
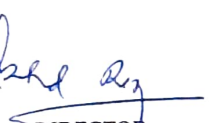


**FIRST NATIONAL BANK MODARABA**  
**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2025**

|   | Note | 2025<br>Rupees      | 2024<br>Rupees      |
|---|------|---------------------|---------------------|
| <b>INCOME FROM OPERATIONS</b>   |      |                     |                     |
| Profit on bank deposits   |      | 396,448             | 476,943             |
| Profit on short term investments  | 25   | 40,452,229          | 49,704,703          |
|   |      | 40,848,677          | 50,181,646          |
| <b>OTHER INCOME</b>   |      |                     |                     |
| Reversal of provision charged for doubtful receivables                              | 29   | 1,888,721           | 59,527,191          |
| Suspension reversed during the year   |      | 6,375,174           | 3,000,000           |
| Other income  | 26   | 26,166              | 3,226,846           |
|   |      | 8,290,061           | 65,754,037          |
| <b>TOTAL INCOME</b>   |      | <b>49,138,738</b>   | <b>115,935,683</b>  |
| <b>EXPENSES</b>   |      |                     |                     |
| Operating expenses  | 27   | (16,304,713)        | (13,227,446)        |
| Finance cost  | 28   | (34,286,209)        | (49,595,160)        |
| <b>TOTAL EXPENSES</b>   |      | <b>(50,590,922)</b> | <b>(62,822,606)</b> |
| <b>OPERATING PROFIT BEFORE PROVISIONS AND TAXATION</b>                              |      | <b>(1,452,184)</b>  | <b>53,113,077</b>   |
| Provision charged for doubtful receivables  | 29   | (849,177)           | (4,355,468)         |
| <b>PROFIT BEFORE MANAGEMENT COMPANY'S FEE</b>                                       |      | <b>(2,301,361)</b>  | <b>48,757,609</b>   |
| Modaraba Management Company's fee   | 30   | -                   | (4,875,761)         |
| Provision for Worker's Welfare Fund   | 19.1 | -                   | (877,637)           |
| <b>PROFIT BEFORE LEVIES AND INCOME TAX</b>  |      | <b>(2,301,361)</b>  | <b>43,004,211</b>   |
| Levies  | 31   | (961,523)           | (465,439)           |
| <b>PROFIT BEFORE INCOME TAX</b>   |      | <b>(3,262,884)</b>  | <b>42,538,772</b>   |
| Taxation - Income tax   | 32   | (696,742)           | (7,779,353)         |
| <b>PROFIT FOR THE YEAR</b>  |      | <b>(3,959,626)</b>  | <b>34,759,419</b>   |
| <b>OTHER COMPREHENSIVE LOSS - NET OF INCOME TAX</b>                                 |      |                     |                     |
| Items that may be reclassified subsequently to the statement of profit or loss      |      | -                   | -                   |
| Items that will not be reclassified subsequently to the statement of profit or loss |      |                     |                     |
| - Unrealised loss on revaluation of sukuku  |      | (723,859)           | (25,632)            |
| Other comprehensive loss for the year   |      | (723,859)           | (25,632)            |
| <b>TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE YEAR</b>                              |      | <b>(4,683,485)</b>  | <b>34,733,787</b>   |
| <b>(LOSS)/ EARNINGS PER MODARABA CERTIFICATE - BASIC AND DILUTED</b>                | 33   | <b>(0.16)</b>       | <b>1.39</b>         |

The annexed notes 1 to 39 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE OFFICER**  
National Bank Modaraba Management  
Company Limited

  
**DIRECTOR**  
National Bank Modaraba Management  
Company Limited

  
**DIRECTOR**  
National Bank Modaraba Management  
Company Limited

  
**CHIEF FINANCIAL OFFICER**  
National Bank Modaraba Management Company  
Limited



**FIRST NATIONAL BANK MODARABA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2025**

| Note | 2025<br>Rupees | 2024<br>Rupees |
|------|----------------|----------------|
|------|----------------|----------------|

**ASSETS**

**CURRENT ASSETS**

|   |    |                    |                    |
|---|----|--------------------|--------------------|
| Cash and bank balances                    | 5  | 9,483,517          | 9,710,250          |
| Short term murabaha investments - secured | 6  | 1,772,953          | 1,772,953          |
| Accrued profit                            | 7  | 4,004,983          | 8,501,794          |
| Short term investments                    | 8  | 331,775,000        | 295,843,359        |
| Ijarah rentals receivable                 | 9  | 11,804,532         | 13,605,448         |
| Prepayments and other receivables         | 10 | 1,248,025          | 960,524            |
| Income tax recoverable/ adjustable        |    | 14,305,990         | 15,352,338         |
| Current portion of non-current assets     | 11 | 6,655,511          | 4,800,000          |
|   |    | <b>381,050,511</b> | <b>350,546,666</b> |

**NON-CURRENT ASSETS**

|   |    |                   |                   |
|---|----|-------------------|-------------------|
| Net investment in ijarah finance          | 12 | 8,991,704         | 11,696,392        |
| Diminishing musharaka financing - secured | 13 | -                 | -                 |
| Long term murabaha investments - secured  | 14 | 2,273,581         | 7,073,581         |
| Long term deposit                         |    | 39,500            | 39,500            |
| Intangible asset                          | 15 | -                 | -                 |
| Fixed assets under ijarah arrangements    | 16 | 32,949,326        | 32,959,576        |
| Fixed assets under own use                | 17 | 117,704           | 190,627           |
|   |    | <b>44,371,815</b> | <b>51,959,676</b> |

**TOTAL ASSETS**

**425,422,326**      **402,506,342**

**LIABILITIES**

**CURRENT LIABILITIES**

|  |    |             |             |
|--|----|-------------|-------------|
| Accrued profit on short term financing   |    | 191,085,330 | 156,818,419 |
| Short term financing - secured           | 18 | 217,063,388 | 217,063,388 |
| Creditors, accrued and other liabilities | 19 | 8,419,322   | 8,727,321   |
| Unclaimed dividend                       |    | 425,218     | 425,218     |
| Security deposits against ijarah assets  | 20 | 32,996,026  | 33,006,276  |
| Deferred murabaha income                 | 21 | -           | -           |
| Provision for taxation                   | 32 | 961,523     | 7,310,716   |

**TOTAL LIABILITIES**

**(450,950,807)**      **(423,351,338)**

**NET LIABILITIES**

**(25,528,481)**      **(20,844,996)**

**FINANCED BY:**

|                     |    |                      |                      |
|---------------------|----|----------------------|----------------------|
| Certificate capital | 22 | 250,000,000          | 250,000,000          |
| Statutory reserve   | 23 | 45,519,244           | 45,519,244           |
| Accumulated loss    |    | <b>(321,047,725)</b> | <b>(314,583,212)</b> |
|                     |    | <b>(25,528,481)</b>  | <b>(19,063,968)</b>  |

Unrealised loss on revaluation of sukuk

-      (1,781,028)

**TOTAL EQUITY AND RESERVES**

**(25,528,481)**      **(20,844,996)**

**CONTINGENCIES AND COMMITMENTS**

The annexed notes 1 to 39 form an integral part of these financial statements.

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**CHIEF FINANCIAL OFFICER**

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Limited



**FIRST NATIONAL BANK MODARABA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**CASH FLOWS FORM OPERATING ACTIVITIES**

**Profit before levies and income tax**

Adjustments for non-cash and other items:

- Depreciation on fixed assets under own use
- Gain on disposal of fixed assets under own use
- Profit on short term investments
- Charge of provision against doubtful ijarah rentals receivable - net
- Charge of provision against doubtful net investment in ijarah finance
- Reversal of provision ijarah rentals receivable - net
- Reversal of provision charged on short term murabaha investments
- Reversal of provision long term murabaha investments - net
- Reversal of provision on diminishing musharaka financing
- Suspension reversed during the year
- Finance cost
- Provision for Worker's Welfare Fund (WWF)
- Modaraba company's management fee
- Profit on term deposit receipts and bank deposits

**Operating cash flows before working capital changes**

**Changes in working capital:**

Decrease/ (increase) in current assets:

- Accrued profit
- Ijarah rentals receivable
- Advances, prepayments and other receivables
- Short term murabaha investments - secured
- Diminishing musharaka financing
- Income tax recoverable/ adjustable
- Long term murabaha investments - secured
- Net investment in ijara financing

Increase/ (decrease) in current liabilities:

- Creditors, accrued and other liabilities

**Net changes in working capital**

Finance cost paid

Levies paid

Income taxes paid

Profit received on bank deposits

**Net cash generated from operating activities**

**CASH FLOWS FROM INVESTING ACTIVITIES**

Investment made in fixed assets - under own use

Proceeds from disposal of fixed assets - under own use

Short term investments - net

**Net cash used in investing activities**

**CASH FLOWS FROM FINANCING ACTIVITIES**

**Net decrease in cash and cash equivalents**

Cash and cash equivalents at the beginning of the year

Cash and cash equivalents at the end of the year

| Note | 2025<br>Rupees | 2024<br>Rupees |
|------|----------------|----------------|
|      | (2,301,361)    | 43,004,211     |
|      | 95,823         | 89,599         |
|      | -              | (6,000)        |
|      | (40,452,229)   | (49,704,703)   |
|      | -              | 4,355,468      |
|      | 849,177        | -              |
|      | -              | (1,686,610)    |
|      | (1,727,541)    | (53,267,000)   |
|      | -              | (4,573,581)    |
|      | (161,180)      | -              |
|      | (6,375,174)    | (3,000,000)    |
|      | 34,286,209     | 49,595,160     |
|      | -              | 877,637        |
|      | -              | 4,875,761      |
|      | (396,448)      | (476,943)      |
|      | (13,881,363)   | (52,921,212)   |
|      | (16,182,724)   | (9,917,001)    |
|      | 44,949,040     | 52,857,052     |
|      | 8,176,090      | 10,600,000     |
|      | (287,501)      | 869,563        |
|      | 1,727,541      | 53,267,000     |
|      | 161,180        | -              |
|      | 1,046,348      | (5,752,254)    |
|      | 4,800,000      | 4,700,000      |
|      | -              | 1,686,610      |
|      | (307,999)      | (5,775,406)    |
|      | 60,264,699     | 112,452,565    |
|      | 44,081,975     | 102,535,564    |
|      | (19,298)       | (20,416)       |
|      | (465,439)      | -              |
|      | (7,542,019)    | (1,773,945)    |
|      | 396,448        | 476,943        |
|      | 36,451,667     | 101,218,146    |
|      | (22,900)       | (18,000)       |
|      | -              | 6,000          |
|      | (36,655,500)   | (101,794,500)  |
|      | (36,678,400)   | (101,806,500)  |
|      | -              | -              |
|      | (226,733)      | (588,354)      |
|      | 9,710,250      | 10,298,604     |
| 5    | 9,483,517      | 9,710,250      |

The annexed notes 1 to 39 form an integral part of these financial statements.

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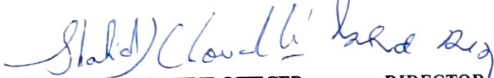
**CHIEF FINANCIAL OFFICER**  
National Bank Modaraba Management Company  
Limited



**FIRST NATIONAL BANK MODARABA  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2025**

| Particulars   | Certificate capital | Statutory reserve | Accumulated loss | Subtotal     | Unrealised loss on revaluation of sukuk | Total equity and reserves |
|---|---------------------|-------------------|------------------|--------------|---|---------------------------|
|   | Rupees              |                   |                  |              |   |                           |
| Balance as at 01 July 2023  | 250,000,000         | 45,519,244        | (349,342,631)    | (53,823,387) | (1,755,396)                             | (55,578,783)              |
| Total comprehensive income :  |                     |                   |                  |              |   |                           |
| Profit for the year   | -                   | -                 | 34,759,419       | 34,759,419   | -                                       | 34,759,419                |
| Other comprehensive loss for the year                                     | -                   | -                 | -                | -            | (25,632)                                | (25,632)                  |
|   | -                   | -                 | 34,759,419       | 34,759,419   | (25,632)                                | 34,733,787                |
| Transferred to statutory reserve (note 23)                                | -                   | -                 | -                | -            | -                                       | -                         |
| Balance as at 30 June 2024  | 250,000,000         | 45,519,244        | (314,583,212)    | (19,063,968) | (1,781,028)                             | (20,844,996)              |
| Total comprehensive income :  |                     |                   |                  |              |   |                           |
| Loss for the year   | -                   | -                 | (3,959,626)      | (3,959,626)  | -                                       | (3,959,626)               |
| Other comprehensive loss for the year                                     | -                   | -                 | -                | -            | (723,859)                               | (723,859)                 |
| Transfer from unrealized loss on revaluation of sukuk to accumulated loss | -                   | -                 | (2,504,887)      | (2,504,887)  | 2,504,887                               | -                         |
|   | -                   | -                 | (6,464,513)      | (6,464,513)  | 1,781,028                               | (4,683,485)               |
| Transferred to statutory reserve (note 23)                                | -                   | -                 | -                | -            | -                                       | -                         |
| Balance as at 30 June 2025  | 250,000,000         | 45,519,244        | (321,047,725)    | (25,528,481) | -                                       | (25,528,481)              |

The annexed notes 1 to 39 form an integral part of these financial statements.

  
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


determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other legal and regulatory requirements**

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Modaraba Company in respect of the Modaraba as required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980);
- b) the statement of financial position, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and are in agreement with the books of account;
- c) business conducted, investments made, expenditure incurred and guarantees extended during the year by the Modaraba were in accordance with the objects, terms and conditions of the Modaraba; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Mr. Adnan Rasheed. 

**Rahman Sarfaraz Rahim Iqbal Rafiq**  
**Chartered Accountants**  
**Lahore:**  
**UDIN: AR202510701hCS7TQYyw**