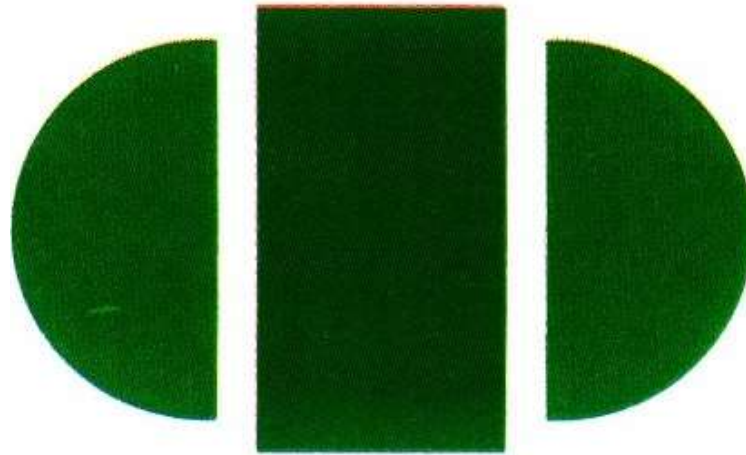


Quarterly Report
For the period ended
September 30, 2018



FIRST EQUITY MODARABA

Managed by :
PREMIER FINANCIAL SERVICES (PVT) LTD



FIRST EQUITY MODARABA

CORPORATE INFORMATION

Modaraba Company : PREMIER FINANCIAL SERVICES (PVT) LTD

BOARD OF DIRECTORS

Mr Zahid Bashir

Mr Nadeem Maqbool

Mr Qaiser Magoon

Mr Adil A Ghaffar - Chief Executive Officer

AUDIT COMMITTEE

Mr Qaiser Magoon

Mr Zahid Bashir

Mr Nadeem Maqbool

HUNAM RESOURCE COMMITTEE

Mr Zahid Bashir

Mr Qaiser Magoon

Mr Adil A Ghaffar

REGISTERED AND BUSINESS ADDRESS

B-1004 Lakson Square Building # 3
Sarwar Shaheed Road
Karachi

Tel : 021-35672815-18

Fax : 021-35686116

e-mail: info@firstequitymodaraba.com.pk

website: firstequitymodaraba.com.pk

Room No 503-504

Karachi Stock Exchange Building

Karachi

Tel : 021-32446020-3

Fax : 021-32446024

Contents

Corporate information	1
Report of the Directors	2
Balance sheet	3
Profit and loss account	5
Statement of comprehensive income	6
Cash flow statement	7
Statement of changes in equity	8
Notes to the financial statements	9
Equity Textile Ltd-Balance Sheet	11
Equity Textile Ltd-Profit & Loss A/c	12

**FIRST EQUITY MODARABA
DIRECTORS REPORT**

The Directors of Premier Financial Services (Pvt) Ltd, the management company of FIRST EQUITY MODARABA, present their report and the un-audited financial statements of the Modaraba for the three months ended September 30, 2018.

Financial Results

Profit for the quarter ended September 30, 2018 declined to Rs 0.129 million as against 0.898 million, for the same period last year, due to continuous uncertainty in the capital market which resulted in low brokerage commission and capital gains.

The earning per certificate as at September 30, 2018 was Rupees 0.002 while the earnings for the same period last year was Rupees 0.017. The Breakup value as of September 30 2018 was Rupees 11.56 per certificate.

Prospects

We anticipate that once the political and economic indecisiveness is settled, the capital market will again show a bullish trend. Our last year's annual report expressed our view on the state of economy, trade, finance and industry.

For and on behalf of Board

Karachi
October 24, 2018

Adil A Ghaffar
Chief Executive Officer

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SETEMBER 30, 2018

	Note	September 2018 Rupees	Audited June 30, 2018 Rupees
EQUITY AND LIABILITIES			
Capital and reserves			
Certificate capital			
Authorised capital			
60,000,000 (June 30, 2018: 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	126,778,973	126,650,284
Remeasurement of define benefit liability - Actuarial gain		(103,364)	(103,364)
Unrealized loss on re-measurement of investments		(44,685,663)	(37,022,035)
Certificate holders' equity		606,389,946	613,924,885
Non-current liabilities			
Deferred liabilities		4,121,554	4,045,679
Security Deposit		200,000	200,000
Total non-current liabilities		4,321,554	4,245,679
Current liabilities			
Creditors, accrued and other liabilities		10,201,826	12,082,573
Unclaimed profit distributions		29,602,994	29,641,941
Total current liabilities		39,804,820	41,724,514
Total liabilities		44,126,374	45,970,193
Contingencies & Commitments			
Total equity and liabilities		650,516,320	659,895,078

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SETEMBER 30, 2018

	Note	September 2018 Rupees	Audited June 30, 2018 Rupees
Non - current assets			
Fixed assets			
- tangible		8,711,120	6,339,731
- intangible		-	-
Investment property		1,591,667	1,591,667
Investments	4	392,999,771	392,999,771
Advances		2,510,000	2,510,000
Deposits		1,750,000	1,750,000
Total non-current assets		407,562,558	405,191,169
Current assets			
Morabaha / musharaka receivables - secured		140,497,312	136,668,098
Short term investments		53,225,756	60,889,384
Advances		9,275,598	11,730,871
Trade deposits and prepayments		15,314,136	15,389,769
Other receivables		19,241,852	18,399,762
Cash and bank balances		5,399,108	11,626,025
Total current assets		242,953,762	254,703,909
Total assets		650,516,320	659,895,078

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.

Director
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SETEMBER 30, 2018

	September 2018 Rupees	September 2017 Rupees
<i>Income</i>	5,513,686	5,770,740
<i>Expenditure</i>		
Operating expenses	(5,392,676)	(4,904,202)
Bank charges	(4,831)	(5,050)
	(5,397,507)	(4,909,252)
	116,179	861,488
Other income	12,510	36,616
<i>Profit for the period</i>	128,689	898,104
Earnings per certificate	0.002	0.017

Adil A Ghaffar
Chief Executive
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

**FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	September 2018 Rupees	September 2017 Rupees
Profit for the period	128,689	898,104
Other comprehensive income		
<hr/>		
Unrealized gain / (loss) on re-measurement of investments	(7,663,628)	(11,450,211)
Gain/(loss) realized on disposal of investments	-	-
	<hr/> (7,663,628)	<hr/> (11,450,211)
Taxation relating to component of other comprehensive income	-	-
<hr/>		
Other comprehensive income	(7,663,628)	(11,450,211)
<hr/>		
Total comprehensive income	(7,534,939)	(10,552,107)

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) Limited

Director
Premier Financial
Services (Private) Limited

Director
Premier Financial
Services (Private) Limited

FIRST EQUITY MODARABA

CONDENSED INTERIM STATEMENT OF CASH FLOWS STATEMENTS(UN-AUDITED)

FOR THE QUARTER ENDED SETEMBER 30, 2018

	September 2018 Rupees	September 2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	128,689	898,104
Adjustments for non cash/non operating items:		
Depreciation	392,248	256,314
Provision for gratuity	75,875	57,500
Dividend income	(739,831)	(990,950)
	(271,708)	(677,136)
Operating profit before working capital changes	(143,019)	220,968
Increase in current assets		
Morabaha / musharaka receivables	(3,829,214)	(3,874,585)
Advances	2,455,272	(401,372)
Trade deposits and prepayments	75,633	(297,625)
Other receivables	(842,090)	1,894,621
	(2,140,399)	(2,678,961)
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	(1,880,748)	(23,986,944)
Dividend paid	(38,947)	(1,998)
	(1,919,695)	(23,988,942)
Net cash used in operating activities	(4,203,113)	(26,446,935)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments	-	(3,389,416)
Dividends received	739,831	942,551
Tangible assets	(2,763,634)	(55,000)
Net cash generated (used in)/from investing activities	(2,023,803)	(2,501,865)
Net increase / (decrease) in cash and bank equivalents	(6,226,916)	(28,948,800)
Cash and bank equivalents at the beginning of the period	11,626,025	41,394,743
Cash and bank equivalents at the end of the period	5,399,108	12,445,943

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.

Director
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018

Page 8

	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, 2017	524,400,000	161,050,000	131,100,000	27,120,000	(30,617,609)	594,518	(156,962,868)	656,684,041
Total comprehensive income for the period	-	-	-	-	(6,404,426)	(697,882)	(4,192,848)	(11,295,156)
Profit distribution							(31,464,000)	(31,464,000)
Statutory reserves							-	-
Balance as at June 30, 2018	524,400,000	161,050,000	131,100,000	27,120,000	(37,022,035)	(103,364)	(192,619,716)	613,924,885
Total comprehensive income for the period	-	-	-	-	(7,663,628)		128,689	(7,534,939)
Balance as at September 30, 2018	524,400,000	161,050,000	131,100,000	27,120,000	(44,685,663)	(103,364)	(192,491,027)	606,389,946

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.

Director
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SETEMBER 30, 2018

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 Pakistan Stock Exchanges.

The Modaraba is a holding two Trading Right Entitlement certificate of Pakistan Stock Exchanges Ltd and is currently operating its brokerage activities at Karachi.

The modaraba is holding Equity Textiles Ltd. Apex Financial Services (Pvt) Ltd and Capital Financial Services (Pvt) 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, 2018
- 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 2018 Rupees	June 2018 Rupees
3 Reserves		
Capital reserve	292,150,000	292,150,000
Revenue reserve	(165,371,027)	(165,499,716)
	<u>126,778,973</u>	<u>126,650,284</u>

4 Investments

Listed Securities - available for sale	10,853,740	10,853,740
Unlisted Securities	32,146,031	32,146,031
	<u>42,999,771</u>	<u>42,999,771</u>
Wholly owned subsidiary	350,000,000	350,000,000
	<u>392,999,771</u>	<u>392,999,771</u>

- 5 These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on October 24, 2018

Adil A Ghaffar
Chief Executive
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

EQUITY TEXTILES LIMITED

Wholly Owned Subsidiary of

First Equity Modaraba

quarterly report for the period ended
September 30, 2018

EQUITY TEXTILES LIMITED
BALANCE SHEET AS AT SETEMBER 30, 2018

	September 2018 Rupees	Audited June 2018 Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment		
Operating fixed assets	1,231,190,666	1,260,320,312
Long Term Deposits	245,900	245,900
	1,231,436,566	1,260,566,212
CURRENT ASSETS		
Stores and spares	31,893,195	30,889,410
Stock in trade	239,417,601	339,488,014
Short term investment	12,529,628	12,243,055
Trade debts	123,715,255	113,875,395
Loans and advances	32,499,728	40,762,683
Trade deposits and short term prepayments	61,659,947	55,799,731
Other receivables	95,314	1,893,599
Tax refund due from government	69,523,876	64,472,945
Taxation - net	(5,196,031)	1,472,776
Cash and bank balances	4,880,923	3,487,971
	571,019,436	664,385,579
TOTAL ASSETS	<u>1,802,456,002</u>	<u>1,924,951,792</u>
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 Gain on investments	286,573	-
Profit and loss account	63,699,711	30,775,971
	63,986,284	30,775,971
	313,986,284	280,775,971
Surplus on revaluation of fixed assets	438,345,553	449,747,605
NON CURRENT LIABILITIES		
Long term financing	117,477,298	159,421,164
Liabilities against subject to finance lease	789,706	985,501
Deferred taxation	190,803,392	185,148,457
	309,070,396	345,555,122
CURRENT LIABILITIES		
Trade and other payables	485,322,636	456,823,631
Accrued Markup	34,702,006	35,844,919
Short term borrowings	57,816,972	195,580,393
Current portion of long term liabilities	163,212,154	160,624,151
	741,053,768	848,873,094
TOTAL EQUITY AND LIABILITIES	<u>1,802,456,002</u>	<u>1,924,951,792</u>

CHIEF EXECUTIVE

DIRECTOR

EQUITY TEXTILES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	September 2018 Rupees	September 2017 Rupees
Sales	819,349,655	675,144,393
Cost of Sales	(752,384,028)	(669,866,554)
Gross profit	<u>66,965,627</u>	<u>5,277,839</u>
Administrative and general expenses	(6,698,367)	(6,281,067)
Distribution and selling expenses	(6,033,954)	(5,085,896)
Operating profit	<u>54,233,306</u>	<u>(6,089,124)</u>
Financial charges	<u>(11,741,186)</u>	<u>(13,881,905)</u>
Other charges	<u>(2,978,484)</u>	<u>-</u>
	<u>(14,719,670)</u>	<u>(13,881,905)</u>
	39,513,636	(19,971,029)
Other income	<u>674,311</u>	<u>143,958</u>
Profit before taxation	<u>40,187,947</u>	<u>(19,827,071)</u>
Provision for taxation		
Current	<u>(13,011,324)</u>	<u>(5,799,727)</u>
Deferred	<u>(5,654,935)</u>	<u>1,155,590</u>
	<u>(18,666,259)</u>	<u>(4,644,137)</u>
Profit after taxation	<u><u>21,521,688</u></u>	<u><u>(24,471,208)</u></u>
Earning per share - basic and diluted	<u><u>0.861</u></u>	<u><u>(0.979)</u></u>

CHIEF EXECUTIVE

DIRECTOR

www.jamapunji.pk

 **Jama
Punji**








سرمایہ کاری سمجھداری کے ساتھ










**Be aware, Be alert,
Be safe**

Learn about investing at
www.jamapunji.pk

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered

-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event
notifications, corporate and
regulatory actions)
-  Jamapunji application for
mobile device
-  Online Quizzes



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

 jamapunji.pk

 [@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices

فرسٹ ایکویٹی مضاربہ ڈائریکٹرز رپورٹ

فرسٹ ایکویٹی مضاربہ کی انتظامی کمپنی پریمیر فنانشل سروسز (پرائیویٹ) لمیٹڈ، فرسٹ ایکویٹی مضاربہ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 ستمبر 2018 کو ختم ہونے والی سہ ماہی کیلئے اپنی رپورٹ بشمول غیر آڈٹ شدہ مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالیاتی نتائج:

30 ستمبر 2018 کو ختم ہونے والی سہ ماہی میں مبلغ 0.129 ملین روپے کا منافع حاصل کیا جس کا موازنہ گزشتہ سال کی اسی مدت کے منافع 0.898 ملین روپے سے کیا جاسکتا ہے۔ یہ کمپنیل مارکیٹ میں غیر یقینی صورتحال کی وجہ سے ہوا جس کے نتیجے میں بروکریج کمیشن میں کمی اور سرمایہ میں اضافہ ہوا۔

30 ستمبر 2018 کو فی سرٹیفکیٹ مبلغ 0.002 روپے آمدنی ہوئی جبکہ گزشتہ سال اسی مدت کو مبلغ 0.017 روپے آمدنی حاصل ہوئی تھی۔ 30 ستمبر 2018 کو بریک اپ دلیویبل 11.56 روپے فی سرٹیفکیٹ تھی۔

اظہار تشکر:

ہم امید کرتے ہیں کہ سیاسی اور اقتصادی غیر یقینی صورتحال کے باوجود کمپنیل مارکیٹ میں دوبارہ تیزی کا رجحان دکھائی دے گا۔ ہم نے آخری سالانہ رپورٹ میں اپنی معاشی، تجارتی، مالی اور صنعتی حالت پر اظہار خیال کیا تھا۔

بورڈ کی طرف سے

کراچی
24 اکتوبر 2018ء

عادل اے غفار
چیف ایگزیکٹو آفیسر