

QUARTERLY REPORT
SEPTEMBER 30, 2013

Ijarah

Murabaha

Musharaka

Equities

Trading



Trust Modaraba

Managed By:

Al-Zāmin Modaraba Management (Pvt) Ltd

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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
Ms. Roomana Nasir	Head of Human Resources

Audit Committee

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

Head of Internal Audit

Mr. Shaikh Jamal Yousuf

Auditors of the Modaraba

M. Yousaf Adil Saleem & Co.

Bankers

Meezan Bank Limited
Bank Alfalah Limited – Islamic Banking

Legal Advisors

Shakeel Ahmed Awan
Advocate, Supreme Court of Pakistan.

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

The Directors of Al-Zamin Modaraba Management (Private) Limited (Al-Zamin) take pleasure in presenting the un-audited financial statements of Trust Modaraba for the quarter ended September 30, 2013.

The performance of Trust Modaraba, during the first quarter under review remained satisfactory. Operating income increased by 11% as compared to the preceding period, contributed mainly by leasing, musharakah and murabahah transactions. After accounting for expenses, your Modaraba posted profit of Rs.5.094 million before management fee. Every effort is being made to expedite recoveries of past stuck up receivables. 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. This has ensured satisfactory recovery rate of receivables.

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 the stake holders.

For and on behalf of the Board of Directors



Basheer A. Chowdry
Chief Executive

Karachi.
Date: October 25, 2013

INTERIM CONDENSED BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2013

		September 30, 2013	June 30, 2013
	Note	Rupees (Un-Audited)	Rupees (Audited)
ASSETS			
Current assets			
Cash and bank balances	.	1,958,354	3,412,266
Short term investments	4.	841,472	34,040
Advances, deposits, prepayments and other receivables	5.	44,440,201	42,954,541
Murabaha receivables		163,784,414	151,959,277
Musharakah receivables		18,065,918	16,533,309
Stock in trade		200,000	100,000
Total current assets		229,290,359	214,993,433
Non-current assets			
Long term deposits		1,303,962	1,303,962
Long term investments - available for sale	6.	8,254,753	8,535,001
Fixed assets	7.	189,246,172	203,684,965
Total non-current assets		198,804,887	213,523,928
TOTAL ASSETS		428,095,246	428,517,361
LIABILITIES AND EQUITY			
Current liabilities			
Creditors, accrued and other liabilities	8.	30,089,214	29,615,649
Total current liabilities		30,089,214	29,615,649
Non-current liabilities			
Customers' security deposits		88,720,118	94,387,675
Certificate holders' equity			
Certificate capital		298,000,000	298,000,000
Reserves		11,285,914	6,514,037
Total certificate holders' equity		309,285,914	304,514,037
TOTAL LIABILITIES AND EQUITY		428,095,246	428,517,361

CONTINGENCIES AND COMMITMENTS

The annexed notes from 1 to 11 form an integral part of this interim condensed financial information.



Chief Executive



Director



Director

INTERIM CONDENSED PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	September 30, 2013	September 30, 2012
Rupees.....	
	(Un-Audited)	(Un-Audited)
Operating income		
Income from leasing / (ijarah) operations	18,913,001	16,988,821
Profit on murabaha finances	3,333,511	2,408,941
Profit on musharakah finances	1,013,461	825,456
Dividend income	60,000	2,500
Profit on long term investment-available for sale	200,638	277,955
Profit on sale of short term investment-held-for-trading	35,933	506,126
Profit on sale of long term Investment-available-for-sale	170,611	62,172
Other income	755,575	689,323
	<u>24,482,731</u>	<u>21,761,294</u>
 (Addition)/reversal of provision against non performing murabaha finances & other receivable	 -	 401,000
Reversal / (impairment) on available for sale investments	483,029	289,022
	<u>24,965,760</u>	<u>22,451,316</u>
Operating costs		
Depreciation on operating assets given on lease/(ijarah)	14,143,458	12,653,526
Administrative expenses	5,727,888	4,508,548
	<u>(19,871,346)</u>	<u>(17,162,074)</u>
	5,094,414	5,289,242
Modaraba company's management fee	(509,441)	(528,924)
Profit/(loss) for the period before taxation	4,584,973	4,760,318
Taxation	-	-
Profit/(loss) for the period	<u>4,584,973</u>	<u>4,760,318</u>
Earnings per certificate - basic and diluted	<u>0.15</u>	<u>0.16</u>

The annexed notes from 1 to 11 form an integral part of this interim condensed financial information.



Chief Executive



Director



Director

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013



	September 30, 2013	September 30, 2012
	Rupees	Rupees
Profit for the period	4,584,973	4,760,318
Other comprehensive income		
(Deficit)/surplus on revaluation of available for sale investments	186,904	886,193
Total comprehensive income	4,771,877	5,646,511

The annexed notes from 1 to 11 form an integral part of this interim condensed financial information.

A handwritten signature in black ink, appearing to be "M.R.", written over a horizontal line.

Chief Executive

A handwritten signature in black ink, appearing to be "P. Deep.", written over a horizontal line.

Director

A handwritten signature in black ink, appearing to be "N. K. Singh", written over a horizontal line.

Director

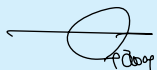
**INTERIM CONDENSED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013**

	September 30, 2013	September 30, 2012
	Rupees	Rupees
NET CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	4,584,973	4,760,318
Add / (less) adjustment for :		
Depreciation	14,406,215	12,907,432
Impairment loss on investments	186,904	886,193
(Gain)/Loss on disposal of fixed assets	(640,097)	(307,377)
Dividend income	(60,000)	(2,500)
	13,893,022	13,483,748
Cash flows from operating activities before changes in working capital	18,477,995	18,244,066
Changes in working capital :		
Decrease/(increase) in current assets:		
Murabaha receivables	(11,825,137)	849,250
Musharakah receivables	(1,532,609)	878,561
Short term investment	(807,432)	961,742
Advances, deposits, prepayments and other receivables	(1,485,660)	(3,333,757)
Stock in trade	(100,000)	-
	(15,750,838)	(644,204)
Increase / (decrease) in current liabilities:		
Creditors, accrued and other liabilities	473,566	(1,968,048)
Customers' security deposits	(5,667,557)	14,703,775
	(5,193,991)	12,735,727
Net cash / flow from operating activities	(2,466,834)	30,335,589
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure (including assets given on lease/ijarah)	(12,007,500)	(52,557,100)
Sale proceeds of fixed assets (including assets given on lease/ijarah)	12,680,175	7,633,051
Long term investments	280,247	(1,232,942)
Dividend received	60,000	2,500
Net cash flow from investing activities	1,012,922	(46,154,491)
Net increase in the cash and cash equivalents	(1,453,912)	(15,818,903)
Cash and cash equivalents at the beginning of period	3,412,266	24,538,761
Cash and cash equivalents at the end of period	1,958,354	8,719,858

The annexed notes from 1 to 11 form an integral part of this interim condensed financial information.



Chief Executive



Director



Director

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013


	Certificate capital	Capital Reserve	Revenue Reserves		Total Reserves	Total Equity
	Statutory reserve	"Unrealized loss on revaluation of investments"	Accumulated loss			
Balance as at 01 July 2012	298,000,000	61,161,526	(2,582,872)	(75,930,918)	(17,352,262)	280,647,738
Total comprehensive income for the quarter ended 30 September 2012	-	-	886,193	4,760,318	5,646,511	5,646,511
Balance as at 30 September 2012	298,000,000	61,161,526	(1,696,679)	(71,170,600)	(11,705,751)	286,294,249
Balance as at 01 July 2013	298,000,000	65,767,979	(1,748,838)	(57,505,104)	6,514,037	304,514,037
Total comprehensive income for the quarter ended 30 September 2013	-	-	186,904	4,584,973	4,771,877	4,771,877
Balance as at 30 September 2013	298,000,000	65,767,979	(1,561,934)	(52,920,131)	11,285,914)	309,285,914

-----Rupees-----

The annexed notes from 1 to 11 form an integral part of this interim condensed financial information.



Chief Executive



Director



Director

NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2013

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Trust Modaraba (the Modaraba) was formed in Pakistan under the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980 and the Rules framed there under and is 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 and other permissible businesses. The Modaraba commenced its business operations from 12 November 1991. 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 2013.

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 2013

	September 30, 2013	June 30, 2013
	Rupees (Un-Audited)	Rupees (Audited)
4. SHORT TERM INVESTMENTS		
Held for trading - shares of listed companies	861,922	23,960
Unrealized gain (loss) on revaluation of held-for-trading investments	(20,450)	10,080
	841,472	34,040
5. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Advances to employees	67,700	67,000
Profit receivable on short term investment	2,314,527	2,508,806
Security deposits	4,500	4,500
Advance Income Tax	1,593,234	1,545,766
Lease rentals receivable	20,465,972	18,777,698
Prepayments	1,836,960	2,009,290
Other receivable	18,157,308	18,041,481
	44,440,201	42,954,541
6. INVESTMENTS		
Available for sale		
Shares of listed companies	1,122,169	1,696,630
Sukuk certificates	7,625,500	8,031,750
	8,747,669	9,728,380
Provision for diminution in value of investments (impairment)	812,271	(503,479)
	9,559,940	9,224,901
Provision Unrealized gain/(loss) on revaluation of investments	(1,305,187)	(689,900)
	8,254,753	8,535,001
7. FIXED ASSETS		
Operating assets given on lease - tangible	174,878,367	189,465,903
Operating assets in own use - tangible	14,367,805	14,219,062
	189,246,172	203,684,965
7.1 Operating assets given on lease - tangible		
Opening book value	189,465,903	161,924,663
Add: Additions during the period	11,596,000	131,679,000
	201,061,903	293,603,663
Less: Deletions during the period - vehicles (at cost)	25,869,000	166,888,360
	175,192,903	126,715,303
Less: Depreciation during the period	14,143,458	54,254,275
	161,049,445	72,461,028
Add: Depreciation adjustments for assets sold during the period	13,828,922	117,004,875
Book value at the end of period	174,878,367	189,465,903

NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2013



	September 30, 2013	June 30, 2013
	Rupees (Un-Audited)	Rupees (Audited)
7.2 Fixed assets in own use - tangible		
Opening book value	14,219,062	14,834,882
Add: Additions during the period	411,500	488,156
	14,630,562	15,323,038
Less: Deletions during the period - at cost	-	152,800
	14,630,562	15,170,238
Less: Depreciation during the period	262,757	1,027,219
	14,367,805	14,143,019
Add: Depreciation adjustments for assets sold during the period	-	76,043
Book value at the end of period	14,367,805	14,219,062
8. CREDITORS, ACCURED AND OTHER LIABILITIES		
Other payables	1,934,433	3,305,156
Unclaimed dividends	9,875,342	9,875,342
Management fee payable	3,068,582	2,559,141
unearned income - Morahaba sale price	15,210,857	13,876,010
	30,089,214	29,615,649

9. NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Management Company in their meeting held on October 02, 2013, has approved dividend for the year ended June 30, 2013 @ 6% (2012: Nil)

10. 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 25, 2013.

11. GENERAL

11.1 Corresponding figures have been rearranged, where necessary, for purpose of comparison. However, no significant reclassification has been made during the period.

11.2 Figures have been rounded off to the nearest rupee.

Chief Executive

Director

Director

BOOK POST

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