

**THIRD QUARTERLY REPORT
MARCH 31, 2016**

Tjarah

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. Namooos 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

Internal Auditors

Grant Thornton Anjum Rahman.
Chartered Accountants

Auditors of the Modaraba

Deloitte Yousaf Adil
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 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 financial statements of Trust Modaraba for the quarter ended March 31st, 2016.

ECONOMY REVIEW

Pakistan economy continued to pick up as economic reforms progressed. Improved security situation, better energy distribution management and persistent growth in foreign remittances had positive impact. Inflation declined markedly and current deficit narrowed with favorable prices for oil and other commodities. GDP growth is expected to accelerate modestly to 4.5% in financial year 2016, assuming continued macroeconomic stability, expected improvement in energy supply and planned infrastructural investment tied to an economic corridor project linking with China. Further implementation of structural reforms will consolidate recent gain in macroeconomic stability and improve investment climate amidst the improving security situation in the country, especially in Karachi, commercial hub of the country.

PERFORMANCE REVIEW

Trust Modaraba witnessed a steady growth over the period. During the quarter your Modaraba has earned a further profit of Rs3.730 million before management fee as compared to Rs4.206 million in the previous corresponding quarter. Total operating income for the nine months period of the financial year 2015-16 stood at Rs62.500 million as compared to previous comparable of Rs.62.624 million. Profit for the nine months stood at Rs.10.03 million before management fee compared to Rs.13.880 million of the previous comparable period which include Rs.4.959 million on account of reversal of provisions. Assets base of the Modaraba stood at Rs.383.995 million with equity of Rs.306.421 million as at 31stMarch 2016.

EARNING PER CERTIFICATE

Earning per certificate of your Modaraba is Rs.0.30 per certificate for the nine months ended 31stMarch, 2016 as compared to Rs.0.42 Per certificate in the corresponding period last year. It is likely to improve by the financial year close.

FUTURE OUTLOOK

Your management is committed to achieve growth and profitability in the operating performance of the Modaraba for the benefit of all stakeholders.

For & on behalf of the Board of Directors



Basheer A. Chowdry
Chief Executive

26thApril 2016

CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2016



		<i>(Un-audited)</i> March 31 2016 Rupees	<i>(Audited)</i> June 30 2015 Rupees
ASSETS			
Current assets			
Cash and bank balances	4	19,761,077	827,212
Short term investments	5	16,451,499	5,945,191
Advances, deposits, prepayments and other receivables	6	28,506,322	45,965,063
Short term murabaha finances		46,057,296	50,726,084
Current portion of long term murabaha finances		74,550,036	73,519,602
Ijara rental receivable		22,542,139	21,457,799
Short term musharakah finances		5,593,165	4,302,110
Current portion of long term musharakah finance		1,658,171	1,176,219
Accrued profit		2,032,188	2,165,534
Tax refunds due from government		3,198,143	3,008,734
Stock in trade	7	2,796,592	6,663,708
Total current assets		223,146,628	215,757,256
Asset classified as held for sale		-	2,100,000
Non-current assets			
Long term murabaha finances		26,988,833	31,306,148
Long term musharakah finances		2,358,256	1,123,536
Long term deposits		1,601,740	1,780,740
Long term investments	8	5,875,500	6,314,040
Fixed assets	9	124,024,526	153,060,407
Total non-current assets		160,848,855	193,584,871
TOTAL ASSETS		383,995,483	411,442,127
LIABILITIES			
Current liabilities			
Current portion of customers' security deposits		34,352,366	22,031,755
Creditors, accrued and other liabilities	10	21,389,143	24,960,466
Total current liabilities		55,741,509	46,992,221
Non-current liabilities			
Deferred income on murabaha		4,129,813	4,848,493
Customers' security deposits		17,702,796	49,542,440
Total non-current Liabilities		21,832,609	54,390,933
Total Liabilities		77,574,118	101,383,154
NET ASSETS		306,421,367	310,058,973
REPRESENTED BY			
CAPITAL AND RESERVES			
Certificate capital		298,000,000	298,000,000
Reserves		8,421,367	12,058,973
		306,421,367	310,058,973

Contingencies and Commitments

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The annexed notes from 1 to 18 form an integral part of this interim condensed financial information.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR


CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016



Note	Nine months ended		Three months ended	
	March 31 2016	March 31 2015	March 31 2016	March 31 2015
----- Rupees -----				
Operating income				
Income from leasing (Ijarah) operations	46,354,186	47,511,043	15,679,364	14,723,224
Profit on murabaha finances	9,975,288	10,240,605	3,254,146	3,322,840
Profit on musharakah finances	2,214,074	2,006,588	1,495,247	459,723
Dividend income on equity investments	216,299	31,000	137,805	-
Profit on long term investment - available for sale	-	297,170	-	-
Profit on sale of short term investment - held for trading	1,601,965	490,673	436,973	134,576
Profit on sale of long term investment - available for sale	10,601	-	-	-
Trading Income	24,901	1,198,202	(165,029)	-
Other income	2,088,361	836,832	180,245	228,842
	62,485,675	62,612,113	21,018,751	18,869,205
Reversal of provision against non performing murabaha finances and other receivable	506,641	4,959,145	506,641	2,072,452
	62,992,316	67,571,258	21,525,392	20,941,657
Depreciation on fixed assets given on lease / ijarah	31,189,276	33,721,061	10,721,027	10,289,949
Administrative expenses	20,975,294	19,482,871	6,877,573	5,953,075
Other charges/Provisions	797,308	486,120	(217,618)	25,193
	(52,961,878)	(53,690,052)	(17,380,982)	(16,268,217)
	10,030,438	13,881,206	4,144,410	4,673,440
Modaraba management company's fee	(1,003,044)	(1,388,121)	(414,441)	(467,344)
Profit before taxation	9,027,394	12,493,085	3,729,969	4,206,096
Taxation	-	-	-	-
Profit after taxation	9,027,394	12,493,085	3,729,969	4,206,096
Earnings per certificate - basic and diluted	0.30	0.42	0.13	0.14

The annexed notes from 1 to 18 form an integral part of this interim condensed financial information.


CHIEF EXECUTIVE


DIRECTOR


DIRECTOR



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016**

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>March 31</i>	<i>March 31</i>	<i>March 31</i>	<i>March 31</i>
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	----- Rupees -----			
Profit for the period	9,027,394	12,493,085	3,729,969	4,206,096
<i>Other comprehensive Income</i>				
Net change in fair value of - available for sale investments	-	-	-	-
Net change in fair value of available for sale investments reclassified to profit & loss account	-	-	-	-
	-	-	-	-
<i>Total comprehensive income</i>	<u>9,027,394</u>	<u>12,493,085</u>	<u>3,729,969</u>	<u>4,206,096</u>

The annexed notes from 1 to 18 form an integral part of this interim condensed financial information.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016**



	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>March 31 2016</i>	<i>March 31 2015</i>	<i>March 31 2016</i>	<i>March 31 2015</i>
----- Rupees -----				
NET CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	9,027,394	12,493,085	3,729,967	4,206,096
Adjustment for:				
Depreciation	31,609,726	34,479,653	10,867,127	10,549,552
Gain on disposal of fixed assets	(1,194,163)	(504,239)	(20,275)	(122,723)
Profit on sale of short term investment	(1,601,965)	-	(436,973)	-
Profit on sale of long term investment	(10,601)	-	-	-
Dividend income	(216,299)	(31,000)	(137,805)	-
Profit before working capital change	37,614,092	46,437,499	14,002,041	14,632,925
Changes in working capital:				
(Increase) / decrease in operating assets				
Short term investments	(10,506,308)	(2,711,910)	(4,897,111)	(1,069,285)
Advances, deposits, prepayments and other receivables	17,458,741	(14,195,952)	(3,084,153)	958,625
Accrued Profit	133,346	872,806	(229,799)	(195,620)
Short term murabaha finances	3,638,354	1,288,304	10,194,394	(632,500)
Long term murabaha finances	4,317,315	4,949,137	1,515,351	(10,203,369)
Ijarah rental receivables	(1,084,340)	(510,978)	(1,442,018)	1,147,324
Short term musharakah finances	(1,773,007)	11,337,534	1,793,972	2,039,219
Long term musharakah finances	(1,234,720)	222,124	(1,395,329)	197,930
Stock in trade	3,867,116	(4,838,765)	-	-
	14,816,497	(3,587,700)	2,455,307	(7,757,676)
Increase / (decrease) in operating liabilities:				
Creditors, accrued and other liabilities	(4,290,003)	(1,746,532)	(1,042,962)	1,548,261
Customers' security deposits	(19,519,033)	(12,124,938)	(5,825,850)	63,562
	(23,809,036)	(13,871,470)	(6,868,812)	1,611,823
Cash generated from operations	28,621,553	28,978,330	9,588,536	8,487,072
Taxes paid	(189,409)	(90,591)	(44,317)	(16,572)
Dividend paid	(12,665,000)	(14,900,000)	-	-
Net cash (used in) / from operating activities	15,767,144	13,987,738	9,544,219	8,470,500
NET CASH FLOWS FROM INVESTING ACTIVITIES				
Fixed capital expenditure (including assets given on ijarah)	(41,334,520)	(40,533,017)	(3,126,650)	(12,931,800)
Sale proceeds of fixed assets on ijarah	39,954,836	26,173,199	6,937,396	4,964,737
Sale of Investments - net	2,051,106	343,750	436,973	(500,000)
Held for sale assets	2,100,000	-	-	-
Long term deposits received during the period	179,000	(177,678)	-	-
Dividend received	216,299	31,000	137,805	-
Net cash generated from / (used in) investing activities	3,166,721	(14,162,746)	4,385,524	(8,467,063)
Net (decrease) / increase in the cash & cash equivalents	18,933,865	(175,008)	13,929,743	3,437
Cash and cash equivalents at beginning of the period	827,212	2,419,130	5,831,334	2,240,685
Cash and cash equivalents at end of the period	19,761,077	2,244,122	19,761,077	2,244,122

The annexed notes from 1 to 18 form an integral part of this interim condensed financial information.


CHIEF EXECUTIVE


DIRECTOR


DIRECTOR



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Certificate capital		Capital reserve		Revenue reserves		Total reserves	Total equity
	Statutory reserve	Unrealized gain/(loss) on revaluation	Accumulated loss	Unrealized gain/(loss) on revaluation	Accumulated loss			
	Rupees							
Balance as at July 01, 2014	298,000,000	69,813,812	(1,928,891)	(59,201,774)	8,683,147	306,683,147		
Profit for the period	-	-	-	-	8,286,989	8,286,989	8,286,989	8,286,989
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the nine months ended March 31, 2015	-	-	-	-	8,286,989	8,286,989	8,286,989	8,286,989
Final dividend for the year ended June 30, 2013 @ Rs. 0.6 per certificate	-	-	-	(14,900,000)	(14,900,000)	(14,900,000)	(14,900,000)	(14,900,000)
Balance at March 31, 2015	298,000,000	69,813,812	(1,928,891)	(65,814,785)	2,070,136	300,070,136		
Balance as at July 01, 2015	298,000,000	73,294,987	(1,058,938)	(60,177,076)	12,058,973	310,058,973		
Profit for the period	-	-	-	-	9,027,394	9,027,394	9,027,394	9,027,394
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the nine months ended March 31, 2016	-	-	-	-	9,027,394	9,027,394	9,027,394	9,027,394
Final Dividend for the year ended June, 2015 @ 0.425 Per Certificate	-	-	-	(12,665,000)	(12,665,000)	(12,665,000)	(12,665,000)	(12,665,000)
Balance as at March 31, 2016	298,000,000	73,294,987	(1,058,938)	(63,814,682)	8,421,367	306,421,367		

The annexed notes from 1 to 18 form an integral part of this interim condensed financial information.

DIRECTOR

DIRECTOR

CHIEF EXECUTIVE

1. LEGAL STATUS AND NATURE OF BUSINESS

Trust Modaraba was formed in Pakistan under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and being managed by Al-Zamin Modaraba Management (Private) Limited (AZMML). The Modaraba is perpetual, multi-purpose and multi-dimensional, engaged in the business of Murabahas, Musharakahs, Leasing (Ijarah), investment in marketable securities, tradings and other permissible businesses. The Modaraba commenced its business operations from November 12, 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

This condensed interim financial information is un-audited and are being submitted to the certificate holders as required under Rule 10 of the Modaraba Companies and Modaraba Rules, 1981 and has been prepared in accordance with 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, 2015.

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 June 30, 2015.

	Note	(Un-audited)	(Audited)
		March 31 2016 Rupees	June 30 2015 Rupees
4. CASH AND BANK BALANCES			
Cash in hand		83,349	36,314
Cash at banks			
- Current accounts		354,335	280,940
- Saving accounts		4,323,394	509,958
		4,677,728	790,898
- Modaraba Monthly Certificate		15,000,000	-
		19,761,077	827,212
5. SHORT TERM INVESTMENTS			
<i>Financial assets at fair value through profit and loss - held for trading</i>			
NIT Islamic Unit Fund		4,000,000	2,000,000
Shares of listed companies - at cost	5.1	13,462,839	4,159,223
Less: Unrealized loss on revaluation of held for trading investments		(1,011,340)	(214,032)
		16,451,499	5,945,191

	March 31, 2016		June 30, 2015	
	Average	Market	Average	Market
	-----Rupees-----			
5.1 Shares of listed companies				
Pakistan Telecommunication Company Ltd. 50,000 (June 2015 : 25,000) ordinary shares of Rupees 10 each fully paid	1,168,434	751,000	720,736	512,500
Mari Petroleum Company Ltd. 500 (June 2015 : 5,000) ordinary shares of Rupees 10 each fully paid	311,901	351,235	2,352,917	2,343,000
Honda Atlas Cars (Pakistan) Ltd. 5000 (June 2015 : 1000) ordinary shares of Rupees 10 each fully paid	1,230,405	1,262,200	227,993	218,680
Treet Corporation Ltd. 10,000 (June 2015 : 1,500) ordinary shares of Rupees 10 each fully paid	595,156	474,900	117,846	108,225
K Electric Ltd. 15,000 (June 2015 : 10,000) ordinary shares of Rupees 10 each fully paid	125,754	106,500	89,037	84,200
DG Khan Cement Company Ltd. Nil (June 2015 : 500) ordinary shares of Rupees 10 each fully paid	-	-	66,244	71,386
Fauji Fertilizer Bin Qasim Ltd. 12,500 (June 2015 : 10,000) ordinary shares of Rupees 10 each fully paid	725,087	637,750	584,450	553,200
Sui Northern Gas Pipeline Ltd. 25,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	772,535	637,500	-	-
Pak OilFields Ltd. 4,500 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	1,294,292	1,161,045	-	-
Fauji Fertilize Company 4,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	469,187	426,480	-	-
Galaxo SmithKline Pakistan Ltd. 1,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	224,235	223,830	-	-
Pakistan State Oil Ltd. 1,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	337,257	351,240	-	-
The Searle Company Ltd. 60 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	22,853	26,369	-	-

SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016



	March 31, 2016		June 30, 2015	
	Average	Market	Average	Market
	-----Rupees-----			
Sui Southern Gas Company Ltd. 30,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	1,288,265	826,800	-	-
Lucky Cement Ltd. 6,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	3,064,990	3,228,660	-	-
Lotte Chemical Pakistan Ltd. 20,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	152,421	110,600	-	-
Engro foods Ltd. 8,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	1,213,383	1,273,920	-	-
Pioneer Cement 1,500 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	132,942	148,380	-	-
Hubco 2,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	199,298	209,080	-	-
Engro Corporation Pakistan 500 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid	134,444	157,852	-	-
	<u>13,462,839</u>	<u>12,365,341</u>	<u>4,159,223</u>	<u>3,891,191</u>

SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016



	(Un-Audited) Note March 31, 2016 Rupees	(Audited) June 30, 2015 Rupees
6. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Advances to employees against salary - considered good	486,000	139,000
Advance to employees - operational	-	132,029
Advance to suppliers	7,470,000	10,431,000
Security deposits	4,500	4,500
Prepayments	1,946,533	1,589,808
Due from brokers against sale of shares	977,365	583,019
Trade receivables	15,327,869	18,505,321
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	2,043,499	1,509,973
Provision for doubtful receivables	(833,723)	(833,723)
	1,209,776	676,250
Late payment charges receivable	3,192,155	3,192,155
Suspended income	(3,192,155)	(3,192,155)
	-	-
Sundry receivables	1,506,866	14,326,723
Provision for doubtful sundry receivables	(422,587)	(422,587)
	1,084,279	13,904,136
	<u>28,506,322</u>	<u>45,965,063</u>
7. STOCK IN TRADE		
Peddy Rice	2,580,550	5,108,800
Agro Services (stock pesticides)	216,042	854,908
Others	-	700,000
	<u>2,796,592</u>	<u>6,663,708</u>
7.1 This represents goods purchased for trading purposes.		
8. LONG TERM INVESTMENTS		
<i>Available for sale</i>		
Equity securities	-	438,540
Sukuk certificates	5,875,500	5,875,500
total investment at cost	5,875,500	6,314,040
Unrealized loss on revaluation of investments	-	-
Net investment at fair value	<u>5,875,500</u>	<u>6,314,040</u>
8.1 This represents 2,000 (2015: 2,000) BRR Guardian Modaraba certificates having face value Rs. 10 million carrying profit at one month KIBOR (2015: one month KIBOR). These will mature in December 2016 and are secured against joint ownership of Musharaka assets.		

SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016



	(Un-Audited) Note March 31, 2016 Rupees	(Audited) June 30 2015 Rupees
9. FIXED ASSETS		
Operating fixed assets in own use - Intangible		
Operating fixed assets given on lease (ijarah)	9.1 110,576,999	139,426,280
Operating fixed assets in own use	9.2 13,447,527	13,634,127
	<u>124,024,526</u>	<u>153,060,407</u>
9.1 Operating fixed assets given on lease / ijarah		
Opening book value	139,426,280	155,457,489
Add: additions during the period / Year	9.1.1 34,021,670	58,031,097
	<u>173,447,950</u>	<u>213,488,586</u>
Less: disposals during the period / Year		
Plant and equipments	22,100,000	22,304,000
Vehicles	52,796,002	40,225,949
Furniture and fixtures	-	185,000
Accumulated depreciation	<u>(43,214,327)</u>	<u>(33,791,918)</u>
	<u>31,681,675</u>	<u>28,923,031</u>
	14,1766,275	184,565,555
Less: depreciation during the period	31,189,276	45,139,275
Book value at end of the period	<u>110,576,999</u>	<u>139,426,280</u>
9.1.1 Addition during the period / year		
Plant and equipments	4,273,000	5,137,097
Vehicles	29,748,670	52,894,000
Furniture and fixtures	-	-
	<u>34,021,670</u>	<u>58,031,097</u>
9.2 Fixed assets in own use		
Opening book value	13,634,127	13,294,696
Add: additions during the period	9.2.1 7,312,850	926,917
	<u>20,946,977</u>	<u>14,221,613</u>
Less: Disposals during the period / year Vehicles	<u>7,079,000</u>	-
	13,867,977	14,221,613
Less: Depreciation during the period / year	420,450	587,486
Book value at end of the period	9.2.2 13,447,527	13,634,127
9.2.1 Addition during the period / year		
Land		
Furniture and fixtures	-	200,371
Office equipments	54,850	249,200
Vehicles	7,258,000	477,346
	<u>7,312,850</u>	<u>926,917</u>

		<i>(Un-audited)</i>	<i>(Audited)</i>
	<i>Note</i>	<i>December 31</i>	<i>June 30</i>
		<i>2015</i>	<i>2015</i>
		<i>Rupees</i>	<i>Rupees</i>
9.2.2 Book value at the end of period / year			
Land	9.2.3	11,106,200	11,106,200
Furniture and fixtures		571,395	670,368
Office equipments		813,323	922,015
Vehicles		548,910	464,432
Electrical equipments		407,699	471,112
		<u>13,447,527</u>	<u>13,634,127</u>

9.2.3 It includes a piece of land measuring 10 Kanals, costing Rs. 10,728,400 situated at Mauza Amer Sidhu, Lahore Cantt acquired through settlement of certain Murabaha facilities. The subject land is presently in the possession of Defence Housing Authority, Lahore (DHA). The Modaraba has filed legal suit for possession of land in the Civil Court. The management and legal counsel of the Modaraba are confident that Modaraba has valid claim against DHA because title and sale deed is in name of Modaraba and accordingly no loss has been charged against such land.

10. CREDITORS, ACCURED AND OTHER LIABILITIES

Accrued expenses	33,151	95,570
Management fee payable	1,003,044	1,933,986
Deferred income on murabaha	7,501,446	9,971,677
Security deposit	40,000	40,000
Unclaimed dividends	12,269,335	11,798,787
Other liabilities	542,167	1,120,446
	<u>21,389,143</u>	<u>24,960,466</u>

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

There is no foreseeable contingents as at March 31, 2016.

11.2 Commitments

The Modaraba has entered into ijarah arrangements for assets. These arrangements have remaining terms of less than five years. Such arrangements also includes a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

Future Ijarah payments due under these arrangements, as at March 31, 2016 are as follows:

Within one year	701,522	979,338
After one year but not more than five years	169,866	687,785
	<u>871,388</u>	<u>1,667,123</u>

SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016



	----- (Un-audited) -----			
	Nine months ended		Three months ended	
	March 31	March 31	March 31	March 31
	2016	2015	2016	2015
	----- Rupees -----			
12. OTHER INCOME				
Processing, documentation, other fees and charges	190,425	185,900	16,925	82,500
Gain on disposal of fixed assets	1,194,163	504,239	20,275	122,723
Miscellaneous income	703,773	146,693	143,045	23,619
	<u>2,088,361</u>	<u>836,832</u>	<u>180,245</u>	<u>228,842</u>

	(Un-audited)		(Audited)	
	March 31		March 31	
	2016		2015	
	----- Rupees -----			
13. ADMINISTRATIVE EXPENSES				
Salaries, allowances and other benefits		7,977,865	7,170,615	
Legal and professional charges		401,500	155,000	
Fees and subscription		2,254,426	1,684,131	
Electricity, gas and water		595,937	655,118	
Telephone, postage and courier		527,053	507,398	
Rent, Rate & Taxes		1,239,959	1,210,736	
Printing and stationery		382,399	410,866	
Traveling and conveyance		220,640	279,967	
Entertainment		372,484	380,010	
Insurance		2,897,437	2,544,338	
Advertisement		182,861	65,563	
Auditor remuneration		109,800	85,000	
Vehicle running and maintenance		1,531,282	1,475,651	
Newspaper & Periodicals		15,149	15,972	
Repairs and maintenance		863,056	688,948	
Depreciation on own assets		420,450	758,592	
Bank charges and commission		22,061	139,881	
Miscellaneous		116,637	122,340	
Donation		48,437	54,133	
Lease rental expense - vehicle		795,861	1,078,612	
		<u>20,975,294</u>	<u>19,482,871</u>	

14. TAXATION

No provision with respect to current and deferred taxation has been made in these accounts on the premise that under the current tax law the income of non-trading Modarabas is exempt from income tax provided that they distribute ninety percent cash profit to certificate holders out of current year's total profit after appropriating statutory reserves.

	----- (Un-audited) -----			
	Nine months ended		Three months ended	
	March 31	March 31	March 31	March 31
	2016	2015	2016	2015
	----- Rupees -----			

15. EARNINGS PER CERTIFICATE - BASIC & DILUTED

Profit for the period	(Rupees)	9,027,394	12,493,085	3,729,969	4,206,096
Weighted average number of certificates	(Number)	29,800,000	29,800,000	29,800,000	29,800,000
Earnings per certificate	(Rupees)	0.30	0.42	0.13	0.14

16. REARRANGEMENT

Corresponding figures have been rearranged to reflect more appropriate presentation and transactions for the purposes of comparison. However, no significant rearrangements have been made.

17. DATE OF AUTHORIZATION

These financial statements were authorized by the Board of Directors of the Management Company in their meeting held on April 26th, 2016.

18. GENERAL

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

18.2 Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



DIRECTOR



DIRECTOR

BOOK POST

**301-320, 3rd Floor, Garden Heights, 8-Aibak Block,
New Garden Town, Lahore
Tel: (042) -35941957-8 Fax: (042) 35866513
Web: www.trustmodaraba.com**