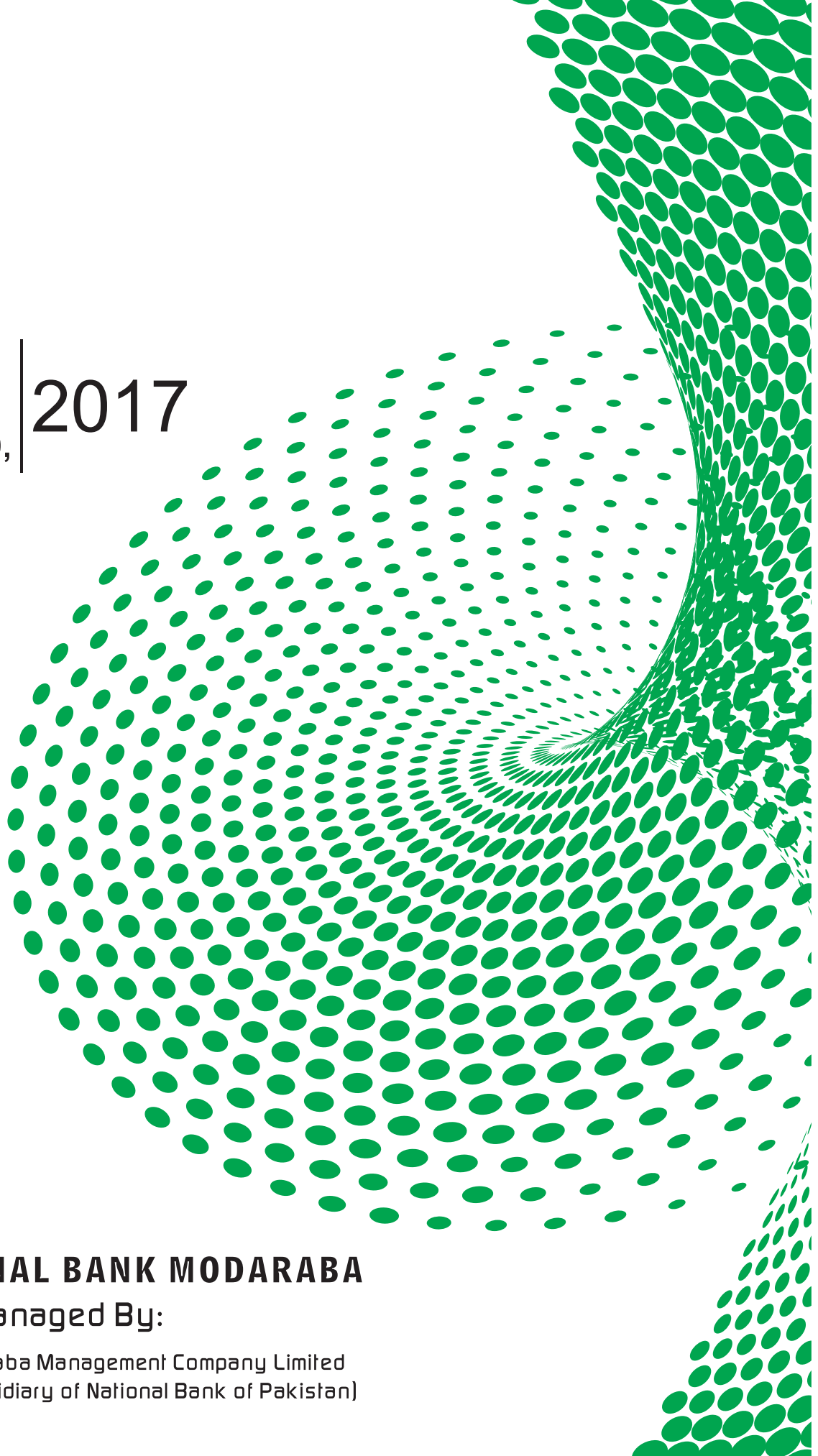




QUARTERLY
REPORT
SEPTEMBER 30,

2017



FIRST NATIONAL BANK MODARABA

Managed By:

National Bank Modaraba Management Company Limited
(A wholly owned subsidiary of National Bank of Pakistan)

First National Bank Modaraba

Quarterly Report
September 30, 2017

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First National Bank Modaraba

CORPORATE INFORMATION

Board of Directors*	Mr. Rehman Ali Hasnie Khawaja Waheed Raza Mr. Jamal Nasim Mr. Muhammad Iqbal Hussain Mr. Aamir Amin Mr. Abbas Azam	Chairman Director Director Director Chief Executive Officer
Shari'ah Advisor	Mufti Ehsan Waqar Ahmed	
Chief Financial Officer/ Company Secretary	Mr. Ali Abbass	
Audit Committee	Mr. Jamal Nasim Khawaja Waheed Raza Mr. Aamir Amin	Chairman Member Member
HR & Remuneration Committee	Khawaja Waheed Raza Mr. Muhammad Iqbal Hussain Mr. Aamir Amin	Chairman Member Member
Shares Registrar	Hameed Majeed Associates (Pvt.) Limited H. M. House, 7 - Bank Square, Lahore Tel: 37235081-2, Fax: 37358817	
Auditors	Riaz Ahmad & Company Chartered Accountants	
Legal Advisor	Cornelius Lane & Mufti Advocates and Solicitors Nawa-i-Waqt House, 4-Shahrah-e-Fatima Jinnah, Lahore Tel.: 36360824, Fax: 36303301	
Bankers	National Bank of Pakistan Bank Alfalah Limited Al Baraka Islamic Bank Habib Bank Limited Allied Bank Limited MCB Bank Limited First Women Bank Limited Bank Islami Pakistan Limited United Bank Limited	
Registered Office	Ground Floor, NBP RHQs Building, 26-McLagon Road, Lahore Tel: 042-99211200, Fax: 042-99213247 URL: http://www.nbmodaraba.com E-mail: info@nbmodaraba.com	

* Mr. Jamal Baqar has been appointed as nominee director of NBP. Approval of the Registrar Modarabas in this regard has been subsequently received on October 26, 2017.

Directors' Review Report

On behalf of the Board of Directors of National Bank Modaraba Management Company Limited (NBMCL), the Management Company of First National Bank Modaraba (FNBM), I am pleased to present the quarterly report, together with unaudited financial statements of FNBM for the quarter ended September 30, 2017.

During the period under review the focus of management remained on recovery and various means were employed for this purpose that included filing legal suits, negotiation for settlement etc. The efforts bore fruit and during the period there has been a reversal in provisioning amounting to Rs. 6.4 Million on account of recovery against settlement of an old classified account.

On the operations side the Modaraba generated total income of Rs. 23 Millions in the quarter under review as compared to Rs. 53 Million in the corresponding period last year. This reduction was in line with the reduction of the portfolio size due to realization of receivables and settlements of liabilities. On the expenses side the financial charges stood at Rs. 4.4 Million compared to Rs. 8.4 Million in the corresponding quarter last year because of repayment of bank borrowings. The operating expenses were kept under check and they stood at Rs. 4.1 Million as against Rs. 3.7 Million in the corresponding period. However the slight increase was mainly due to necessary expenses of non-recurrent nature. As a result of aforesaid the earnings per certificate stood at Rs. 0.24 as compared to loss per certificate of (Rs. 0.53) in the corresponding quarter.

The Board would like to take this opportunity to thank its valued certificate holders and clients for their trust and support. Besides, the Board extends its sincere gratitude to Registrar Modarabas, SECP and NBF & Modaraba Association of Pakistan for their continued guidance and support.

For and on behalf of the Board



Chief Executive Officer

Lahore: October 26, 2017

ڈائریکٹرز جائزہ رپورٹ

مجھے بورڈ آف ڈائریکٹرز، نیشنل بینک مضاربہ مینجمنٹ کمپنی، منظم، فرسٹ نیشنل بینک مضاربہ کی جانب سے سہ ماہی 30 ستمبر 2017 کی رپورٹ، اس کے غیر احتساب شدہ مالیاتی گوشورے کے ساتھ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

زیر جائزہ سہ ماہی کے دوران انتظامیہ کی بنیادی توجہ وصولی پر مرکوز رہی۔ اس مقصد کے حصول کے لیے مختلف حربے بشمول گفت و شنید، تشکیل نو / تصفیہ و قانونی و عدالتی کارروائی وغیرہ بروئے کار لائے گئے۔ دوران مدت کاوشیں رنگ لائیں اور پرانے کلاسیفائیڈ اکاؤنٹس پر 6.4 ملین کی پرویزن کی رپورٹس ہوئی۔ مضاربہ کو گزشتہ سال اسی مدت کے دوران 53 ملین کے مقابلے میں زیر جائزہ سہ ماہی میں 23 ملین کی آمدنی ہوئی اس کی وجہ پورٹ فولیو کے سائز میں کمی تھی۔ خرچہ جات مالی اخراجات کی مد میں گزشتہ سہ ماہی سال 8.4 ملین کے مقابلے میں دوران سہ ماہی میں 4.4 ملین رہا۔ جس کی وجہ بینک قرضہ میں کمی ہے۔ گزشتہ سال سہ ماہی 3.7 ملین انتظامی اخراجات کے مقابلے میں حالیہ سہ ماہی میں 4.1 ملین رہے۔ گزشتہ سال سہ ماہی خسارہ فی سرٹیفکیٹ 0.53 کے مقابلے میں سہ ماہی میں فی سرٹیفکیٹ منافع 0.24 رہا۔

بورڈ اس موقع پر اپنے معزز سرٹیفکیٹ ہولڈرز کا، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کا، پاکستان اسٹاک ایکسچینج لیمیٹڈ کا اور مضاربہ ایسوسی ایشن آف پاکستان کا ان کی مسلسل حمایت، رہنمائی اور سرپرستی کے لیے شکریہ ادا کرنا چاہتا ہے۔ ہمارے سرٹیفکیٹ ہولڈرز کا ان کے اعتماد اور بھروسے کے لیے خصوصی شکریہ۔

منجانب بورڈ (کے لئے)



چیف ایگزیکٹو آفیسر

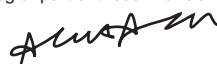
لاہور: 26 اکتوبر، 2017

Quarterly Report-September 30, 2017

CONDENSED INTERIM BALANCE SHEET (UNAUDITED) AS AT SEPTEMBER 30, 2017

	NOTE	Un-audited September 2017 Rupees	audited June 2017 Rupees
ASSETS			
CURRENT ASSETS			
Bank balances	3	17,054,739	49,707,521
Short term murabaha investments - secured	4	19,216,842	19,216,842
Short term Musharaka - unsecured	5	50,000,000	-
Accrued profit		663,870	388,493
Ijarah rentals receivable		62,159,696	69,947,032
Advances, prepayments and other receivables		3,714,756	3,843,324
Current portion of non-current assets	6	86,656,440	103,049,027
		<u>239,466,344</u>	<u>246,152,239</u>
NON-CURRENT ASSETS			
Net investment in ijarah finance	7	1,251,514	1,651,514
Diminishing musharaka financing - secured		5,197,192	10,497,347
Long term murabaha investments - secured	8	1,629,081	1,725,105
Long term loans and deposits		740,566	1,000,882
Ijarah assets		213,231,025	247,443,653
Fixed assets - own use		7,224	7,732
		<u>222,056,602</u>	<u>262,326,233</u>
TOTAL ASSETS		<u>461,522,946</u>	<u>508,478,472</u>
LIABILITIES			
CURRENT LIABILITIES			
Accrued profit		2,100,000	2,094,045
Deferred murabaha income		2,654,776	2,654,776
Short term finances - secured	9	183,256,754	201,634,754
Creditors, accrued and other liabilities		25,619,971	27,265,399
Current portion of non-current liabilities	10	172,897,101	195,897,100
		<u>386,528,602</u>	<u>429,546,074</u>
NON-CURRENT LIABILITIES			
Security deposits against ijarah assets		19,976,015	21,500,787
Long term finances - secured		8,333,336	16,666,670
Deferred murabaha income		24,431,871	24,431,871
		<u>52,741,222</u>	<u>62,599,328</u>
TOTAL LIABILITIES		<u>439,269,824</u>	<u>492,145,402</u>
NET ASSETS		<u>22,253,122</u>	<u>16,333,070</u>
FINANCED BY			
Certificate capital		250,000,000	250,000,000
Reserves		(227,746,878)	(233,666,930)
TOTAL EQUITY AND RESERVES		<u>22,253,122</u>	<u>16,333,070</u>
CONTINGENCIES AND COMMITMENTS	14		

The annexed notes 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

Lahore: October 26, 2017

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2017

		(Un-audited) SEP 30 2017 Rupees	(Un-audited) SEP 30 2016 Rupees
	NOTE		
OPERATING REVENUE			
Income from lease/ ijarah		21,526,100	49,701,374
Profit on morabaha investment		-	1,223,490
Profit on musharaka investment		43,056	
Profit on diminishing musharaka investment		688,561	1,356,382
Profit on bank deposits		418,621	152,949
Gain on sale fixed asset		261,991	1,323,297
Other income		10,000	31,610
		22,948,328	53,789,102
OPERATING EXPENSES			
Depreciation on ijarah assets		14,160,767	39,736,806
Operating expenses	14	4,115,428	3,758,526
Financial charges		4,486,855	8,436,770
		<u>22,763,050</u>	<u>51,932,102</u>
		185,278	1,857,000
OPERATING PROFIT / (LOSS) BEFORE PROVISION AND TAXATION			
Reversal of provision charged on non-performing receivables		(6,392,557)	15,150,032
		<u>6,577,835</u>	<u>(13,293,032)</u>
Modaraba Company's Management Fee		657,784	-
PROFIT / LOSS BEFORE TAXATION		5,920,052	(13,293,032)
Taxation			
PROFIT / LOSS AFTER TAXATION		5,920,052	(13,293,032)
EARNINGS PER CERTIFICATE - BASIC AND DILUTED		<u>0.24</u>	<u>(0.53)</u>

The annexed notes form an integral part of these financial statements



Chief Executive Officer
National Bank Modaraba
Management Company Limited

Lahore: October 26, 2017



Director
National Bank Modaraba
Management Company Limited



Director
National Bank Modaraba
Management Company Limited

Quarterly Report-September 30, 2017

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2017

	2017 Rupees	2016 Rupees
LOSS AFTER TAXATION	5,920,052	(13,293,032)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>5,920,052</u>	<u>(13,293,032)</u>

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



Chief Executive Officer
National Bank Modaraba
Management Company Limited

Lahore: October 26, 2017



Director
National Bank Modaraba
Management Company Limited



Director
National Bank Modaraba
Management Company Limited

First National Bank Modaraba

CASH FLOW STATEMENT (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2017

	NOTE	2017 Rupees	2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		5,920,052	(13,293,032)
Adjustments for non cash charges and other items			
Depreciation / amortization		14,160,767	39,759,234
Provision charged for non-performing receivables		(6,392,557)	15,150,032
Gain on disposal of ijarah assets		(261,991)	(1,323,297)
Finance cost		4,486,855	8,436,770
Profit on bank deposits		(418,621)	(152,949)
		11,574,453	61,869,790
Working capital changes			
(Increase) / decrease in operating assets			
Accrued profit		(232,321)	(889,824)
Ijarah rentals receivable		8,069,089	14,190,160
Advances, prepayments and other receivables		3,272,970	(11,743,127)
Profit on Musharaka		(43,056)	-
Investment in Ijarah Finance		24,144,125	-
Short term musharaka investments		(50,000,000)	-
Short term murabaha investments		-	2,600,000
Long term murabaha investments		1,503,680	1,221,149
		(13,285,512)	5,378,358
(Decrease) / increase in operating liabilities			
Creditors, accrued and other liabilities		(1,645,428)	1,702,038
Long term security deposits - net		(24,524,772)	(961,526)
		(26,170,200)	740,512
		(39,455,712)	6,118,870
Cash generated from operations		(21,961,207)	54,695,628
Finance cost paid		(4,480,900)	(8,995,696)
Income taxes paid		-	504,167
Profit received on bank deposits		186,299	152,949
Net cash generated from operating activities		(26,255,808)	46,357,048
CASH FLOW FROM INVESTING ACTIVITIES			
Ijarah assets acquired		-	-
Fixed assets - own use acquired		-	(22,428)
Proceeds from disposal of ijarah assets		20,314,360	2,356,204
Net cash used in investing activities		20,314,360	2,333,776
CASH FLOW FROM FINANCING ACTIVITIES			
Short term finances		(18,378,000)	(25,049,000)
Short term certificates of musharaka		-	-
Long term finances - net		(8,333,334)	-
Net cash used in financing activities		(26,711,334)	(25,049,000)
Net increase in cash and cash equivalents		(32,652,782)	23,641,824
Cash and cash equivalents at the beginning of the period		49,707,521	14,743,528
Cash and cash equivalents at the end of the year	3	17,054,739	38,385,352

The annexed notes 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

Lahore: October 26, 2017

Quarterly Report-September 30, 2017

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2017

	Certificate capital	Reserve			Total equity
		Statutory reserve	Accumulated Loss	Total	
Rupees					
Balance as at June 30, 2016	250,000,000	43,955,189	(206,262,437)	(162,307,248)	87,692,752
Profit/(Loss) for the period	-	-	(13,293,032)	(13,293,032)	
Balance as at September 30, 2016	250,000,000	43,955,189	(219,555,469)	(175,600,280)	74,399,720
Profit/(Loss) for the period	-	-	(58,066,650)	(58,066,650)	
Balance as at June 30, 2017	250,000,000	43,955,189	(277,622,119)	(233,666,930)	16,333,070
Profit/(Loss) for the period ended	-	-	5,920,052	5,920,052	
Balance as at September 30, 2017	250,000,000	43,955,189	(271,702,067)	(227,746,878)	22,253,122

The annexed notes form an integral part of these financial statements

Lahore: October 26, 2017



Chief Executive Officer
 National Bank Modaraba
 Management Company Limited



Director
 National Bank Modaraba
 Management Company Limited



Director
 National Bank Modaraba
 Management Company Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2017

1 LEGAL STATUS AND NATURE OF BUSINESS

First National Bank Modaraba ("the Modaraba") is a multi-purpose, perpetual and multi-dimensional Modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and Rules framed thereunder. The Modaraba is managed by National Bank Modaraba Management Company Limited (a wholly owned subsidiary of National Bank of Pakistan), incorporated in Pakistan under the Companies Ordinance, 1984 and registered with the Registrar of Modaraba Companies. The registered office of the Modaraba is situated at 5th Floor, National Bank of Pakistan, Regional Headquarters Building, 26-Mc Lagon Road, Lahore.

The Modaraba is listed on Pakistan stock exchange. It commenced its operations on 04 December 2003 and is currently engaged in various Islamic modes of financing and operations including ijarah, musharaka and murabaha arrangements.

1.1 Going concern assumption

During the period, the Modaraba made an operating profit of Rupees 0.185 million, however, while the reversal of provision charged against classified assets, the Modaraba reported an overall profit of Rupees 5.920 million reducing the accumulated loss to Rupees 271.702 million which however still exceeds the total amount subscribed by the holders of modaraba certificates. This may attract the provisions of section 23 of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

These factors have raised uncertainties that the Modaraba may not be able to continue as a going concern. Therefore, these financial statements have been prepared on the basis of estimated realisable / settlement values of assets and liabilities respectively.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Modaraba for the year ended 30 June 2017.

2.1 Basis of Preparation

a) Statement of compliance

This condensed interim financial information is un-audited and is being submitted to the certificate holders as required under Rule 10 of the Modaraba Companies and Modaraba Rules, 1981. This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Islamic Financial Accounting Standards (IFAS), the Modaraba Companies and Modaraba Rules, 1981 and directives issued by SECP differ with the requirements of IFRS, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Islamic Financial Accounting Standards (IFAS), the Modaraba Companies and Modaraba Rules, 1981 or the directives issued by SECP shall prevail.

This condensed interim financial information has been prepared in accordance with the International Accounting Standard (IAS 34) "Interim Financial Reporting" as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). This condensed interim financial information does not include all information and disclosures made in the annual published financial statements and therefore should be read in conjunction with the audited annual published financial statements of the Modaraba for the year ended 30 June 2017.

b) Accounting convention

These financial statements have been prepared using the non-going concern basis of accounting on the basis of estimated realizable / settlement values of the assets and liabilities respectively. In realizable / settlement value basis, assets are carried at amount of cash and cash equivalents that could currently be obtained by selling the assets in an orderly disposal. Liabilities are

Quarterly Report-September 30, 2017

carried at their settlement values, that is the undiscounted amounts of cash or cash equivalents expected to be paid to satisfy the liabilities in the normal course of business. Previously, these financial statements were prepared under the historical cost convention, except for certain financial instruments which were carried at their fair value.

c) Critical accounting estimates and judgments

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Modaraba's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. During the preparation of this condensed interim financial information, the significant judgments made by the management in applying the Modaraba's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in preceding audited annual published financial statements of the Modaraba for the year ended 30 June 2017.

		Unaudited September 30 2017 Rupees	Audited June 30 2017 Rupees
3 CASH AND BANK BALANCES			
Cash in hand		22,345	-
Cash at banks:			
Current accounts		120,968	318,688
Saving accounts		16,911,426	49,388,833
		<u>17,054,739</u>	<u>49,707,521</u>
4 SHORT TERM MURABAHA INVESTMENTS - SECURED			
Considered good		-	-
Considered doubtful		244,025,025	244,025,025
		<u>244,025,025</u>	<u>244,025,025</u>
Add: Deferred / unearned murabaha income		2,654,776	2,654,776
		<u>246,679,801</u>	<u>246,679,801</u>
Less: Provision for non-performing murabaha investments		227,462,959	227,462,959
		<u>19,216,842</u>	<u>19,216,842</u>
5 SHORT TERM MUSHARAKA - UNSECURED			
Investment represents the amount placed with an Islamic Financial Institution for three months. Expected rate of return on the investment is 6.20% per annum.			
6 CURRENT PORTION OF NON-CURRENT ASSETS			
Net investment in ijarah finance	7	18,160,176	31,270,867
Diminishing musharaka financing		24,023,421	26,098,927
Long term murabaha investments	8	43,676,078	45,083,734
Long term receivables and deposits		796,765	595,499
		<u>86,656,440</u>	<u>103,049,027</u>
7 NET INVESTMENT IN IJARAH FINANCE			
Minimum ijarah rentals receivable		50,785,554	79,346,691
Residual value of ijarah assets		5,134,881	5,134,881
Gross investment in ijarah finance		<u>55,920,435</u>	<u>84,481,572</u>
Less: Unearned finance income		24,235,327	28,652,339
Net investment in lease ijarah finance		<u>31,685,108</u>	<u>55,829,233</u>
Less: Provision for doubtful net investment in ijarah finance		12,273,418	22,906,852
Current portion		<u>18,160,176</u>	<u>31,270,867</u>
		<u>1,251,514</u>	<u>1,651,514</u>

First National Bank Modaraba

	Unaudited September 30 2017 Rupees	Audited June 30 2017 Rupees
8 LONG TERM MURABAHA INVESTMENTS - SECURED		
Considered good	13,391,577	14,895,252
Considered doubtful	69,602,510	69,602,515
	<u>82,994,087</u>	<u>84,497,767</u>
Add: Deferred / unearned murabaha income	31,913,554	31,913,554
	<u>114,907,641</u>	<u>116,411,321</u>
Less: Provision for doubtful murabaha investments	69,602,482	69,602,482
Less: Current portion	43,676,078	45,083,734
	<u>1,629,081</u>	<u>1,725,105</u>
9 SHORT TERM FINANCES - SECURED		
From banking companies and financial institution - secured		
National Bank of Pakistan - associated undertaking	<u>183,256,754</u>	<u>201,634,754</u>
10 CURRENT PORTION OF NON-CURRENT LIABILITIES		
Security deposits against ijarah assets	132,082,085	155,082,085
Long term finances - secured	33,333,333	33,333,332
Deferred murabaha income	7,481,683	7,481,683
	<u>172,897,101</u>	<u>195,897,100</u>
11 LONG TERM FINANCES - SECURED		
From banking companies and financial institution - secured		
Demand finance from:		
National Bank of Pakistan - associated undertaking	41,666,669	50,000,002
Others	-	-
	<u>41,666,669</u>	<u>50,000,002</u>
Less: Current portion	33,333,333	33,333,332
	<u>8,333,336</u>	<u>16,666,670</u>
12 CERTIFICATE CAPITAL		
Authorised certificate capital		
60,000,000 (June 30, 2016: 60,000,000) modaraba certificates of Rupees 10 each	<u>600,000,000</u>	<u>600,000,000</u>
Issued, subscribed and paid-up certificate capital		
25,000,000 (June 30, 2017: 25,000,000) modaraba certificates of Rupees 10 each	<u>250,000,000</u>	<u>250,000,000</u>
12.1 7,500,000 (June 30, 2017: 7,500,000) certificates of the Modaraba are held by National Bank Modaraba Management Company Limited, the Management Company.		
13 CONTINGENCIES AND COMMITMENTS		
There were no known contingencies as at 30 September 2017.	<u>NIL</u>	<u>NIL</u>
Commitments - Facilities approved but not disbursed	<u>-</u>	<u>-</u>

Quarterly Report-September 30, 2017

	Unaudited September 30 2017	Audited September 30 2016
14 OPERATING EXPENSES		
Salaries, allowances and benefits	2,697,463	2,895,109
Communication expenses	59,290	73,793
Vehicle running expenses	29,788	39,977
Postage and stamps	2,736	17,760
Advertisement	93,761	6,000
Legal and professional charges	444,056	264,794
Fee and subscription	533,766	262,664
Repairs and maintenance	135,442	46,393
Insurance	25,000	12,748
Stationary, printing and other expenses	13,840	28,211
Depreciation-Owned assets	-	22,428
Entertainment	77,626	87,594
Other sundry expenses	2,660	1,055
	4,115,428	3,758,526

15 BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Detail of transactions with related parties and balances outstanding with them at the period / year end are as follows:

	Unaudited September 30 2017 Rupees	Audited June 30 2016 Rupees		
15.1 Balances outstanding at the period / year end				
Accounts with National Bank of Pakistan	773,157	295,938		
Finances form National Bank of Pakistan	224,923,423	251,634,756		
	Unaudited September 30 2017 Rupees	Unaudited September 30 2017 Rupees		
15.2 Transactions during the period				
Related party	Relationship	Nature of Transaction		
National Bank of Pakistan	Modaraba Management Company's holding	Musharaka repaid - net Ijarah rentals received Profit accrued Profit paid	26,711,334 3,146,011 4,486,855 4,480,900	- 3,154,429 6,187,840 6,087,840
National Bank Modaraba Management Company Limited	Management Company	Fee Accrued	657,784	-

15.3 Modaraba Management Company Fee

In accordance with Section 18 of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, management fee @ 10% of annual profits is paid to the Modaraba Management Company.

16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements (un audited) have been approved by the Board of Directors of National Bank Modaraba Management Company Limited and authorized for issue on October 26, 2017.

17 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. However, no significant reclassification has been made.

18 GENERAL

- Corresponding figures have been re-arranged / reorganised, wherever necessary, for better presentation of these condensed interim 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

Lahore: October 26, 2017

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