



Quarterly Report September 30, 2021

FIRST IBL MODARABA

Managed By:

IBL Modaraba Management (Private) Limited

اسلامی مالیاتی اداره



First IBL Modaraba

ABOUT FIRST IBL MODARABA

Mission

Our mission is to strive for continued excellence in providing quality services to the business community as a whole, with the ultimate goal to increase the value of certificate holders

Vision

Our mission is to strive for continued excellence in providing quality services to the business community as a whole, with the ultimate goal to increase the value of certificate holders

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Licensed Entities Verification
Scam meter*
Jamapunji games*
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notifications, corporate and
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CORPORATE INFORMATION

Modaraba Management Company

IBL Modaraba Management (Pvt.) Limited

Board of Directors

Arslan Khan Khakwani
Ibrahim Hassan Murad
Aamir Manzoor

Chairman
Director
Chief Executive

Company Secretary

Hassan Fareed

Chief Financial Officer

Zeeshan Ahmed

Internal Auditor

Rana Rizwan Tariq

Sharia'ah Advisor

Dr. Salman Ahmed Khan

Legal Advisor

M/s. Holscott International [Legal services]

Bankers

Habib Bank Limited – Islamic Banking
Meezan Bank Limited
MCB Islamic Bank Limited
The Bank of Punjab - Taqwa

Registrar

Corp Tec Associates (Pvt.) Limited
503 E, Johar Town, Lahore.

Registered/ Principal Office

Office No.412, 4th Floor, 89/B-3, Al Hafeez
Business Center, Gulberg 3, Lahore.

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Directors' Report

On behalf of Board of Directors of IBL Modaraba Management (Pvt.) Ltd, the management company of First IBL Modaraba (FIBLM), I am pleased to present Quarterly report with unaudited financial statements of FIBLM for the 1st quarter ended September 30, 2021.

Segment wise contribution of operating income is as follows:

Segment	Contribution %
Income from ijarah	9.23%
Profit on musharaka investments	42.98%
Income from investment property	32.47%
Profit on deposit	13.60%
Other Income	1.73%

During the first quarter the financial performance of modaraba was quite satisfactory. Modaraba booked net profit of Rs.1.674 million as compared to loss of Rs. 1.146 million in the preceding period.

Modaraba showed noticeable reduction of 38.55% in expenses and reported total expenses of Rs.4.097 million as compared to Rs.6.667 million in corresponding period.

As on reporting period total assets of Modaraba were stood at Rs.212.12 million as compared to Rs.212.06 million with total liabilities at Rs.17.40 million as compared to Rs.18.28 million in the preceding period.

After withdrawal of tax exemption, the management of modaraba is taking concrete steps and adopting modern business methodologies to deal with this situation.

Going forward in lieu of new policy of State Bank of Pakistan for commercial banks regarding leasing of vehicles, the management expects to have growth in this segment.

The main focus of management is to enhance profitability to give better returns to its certificate holders

I would like to express my gratitude to the Securities & Exchange Commission of Pakistan, Registrar Modarabas, State Bank of Pakistan and NBFI & Modaraba Association of Pakistan for providing us their usual support and guidance. The board appreciates and pays gratitude to the certificate holders and customers for entrusting their confidence on us and we assure them maintenance of adequate internal controls, providing personalize services and also to maintain an ideal environment of good corporate governance in all areas of the activities.

Finally the board appreciates the dedication and hard work put in by the management of First IBL Modaraba.

for & on behalf of the Board,

S/D

Aamir Manzoor
Chief Executive Officer
October 29, 2020

ڈائریکٹرز رپورٹ

میں، آئی بی ایل مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ جو کہ فرسٹ آئی بی ایل مضاربہ کی مینجمنٹ کمپنی ہے کے بورڈ آف ڈائریکٹرز کی طرف سے 30 ستمبر 2021 کو اختتام پذیر ہونے والی پہلی سہ ماہی کے، غیر تصدیق شدہ مالیاتی دستاویزات معد ڈائریکٹرز رپورٹ، اپنے سرٹیفیکیٹ ہولڈر کو پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔ طبقات کے حساب سے آمدن کی تفصیلات درج ذیل ہیں۔

طبقات	شراکت
اجارہ سے آمدن	9.23%
مشارکہ سے آمدن	42.98%
سرمایہ کاری کی جائیداد سے آمدن	32.47%
ڈپازٹ سے آمدن	13.60%
دیگر آمدن	1.73%

پہلی سہ ماہی کے دوران مضاربہ کی کارکردگی قدرتسلی بخش رہی۔ مضاربہ نے گزشتہ مدت کے 1.46 ملین روپے کے نقصان کے مقابلے میں 1.674 ملین روپے کی آمدن دیکھائی۔

مضاربہ نے اخراجات میں 38.55 فیصد کی نمایاں کمی دیکھائی اور پچھلے سال اسی مدت کے 6.667 ملین روپے کے اخراجات کے مقابلے میں 4.097 ملین روپے کے اخراجات رپورٹ کئے۔

اس سہ ماہی کے دوران مضاربہ کے اثاثہ جات 212.12 ملین روپے جو کہ پچھلے مالی سال میں 212.06 ملین روپے تھے جبکہ مالیاتی ذمہ داریاں 17.04 ملین روپے رہیں جو کہ گزشتہ مالی سال میں 18.28 ملین روپے تھیں۔

ٹیکس اسٹشی ختم ہو جانے کے بعد مضاربہ کی انتظامیہ اس صورتحال سے نمٹنے کے لئے ٹھوس اقدامات کر رہی ہے اور جدید کاروباری طریقہ کار اپنا رہی ہے۔ مزید برآں انتظامیہ سٹیٹ بینک آف پاکستان کی کمرشل بینک کے لئے گاڑیاں لیز پر دینے کی پالیسی میں تبدیلی کی وجہ سے اس شعبے میں مضاربہ کے لئے مزید بہتری کی امید کر رہی ہے۔

انتظامیہ کی بنیادی توجہ منافع کو بڑھانے پر ہے تاکہ وہ اپنے سرٹیفیکیٹ ہولڈرز کو بہترین منافع دے سکے۔ آئی بی ایل مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ کا بورڈ، سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان، رجسٹرار مضاربہ، اسٹیٹ بینک آف پاکستان اور این ایف آئی اینڈ مضاربہ ایسوسی ایشن آف پاکستان کا، انکی ہمیشہ کی طرح حمایت اور رہنمائی کیلئے شکر گزار ہے۔

بورڈ اپنے سرٹیفیکیٹ ہولڈرز اور کلائنٹس کا نہایت مشکور ہے۔ جنہوں نے ہم پر بھروسہ کیا۔ بورڈ ان کو اندرونی نظام و ذاتی توجہ اور کارپوریٹ گورننس کے تمام شعبوں میں مثالی ماحول کو برقرار رکھنے کی یقین دہانی کرواتا ہے۔

بورڈ، مضاربہ کی مینجمنٹ اور کارکنان کی سخت محنت اور لگن کو جانوں نے مضاربہ کے ہر شعبے میں ترقی کیلئے کی ہے کو سراہتا ہے۔

منتظم فرسٹ آئی بی ایل مضاربہ

S/D

عامر منظور

چیف ایگزیکٹو آفیسر

First IBL Modaraba Quarterly Report 2021

BALANCE SHEET FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Note	September 30, 2021 Rupees	June 30, 2021 Rupees
ASSETS			
Current Assets			
Bank balances		58,170,750	52,113,573
Short term investments	3	3,994,868	4,737,279
Ijarah rentals receivable		40,060	126,560
Short term musharikhah receivables		7,900,000	600,000
Advances, prepayments and other receivables	4	5,429,142	4,918,627
Advance income tax		1,853,282	1,693,272
Current portion of long term musharikhah receivables		36,316,240	53,241,647
		113,704,343	117,430,958
Non-Current Assets			
Long term musharikhah receivables		33,207,712	26,846,434
Long term advances and deposits		2,619,260	2,619,260
Investment property		55,833,571	57,083,578
Fixed assets under ijarah arrangements		5,544,220	6,634,853
Fixed assets under own use		1,220,001	1,454,397
		98,424,764	94,638,522
Total Assets		212,129,107	212,069,480
LIABILITIES			
Current Liabilities			
Creditors, accrued and other liabilities	5	795,084	826,423
Musharaka finances		700,000	700,000
Current portion of non-current liabilities		5,058,380	5,834,050
Unpresented profit warrants		10,834,598	10,883,905
		17,388,062	18,244,378
Non-Current Liabilities			
Long term security deposits		20,832	39,080
		20,832	39,080
Total Liabilities		17,408,894	18,283,458
NET ASSETS		194,720,213	193,786,022
REPRESENTED BY:			
Certificate capital		216,875,000	216,875,000
Reserves		45,394,252	45,394,252
Accumulated loss		(71,178,395)	(72,853,017)
		191,090,857	189,416,235
Unrealized gain on revaluation of investments - Available for sale		3,629,356	4,369,787
		194,720,213	193,786,022
Contingencies and commitments		-	-

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

S/D

Chief Executive

S/D

Director

S/D

Director

First IBL Modaraba Quarterly Report 2021

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED September 30 2021

	September 30, 2021 Rupees	September 30, 2020 Rupees
INCOME FROM OPERATION		
Income from ijarah	532,730	1,188,845
Profit on musharaka investments	2,480,597	2,398,794
	3,013,327	3,587,639
OTHER INCOME		
Income from investment property	1,873,860	1,873,860
Profit on deposits	785,028	18,187
Other income	1,532	41,472
	2,660,420	1,933,519
Reversal of suspension on ijarah income - net	98,090	-
TOTAL INCOME	<u>5,771,837</u>	<u>5,521,158</u>
EXPENSES		
Operating expenses	(3,644,492)	(3,693,018)
Depreciation on assets under ijarah	(450,741)	(1,251,141)
Other operating expenses	(1,981)	(653,831)
Finance cost	-	(1,069,808)
	<u>(4,097,214)</u>	<u>(6,667,798)</u>
Profit before Modaraba Company's management fee	1,674,622	(1,146,640)
Net (loss) / Profit for the period	<u><u>1,674,622</u></u>	<u><u>(1,146,640)</u></u>
Earnings per Modaraba Certificate - Basic and Diluted	<u><u>0.08</u></u>	<u><u>(0.05)</u></u>

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

S/D

Chief Executive

S/D

Director

S/D

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED September 30 2021

	September 30, 2021	September 30, 2020
	Rupees	Rupees
Net (Loss)/ Profit for the period	1,674,622	(1,146,640)
<i>Other comprehensive income</i>		
Items that may be reclassified subsequently to profit and loss		
Unrealized loss in value of available for sale investments	(740,432)	893,987
Other comprehensive loss for the period	(740,432)	893,987
Total Comprehensive Income/ (Loss) for the period	<u>934,190</u>	<u>(252,653)</u>

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

S/D

Chief Executive

S/D

Director

S/D

Director

CASH FLOW STATEMENT FOR THE PERIOD ENDED September 30 2021

	Note	September 30, 2021 Rupees	September 30, 2020 Rupees
(Loss)/ Profit for the period		1,674,622	(1,146,640)
Adjustment for:			
- Depreciation on fixed assets under own use		234,396	232,581
- Depreciation on investment property		1,250,007	1,250,007
- Depreciation on fixed assets under ijarah arrangements		450,741	1,251,141
- Provision/ (Reversal) of musharaka profit held in suspense account		-	653,831
- Ijarah rental held in suspense account		-	217,220
- Revaluation loss/ (gain) on investment at fair value through profit or loss		1,981	(32,852)
- Finance cost			1,069,808
- Gain on termination of ijarah arrangements		(32)	-
- Profit on term deposit receipts and bank deposits		(785,028)	(18,187)
		1,152,065	4,623,549
Operating profit before working capital changes		2,826,687	3,476,909
Decrease / (Increase) in assets:			
- Advances, prepayments and other receivables		(510,515)	905,939
- Ijarah rentals receivable		86,500	722,940
- Musharaka receivables		3,247,252	(8,552,781)
Increase/ (Decrease) in operating liabilities:			
- Long term security deposits		34,280	(1,430,192)
- Profit payable on musharikhah		(31,339)	(56,799)
- Creditors, accrued and other liabilities			
Net changes in working capital		2,826,178	(8,410,893)
Cash generated from operations		5,652,865	(4,933,984)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations		5,652,865	(4,933,984)
Purchase of fixed assets under ijarah arrangements		(171,400)	
Proceeds from disposal of assets on terminating ijarahs			(1,069,808)
Finance cost paid		(160,010)	(96,336)
Income taxes paid		(331,410)	(1,166,144)
Net Cash generated from Operating Activities			
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets under own use		-	
Capital work in progress		-	
Profit on term deposit receipts and bank deposits		785,028	18,187
Net Cash (used in) / generated from Investing Activities		785,028	18,187
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid		(49,307)	-
Net Cash used in Financing Activities		(49,307)	-
Net (Decrease) / Increase in Cash and Cash Equivalents		6,057,176	(6,081,941)
Cash and cash equivalents at the beginning of the period		52,113,573	44,158,744
Cash and Cash Equivalents at the End of the period		58,170,750	38,076,803

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

S/D

Chief Executive

S/D

Director

S/D

Director

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STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED September 30 2021

Particulars	Certificate Capital	Reserves		Total Equity
		Capital		
		Statutory reserve	Accumulated loss	
	Rupees			
Balance as at June 30, 2020	216,875,000	44,810,698	(72,304,233)	189,381,465
Comprehensive income for the year				
Net profit for the year	-	-	2,917,770	2,917,770
Other comprehensive loss for the year	-	-	-	-
Total comprehensive income for the year	-	-	2,917,770	2,917,770
Transferred to statutory reserve	-	583,554	(583,554)	-
Transactions with owners				
Profit distributed for the year ended June 30, 2020	-	-	(2,883,000)	(2,883,000)
Balance as at June 30, 2021	216,875,000	45,394,252	(72,853,017)	189,416,235
Comprehensive income for the period				
Net profit for the period	-	-	1,674,622	1,674,622
Other comprehensive loss for the period	-	-	-	-
Total comprehensive income for the period	-	-	1,674,622	1,674,622
Balance as at September 30, 2021	216,875,000	45,394,252	(71,178,395)	191,090,857

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

S/D

Chief Executive

S/D

Director

S/D

Director

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NOTES TO THE ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30 2021

Note 1

The accounting policies adopted for the preparation of these financial statements are consistent with those applied for the preparation of preceding annual publishing accounts.

Note 2

These unaudited financial statements have been prepared and circulated under the directives of Securities and Exchange Commission of Pakistan.

Note 3

Short Term Investments

Investments in listed equity securities are classified as:

- Available for sale
- At fair value through profit or loss

Note

4.1	3,629,398	5,317,249
4.2	365,470	610,632
	3,994,868	5,927,881

3.1 Available for sale

September 2018 June 2018 Name of entity

No. of shares/ Certificates

Holdings are in ordinary certificates / shares of Rupees 10 each.

18,011	18,011	The Searle Company Limited
18,011	18,011	

3,629,398	5,317,249
3,629,398	5,317,249

3.2 At fair value through profit or loss

Name of entity

No. of shares/ Certificates

Holdings are in ordinary certificates / shares of Rupees 10 each.

250	250	Attock Refinery Limited
219	219	IBL Healthcare Limited
100,000	100,000	First Punjab Modaraba
100,469	100,469	

44,696	43,062
19,774	17,570
301,000	550,000
365,470	610,632

3.3 This represent investment in term deposit receipts and carried profit at the average profit rate of 5% to 6% per annum.

Note 4

Advances, Prepayments and Other Receivables

September 30, 2021 June 30, 2021
"Rupees"

Advance to employees (Unsecured - Considered good)
Prepayments

633,161	656,711
656,574	227,171
1,289,735	883,882

Accrued profit:

- Profit receivable on musharaka receivables
- Less: Profit held in suspense account

3,435,013	3,123,989
(1,969,089)	(1,969,089)
1,465,924	1,154,900

Accrued profit on murabaha receivable

Profit receivable on saving account

Dividend receivable

Other receivables

-	-
291,286	369,339
90,931	219,241
2,291,266	2,291,265
5,429,142	4,918,627

Note 5

Creditors, accrued and other liabilities

September 30, 2021 June 30, 2021

Accrued Expenses
Payable to the Modaraba Management Company
Workers Welfare Fund Payable
Other liabilities

295,100	290,000
339,994	339,994
142,173	142,173
17,818	54,256
795,084	826,423

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Note 6 Related Party Transactions

6.1 Related parties comprise Management Company, major certificate holders of the Modaraba and their close family members, directors of the management company and their close family members, key management personnel of the management company and their close family members and entities with common directors or under common management.

6.2 Details of transactions with related parties and balances outstanding with them at the quarter ended are as follows:

Transactions during the year

Related party	Relationship	Nature of Transaction	September 30, 2021	June 30, 2021
			Rupees	Rupees
IBL Modaraba Management (Private) Limited	Management Company	Management fee accrued during the year/ quarter	-	339,994
		Management fee paid during the year/ quarter	-	444,760
		Dividend paid during the period	-	288,586
University of Management & Technology	Holds 14.16% of the paid up certificates of Modaraba	Rent of library building	1,873,860	7,495,440
		Dividend paid during the period	-	408,107
Provident Fund	Associated Undertaking	Provident fund paid during the period/ year	48,393	177,716

Outstanding Balance at the quarter end

Payable to the Modaraba Management Company	339,994	339,994
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Transactions with related parties, except the management fee payable to the management company, are carried at an arm's length in the normal course of business.

Note 7 Date of authorization for issue

The financial statement were authorized for issue on October 29, 2021 by the Board of Directors of IBL Modaraba Management (Pvt.) Limited.

Note 8 General

Corresponding figures have been rearranged and reclassified wherever necessary for the purpose of comparison.

S/D

Chief Executive

S/D

Director

S/D

Director