		-	783,900
Sale / (purchase) of investments - net		(5,319,444)	627,591
Long term deposits		(204,000)	-
Dividends received		78,250	133,275
Net Cash Generated from / (Used in) Investing Activities		(5,528,394)	1,544,766
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Cash Used in Financing Activities		-	-
Net Increase in the Cash and Cash Equivalents		(4,134,411)	(8,279,788)
Cash and cash equivalents at the beginning of the year		15,996,812	11,920,526
Cash and Cash Equivalents at the End of the Year		11,862,401	3,640,738

The annexed notes form 1 to 16 an integral part of this condensed interim financial information (un-audited).

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Certificate capital	Capital reserve Statutory reserve	Revenue reserves		Total reserves	Total equity
			Unrealized loss on revaluation of investments	Accumulated loss		
Balance as at 01 July 2016	298,000,000	76,422,242	(258,715)	(63,998,038)	12,165,489	310,165,489
Profit for the period						
Other comprehensive income for the period			-	4,694,547	4,694,547	4,694,547
Total comprehensive income for the period ended September 30, 2016			156,695	-	156,695	156,695
Balance as at 30 September 2016	298,000,000	76,422,242	(102,020)	(59,303,491)	17,016,731	315,016,731
Balance as at 01 July 2017	298,000,000	79,253,192	(470,050)	(61,614,241)	17,168,901	315,168,901
Profit for the period						
Other comprehensive income for the period			-	521,616	521,616	521,616
Total comprehensive income for the period ended September 30, 2017			(1,759,272)	-	(1,759,272)	(1,759,272)
Balance as at 30 September 2017	298,000,000	79,253,192	(2,229,322)	(61,092,625)	15,931,245	313,931,245

The annexed notes form 1 to 16 an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

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 BY Al-Zamin Modaraba Management (Private) Limited (AMML) since February 23, 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. The Modaraba is listed on the Pakistan Stock Exchange (PSX).

2. BASIS OF PREPARATION

This interim condensed financial information is unaudited and is being submitted to the certificate holders as required under Rule 10 of the Modaraba Companies and Modaraba Rules, 1981. It has been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34, "Interim Financial Reporting". This should be read in conjunction with the financial statements of the Modaraba for the year ended June 30, 2017.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company's accounting and financial risk management policies and methods of computation of this condensed interim financial information are the same as those followed in the preparation of annual published financial statements for the year ended June 30, 2017.

	<i>(Un-audited)</i>	<i>(Audited)</i>
	<u>September 30</u>	<u>June 30</u>
	2017	2017
<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>

4. SHORT TERM INVESTMENTS

Financial Assets at Fair Value Through Profit and Loss - Held-For-Trading

NIT Islamic Unit Fund - at cost	2,187,970	2,187,970
Meezan Islamic Fund - at cost	1,763,965	1,763,965
Shares of listed companies - at cost	9,803,570	9,535,016
	13,755,505	13,486,951
Unrealized gain on revaluation of held-for-trading investments	(2,115,494)	(1,010,759)
	<u>11,640,011</u>	<u>12,476,192</u>

SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

4.1 Shares of listed companies

Sept. 2017	June 2017		September 30, 2017	June 30, 2017	September 30, 2017	June 30, 2017
Number of shares		Name of Investee	cost	Value	Cost	Value
			-----Rupees-----			
1,500	1,000	Attock Refinery Limited	642,870	617,250	465,259	382,580
3,500	3,500	Hub Power Company Limited	457,676	389,550	457,676	411,005
10,000	4,000	Engro Foods Limited	1,421,865	945,100	766,117	485,960
20,000	20,000	Fauji Cement Company Limited	899,160	652,000	899,160	820,600
4,000	4,000	Linde Pakistan Limited	1,235,503	1,076,040	1,235,522	964,080
3,000	2,500	Packages Limited	2,459,352	1,710,000	2,114,025	1,738,947
40,000	40,000	Byco Petroleum Pakistan Limited	973,734	706,000	973,734	764,000
12,500	10,000	Fauji Fertilizers Company Limited	1,353,282	1,035,750	1,151,658	826,400
5,000	5,000	Mughal Iron and Steel Industries	360,128	285,050	360,128	403,650
-	1,750	The Searle Company Limited	-	-	1,111,737	895,965
			9,803,570	7,416,740	9,535,016	7,693,187

4.2 It also includes unrealized revaluation gain on NIT Islamic Unit Fund and Meezan Islamic Equity Fund of Rs. 65,389 and Rs. 205,947 (2017: Rs. 379,559 and Rs. 451,511) respectively.

4.3 One of the scrip has been reclassified, in line with Stock market condition.

(Un-audited)	(Audited)
September 30	June 30
2017	2017
Rupees	Rupees

5. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advances to employees against salary - considered good	-	26,463
Loans to / receivable from employees	2,063,208	2,067,562
Security deposits	4,500	4,500
Current portion of long term deposits	-	204,000
Prepayments	2,137,181	1,803,658
Accrued profit	4,877,624	4,327,385
Advances to supplier	3,818,500	6,971,500
Trade receivables	11,891,162	17,986,637
Settled against acquisition of land	-	(7,292,975)
	<u>11,891,162</u>	<u>10,693,662</u>
Legal suits charges receivable	3,196,187	3,196,187
Provision for doubtful receivables	(729,960)	(729,960)
	<u>2,466,227</u>	<u>2,466,227</u>
Sundry receivables	1,673,340	1,587,172
Provision for doubtful sundry receivables	(498,454)	(498,454)
	<u>1,174,886</u>	<u>1,088,718</u>
	<u>28,433,288</u>	<u>29,653,675</u>



SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED) **FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

			<i>(Un-audited)</i> <u>September 30</u> 2017	<i>(Audited)</i> <u>June 30</u> 2017
		<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
6. SHORT TERM MURABAHA FINANCES				
Considered Good			1,659,994	-
Considered doubtful				
- Equity securities - listed			1,737,481	2,287,468
- Sukuk certificates			56,432,312	56,432,312
Recovery during the year			-	-
			58,169,793	58,719,780
Provision for classified receivables under Prudential Regulations for Modarabas			(28,700,300)	(28,700,300)
			<u>31,129,487</u>	<u>30,019,480</u>
7. LONG TERM MURABAHA FINANCES				
Considered good			54,417,981	50,261,697
Considered doubtful			52,208,542	54,855,025
			106,626,523	105,116,722
Less: Current portion			(86,838,751)	(80,885,187)
			<u>19,787,772</u>	<u>24,231,535</u>
8. LONG TERM INVESTMENTS				
<i>Available for sale</i>				
Equity securities - listed	8.1		11,187,014	5,371,781
Sukuk certificates			2,183,337	2,572,947
Total investment at cost			13,370,351	7,944,728
Unrealized loss on revaluation of investments			(2,127,302)	(368,030)
Net investments at fair value			<u>11,243,049</u>	<u>7,576,698</u>
8.1 Shares of listed companies				
Sept 2017	June 2017		<u>September 30, 2017</u>	<u>June 30, 2017</u>
Number of shares		<i>Name of Investee</i>	<i>Average</i>	<i>Market</i>
			<i>-----Rupees-----</i>	
4,000	3,000	D.G Khan Cement Co. Limited	850,370	587,000
			670,597	639,480
1,000	1,000	Engro Corporation Pakistan	371,443	301,100
			371,443	325,901
30,000	20,000	Lotte Chemical Pakistan Limited	331,317	244,500
			236,379	197,000
3,000	1,500	Lucky Cement Limited	2,378,926	1,695,000
			1,291,260	1,254,390
4,000	2,000	Oil & Gas Development Company Limited	640,446	593,200
			345,145	281,380
8,500	5,000	Sui North Gas Pipeline Limited	1,319,839	1,138,915
			829,750	744,600
100,000	100,000	Pakistan Telecommunication Company Limited	1,627,207	1,499,000
			1,627,207	1,561,000
5,625	-	Maple Leaf Cement	458,292	470,297
			-	-
2,000	-	Shell Pakistan	1,009,294	834,500
			-	-
2,000	-	Pioneer Cement	211,849	181,500
			-	-
3,750	-	The Searle Company Limited	1,988,031	1,514,700
			-	-
			<u>11,187,014</u>	<u>9,059,712</u>
			<u>5,371,781</u>	<u>5,003,751</u>

**SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

		<i>(Un-audited)</i> <u>September 30</u> 2017	<i>(Audited)</i> <u>June 30</u> 2017
	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
9. FIXED ASSETS			
Operating fixed assets given on lease (ijarah) - tangible	9.1	102,602,929	110,137,916
Operating fixed assets in own use - tangible	9.2	23,376,713	23,434,154
		<u>125,979,642</u>	<u>133,572,070</u>
9.1 Operating assets given on Ijarah			
Opening written down value		110,137,916	120,610,544
Additions during the period / year		8,020,940	54,509,631
Disposals during the period / year		<u>(7,329,090)</u>	<u>(26,126,410)</u>
		110,829,766	148,993,765
Depreciation charge for the period / year		<u>(8,226,837)</u>	<u>(38,855,849)</u>
		<u>102,602,929</u>	<u>110,137,916</u>
9.2 Fixed assets in own use			
Opening written down value		23,434,154	14,076,770
Additions during the period / year		83,200	10,810,050
Disposals during the period / year		-	<u>(918,155)</u>
		23,517,354	23,968,665
Depreciation charge for the period / year		<u>(140,641)</u>	<u>(534,511)</u>
		<u>23,376,713</u>	<u>23,434,154</u>
10. CREDITORS, ACCURED AND OTHER LIABILITIES			
Employee retirement benefit funds		400	8,979
Withholding tax payable		2,620	38,489
Sales tax payable		-	9,590
Management fee payable		1,630,707	1,508,750
Current portion of deferred income on murabaha		7,020,064	6,992,419
Security deposit		40,000	40,000
Unclaimed dividends		12,619,053	12,619,053
Other liabilities		1,620,448	1,796,230
		<u>22,933,292</u>	<u>23,013,510</u>



SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

-----*(Un-audited)*-----
September 30 September 30
2017 2016
Rupees Rupees

11. ADMINISTRATIVE EXPENSES

Salaries, allowances and other benefits	2,983,601	2,602,339
Fees and subscription	524,988	736,959
Electricity, gas and water	263,216	226,137
Telephone, postage and courier	183,307	175,142
Rent, rate and taxes	446,286	425,166
Printing and stationery	99,912	71,003
Traveling and conveyance	195,554	53,184
Entertainment	138,858	149,636
Insurance	188,876	59,175
Advertisement	13,200	-
Vehicle running and maintenance	531,523	516,398
Newspaper and periodicals	6,308	3,868
Repairs and maintenance	292,522	199,624
Depreciation on own assets	140,641	132,455
Bank charges and commission	11,073	4,911
Miscellaneous	35,212	75,136
Lease rental expense - vehicles	445,746	276,075
Sales tax	1,400	7,750
	<u>6,502,223</u>	<u>5,714,958</u>

Quarter Ended September 30,
2017 2016

12. EARNINGS PER CERTIFICATE - BASIC & DILUTED

Profit for the period	<i>Rupees</i>	521,616	4,694,547
Weighted average number of certificates outstanding during the period	<i>Number</i>	29,800,000	29,800,000
Earnings per certificate - basic	<i>Rupees</i>	0.02	0.16

**SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

	<i>(Un-audited)</i> <u>September 30</u> 2017 Rupees	<i>(Un-audited)</i> <u>September 30</u> 2016 Rupees
13. CASH GENERATED FROM OPERATIONS		
Profit before taxation	521,616	4,694,547
Adjustments for non-cash and other items:		
- Depreciation:		
Under ijarah	8,367,478	10,005,881
In own use	140,641	132,455
- Gain/loss on disposal of fixed assets	20,415	(234,407)
- Dividend income	(78,250)	(133,275)
	8,450,284	9,770,654
Operating profit before working capital changes	<u>8,971,900</u>	<u>14,465,201</u>
Decrease / (increase) in current assets		
- Short term investment - net	836,181	(4,023,428)
- Advances, deposits, prepayments and other receivables	1,220,387	307,860
- Short term murabaha finances	(1,110,007)	(6,927,397)
- Short term musharakah finances	(3,435,000)	(3,500,000)
- Ijarah rental receivables	(1,458,830)	187,958
- Stock in trade	3,267,316	2,777,550
(Decrease) / increase in current liabilities		
- Creditors, accrued and other liabilities	(80,218)	1,039,338
	<u>(760,171)</u>	<u>(10,138,119)</u>
Cash generated from operations	<u>8,211,729</u>	<u>4,327,082</u>

14. NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Management Company in their meeting held on October 05, 2017 has approved dividend for the year ended 30th June, 2017 @ 3.5% (2016: 3%)

15. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information (un-audited) is authorized for issuance on October 25, 2017 by the Board of Directors of the Management Company.

16. GENERAL

Corresponding figures have been rearranged, wherever necessary, to facilitate comparison. However, no significant reclassification has been made during the period.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

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