HALF YEARLY REPORT
December 31, 2015

Trust Modaraba
Managed By:
Al-Zamin 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

Internal Auditors
M/s Feroz Sharif Tariq & Co.
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, B– 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 half year ended December 31st, 2015 duly reviewed by the external auditors in compliance of Corporate Governance.

ECONOMY REVIEW
Due to the security situation in the country and low fixed investment, micro economic fundamentals remained fragile during the period under review. Progress has been slow on critical reforms in energy generation and distribution, privatization and/or restructuring of loss making public sector enterprises costing of country Rs.600 billion per annum, widening of tax and improvement in tax administration. GDP growth has been anticipated to accelerate to 5% in 2016 driven by low import cost, enhanced household income, benign interest rates outlook and expected progress on CPAC related developments ventures.

PERFORMANCE REVIEW
During the period under review, your Modaraba has recorded total income at Rs.41.467 million, contributed mainly by Ijarah and Murabaha portfolio. The Modaraba has earned a profit of Rs.5.886 million for the half year ended 31st December 2015 before management fee as compared to Rs.9.207 million of the previous comparable period which included Rs.2.88 million on account of reversal of provision. Assets based of the Modaraba stood at Rs.387.134 million with equity of Rs.302.691 as at 31st December 2015.

EARNING PER CERTIFICATE
Earning per certificate of your Modaraba is Rs.0.18 per certificate for the quarter ended 31st December, 2015 as compared to Rs.0.28 Per certificate in the corresponding period last year.

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

24th February 2016.

Basheer A. Chowdry
Chief Executive
I have conducted Shariah Review of Trust Modaraba managed by Al-Zamin Modaraba Management (Private) Limited for the half year ended 31st December, 2015 in accordance with the requirements of the Shariah Compliance and Shariah Audit Mechanism for Modarabas and report that except the observations as reported hereunder, in my opinion:

i. the Modaraba has introduced a mechanism which has strengthened the Shariah compliance, in letter and spirit and the systems, procedures and policies adopted by the Modaraba are in line with the Shariah principles;

ii. Following were the major developments that took place during the year:

a) Research and new product developments.
   Adopted new inducted Shariah Compliance and Shariah Audit Mechanism.

b) Followed Model Islamic Financing Agreements approved by Religious Board.

iii. the agreements entered into by the Modaraba are Shariah compliant and the financing agreements have been executed on the formats as approved by the Religious Board and all the related conditions have been met.

iv. To the best of my information and according to the explanations given to me, the business transactions undertaken by the Modaraba and all other matters incidental thereto are in conformity with the Shariah requirements as well as the requirements of the Prospectus, Islamic Financial Accounting Standards as applicable in Pakistan and the Shariah Compliance and Shariah Audit Regulations for Modarabas.

v. profit sharing ratios, profits and charging of losses (if any) relating to any deposit raising product conform to the basis and principles of Shariah.

vi. No earnings have been realized by any means prohibited by Shariah.

In my opinion, the operations of Trust Modaraba are in conformity with the Shariah Compliance and Audit Mechanism for Modarabas.

Dated: February 24th, 2016

Mufti Zubair Usmani
Shariah Advisor.
Introduction
We have reviewed the accompanying condensed interim balance sheet of Trust Modaraba (the Modaraba) as at December 31st, 2015, 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 accounts for the six months period then ended (here in after referred to as the “interim financial information”). Management Company [Al-Zamin Modaraba Management (Private) Limited] is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information 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 31st, 2015 and December 31st, 2014 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31st, 2015.

Scope of Review
We conducted our review in accordance with the International Standard on Review Engagements - 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of the person responsible for the 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.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the six months ended December 31st, 2015 is not prepared in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matter
We draw attention to the matter stated in note 9.2.3 to the condensed interim financial information, the ultimate outcome of which cannot presently be determined and hence, no provision that may result therefrom has been made in the interim financial information. Our conclusion is not qualified in respect of this matter.

Chartered Accountants

Engagement Partner: Rana M Usman Khan

Dated: February 24th, 2016
Lahore
# Condensed Interim Balance Sheet

As at December 31, 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>(Un-audited)</th>
<th>(Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rupees</td>
<td>Rupees</td>
</tr>
</tbody>
</table>

## ASSETS

### Current assets

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31 2015</th>
<th>June 30 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and bank balances</td>
<td>5,831,334</td>
<td>827,212</td>
</tr>
<tr>
<td>Short term investments</td>
<td>11,554,389</td>
<td>5,945,191</td>
</tr>
<tr>
<td>Advances, deposits, prepayments and other receivables</td>
<td>25,422,169</td>
<td>35,534,063</td>
</tr>
<tr>
<td>Short term murabaha finances</td>
<td>51,647,094</td>
<td>50,726,084</td>
</tr>
<tr>
<td>Current portion of long term murabaha finances</td>
<td>79,154,632</td>
<td>73,519,602</td>
</tr>
<tr>
<td>Ijara rental receivable</td>
<td>21,100,122</td>
<td>21,657,799</td>
</tr>
<tr>
<td>Short term diminishing musharakah finances</td>
<td>7,869,089</td>
<td>4,302,110</td>
</tr>
<tr>
<td>Current portion of long term diminishing musharakah</td>
<td>1,067,155</td>
<td>1,176,219</td>
</tr>
<tr>
<td>Accrued profit</td>
<td>1,802,387</td>
<td>2,165,534</td>
</tr>
<tr>
<td>Tax refunds due from government</td>
<td>3,153,826</td>
<td>3,008,734</td>
</tr>
<tr>
<td>Stock in trade</td>
<td>2,796,592</td>
<td>6,663,708</td>
</tr>
</tbody>
</table>

**Total current assets**
211,398,789

- Asset classified as held for sale
  - 2,100,000

### Non-current assets

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31 2015</th>
<th>June 30 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term murabaha finances</td>
<td>28,504,184</td>
<td>31,306,148</td>
</tr>
<tr>
<td>Long term diminishing musharakah finances</td>
<td>1,071,991</td>
<td>1,123,536</td>
</tr>
<tr>
<td>Long term deposits</td>
<td>1,601,740</td>
<td>1,780,740</td>
</tr>
<tr>
<td>Long term investments</td>
<td>5,875,500</td>
<td>6,314,040</td>
</tr>
<tr>
<td>Fixed assets</td>
<td>138,682,126</td>
<td>163,491,407</td>
</tr>
</tbody>
</table>

**Total non-current assets**
175,735,541

**TOTAL ASSETS**
387,134,330

## LIABILITIES

### Current liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31 2015</th>
<th>June 30 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current portion of customers’ security deposits</td>
<td>25,541,825</td>
<td>22,031,755</td>
</tr>
<tr>
<td>Creditors, accrued and other liabilities</td>
<td>22,053,496</td>
<td>24,960,466</td>
</tr>
</tbody>
</table>

**Total current liabilities**
47,595,321

### Non-current liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31 2015</th>
<th>June 30 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred income on murabaha</td>
<td>4,508,422</td>
<td>4,848,493</td>
</tr>
<tr>
<td>Customers’ security deposits</td>
<td>32,339,187</td>
<td>49,542,440</td>
</tr>
</tbody>
</table>

**Total non-current Liabilities**
36,847,609

**Total Liabilities**
84,442,930

**NET ASSETS**
302,691,400

## REPRESENTED BY

### CAPITAL AND RESERVES

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31 2015</th>
<th>June 30 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate capital</td>
<td>298,000,000</td>
<td>298,000,000</td>
</tr>
<tr>
<td>Reserves</td>
<td>4,691,400</td>
<td>12,058,973</td>
</tr>
</tbody>
</table>

**Total**
302,691,400

## Contingencies and Commitments

The annexed notes from 1 to 19 form an integral part of this interim condensed financial information.

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**Chief Executive**

**Director**

**Director**
<table>
<thead>
<tr>
<th>Note</th>
<th>Six months ended</th>
<th>December 31</th>
<th>December 31</th>
<th>Three months ended</th>
<th>December 31</th>
<th>December 31</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rupees</td>
<td>Rupees</td>
<td>Rupees</td>
<td>Rupees</td>
<td>Rupees</td>
<td>Rupees</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income from leasing (Ijarah) operations</td>
<td>30,674,822</td>
<td>32,787,819</td>
<td>14,437,124</td>
<td>16,600,246</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit on murabaha finances</td>
<td>6,721,143</td>
<td>6,917,765</td>
<td>3,341,047</td>
<td>3,412,896</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit on musharakah finances</td>
<td>718,828</td>
<td>1,546,865</td>
<td>357,741</td>
<td>424,887</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend income on equity investments</td>
<td>78,494</td>
<td>31,000</td>
<td>36,750</td>
<td>11,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit on long term investment - available for sale</td>
<td>-</td>
<td>297,170</td>
<td>-</td>
<td>117,118</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit on sale of short term investment - held for trading</td>
<td>1,164,992</td>
<td>356,097</td>
<td>836,862</td>
<td>313,739</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit on sale of long term investment - available for sale</td>
<td>10,601</td>
<td>-</td>
<td>10,601</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trading Income</td>
<td>189,930</td>
<td>1,198,202</td>
<td>101,242</td>
<td>947,462</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other income</strong></td>
<td></td>
<td>1,908,116</td>
<td>620,590</td>
<td>462,913</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>41,466,926</td>
<td>43,755,508</td>
<td>19,748,262</td>
<td>22,290,261</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reversal of provision against non performing murabaha finances and other receivable</td>
<td>-</td>
<td>2,886,693</td>
<td>(82,830)</td>
<td>2,886,693</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reversal / (Impairment) - Held for trading investment</td>
<td>-</td>
<td>(460,927)</td>
<td>-</td>
<td>(397,124)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>41,466,926</td>
<td>46,181,274</td>
<td>19,665,432</td>
<td>24,779,830</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation on fixed assets given on lease / Ijarah</td>
<td>20,468,249</td>
<td>23,431,112</td>
<td>9,723,099</td>
<td>11,998,322</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>14,097,721</td>
<td>13,542,360</td>
<td>7,614,869</td>
<td>6,997,601</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other charges</td>
<td>1,014,926</td>
<td>-</td>
<td>102,642</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(35,580,896)</td>
<td>(36,973,508)</td>
<td>(17,440,610)</td>
<td>(18,995,923)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modaraba management company's fee</td>
<td>(588,603)</td>
<td>(920,777)</td>
<td>(222,482)</td>
<td>(578,391)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before taxation</td>
<td>5,297,427</td>
<td>8,286,989</td>
<td>2,002,340</td>
<td>5,205,516</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit after taxation</td>
<td>5,297,427</td>
<td>8,286,989</td>
<td>2,002,340</td>
<td>5,205,516</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings per certificate - basic and diluted</td>
<td>0.18</td>
<td>0.28</td>
<td>0.07</td>
<td>0.17</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The annexed notes from 1 to 19 form an integral part of this interim condensed financial information.
## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2015

<table>
<thead>
<tr>
<th></th>
<th>Six months ended</th>
<th>Three months ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 31 2015</td>
<td>December 31 2014</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>5,297,427</td>
<td>8,286,989</td>
</tr>
<tr>
<td>Other comprehensive Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net change in fair value of - available for sale investments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net change in fair value of available for sale investments reclassified to profit &amp; loss account</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td><strong>5,297,427</strong></td>
<td><strong>8,286,989</strong></td>
</tr>
</tbody>
</table>

The annexed notes from 1 to 19 form an integral part of this interim condensed financial information.
**NET CASH FLOWS FROM OPERATING ACTIVITIES**

<table>
<thead>
<tr>
<th></th>
<th>Six months ended</th>
<th></th>
<th>Three months ended</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 31</td>
<td>December 31</td>
<td>December 31</td>
<td>December 31</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td><strong>Profit before taxation</strong></td>
<td>5,297,427</td>
<td>8,286,989</td>
<td>2,002,340</td>
<td>5,205,516</td>
</tr>
<tr>
<td>Adjustment for:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>20,742,599</td>
<td>23,930,101</td>
<td>9,859,671</td>
<td>12,250,174</td>
</tr>
<tr>
<td>Gain on disposal of fixed assets</td>
<td>(1,173,888)</td>
<td>(381,516)</td>
<td>(319,462)</td>
<td>(355,011)</td>
</tr>
<tr>
<td>Profit on sale of short term investment</td>
<td>(1,164,992)</td>
<td>(356,097)</td>
<td>(1,164,992)</td>
<td>(356,097)</td>
</tr>
<tr>
<td>Profit on sale of long term investment</td>
<td>(10,601)</td>
<td>-</td>
<td>(10,601)</td>
<td>-</td>
</tr>
<tr>
<td>Dividend income</td>
<td>(78,494)</td>
<td>(31,000)</td>
<td>(36,750)</td>
<td>(11,000)</td>
</tr>
<tr>
<td><strong>Profit before working capital change</strong></td>
<td>23,612,051</td>
<td>31,448,477</td>
<td>10,330,206</td>
<td>16,733,582</td>
</tr>
</tbody>
</table>

Changes in working capital:

|                        |                  |            |                    |            |
| (Increase) / decrease in current assets |                  |            |                    |            |
| Short term investments | (5,609,197)      | (1,642,625)| (6,280,950)        | (1,039,641)|
| Advances, deposits, prepayments and other receivables | 10,111,894      | (15,154,577)| 9,597,336          | (12,886,371)|
| Accrued Profit        | 363,145          | 1,068,426  | 363,145            | 1,068,426  |
| Short term murabaha finances | (6,556,040)    | (1,920,804)| (3,637,541)        | 6,002,752  |
| Long term murabaha finances | 2,801,966      | 15,152,506| (1,954,501)        | 6,804,107  |
| Ijarah rental receivables | 357,678         | 895,727   | 357,678            | 895,727   |
| Short term musharakah finances | (3,566,979)    | 9,298,516  | (3,880,264)        | 5,389,954  |
| Long term musharakah finances | 160,609        | 24,194    | 160,609            | 24,194    |
|                        | 1,930,190        | 4,169,976  | (2,148,993)        | 568,419   |

Increase / (decrease) in current liabilities:

|                        |                  |            |                    |            |
| Creditors, accrued and other liabilities | (3,247,041)      | (3,294,793)| (1,699,745)        | (653,164)  |
| Customers' security deposits | (13,693,183)    | (12,188,500)| 1,448,567          | (14,108,664)|
|                        | (16,940,224)     | (15,483,293)| (251,178)         | (14,108,664)|
| Cash generated from operations | 8,602,017       | 20,135,160| 7,930,035          | 3,193,337  |
| Taxes paid             | (145,092)        | (74,019)   | (20,638)           | (35,904)   |
| Dividend paid          | (12,665,000)     | (14,900,000)| (12,665,000)      | (14,900,000)|
| Net cash (used in) / from operating activities | (4,208,075)     | 5,161,141  | (4,755,603)        | (11,742,567)|

**NET CASH FLOWS FROM INVESTING ACTIVITIES**

|                        |                  |            |                    |            |
| Fixed capital expenditure | (38,207,870)    | (27,601,217)| (19,361,673)       | (6,041,071)|
| Sale proceeds of fixed assets on ijarah | 33,017,440      | 21,208,462| 7,413,064          | 16,799,333 |
| Advance to Supplier     | 10,431,000       | -          | 1,676,000          | -          |
| Sale of Investments – net | 1,614,133       | 699,847    | 4,255,781          | 356,097    |
| Expenditure on held for sale assets | 2,100,000       | -          | -                 | -          |
| Long term deposits paid during the period | 179,000         | 322,322    | 179,000            | 240,317    |
| Dividend received        | 78,494           | 31,000     | 36,750             | 11,000     |
| Net cash generated from / (used in) investing activities | 9,212,197        | (5,339,586)| (6,966,070)        | 11,365,676 |

Net (decrease) / increase in the cash & cash equivalents | 5,004,122        | (178,445)  | (10,556,678)       | (376,891)  |
| Cash and cash equivalents at beginning of the period | 827,212          | 2,419,130  | 16,388,012         | 2,617,577  |
| Cash and cash equivalents at end of the period | 5,831,334        | 2,240,685  | 5,831,334          | 2,240,686  |

The annexed notes from 1 to 18 form an integral part of this interim condensed financial information.
## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2015

<table>
<thead>
<tr>
<th></th>
<th>Certificate capital</th>
<th>Capital reserve</th>
<th>Revenue reserves</th>
<th>Total reserves</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rupees</td>
<td>Rupees</td>
<td>Unrealized gain/(loss) on revaluation of investments</td>
<td>Rupees</td>
<td>Rupees</td>
</tr>
<tr>
<td><strong>Balance as at July 01, 2014</strong></td>
<td>298,000,000</td>
<td>69,813,812</td>
<td>(1,928,891)</td>
<td>(59,201,774)</td>
<td>8,683,147</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,286,989</td>
<td>8,286,989</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,286,989</td>
<td>8,286,989</td>
</tr>
<tr>
<td>Total comprehensive income for the six months ended December 31, 2014</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,286,989</td>
<td>8,286,989</td>
</tr>
<tr>
<td>Final dividend for the year ended June 30, 2014 @ Rs. 0.5 per certificate</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(14,900,000)</td>
<td>(14,900,000)</td>
</tr>
<tr>
<td><strong>Balance at December 31, 2014</strong></td>
<td>298,000,000</td>
<td>69,813,812</td>
<td>(1,928,891)</td>
<td>(65,814,785)</td>
<td>2,070,136</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,297,427</td>
<td>5,297,427</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,297,427</td>
<td>5,297,427</td>
</tr>
<tr>
<td>Total comprehensive income for the six months ended December 31, 2015</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,297,427</td>
<td>5,297,427</td>
</tr>
<tr>
<td>Final dividend for the year ended June 30, 2015 @ 0.425 per certificate</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(12,665,000)</td>
<td>(12,665,000)</td>
</tr>
<tr>
<td><strong>Balance as at December 31, 2015</strong></td>
<td>298,000,000</td>
<td>73,294,987</td>
<td>(1,058,938)</td>
<td>(67,544,649)</td>
<td>4,691,400</td>
</tr>
</tbody>
</table>

The annexed notes from 1 to 19 form an integral part of this interim condensed financial information.
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, B-Albak 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 30th, 2015.

The comparative balance sheet presented in this condensed interim financial information as at December 31st, 2015 has been extracted from the audited financial statements of Trust Modaraba for the year ended June 30th, 2015, whereas the comparative profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity have been extracted from the condensed interim financial information for the period ended December 31st, 2014.

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 30th, 2015, except as disclosed hereunder.

3.1 Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1st, 2015, which do not have any impact on these condensed interim financial information except for IFRS 13 “Fair Value Measurement”

IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. However, it does not change the requirements regarding which items should be measured or disclosed at fair value. The scope of IFRS 13 is broad; it applies to both financial instruments and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. The application of this standard does not have an impact on this condensed interim financial information except certain additional disclosures as given in note 15.

<table>
<thead>
<tr>
<th>Note</th>
<th>December 31</th>
<th>June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rupees</td>
<td>(Un-audited)</td>
<td>(Audited)</td>
</tr>
<tr>
<td>Cash in hand</td>
<td>77,342</td>
<td>36,314</td>
</tr>
<tr>
<td>Cash at banks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Current accounts</td>
<td>344,896</td>
<td>280,940</td>
</tr>
<tr>
<td>- Saving accounts</td>
<td>2,409,096</td>
<td>509,958</td>
</tr>
<tr>
<td>- Modaraba Monthly Certificate</td>
<td>2,753,992</td>
<td>790,898</td>
</tr>
<tr>
<td></td>
<td>3,000,000</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>5,831,334</strong></td>
<td><strong>827,212</strong></td>
</tr>
</tbody>
</table>
### SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2015

#### 5. SHORT TERM INVESTMENTS

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

<table>
<thead>
<tr>
<th>Note</th>
<th>December 31</th>
<th>June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015 Rupees</td>
<td>2015 Rupees</td>
</tr>
<tr>
<td>5.1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NIT Islamic Unit Fund

<table>
<thead>
<tr>
<th>Shares of listed companies - at cost</th>
<th>December 31</th>
<th>June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1</td>
<td>10,783,347</td>
<td>4,159,223</td>
</tr>
</tbody>
</table>

Less: Unrealized loss on revaluation of held for trading investments

<table>
<thead>
<tr>
<th>(Un-audited)</th>
<th>(Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31</td>
<td>June 30</td>
</tr>
<tr>
<td>Rupees</td>
<td>Rupees</td>
</tr>
<tr>
<td>11,554,389</td>
<td>5,945,191</td>
</tr>
</tbody>
</table>

#### 5.1 Shares of listed companies

<table>
<thead>
<tr>
<th>Shares of listed companies</th>
<th>December 31</th>
<th>June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,099,404</td>
<td>2,000,000</td>
<td></td>
</tr>
<tr>
<td>742,050</td>
<td>2,000,000</td>
<td></td>
</tr>
<tr>
<td>720,736</td>
<td>4,159,223</td>
<td></td>
</tr>
<tr>
<td>512,500</td>
<td>(214,032)</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>227,993</td>
<td>117,846</td>
<td></td>
</tr>
<tr>
<td>218,680</td>
<td>108,225</td>
<td></td>
</tr>
<tr>
<td>352,826</td>
<td>314,800</td>
<td></td>
</tr>
<tr>
<td>117,846</td>
<td>108,225</td>
<td></td>
</tr>
<tr>
<td>5,000</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>15,000</td>
<td>15,000</td>
<td></td>
</tr>
<tr>
<td>20,000</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>3,000</td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>490,207</td>
<td>649,559</td>
<td></td>
</tr>
<tr>
<td>477,880</td>
<td>480,800</td>
<td></td>
</tr>
<tr>
<td>227,993</td>
<td>218,680</td>
<td></td>
</tr>
<tr>
<td>218,680</td>
<td>218,680</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
<tr>
<td>2,352,917</td>
<td>2,343,000</td>
<td></td>
</tr>
</tbody>
</table>
### SELECTED NOTES TO THE FINANCIAL STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2015

<table>
<thead>
<tr>
<th>Company Name</th>
<th>December 31, 2015</th>
<th>June 30, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Avg Cost</td>
<td>M.Value</td>
</tr>
<tr>
<td>Fauji Fertilize Company</td>
<td>247,247</td>
<td>235,960</td>
</tr>
<tr>
<td>2,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galaxo SmithKline Pakistan Ltd.</td>
<td>338,764</td>
<td>330,030</td>
</tr>
<tr>
<td>1,500 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pakistan State Oil Ltd.</td>
<td>485,097</td>
<td>488,655</td>
</tr>
<tr>
<td>1,500 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Searle Company Ltd.</td>
<td>381,155</td>
<td>395,730</td>
</tr>
<tr>
<td>1000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Searle Company Ltd. (Right Issue)</td>
<td>-</td>
<td>9,750</td>
</tr>
<tr>
<td>50 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sui Southern Gas Company Ltd.</td>
<td>1,135,470</td>
<td>933,750</td>
</tr>
<tr>
<td>25,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lucky Cement Ltd.</td>
<td>2,603,038</td>
<td>2,475,200</td>
</tr>
<tr>
<td>5,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lotte Chemical Pakistan Ltd.</td>
<td>121,604</td>
<td>97,500</td>
</tr>
<tr>
<td>15,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engro foods Ltd.</td>
<td>1,085,458</td>
<td>1,026,130</td>
</tr>
<tr>
<td>7,000 (June 2015 : Nil) ordinary shares of Rupees 10 each fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,783,347</strong></td>
<td><strong>9,582,395</strong></td>
</tr>
</tbody>
</table>

Half yearly Report I December 31, 2015
6. **ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**

<table>
<thead>
<tr>
<th>Description</th>
<th>Rupees (Un-audited)</th>
<th>Rupees (Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advances to employees against salary - considered good</td>
<td>700,000</td>
<td>139,000</td>
</tr>
<tr>
<td>Advance to Employees - operational</td>
<td>-</td>
<td>132,029</td>
</tr>
<tr>
<td>Security deposits</td>
<td>4,500</td>
<td>4,500</td>
</tr>
<tr>
<td>Prepayments</td>
<td>1,651,871</td>
<td>1,589,808</td>
</tr>
<tr>
<td>Due from brokers against sale of shares</td>
<td>1,513,675</td>
<td>583,019</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>19,195,619</td>
<td>18,505,321</td>
</tr>
<tr>
<td>Receivable from Trust Management Services (Pvt.) Ltd.</td>
<td>1,489,036</td>
<td>1,489,036</td>
</tr>
<tr>
<td>Provision for doubtful receivables</td>
<td>(1,489,036)</td>
<td>(1,489,036)</td>
</tr>
<tr>
<td>Legal suits charges receivable</td>
<td>1,934,973</td>
<td>1,509,973</td>
</tr>
<tr>
<td>Provision for doubtful receivables</td>
<td>(833,723)</td>
<td>(833,723)</td>
</tr>
<tr>
<td>Late payment charges receivable</td>
<td>3,192,155</td>
<td>3,192,155</td>
</tr>
<tr>
<td>Suspended income</td>
<td>(3,192,155)</td>
<td>(3,192,155)</td>
</tr>
<tr>
<td>Sundry receivables</td>
<td>1,677,841</td>
<td>14,326,723</td>
</tr>
<tr>
<td>Provision for doubtful sundry receivables</td>
<td>(422,587)</td>
<td>(422,587)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>25,422,169</td>
<td>35,395,063</td>
</tr>
</tbody>
</table>

7. **STOCK IN TRADE**

<table>
<thead>
<tr>
<th>Description</th>
<th>Rupees (Un-audited)</th>
<th>Rupees (Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peddy Rice</td>
<td>2,580,550</td>
<td>5,108,800</td>
</tr>
<tr>
<td>Agro Services (stock pesticides)</td>
<td>216,042</td>
<td>854,908</td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>700,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,796,592</td>
<td>6,663,708</td>
</tr>
</tbody>
</table>

7.1 This represents goods purchased for trading purposes.

8. **LONG TERM INVESTMENTS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Rupees (Un-audited)</th>
<th>Rupees (Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity securities</td>
<td>-</td>
<td>438,540</td>
</tr>
<tr>
<td>Sukuk certificates</td>
<td>5,875,500</td>
<td>5,875,500</td>
</tr>
<tr>
<td><strong>Total investment at cost</strong></td>
<td>5,875,500</td>
<td>6,314,040</td>
</tr>
<tr>
<td>Unrealized loss on revaluation of investments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net investment at fair value</td>
<td>5,875,500</td>
<td>6,314,040</td>
</tr>
</tbody>
</table>

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.
### 9. FIXED ASSETS

Operating fixed assets in own use - Intangible Advances to supplier

<table>
<thead>
<tr>
<th>Note</th>
<th>(Un-audited) Rupees</th>
<th>(Audited) Rupees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 31 2015</td>
<td>June 30 2015</td>
</tr>
<tr>
<td>9.1</td>
<td>125,107,649</td>
<td>139,426,280</td>
</tr>
<tr>
<td>9.2</td>
<td>13,574,477</td>
<td>13,634,127</td>
</tr>
</tbody>
</table>

|    | 138,682,126         | 163,491,407     |

#### 9.1 Operating fixed assets given on lease / ijarah

**Opening book value**

<table>
<thead>
<tr>
<th></th>
<th>December 31 2015</th>
<th>June 30 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating fixed assets given on lease (ijarah)</td>
<td>139,426,280</td>
<td>155,457,489</td>
</tr>
<tr>
<td>Add: additions during the period / Year</td>
<td>30,914,170</td>
<td>58,031,097</td>
</tr>
<tr>
<td>Less: disposals during the period / Year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Plant and equipments</td>
<td>16,140,000</td>
<td>22,304,000</td>
</tr>
<tr>
<td>Vehicles</td>
<td>42,494,502</td>
<td>40,225,949</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>-</td>
<td>185,000</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(33,869,950)</td>
<td>(33,791,918)</td>
</tr>
<tr>
<td>Total</td>
<td>24,764,552</td>
<td>28,923,031</td>
</tr>
<tr>
<td>Less: depreciation during the period</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Book value at end of the period</td>
<td>125,107,649</td>
<td>139,426,280</td>
</tr>
</tbody>
</table>

#### 9.1.1 Addition during the period / year

<table>
<thead>
<tr>
<th></th>
<th>December 31 2015</th>
<th>June 30 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant and equipments</td>
<td>3,925,000</td>
<td>5,137,097</td>
</tr>
<tr>
<td>Vehicles</td>
<td>26,641,170</td>
<td>52,894,000</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>348,000</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>30,914,170</td>
<td>58,031,097</td>
</tr>
</tbody>
</table>

#### 9.2 Fixed assets in own use

**Opening book value**

<table>
<thead>
<tr>
<th></th>
<th>December 31 2015</th>
<th>June 30 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating fixed assets in own use</td>
<td>13,634,127</td>
<td>13,294,696</td>
</tr>
<tr>
<td>Add: additions during the period</td>
<td>7,293,700</td>
<td>926,917</td>
</tr>
<tr>
<td>Less: Disposals during the period / year Vehicles</td>
<td>7,079,000</td>
<td>-</td>
</tr>
<tr>
<td>Less: Depreciation during the period / year</td>
<td>13,848,827</td>
<td>14,221,613</td>
</tr>
<tr>
<td>Book value at end of the period</td>
<td>13,574,477</td>
<td>13,634,127</td>
</tr>
</tbody>
</table>

#### 9.2.1 Addition during the period / year

<table>
<thead>
<tr>
<th></th>
<th>December 31 2015</th>
<th>June 30 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>-</td>
<td>200,371</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>35,700</td>
<td>249,200</td>
</tr>
<tr>
<td>Office equipments</td>
<td>7,258,000</td>
<td>477,346</td>
</tr>
<tr>
<td>Vehicles</td>
<td>7,293,700</td>
<td>926,917</td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th>Note</th>
<th>December 31 2015</th>
<th>June 30 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued expenses</td>
<td>16,173</td>
<td>95,570</td>
</tr>
<tr>
<td>Management fee payable</td>
<td>588,603</td>
<td>1,933,986</td>
</tr>
<tr>
<td>Deferred income on murabaha</td>
<td>8,486,882</td>
<td>9,971,677</td>
</tr>
<tr>
<td>Security deposit</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td>Unclaimed dividends</td>
<td>12,269,309</td>
<td>11,798,787</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>652,530</td>
<td>1,120,446</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>22,053,496</strong></td>
<td><strong>24,960,466</strong></td>
</tr>
</tbody>
</table>

### 11. CONTINGENCIES AND COMMITMENTS

#### 11.1 Contingencies

There is no known contingency as at December 31, 2015

#### 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 include 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 December 31, 2015 are as follows:

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Un-audited</th>
<th>Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>734,412</td>
<td>1,861,548</td>
</tr>
<tr>
<td>After one year but not more than five years</td>
<td>320,579</td>
<td>2,032,606</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,054,991</strong></td>
<td><strong>3,894,154</strong></td>
</tr>
</tbody>
</table>
### 12. OTHER INCOME

<table>
<thead>
<tr>
<th></th>
<th>Six months ended</th>
<th>Three months ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 31 2015</td>
<td>December 31 2014</td>
</tr>
<tr>
<td>Processing, documentation, other fees and charges</td>
<td>173,500</td>
<td>116,000</td>
</tr>
<tr>
<td>Gain on disposal of fixed assets</td>
<td>1,173,888</td>
<td>381,516</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>560,728</td>
<td>123,074</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,908,116</strong></td>
<td><strong>620,590</strong></td>
</tr>
</tbody>
</table>

### 13. ADMINISTRATIVE EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>Six months ended</th>
<th>Three months ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 31 2015</td>
<td>December 31 2014</td>
</tr>
<tr>
<td>Salaries, allowances and other benefits</td>
<td>5,317,380</td>
<td>4,741,212</td>
</tr>
<tr>
<td>Legal and professional charges</td>
<td>401,500</td>
<td>155,000</td>
</tr>
<tr>
<td>Fees and subscription</td>
<td>1,248,856</td>
<td>1,336,145</td>
</tr>
<tr>
<td>Electricity, gas and water</td>
<td>448,346</td>
<td>493,015</td>
</tr>
<tr>
<td>Telephone, postage and courier</td>
<td>383,103</td>
<td>354,025</td>
</tr>
<tr>
<td>Rent, Rate &amp; Taxes</td>
<td>811,199</td>
<td>820,997</td>
</tr>
<tr>
<td>Printing and stationery</td>
<td>330,389</td>
<td>334,937</td>
</tr>
<tr>
<td>Traveling and conveyance</td>
<td>158,800</td>
<td>151,295</td>
</tr>
<tr>
<td>Entertainment</td>
<td>258,246</td>
<td>270,012</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,814,557</td>
<td>1,748,770</td>
</tr>
<tr>
<td>Advertisement</td>
<td>122,411</td>
<td>65,563</td>
</tr>
<tr>
<td>Auditor remuneration</td>
<td>109,800</td>
<td>50,000</td>
</tr>
<tr>
<td>Vehicle running and maintenance</td>
<td>1,053,606</td>
<td>999,083</td>
</tr>
<tr>
<td>Newspaper &amp; Periodicals</td>
<td>10,680</td>
<td>11,131</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>645,533</td>
<td>473,827</td>
</tr>
<tr>
<td>Depreciation on own assets</td>
<td>274,350</td>
<td>498,989</td>
</tr>
<tr>
<td>Bank charges and commission</td>
<td>13,552</td>
<td>133,793</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>72,000</td>
<td>82,496</td>
</tr>
<tr>
<td>Donations</td>
<td>-</td>
<td>41,319</td>
</tr>
<tr>
<td>Lease rental expense - vehicle</td>
<td>612,258</td>
<td>772,547</td>
</tr>
<tr>
<td>Sales tax</td>
<td>11,155</td>
<td>8,240</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14,097,721</strong></td>
<td><strong>13,542,396</strong></td>
</tr>
</tbody>
</table>

### 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.
## 15. FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- **Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2** - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- **Level 3** - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Funds/Company’s financial assets which are carried at fair value:

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2015</th>
<th></th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Level 1</td>
<td>Level 2</td>
<td>Level 3</td>
<td></td>
</tr>
<tr>
<td><strong>Fair value through profit or loss</strong></td>
<td>11,554,389</td>
<td>-</td>
<td>-</td>
<td>11,554,389</td>
</tr>
<tr>
<td>Financial assets - at fair value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available for sale</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Listed equity securities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sukuk certificates</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>17,429,889</td>
<td>-</td>
<td>-</td>
<td>17,429,889</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2015</th>
<th></th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Level 1</td>
<td>Level 2</td>
<td>Level 3</td>
<td></td>
</tr>
<tr>
<td><strong>Fair value through profit or loss</strong></td>
<td>5,945,191</td>
<td>-</td>
<td>-</td>
<td>5,945,191</td>
</tr>
<tr>
<td>Financial assets - at fair value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available for sale</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Listed equity securities</td>
<td>438,540</td>
<td>-</td>
<td>-</td>
<td>438,540</td>
</tr>
<tr>
<td>Sukuk certificates</td>
<td>5,875,500</td>
<td>-</td>
<td>-</td>
<td>5,875,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12,259,231</td>
<td>-</td>
<td>-</td>
<td>12,259,231</td>
</tr>
</tbody>
</table>

The company has not disclosed the fair value of all other financial assets and liabilities as their carrying value approximates their fair value.

### 15. EARNINGS PER CERTIFICATE - BASIC & DILUTED

<table>
<thead>
<tr>
<th></th>
<th>Six months ended</th>
<th></th>
<th>Three months ended</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 31 2015</td>
<td>December 31 2014</td>
<td>December 31 2015</td>
<td>December 31 2014</td>
</tr>
<tr>
<td></td>
<td>Rupees</td>
<td>Rupees</td>
<td>Rupees</td>
<td>Rupees</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td>5,297,427</td>
<td>8,286,989</td>
<td>2,002,340</td>
<td>5,205,516</td>
</tr>
<tr>
<td><strong>Weighted average number of certificates</strong></td>
<td>29,800,000</td>
<td>29,800,000</td>
<td>29,800,000</td>
<td>29,800,000</td>
</tr>
<tr>
<td><strong>Earnings per certificate</strong></td>
<td>0.18</td>
<td>0.28</td>
<td>0.07</td>
<td>0.17</td>
</tr>
</tbody>
</table>
17. **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.

18. **DATE OF AUTHORIZATION**

These financial statements were approved for issue on by the Board of Directors of the Management Company in their meeting held on 24th, February 2016.

19. **GENERAL**

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

19.2 Figures have been rounded off to the nearest rupee.