

# First Tri-Star Modaraba



**UN-AUDITED ACCOUNTS  
FOR THE THIRD QUARTER  
ENDED 31<sup>ST</sup> MARCH, 2020**



## Board of Directors

Directors of Modaraba Company:

Mr. Ahmed Khizer Khan	Non Executive Chairman/Independent Director
Mr. Asad Ahmad	Chief Executive
Ms. Marium Ahmad	Non Executive Director

Auditors: M/s. Muniff Ziauddin & Co.  
Chartered Accountants

Audit Committee:	Mr. Ahmed Khizer Khan	Chairman
	Ms. Marium Ahmad	Member
	Mr. Asad Ahmad	Member

Shariah Advisor: Alhamd Shariah Advisory Services (Pvt) Ltd.

Bankers: Al Baraka Bank (Pakistan) Ltd.  
Bank Al-Habib Ltd.  
Habib Bank Ltd.  
National Bank of Pakistan

Registered Office: A/33, Central Commercial Area,  
Block 7/8, KCHSU, Main Shahrah-e-Faisal,  
Karachi.

Management Company: A.R.T. Modaraba Management (Pvt) Ltd.



**Report of the Directors  
of A.R.T. Modaraba Management (Pvt) Ltd.,  
For the quarter ended March 31, 2020**

The un-audited accounts of First Tri-Star Modaraba for the quarter ended March 31, 2020 are presented herewith.

Your Modaraba is generating rental income and running an A-level college. At present, the rental income is stable, however, college requires some more time to be profitable.

On behalf of the Board

**ASAD AHMAD**  
Chief Executive

Karachi.  
April 30, 2020



**CONDENSED INTERIM BALANCE SHEET**  
AS AT MARCH 31, 2020

	March 2020	June 2019
	-----Rupees-----	
<b>CAPITAL AND RESERVES</b>		
Authorised Capital 40,000,000 (June 2019: 40,000,000) Modaraba Certificates of Rs. 10 each	400,000,000	400,000,000
Issued, subscribed and paid-up certificate capital	211,631,040	211,631,040
Reserves	(31,506,039)	(31,515,489)
<b>Certificate holders' equity</b>	<b>180,125,001</b>	<b>180,115,551</b>
Deficit on revaluation of investments	(2,269,527)	(2,208,110)
<b>NON CURRENT LIABILITIES</b>		
Security deposits	335,000	105,000
<b>CURRENT LIABILITIES</b>		
Creditors, accrued and other liabilities	6,141,780	8,946,282
Unclaimed dividend	6,134,956	6,134,956
Provision for taxation	-	-
<b>Total current liabilities</b>	<b>12,276,736</b>	<b>15,081,238</b>
<b>Contingencies and commitments</b>		
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>190,467,210</b>	<b>193,093,679</b>
<b>NON-CURRENT ASSETS</b>		
Fixed assets - tangible	55,690,561	59,977,862
Investment property	52,095,883	56,319,874
Long term deposit	58,500	58,500
Long term investments	39,389,496	40,591,419
<b>Total non-current assets</b>	<b>147,234,441</b>	<b>156,947,655</b>
<b>CURRENT ASSETS</b>		
Short term investments	2,109,228	2,168,722
Due from associated undertakings	39,800,000	27,000,000
Advance and deposits	687,801	454,412
Other receivables	13,061	13,061
Cash and bank balances	622,680	6,509,830
<b>Total current assets</b>	<b>43,232,770</b>	<b>36,146,024</b>
<b>TOTAL ASSETS</b>	<b>190,467,211</b>	<b>193,093,679</b>

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE      DIRECTOR      DIRECTOR      CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER ENDED MARCH 31, 2020**

Note	Nine month ended		Quarter ended	
	31/Mar/20	31/Mar/19	31/Mar/20	31/Mar/19
	-----Rupees-----			
Revenue	20,353,585	18,973,025	5,969,465	5,178,025
Administrative expenses	(20,719,607)	(26,111,905)	(6,753,532)	(9,144,062)
	(366,022)	(7,138,880)	(784,067)	(3,966,037)
Other income	377,628	12,865	195,050	873
Financial charges	(2,156)	(9,414)	(705)	(1,504)
Profit / (Loss) before taxation	9,450	(7,135,428)	(589,722)	(3,966,667)
Taxation	-	-	-	-
Profit/(Loss) for the period	<u>9,450</u>	<u>(7,135,428)</u>	<u>(589,722)</u>	<u>(3,966,667)</u>
Earnings/(Loss) per certificate	<u>0.000</u>	<u>(0.337)</u>	<u>(0.028)</u>	<u>(0.187)</u>

The annexed notes form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED MARCH 31, 2020

	March 2020	March 2019
	----- Rupees -----	
Profit/(Loss) for the period	9,450	(7,135,428)
Components of other comprehensive income reflected below equity		
<i>Items that will not be reclassified subsequently to profit and loss account</i>		
Deficit on revaluation of investments classified as 'at fair value through other comprehensive income' - net	(61,417)	-
<i>Items that will be reclassified to profit or loss in subsequent periods:</i>		
Unrealized gain during the year on re-measurement of investment classified as available for sale	-	(191,054)
Total comprehensive (loss) / income for the year	<u>(51,967)</u>	<u>(7,326,482)</u>

CHIEF EXECUTIVE

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DIRECTOR

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## CONDENSED INTERIM CASH FLOW STATEMENT

### FOR THE QUARTER ENDED MARCH 31, 2020

	March 2020	March 2019
Note	-----Rupees-----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	9,450	(7,135,428)
Add/(Less): Item not involving movement of cash:		
Depreciation	8,743,892	9,697,282
Other Income	(366,900)	(397)
Dividend income	(6,768)	(12,468)
	8,370,225	9,684,417
	8,379,675	2,548,989
<b>Changes of Working Capital:</b>		
(Increase) Decrease in current assets	(12,800,000)	(16,590,000)
Increase (Decrease) in current liabilities	(2,804,502)	1,524,389
	(15,604,502)	(15,065,612)
Income tax paid	(187,021)	(102,872)
Final Cash Dividend Declared	-	(2,116,310)
<b>Net cash generated from operating activities</b>	(7,411,848)	(14,735,805)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Dividend income	6,768	12,468
Interest Income	-	397
Other Income	366,900	-
Capital Expenditure Incurred	(232,600)	(2,741,671)
Sale proceeds of investments	1,200,000	17,747,000
<b>Net cash inflow from investing activities</b>	1,341,068	15,018,194
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term deposits	230,000	-
<b>Net cash outflow from financing activities</b>	230,000	-
Net increase in cash & cash equivalents during the year	(5,840,780)	282,389
Cash & cash Equivalent at the beginning of the year	6,509,829	230,685
<b>Cash &amp; cash Equivalent at the end of the year</b>	669,050	513,074

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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
FOR THE QUARTER ENDED MARCH 31, 2020

	Certificate Capital	Capital Reserve	Revenue Reserve		Total
		Statutory Reserve	General Reserve	Accumulated Loss	
-----Rupees-----					
<b>Balance as at June 30, 2018</b>	211,631,040	21,744,353	10,000,000	(40,718,937)	202,656,456
Profit for the year	-	-	-	(3,168,761)	(3,168,761)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(3,168,761)	(3,168,761)
Final dividend for the year ended June 30, 2018	-	-	-	(2,116,310)	(2,116,310)
<b>Balance as at March 31, 2019</b>	211,631,040	21,744,353	10,000,000	(46,004,008)	197,371,384
<b>Balance as at June 30, 2019</b>	211,631,040	21,744,353	10,000,000	(63,259,841)	180,115,551
Profit for the year	-	-	-	9,450	9,450
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	9,450	9,450
<b>Balance as at March 31, 2020</b>	<b>211,631,040</b>	<b>21,744,353</b>	<b>10,000,000</b>	<b>(63,250,391)</b>	<b>180,125,001</b>

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER



## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED MARCH 31, 2020

### 1 LEGAL STATUS AND NATURE OF THE BUSINESS

First Tri-Star Modaraba was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by A.R.T. Modaraba Management (Private) Ltd. It is a perpetual, multipurpose and multidimensional Modaraba. The Modaraba is listed on Pakistan Stock Exchange Limited. The registered office of the Modaraba is situated at A/33, Central Commercial Area, Block 7/8, KCHSU, Main Shahrah-e-Faisal, Karachi.

The Modaraba is engaged in the following activities:

- i) Renting out its building
- ii) Running an educational institution

### 2 BASIS OF PREPARATION

#### 2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act 2017;

Provisions of and directions issued under the Companies Act 2017;

Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulation for Modarabas; and

Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act 2017.

Where the provisions of and directives issued under the Companies Act, 2017, the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modaraba differ from IFRS Standards and IFAS, the provision of and directives issued under the Companies Act, 2017 the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas have been followed.

#### 2.2 BASIS OF MEASUREMENT

These financial statements have been prepared on the historical cost basis except for the measurement at fair value of certain financial instruments in accordance with the requirements of IFRS - 9 "Financial Instruments", wherever applicable.

Permissible Islamic financial products including Murabaha (as a liability) and Musharaka have been used by the Modaraba, in line with similar industry practices. The accounting and presentation of the same are in line with the substance of the transaction and are limited to the extent of actual amount of facility utilized and mutually agreed mark-up / profit thereon. Accordingly, purchases, sales and Musharaka profits / reserves are not reflected in these financial statements except for Murabaha facility (as an asset) which has been accounted for in line with Islamic Financial Accounting Standard - 1.

These financial statements have been prepared following accrual basis of accounting except for cash flow information.