Quarterly Report
For the period ended
September 30, 2015

FIRST EQUITY MODARABA

Managed by :
PREMIER FINANCIAL SERVICES (PVT) LTD

CRESCENT GROUP

FIRST EQUITY MODARABA

CORPORATE INFORMATION

MODARABA COMPANY

Premier Financial Services (Pvt) Ltd

BOARD OF DIRECTORS

Mr Zahid Bashir
Mr Nadeem Maqbool
Mr Adil A Ghaffar - Chief Executive Officer

REGISTERED AND BUSINESS ADDRESS

B-1004 Lakson Square Building # 3
Sarwar Shaheed Road
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FIRST EQUITY MODARABA
DIRECTORS REPORT

The Directors of Premier Financial Services (Pvt) Ltd, the management company of FIRST EQUITY MODARABA, presents their report and the un-audited financial statements of the Modaraba for the three months ended September 30, 2015.

Financial Results

Profit for the quarter ended September 30, 2015 amounted to Rupees 2.77 million as compared to profit of Rupees 5.87 million for the same period last year. The earning per certificate as at September 30, 2015 was Rupees 0.053 while the earnings for the same period last year was Rupees 0.112 The Breakup value as of September 30 2015 was Rupees 11.80 per certificate.

Prospects

Alhamdulillah, the Registrar Modaraba and Securities and Exchange Commission of Pakistan has kindly accepted our request to form wholly owned subsidiaries to transfer brokerage related asset and liabilities pertaining to the respective stock exchanges. Accordingly, we are in process of creating two wholly owned subsidiaries.

For and on behalf of Board

Adil A Ghaffar
Chief Executive Officer

Karachi
October 29, 2015

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SETEMBER 30, 2015

	Note	September 2015 Rupees	Audited June 30, 2015 Rupees
EQUITY AND LIABILITIES			
Capital and reserves			
Certificate capital			
Authorised capital			
60,000,000 (June 30, 2015: 60,000,000) modaraba			
certificates of Rs. 10 each		**600,000,000**	600,000,000
Certificate capital		**524,400,000**	524,400,000
Reserves	3	**129,208,834**	126,433,396
Remeasurement of define benefit liability - Actuarial gain		**91,191**	91,191
Unrealized loss on re-measurement of investments		**(35,060,572)**	(20,170,414)
Certificate holders' equity		**618,639,453**	630,754,173
Non-current liabilities			
Deferred liabilities		**2,721,233**	2,655,483
Security Deposit		**200,000**	200,000
Total non-current liabilities		**2,921,233**	2,855,483
Current liabilities			
Creditors, accrued and other liabilities		**14,776,322**	24,375,437
Unclaimed profit distributions		**27,615,714**	27,618,316
Total current liabilities		**42,392,036**	51,993,753
Total liabilities		**45,313,269**	54,849,236
Contingencies & Commitments			
Total equity and liabilities		**663,952,722**	685,603,409
ASSETS			
Non - current assets			
Fixed assets			
- tangible		**15,136,971**	15,426,202
- intangible		**19,000,000**	19,000,000
Investment property		**1,921,667**	1,951,667
Investments	4	**325,877,110**	326,007,730
Advances		**2,510,000**	2,510,000
Deposits		**1,150,000**	1,150,000
Total non-current assets		**365,595,748**	366,045,599
Current assets			
Morabaha / musharaka receivables - secured		**146,302,293**	153,003,609
Short term investments		**91,150,244**	97,882,927
Advances		**600,023**	3,525,359
Trade deposits and prepayments		**15,382,622**	15,027,294
Other receivables		**33,185,843**	25,218,541
Tax refund due from government		**7,881,338**	4,614,680
Cash and bank balances		**3,854,611**	20,285,400
Total current assets		**298,356,974**	319,557,810
Total assets		**663,952,722**	685,603,409

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar	Zahid Bashir	Nadeem Maqbool
Chief Executive	Director	Director
Premier Financial Services (Private) Ltd.	Premier Financial Services (Private) Ltd.	Premier Financial Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SETEMBER 30, 2015

	September 2015 Rupees	September 2014 Rupees
Income	7,902,543	10,238,389
Expenditure		
Operating expenses	(5,232,283)	(4,427,192)
Bank charges	(3,820)	(468)
	(5,236,103)	(4,427,660)
	2,666,440	5,810,729
Other income	108,998	63,323
Profit for the period	2,775,438	5,874,052
Earnings per certificate	0.053	0.112

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar	Zahid Bashir	Nadeem Maqbool
Chief Executive	Director	Director
Premier Financial Services (Private) Ltd.	Premier Financial Services (Private) Ltd.	Premier Financial Services (Private) Lt

FIRST EQUITY MODARABA

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	September 2015 Rupees	September 2014 Rupees
Profit for the period	2,775,438	5,874,052
Other comprehensive income		
Unrealized gain / (loss) on re-measurement of investments	(18,278,659)	(8,505,848)
Gain/(loss) realized on disposal of investments	3,388,501	2,899,381
	(14,890,158)	(5,606,467)
Taxation relating to component of other comprehensive income	-	-
Other comprehensive income	(14,890,158)	(5,606,467)
Total comprehensive income	(12,114,720)	267,585

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar	Zahid Bashir	Nadeem Maqbool
Chief Executive	Director	Director
Premier Financial Services (Private) Limited	Premier Financial Services (Private) Limited	Premier Financial Services (Private) Limited

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CASH FLOWS STSTEMENTS
FOR THE QUARTER ENDED SETEMBER 30, 2015

	September 2015 Rupees	September 2014 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	**2,775,438**	5,874,052
Adjustments for non cash/non operating items:		
Depreciation	**473,920**	405,783
Provision for gratuity	**65,750**	48,000
Dividend income	**(798,762)**	(641,375)
	(259,092)	(187,592)
Operating profit before working capital changes	**2,516,346**	5,686,460
Increase in current assets		
Morabaha / musharaka receivables	**6,701,316**	1,254,084
Advances	**(341,322)**	(1,070,133)
Trade deposits and prepayments	**(405,328)**	(376,276)
Other receivables	**(10,539,426)**	(6,164,725)
	(4,584,760)	(6,357,050)
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	**(7,146,587)**	4,460,504
Dividend paid	**(2,602)**	-
	(7,149,189)	4,460,504
Net cash used in operating activities	**(9,217,603)**	3,789,914
CASH FLOW FROM INVESTING ACTIVITIES		
Investments	**(8,026,855)**	(6,505,015)
Dividends received	**968,358**	641,375
Tangible assets	**(154,689)**	-
Net cash generated (used in)/from investing activities	**(7,213,186)**	(5,863,640)
Net increase / (decrease) in cash and bank equivalents	**(16,430,789)**	(2,073,726)
Cash and bank equivalents at the beginning of the period	**20,285,400**	9,889,496
Cash and bank equivalents at the end of the period	**3,854,611**	7,815,770

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar	Zahid Bashir	Nadeem Maqbool
Chief Executive	Director	Director
Premier Financial Services (Private) Ltd.	Premier Financial Services (Private) Ltd.	Premier Financial Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUAETER ENDED SETEMBER 30, 2015

	Certificate Capital	Special reserve	Certificate premium account	General reserve	Unrealized gain / (loss) on re-measurement of available for sale investments	Remeasurement of define benefit liability	Un appropriated profit / accumulated loss	Total
	Rupees	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees
Balance as at June 30, 2014	524,400,000	148,356,187	131,100,000	27,120,000	(13,149,967)	815,245	(171,876,627)	646,764,838
Total comprehensive income for the period	-	-	-	-	(7,020,447)	(724,054)	11,398,836	3,654,335
							(19,665,000)	(19,665,000)
Statutory reserves		2,279,767					(2,279,767)	-
Balance as at June 30, 2015 .	524,400,000	150,635,954	131,100,000	27,120,000	(20,170,414)	91,191	(182,422,558)	630,754,173
Total comprehensive income for the period	-	-	-	-	**(14,890,158)**		**2,775,438**	**(12,114,720)**
Balance as at September 30, 2015	**524,400,000**	**150,635,954**	**131,100,000**	**27,120,000**	**(35,060,572)**	**91,191**	**(179,647,120)**	**618,639,453**

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar Chief Executive Premier Financial Services (Private) Ltd.	Zahid Bashir Director Premier Financial Services (Private) Ltd.	Nadeem Maqbool Director Premier Financial Services (Private) Ltd.

FIRST EQUITY MODARABA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SETEMBER 30, 2015

1 Legal Status and Nature of Business

First Equity Modaraba was formed in 1991 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by Premier Financial Services (Private) Limited, a Company incorporated in Pakistan.

The Modaraba is a perpetual, multi purpose modaraba able to undertake a variety of fund and fee based activities. These include trading, manufacturing, equity investment and their financing and facilitation.

The Modaraba is listed on Karachi, Lahore and Islamabad Stock Exchanges.

The Modaraba is a holding Trading Right Entitlement certificate of two stock exchanges of Pakistan and is currently operating its brokerage activities in Karachi Stock Exchange.

The modaraba is holding Equity Textiles Ltd as a wholly owned subsidiary company

2 General

2.1 These financial statements are unaudited and are being submitted to certificate holders as required by Rule 10 of the Modaraba Companies and Modaraba Rules, 1981.

2.2 The accounting policies adopted for the preparation of these unaudited financial statements are the same as those applied in preparation of the audited published financial statements of the Modaraba for the year ended June 30, 2015

2.3 The Modaraba Company's management fee, statutory reserve @ 20% to 50 %, provisions, profit Distribution and taxation will be determined at the year end. No provision for income tax will be required if not less than 90% of the Modaraba's profit for the year is distributed as cash dividend, except the presumptive tax

2.4 These financial statements are in compliance with the disclosure requirements of International Accounting Standard (IAS)-34 "Interim Financial Reporting".

	September 2015 Rupees	June 2015 Rupees
3 Reserves		
Capital reserve	281,735,954	281,735,954
Revenue reserve	(152,527,120)	(155,302,558)
	129,208,834	126,433,396
4 Investments		
Listed Securities - available for sale	1,828,509	1,959,129
Unlisted Securities	72,219,861	72,219,861
	74,048,370	74,178,990
Preferance shares	1,828,740	1,828,740
Wholly owned subsidiary	250,000,000	250,000,000
	325,877,110	326,007,730

5 These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on October 29, 2015

Adil A Ghaffar	Zahid Bashir	Nadeem Maqbool
Chief Executive	Director	Director
Premier Financial Services (Private) Ltd.	Premier Financial Services (Private) Ltd.	Premier Financial Services (Private) Ltd.

EQUITY TEXTILES LIMITED

Wholly Owned Subsidiary of

First Equity Modaraba

quarterly report for the period ended

September 30, 2015

EQUITY TEXTILES LIMITED
BALANCE SHEET AS AT SETEMBER 30, 2015

	September 2015 Rupees	Audited June 2015 Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment		
Operating fixed assets	1,193,903,926	1,208,537,809
Capital work in progress	2,755,659	-
	1,196,659,585	1,208,537,809
CURRENT ASSETS		
Stores and spares	27,084,097	29,440,537
Stock in trade	232,144,252	214,722,397
Short term investment	33,888,753	26,928,737
Trade debts	126,164,464	93,542,674
Loans and advances	50,393,292	37,746,557
Trade deposits and short term prepayments	17,306,968	8,140,588
Other receivables	718,902	1,700,000
Tax refund due from government	20,398,711	16,372,566
Taxation - net	922,562	7,774,788
Cash and bank balances	8,379,843	11,344,598
	517,401,844	447,713,442
TOTAL ASSETS	1,714,061,429	1,656,251,251
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
25,000,000 shares of Rs. 10/- each	250,000,000	250,000,000
Issued, subscribed and paid-up share capital	250,000,000	250,000,000
Unrealized loss on investments	11,860,352	5,847,331
Profit and loss account - adverse balance	73,793,991	55,161,421
	85,654,343	61,008,752
	335,654,343	311,008,752
Surplus on revaluation of fixed assets	386,349,767	396,256,172
NON CURRENT LIABILITIES		
Long term financing	421,622,538	439,104,584
Long term Markup	19,537,448	25,537,448
Deferred taxation	190,684,842	200,753,466
	631,844,828	665,395,498
CURRENT LIABILITIES		
Trade and other payables	202,420,433	151,773,850
Accrued Markup	20,231,881	19,722,294
Short term borrowings	43,631,993	18,166,501
Current portion of long term liabilities	93,928,184	93,928,184
	360,212,491	283,590,829
TOTAL EQUITY AND LIABILITIES	1,714,061,429	1,656,251,251

CHIEF EXECUTIVE **DIRECTOR**

EQUITY TEXTILES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	September 2015 Rupees	September 2014 Rupees
Sales	417,565,902	538,220,406
Cost of Sales	(392,429,704)	(496,834,353)
Gross profit	25,136,198	41,386,053
Administrative and general expenses	(4,800,605)	(3,394,994)
Distribution and selling expenses	(4,232,979)	(4,502,814)
Operating profit	16,102,614	33,488,245
Financial charges	(13,515,277)	(19,927,816)
Other charges	(196,555)	(979,081)
	(13,711,832)	(20,906,897)
	2,390,782	12,581,348
Other income	261,286	629,151
Profit before taxation	2,652,068	13,210,499
Provision for taxation		
Current	(3,994,527)	(3,010,465)
Deferred	10,068,624	15,718,036
	6,074,097	12,707,571
Profit after taxation	8,726,165	25,918,070
Earning per share - basic and diluted	0.3490	1.0367

CHIEF EXECUTIVE **DIRECTOR**