

# First Tri-Star Modaraba



**UN-AUDITED ACCOUNTS  
FOR THE THIRD QUARTER  
ENDED 31ST MARCH, 2021**

Managed by:  
A.R.T. Modaraba Management (Pvt) Ltd.



## 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, 2021**

The un-audited accounts of First Tri-Star Modaraba for the quarter ended March 31, 2021 are presented herewith.

Alhamdulillah during the period under review your Modaraba's revenue and profitability have started to increase. Both the avenues i.e. rental income and income from educational institution has increased and are performing better than last year. The financial results are encouraging and better results are expected this year In Shaa Allah.

On behalf of the Board

**ASAD AHMAD**  
Chief Executive

Karachi.  
April 27, 2021

**CONDENSED INTERIM BALANCE SHEET**

AS AT MARCH 31, 2021

	March 2021	June 2020
	-----Rupees-----	
<b>CAPITAL AND RESERVES</b>		
Authorised Capital 40,000,000 (2020: 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	(25,064,346)	(29,241,223)
<b>Certificate holders' equity</b>	<b>186,566,694</b>	<b>182,389,817</b>
Deficit on revaluation of investments	(1,723,279)	(1,914,121)
<b>NON CURRENT LIABILITIES</b>		
Security deposits	1,660,000	335,000
<b>CURRENT LIABILITIES</b>		
Creditors, accrued and other liabilities	9,510,811	7,235,586
Unclaimed dividend	4,616,839	6,134,956
Provision for taxation	-	-
<b>Total current liabilities</b>	<b>14,127,650</b>	<b>13,370,542</b>
<b>Contingencies and commitments</b>		
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>200,631,066</b>	<b>194,181,238</b>
<b>NON-CURRENT ASSETS</b>		
Fixed assets - tangible	50,186,497	54,186,052
Investment property	46,886,295	50,687,886
Long term deposit	58,500	58,500
Long term investments	35,895,542	38,390,413
<b>Total non-current assets</b>	<b>133,026,834</b>	<b>143,322,851</b>
<b>CURRENT ASSETS</b>		
Short term investments	2,736,694	2,463,717
Due from associated undertakings	25,250,000	46,100,000
Advances and deposits	32,668,340	743,392
Other receivables	8,578	8,578
Cash and bank balances	6,940,620	1,542,701
<b>Total current assets</b>	<b>67,604,232</b>	<b>50,858,387</b>
<b>TOTAL ASSETS</b>	<b>200,631,066</b>	<b>194,181,238</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, 2021**

Note	Nine Months ended		Quarter ended	
	31/Mar/21	31/Mar/20	31/Mar/21	31/Mar/20
	-----Rupees-----			
Revenue	<b>22,460,241</b>	20,353,585	<b>6,784,500</b>	5,969,465
Administrative expenses	<b>(16,242,681)</b>	(20,719,607)	<b>(6,437,406)</b>	(6,753,532)
	<b>6,217,560</b>	(366,022)	<b>347,094</b>	(784,067)
Other income	<b>78,262</b>	377,628	<b>69,723</b>	195,050
Financial charges	<b>(2,634)</b>	(2,156)	<b>(192)</b>	(705)
Profit / (Loss) before taxation	<b>6,293,188</b>	9,450	<b>416,625</b>	(589,722)
Taxation	-	-	-	-
Profit / (Loss) for the period	<b>6,293,188</b>	9,450	<b>416,625</b>	(589,722)
Earnings / (Loss) per certificate	<b>0.297</b>	0.000	<b>0.020</b>	(0.028)

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, 2021

	Nine Months ended		Quarter ended	
	March	March	March	March
	2021	2020	2021	2020
	----- Rupees -----		----- Rupees -----	
Profit/(Loss) for the period	6,293,188	9,450	416,625	(589,722)
<b>Components of other comprehensive income reflected below equity</b>				
<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	278,106	(61,417)	(121,601)	(2,169)
<b>Total comprehensive (loss) / income for the year</b>	<b><u>6,571,294</u></b>	<b><u>(51,967)</u></b>	<b><u>295,024</u></b>	<b><u>(591,891)</u></b>

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM CASH FLOW STATEMENT**

FOR THE QUARTER ENDED MARCH 31, 2021

	March 2021	March 2020
Note	-----Rupees-----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	6,293,188	9,450
Add/(Less): Item not involving movement of cash:		
Depreciation	7,873,236	8,743,892
Other Income	(78,262)	(366,900)
Dividend income	(3,077)	(6,768)
	<u>7,791,897</u>	<u>8,370,225</u>
	14,085,085	8,379,675
<b>Changes of Working Capital:</b>		
(Increase) Decrease in current assets	(10,550,000)	(12,800,000)
Increase (Decrease) in current liabilities	757,108	(2,804,502)
	(9,792,892)	(15,604,502)
Income tax paid	(524,948)	(233,390)
<b>Net cash generated from operating activities</b>	<u>3,767,244</u>	<u>(7,458,217)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Dividend income	3,077	6,768
Other Income	78,262	366,900
Capital Expenditure Incurred	(72,090)	(232,600)
Purchases of investments	(87,264)	-
Sale proceeds of investments	2,500,000	1,200,000
<b>Net cash inflow from investing activities</b>	<u>2,421,985</u>	<u>1,341,068</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term deposits	1,325,000	230,000
Dividend paid	(2,116,310)	-
<b>Net cash outflow from financing activities</b>	<u>(791,310)</u>	<u>230,000</u>
Net increase in cash and cash equivalents during the year	5,397,919	(5,887,149)
Cash & cash equivalent at the beginning of the year	1,542,701	6,509,829
<b>Cash &amp; cashequivalent at the end of the year</b>	<u><u>6,940,620</u></u>	<u><u>622,680</u></u>

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

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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
FOR THE QUARTER ENDED MARCH 31, 2021

	Certificate Capital	Capital Reserve	Revenue Reserve		Total
		Statutory Reserve	General Reserve	Accumulated Loss	
-----Rupees-----					
<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>
<b>Balance as at June 30, 2020</b>	<b>211,631,040</b>	<b>21,744,353</b>	<b>10,000,000</b>	<b>(60,985,576)</b>	<b>182,389,817</b>
Profit for the year	-	-	-	6,293,188	6,293,188
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	6,293,188	6,293,188
Final dividend for the year ended June 30, 2020	-	-	-	(2,116,310)	(2,116,310)
<b>Balance as at December 31, 2020</b>	<b>211,631,040</b>	<b>21,744,353</b>	<b>10,000,000</b>	<b>(56,808,698)</b>	<b>186,566,694</b>

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

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER



## **NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED MARCH 31, 2021**

### **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-Paisal, 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 These interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Such standards comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and
- The requirements of Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas (hereinafter referred to as the relevant laws).
- Where provisions and directives issued under Companies Act, 2017 and the relevant laws differ from IFRS Standards, the provisions and directives issued under Companies Act, 2017 and the relevant laws have been followed

### **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2020 except those that stated in note 3.2 (a) below.

#### **3.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards**

##### **(a) Standards and amendments to published accounting and reporting standards which were effective during the half year ended December 31, 2020**

IFRS 16 'Leases' - IFRS 16 replaces the previous lease standard: IAS 17: Leases. As the distinction between operating and finance lease is eliminated, it has resulted in leases being recognised on the statement of financial position except for short-term and low-value leases. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised.

However, the application of IFRS 16 does not have any material impact on the Modaraba's books of account.

The amendments that were mandatory for the half year ended December 31, 2020 are considered not to be relevant for the Modaraba's financial reporting process and hence have not been disclosed here.

##### **(b) Standards and amendments to approved accounting and reporting standards that are not yet effective**

There is a new standard and certain amendments and interpretation to the accounting and reporting standards that will be mandatory for the Modaraba's annual accounting periods beginning on or after July 1, 2020. However, these standard, amendments and interpretation will not have any significant impact on the financial reporting of the Modaraba and, therefore, have not been disclosed in these condensed interim financial statements.

### **4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these interim financial statements are same as those applied in the Modaraba's annual audited financial statements for the year ended June 30, 2020.

The Modaraba's financial risk management objectives and policies are consistent with those disclosed in the Modaraba's annual audited financial statements for the year ended June 30, 2020.