

FIRST NATIONAL BANK MODARABA
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
INCOME FROM OPERATIONS			
Ijarah rentals earned / income from ijarah finance		-	1,314,070
Profit on diminishing musharaka financing		-	3,519
Profit on murabaha income		-	2,287,522
Profit on bank deposits		194,417	136,628
Profit on short term investment		13,817,771	7,628,387
		14,012,188	11,370,126
OTHER INCOME			
Reversal of provision charged for doubtful receivables - net	29	38,069,693	29,389,969
Suspension reversed during the year		1,150,931	1,229,821
Gain on termination of ijarah assets		3,476	6,843,717
Excess liabilities written back		-	1,000,635
Other income	26	218,000	-
		39,442,100	38,464,142
TOTAL INCOME		<u>53,454,288</u>	<u>49,834,268</u>
EXPENSES			
Depreciation on ijarah assets	17	-	(1,147,041)
Operating expenses	27	(12,770,392)	(14,353,438)
Finance cost	28	(23,517,722)	(18,326,786)
Receivables adjusted		(3,711,773)	-
TOTAL EXPENSES		<u>(39,999,887)</u>	<u>(33,827,265)</u>
OPERATING PROFIT BEFORE PROVISIONS AND TAXATION		13,454,401	16,007,003
Provision charged for doubtful receivables - net	29	<u>(9,889,939)</u>	<u>(14,490,266)</u>
PROFIT BEFORE MANAGEMENT COMPANY'S FEE		3,564,462	1,516,737
Modaraba Company's management fee	30	(356,446)	(151,674)
Provision for Worker's Welfare Fund		<u>(64,160)</u>	<u>(27,301)</u>
PROFIT BEFORE TAXATION		3,143,856	1,337,762
Taxation	31	<u>(534,456)</u>	<u>(227,420)</u>
NET PROFIT FOR THE YEAR		<u>2,609,400</u>	<u>1,110,342</u>
EARNINGS PER MODARABA CERTIFICATE - BASIC AND DILUTED	32	<u>0.10</u>	<u>0.04</u>

The annexed notes from 1 to 38 form an integral part of these financial statements.

For National Bank Modaraba Management Company Limited
(Modaraba Management Company)


CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER

FIRST NATIONAL BANK MODARABA
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
	Rupees	Rupees
NET PROFIT FOR THE YEAR	2,609,400	1,110,342
Other Comprehensive Income		
<i>Items that will not be reclassified to profit and loss account</i>	-	-
<i>Items that may be reclassified subsequently to profit and loss account</i>		
- Surplus on revaluation of sukuk	1,373,857	110,647
Other comprehensive income for the year	1,373,857	110,647
Total Comprehensive Income for the Year	<u>3,983,257</u>	<u>1,220,989</u>

The annexed notes from 1 to 38 form an integral part of these financial statements.

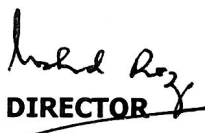
For National Bank Modaraba Management Company Limited
(Modaraba Management Company)



CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER

- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and Modaraba Rules, 1981, in the manner so required and respectively give a true and fair view of the state of the Modaraba's affairs as at June 30, 2022 and of the profit, comprehensive income, its cash flows and changes in equity for the year then ended; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

We draw attention to Note 1.2 of the accompanied financial statements, which indicates that the Modaraba's current liabilities exceeded its current assets by Rs. 91.199 million, its net liabilities amounted to Rs. 58.112 million and its accumulated losses amounted to Rs. 352.623 million. The short term running facility obtained from National Bank of Pakistan (NBP) was expired on October 31, 2019 that has yet not been renewed and markup outstanding thereupon is also outstanding. Moreover, after the issuance of order dated October 31, 2019 of Registrar Modaraba, the winding up petition has been filed on June 16, 2020 before the Honorable Modaraba Tribunal, Lahore. This situation indicates that a material uncertainty exists that may cast significant doubt on the Modaraba's ability to continue as going concern. Therefore, these financial statements have been prepared on the basis of estimated realizable / settlement values of assets and liabilities respectively. Estimated realizable / settlement values are based on the management's best estimate. Estimation involves judgment based on the latest available, reliable information, historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In future, these estimates may need revision if changes occur in the circumstances on which the estimates are based or as a result of new information. Hence, the ultimate values at which assets will be realized and liabilities will be settled may be different from those carried in these financial statements. Our opinion is not qualified in respect of this matter.

LAHORE

Dated:

UDIN: AR202210051b27iMNIK4

CROWE HUSSAIN CHAUDHURY & CO.

Chartered Accountants

(Engagement Partner: Amin Ali)