

FIRST NATIONAL BANK MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Note	For the half year ended		For the quarter ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
		Rupees (Unaudited)	Rupees (Unaudited)	Rupees (Unaudited)	Rupees (Unaudited)
Income from operations					
Profit on bank deposits		153,162	78,131	79,531	31,390
Profit on short term investments		12,488,196	5,630,860	7,666,393	3,933,116
		12,641,358	5,708,991	7,745,924	3,964,506
Other income					
Reversal of provision charged for doubtful receivables - net	18	19,189,654	34,185,791	14,711,092	12,103,050
Suspension reversed during the year		2,015,635	1,151,081	2,015,635	-
Other income		2,404,408	287,990	2,404,408	286,032
		23,609,697	35,624,862	19,131,135	12,389,082
Total income		36,251,055	41,333,853	26,877,059	16,353,588
Expenses					
Operating expenses		(6,698,326)	(7,156,001)	(3,615,432)	(3,437,720)
Finance cost		(17,472,653)	(9,796,921)	(13,402,714)	(5,402,725)
Total expenses		(24,170,979)	(16,952,922)	(17,018,146)	(8,840,445)
Operating profit before provision and taxation		12,080,076	24,380,931	9,858,913	7,513,143
Provision charged for doubtful receivables - net		(5,593,432)	(9,176,980)	(5,593,432)	-
Profit before Mudaraba Management Company's fee		6,486,644	15,203,951	4,265,481	7,513,143
Mudaraba Management Company's fee		(648,664)	(1,520,395)	(426,548)	(751,314)
Provision for Workers' Welfare Fund		(116,760)	(273,671)	(76,779)	(135,236)
Profit before taxation		5,721,220	13,409,885	3,762,154	6,626,593
Taxation		(972,607)	(2,279,680)	(639,566)	(2,279,680)
Profit after taxation		4,748,613	11,130,205	3,122,588	4,346,913
Earning per modaraba certificate - basic and diluted	19	0.19	0.45	0.12	0.17

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER



Independent Auditors' Review Report

To the Certificate Holders of First National Bank Modaraba

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim balance sheet of **First National Bank Modaraba** (the Modaraba) as at 31 December 2022 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matter

We draw attention to note '1.2' to the condensed interim financial statements, describing circumstances which indicates that a material uncertainty exists that cast significant doubt on the Modaraba's ability to continue as a going concern. Particularly that its accumulated losses exceed its certificate capital by Rs. 98.112 million, its current liabilities exceed current assets by Rs. 107.347 million and winding up petition has been filed against the Modaraba by the Registrar Modaraba. Hence, these financial statements are prepared on the basis of estimated realizable/ settlement values of assets and liabilities respectively. Our conclusion is not modified in this regard.