



CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. AbdulHam eed Khan Mr. M uham m ad Akhtar I. Pathan Mr. M oham m ad M ushanafKhan	(C haim an) (D irector) (D irector)
AUDIT COMMITTEE	Mr. M uham m ad Akhtar I. Pathan Mr. AbdulHam eed Khan Mr. M oham m ad M ushanafKhan	(C haim an) (M em ber) (M em ber)
HUMAN RESOURCE AND REMUNERATION COMMITTEE	Mr. AbdulHam eed Khan Mr. M uham m ad Akhtar I. Pathan Mr. M oham m ad M ushanafKhan	(C haim an) (M em ber) (M em ber)
SHARIAH ADVISOR	M ufiM uham m ad Ibrahin Essa	
COMPANY SECRETARY	Mr. M oham m ad M ushanafKhan	
BANKERS	BurjBank Lim ited Habib Bank Ltd. (Islam ic Banking) A baraka Bank (Pakistan) Ltd. FaysalBank Lim ited	
AUDITORS	M . YousufAdilSaheem & Co. Chartered Accountants	
LEGAL ADVISOR	M uham m ad ZubairQ uraishy & Co.	
MANAGEMENT COMPANY	M /s RoyalM anagem entServices (Pvt.) Lim ited	
REGISTERED OFFICE	Office No. 54 , Ground Floor, Beverley Centre , 56-G , Blue Area , Islamabad	
KARACHI OFFICE	Office No. A -601-602 , 6th Floor, Lakson Square Building No.3 , SarwarShaheed Road , Karachi- 74200 , Tel: 92-21-35643086-87 , Fax: 92-21-35643283	
SHARE REGISTRAR	Shares & Corporate Services (Pvt.) Lim ited, M ehersons Estate , 1st Floor, Block-E , Tajpur Road, Karachi- 74000 Tel: 021 -32401634	

**CHAIRMAN'S REVIEW**

The Board of Directors of Royal Management Services (Pvt) Limited, Managers of First Pak Modaraba are pleased to present herewith the 1st Quarterly Review of First Pak Modaraba together with Un-Audited Accounts, for the Quarter ended 30th September 2013 before the certificate holders.

KEY OPERATING / FINANCIAL HIGHLIGHTS:

Quarter ended	(Rupees in millions)	
	30.09.2013	30.09.2012
Total Income from Operations	1,724	1,743
Operating Expenses	0,767	0,723
Unrealized Gain / (Loss) on re-measurement of Investment	(1,040)	(0,212)
(Loss) / Net Profit	(0,083)	0,808
(Loss) / Earning per Certificate	(0,01)	0,06

REVIEW OF OPERATIONS:

During the quarter ended September 30, 2013, Modaraba booked operating income of Rs 1,724 million as compared to Rs 1,743 million in the corresponding period last year, whereas net loss is Rs 0,083 million as compared to profit of Rs 0,808 million in the same period last year. Modaraba has earned Rs 0,685 million capital gain on sale of investments as compared to earned Rs 0,239 million during the same period in FY 2012-13. During the period, the decrease in operating income and net profit is mainly due to unrealized loss on re-measurement of investment and decline in KIBOR.

FUTURE OUTLOOK:

With the expected political stability, growth shown by the Islamic Banking and Finance and in improvement in law & order situation, we hope that the performance of your Modaraba will significantly improve. Further, more emphasis will now be on recovery of overdue. On the investment side opportunities expected to arrive in the selected sectors in Capital Market will also be availed.

ACKNOWLEDGEMENT:

The Board of Directors would like to thank for continuous guidance and support extended by the Registrar Modaraba, Securities and Exchange Commission of Pakistan, The Karachi, Lahore and Islamabad Stock Exchanges. The Board is also thankful to its certificate holders and also the valued customers for reposing their confidence in the Management of the Modaraba. The Board also appreciates the hard work and dedication of the staff of the Modaraba.

For & on behalf of the Board of Directors of
Royal Management Services (Pvt) Limited,
Managers of First Pak Modaraba


Chairman

Karachi
Dated: October 29, 2013



	Un audited 30-Sep-13 Rupees	Audited 30-Jun-13 Rupees
11. ACCRUED AND OTHER LIABILITIES		
Workers welfare fund	492,736	492,736
Auditors' remuneration	335,000	335,000
Charity fund payable	10,843	6,724
Other payables	160,602	115,102
	<u>999,181</u>	<u>949,562</u>

12. CONTINGENCIES AND COMMITMENTS

No contingencies and commitments exist at the period end.

13. DATE OF AUTHORISATION OF ISSUE

These financial statements have been authorised for issue on 29th October, 2013 by the Board of Directors of the Royal Management Services (Private) Limited.

14. FIGURES

Figures have been rounded off to the nearest Rupee.

Due to non-appointment of chief executive officer these financial statements have been signed by three directors instead of chief executive officer and two directors.



DIRECTOR



DIRECTOR



DIRECTOR



9. PROPERTY AND EQUIPMENT -IJARAH

	Cost		Amortisation		Rate%
	at July 1, 2013	at Sep. 30, 2013	Accumulated at July 1, 2013	For the period Accumulated at September 30, 2013	
Vehicles	1,217,000	1,217,000	892,341	37,259	33.33
	-	-		929,600	
				287,400	

10. PROPERTY AND EQUIPMENT - OWNED

	Cost		Depreciation		Rate%
	at July 1, 2013	at Sep. 30, 2013	Accumulated at July 1, 2013	For the period / Accumulated at September 30, 2013	
Office equipment	289,307	318,322	263,845	4,212	33.33
Furniture and fixtures	41,445	41,445	30,843	318	10
Motor vehicles	165,900	165,900	78,857	8,363	20
	496,652	525,667	373,545	12,893	
				386,438	
				139,229	

CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2013

	Note	(Unaudited) Sep 30, 2013 (Rupees)	(Audited) June 30, 2013 (Rupees)
ASSETS			
Current Assets			
Cash and bank balances	4	47,378,231	48,371,514
Investments	5	11,682,046	10,843,216
Morabaha finance	6	-	-
Ijarah rentals receivable	7	124,160	74,496
Advances, deposits, prepayments and other receivables	8	14,087,020	13,999,234
Tax refundable - considered good		4,889,437	4,889,437
Total Current Assets		78,160,894	78,177,897
Non - Current Assets			
Property and equipment - Ijarah	9	287,400	324,659
Property and equipment - owned	10	139,229	123,107
Advance and deposits		45,750	45,750
Total Non - Current Assets		472,379	493,516
TOTAL ASSETS		78,633,273	78,671,413
LIABILITIES			
Current Liabilities			
Current portion of Ijarah deposits		287,400	287,400
Accrued and other liabilities	11	999,181	949,562
Unclaimed profit distribution		4,125,163	4,129,447
Total Current Liabilities		5,411,744	5,366,409
Non - Current Liabilities			
		-	-
TOTAL LIABILITIES		5,411,744	5,366,409
NET ASSETS		73,221,529	73,305,004
REPRESENTED BY			
Certificate Capital		125,400,000	125,400,000
Statutory reserve		24,716,601	24,716,601
Accumulated loss		(73,857,947)	(73,774,472)
Unrealized loss on available for sale investment		(3,037,125)	(3,037,125)
		73,221,529	73,305,004
Contingencies and commitments	12		

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

Due to non-appointment of chief executive officer these financial statements have been signed by three directors instead of chief executive officer and two directors.

DIRECTOR

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**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	30-Sep-13 Rupees	30-Sep-12 Rupees
INCOME		
Return on term deposit receipts and PLS accounts	942,279	1,076,532
Gain on sale of investments	684,883	239,329
Dividend income	47,145	352,850
Ijarah rentals	49,664	74,496
	<u>1,723,971</u>	<u>1,743,207</u>
Unrealised loss on remeasurement of held for trading investments	<u>(1,040,208)</u>	<u>(212,400)</u>
	683,763	1,530,807
EXPENDITURE		
Administrative expenses	(729,979)	(666,819)
Amortization on ijarah assets	(37,259)	(55,883)
	<u>(767,238)</u>	<u>(722,702)</u>
(Loss)/Profit for the period	(83,475)	808,105
Modaraba company's management fee	-	-
(Loss)/Profit before taxation	(83,475)	808,105
Provision for taxation	-	-
(Loss)/Profit after taxation	(83,475)	808,105
Other comprehensive income	-	-
Total (Loss)/Income for the period	<u>(83,475)</u>	<u>808,105</u>
(Loss)/Earnings per certificate	<u>(0.01)</u>	<u>0.06</u>

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

Due to non-appointment of chief executive officer these financial statements have been signed by three directors instead of chief executive officer and two directors.


 DIRECTOR


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Note	Un audited 30-Sep-13 Rupees	Audited 30-Jun-13 Rupees
5.3 Loan and receivables - term deposit receipts		
- Other receivables	675,000	1,350,000
	<u>675,000</u>	<u>1,350,000</u>
6. MORABAHA FINANCE		
Morabaha finance - Unsecured	15,319,705	15,319,705
Less: Provision for doubtful morabaha finance	(15,319,705)	(15,319,705)
	<u>-</u>	<u>-</u>
7. IJARAH RENTALS RECEIVABLE		
Considered good	124,160	74,496
Considered doubtful	119,542	119,542
	<u>243,702</u>	<u>194,038</u>
Less: Provision for doubtful receivables	(119,542)	(119,542)
	<u>124,160</u>	<u>74,496</u>
8. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Considered good		
Advance tax	40,463	40,417
Current portion of advance to staff	72,500	87,000
Deposit	1,000,000	1,000,000
Prepayments	200,798	175,367
Dividend receivable	5,500	-
Profit receivable on - term deposit receipts	5,856	5,856
Profit receivable - on PLS accounts	379,214	179,316
Receivables against sale of shares	11,476,131	11,604,720
Others	906,558	906,558
	<u>14,087,020</u>	<u>13,999,234</u>
Considered doubtful		
Profit receivable on Morabaha finance	4,028,913	4,028,913
	<u>18,115,933</u>	<u>18,028,147</u>
Less: Provision for doubtful receivables	(4,028,913)	(4,028,913)
	<u>14,087,020</u>	<u>13,999,234</u>



	Note	Un audited 30-Sep-13 Rupees	Audited 30-Jun-13 Rupees
5. INVESTMENTS			
Available for sale	5.1	1,837,875	1,837,875
Held for trading at fair value through profit or loss account	5.2	9,169,171	7,655,341
Loan and receivables - term deposits/receipts	5.3	675,000	1,350,000
		<u>11,682,046</u>	<u>10,843,216</u>

5.1 Available for sale

Fully paid ordinary shares of Rs 10 each.

Un audited 30-Sep-13	Audited 30-Jun-13	Name of company	Un audited 30-Sep-13	Audited 30-Jun-13
		Prudential Securities Limited		
487,500	487,500	Cost	4,875,000	4,875,000
		Less: Fair value adjustments	(3,037,125)	(3,037,125)
			<u>1,837,875</u>	<u>1,837,875</u>

5.2 Held for trading at fair value through profit or loss account

Unless stated otherwise, the holdings are in the fully paid ordinary shares / certificates / units of Rs 10/-each.

Number of Certificates/ Shares	Name of company	Un audited 30-Sep-13	Audited 30-Jun-13
	Open-end Mutual Funds		
31,771	MCB Islamic Income Fund Type-A (Face value of certificate Rs.100/-each)	3,179,561	3,118,901
	Oil and gas		
3,200	Pakistan Petroleum Limited	609,920	-
-	Attock Refinery Limited	-	172,550
-	Mari Petroleum Company Limited	-	136,570
	Chemicals		
22,500	Fauji Fertilizer Bin Qasin Limited	846,000	2,252,400
2,000	Fauji Fertilizer Company Limited	202,740	322,290
	Construction and materials		
14,000	D.G. Khan Cement Company Limited	964,180	502,140
6,000	Kohat Cement Limited	555,420	-
10,000	Mahleef Cement Factory Limited	213,800	-
	Food Producers		
17,000	Engro Foods Limited	1,728,730	563,080
	Personal Goods		
8,000	Nishat Mills Limited	741,360	94,210
	Electricity		
2,000	The Hub Power Company Limited	127,460	493,200
	Suspended / Delisted Company		
120,000	Prudential Investment Bank Limited	-	-
	Pakistan Industrial & Commercial Leasing Limited	-	-
279,749		<u>9,169,171</u>	<u>7,655,341</u>

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	30-Sep-13 Rupees	30-Sep-12 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(83,475)	808,105
Adjustments for non-cash changes and other items:		
Gain on sale of investments	(684,883)	(239,329)
Dividend income	(47,145)	(352,850)
Unrealised loss on remeasurement of held for trading investments	1,040,208	212,400
Amortization on intangible assets	37,259	55,884
Depreciation-owned	12,893	15,612
	<u>358,332</u>	<u>(308,283)</u>
	274,857	499,822
Cash flows before movements in working capital		
(Increase) / decrease in operating assets		
Lease rentals receivable	(49,664)	(49,664)
Advances, prepayments and other receivables	(82,240)	(460,165)
	<u>(131,904)</u>	<u>(509,829)</u>
(Decrease) / increase in operating liabilities		
Accrued and other liabilities	49,619	56,944
Cash generated from / (used in) operations	192,572	46,937
Income tax paid / adjustment	(46)	(17,482)
Net cash generated from / (used in) operating activities	<u>192,526</u>	<u>29,455</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	41,645	352,850
Investments encashed / (made) - net	(1,194,155)	2,632,370
Purchase of own assets	(29,015)	-
Net cash generated from / (used in) investing activities	<u>(1,181,525)</u>	<u>2,985,220</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Profit distribution	(4,284)	(1,047)
Net cash used in financing activities	<u>(4,284)</u>	<u>(1,047)</u>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(993,283)	3,013,628
Cash and cash equivalents at July 01	48,371,514	9,086,062
Cash and cash equivalents at September 30	<u>47,378,231</u>	<u>12,099,690</u>

The annexed notes form an integral part of these financial statements

Due to non-appointment of chief executive officer these financial statements have been signed by three directors instead of chief executive officer and two directors.


 DIRECTOR


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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	Reserves			Total	
	Capital Certificate Statutory Reserve*	Revenue Unrealized loss on available for sale investments	Accumulated Loss		Sub Total
Balance at July 1, 2012	125,400,000	24,325,280	(3,037,125)	(73,834,955)	72,853,200
Profit for the year ended June 30, 2013	-	-	-	1,956,604	1,956,604
Other comprehensive income for the year ended June 30, 2013	-	-	-	-	-
Transfer to statutory reserve	-	391,321	-	(391,321)	-
Distribution @ 1.2% declared for the year ended June 30, 2012	-	-	-	(1,504,800)	(1,504,800)
Balance at June 30, 2013	125,400,000	24,716,601	(3,037,125)	(73,774,472)	73,305,004
Loss for the period ended September 30, 2013	-	-	-	(83,475)	(83,475)
Other comprehensive income for the period ended September 30, 2013	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-
Balance at September 30, 2013	125,400,000	24,716,601	(3,037,125)	(73,857,947)	73,221,529

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

Due to non-availability of chief executive officer these financial statements have been signed by three directors instead of chief executive officer and two directors.



DIRECTOR



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DIRECTOR

**SELECTED EXPLANATORY NOTES TO THE INTERIM FINANCIAL INFORMATION (UN-AUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

1. THE COMPANY AND ITS OPERATIONS

First Pak Modaraba (the Modaraba) was formed on August 15, 1991 under the Modaraba Companies and Modaraba (Formation and Control) Ordinance, 1980 and the Rules framed thereunder, having its registered office at Office No. 54, Ground Floor, Beverly Centre, 56-G, Blue Area, Islamabad and is managed by Royal Management Services (Private) Limited, a company incorporated in Pakistan under the Companies Ordinance 1984, and registered with the Registrar of Modaraba Companies and Modaraba under the Modaraba Companies and Modaraba (Formation and Control) Ordinance 1980. The certificates of Modaraba are listed on the Karachi, Lahore and Islamabad Stock Exchanges.

The Modaraba is a multipurpose and perpetual Modaraba and is mainly engaged in the deployment of funds on murabaha and musharaka arrangements, lease financing and is also involved in trading of listed marketable securities.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with the requirements of Modaraba Companies and Modaraba (Formation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP) [The Modaraba Regulations] together with approved Accounting Standards as applicable in Pakistan to Modarabas. Approved Accounting Standards comprise of such International Accounting Standards (IASs) as notified under the provisions of the Companies Ordinance, 1984 and made applicable to Modarabas. However, the requirements of the Modaraba Regulations differ from these standards, the requirements of the Modaraba Regulations take precedence.

These financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan.

3. ACCOUNTING POLICIES

The accounting policies adopted and method of computation followed in the preparation of these financial statements are the same as those of the preceding annual financial statements for the year ended June 30, 2013.

4. CASH AND BANK BALANCES

	Un audited 30-Sep-13 Rupees	Audited 30-Jun-13 Rupees
Cash in hand	3,900	940
Cash at banks		
Current accounts	3,900,099	3,904,172
Saving accounts	43,474,232	44,466,402
	47,378,231	48,370,574
	47,378,231	48,371,514



F I R S T

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M O D A R A B A

**QUARTERLY ACCOUNTS
FOR THE 1ST QUARTER ENDED
September 30, 2013**

(UN-AUDITED)

Managed by:

Royal Management Services (Pvt.) Limited

BOOK-POST
Printed Matter

If undelivered please return to :
First Pak Modaraba
Registrar
Mehersons Estate, 1st floor, Block-F,
Tajpur Road, Karachi.
Tel: 35643086-87
Fax : 35643283
E-mail: info@firstpakmodaraba.com