

**FIRST PARAMOUNT MODARABA
BALANCE SHEET
AS AT JUNE 30, 2005**

		<i>2005</i>	<i>2004</i>			<i>2005</i>	<i>2004</i>
	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>		<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
CAPITAL AND RESERVES				FIXED ASSETS-TANGIBLE			
Authorised				Operating assets			
				(at cost less accumulated depreciation)	8	19,790,319	19,795,301
25,000,000 (2004: 15,000,000)				Capital work-in-progress	9	914,099	325,000
Modaraba Certificates of Rs.10/- each		<u>250,000,000</u>	<u>150,000,000</u>				
Issued, subscribed and paid up	3	58,633,330	50,000,000				
Reserves	4			LONG-TERM MORABAHA FINANCE			
Statutory Reserve		11,272,185	9,326,514	10	23,542,166	23,695,030	
Capital Reserve		1,935,160	-				
Unappropriated profit		8,090,052	307,368				
		<u>79,930,727</u>	<u>59,633,882</u>				
LONG-TERM MORABAHA FINANCE	5	6,271,367	12,224,315	LONG-TERM DEPOSITS		2,364,700	1,006,500
DEFERRED LIABILITIES							
Security Deposits		183,346	-				
Staff gratuity		441,296	364,238				
CURRENT LIABILITIES				CURRENT ASSETS			
Trade and Other payables	6	5,501,487	5,902,839	Current portion of long-term Morabaha finance		31,964,320	29,870,951
Current Portion of Long Term morabaha finance		9,609,251	12,492,943	Short Term Morabaha finance	11	6,671,154	13,517,190
Short Term morabaha finance	7	3,818,825	8,308,709	Trade Debtors	12	2,433,443	4,064,852
Payable to modaraba management company		1,089,428	810,311	Trading stock	13	1,246,765	1,849,844
Unclaimed dividend		1,548,507	1,390,130	Advances, prepayments and Other receivables	14	5,886,608	4,033,099
Proposed dividend		-	6,250,000	Cash and bank balances	15	13,580,660	9,219,600
		<u>21,567,498</u>	<u>35,154,932</u>			<u>61,782,950</u>	<u>62,555,536</u>
		<u>108,394,234</u>	<u>107,377,367</u>			<u>108,394,234</u>	<u>107,377,367</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

FIRST PARAMOUNT MODARABA
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2005

	<i>Note</i>	<i>2005 Rupees</i>	<i>2004 Rupees</i>
REVENUE			
Profit on morabaha finance		11,441,389	9,402,129
Profit on consumer morabaha finance		-	1,433,736
Profit on musharika	16	6,946,865	2,954,637
Gain on non-interest based investment		55,928	223,690
Management fees		330,541	140,586
Dividend		-	75
Other Income		129,272	-
		18,903,995	14,154,853
EXPENSES			
Operating expenses	17	5,017,764	3,759,776
Profit paid to morabaha investors		2,202,735	1,716,756
Provision against morabaha finance		1,037,824	109,066
		8,258,323	5,585,598
Operating Profit		10,645,672	8,569,255
Gain on sale of Fixed Assets	8	163,612	116,418
		10,809,284	8,685,673
Modaraba company's management fee @ 10%		(1,080,928)	(868,567)
Profit for the year		9,728,356	7,817,106
Unappropriated profit brought forward		307,368	303,683
Profit available for appropriation		10,035,723	8,120,789
Appropriations:			
Transferred to capital reserve @20%	3	(1,945,671)	(1,563,421)
Proposed dividend (2004:@Rs.1.25 per certificate)			(6,250,000)
Unappropriated profit carried forward		8,090,052	307,368
Earnings per certificate	25	1.66	1.56

The annexed notes from 1 to 28 form an integral part of these financial statement:

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

**FIRST PARAMOUNT MODARABA
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2005**

	<i>Note</i>	<i>2005 Rupees</i>	<i>2004 Rupees</i>
A. Inflow due to merger of First National Modaraba		10,568,490	-
B. CASH FROM OPERATING ACTIVITIES			
Profit before Taxation		9,728,356	7,817,106
Adjustment for non-cash charge:			
Depreciation		1,988,271	1,990,024
Provision for gratuity		228,258	151,407
Gain on sale of Fixed Assets		(232,380)	(116,418)
Provision for short-term morabaha finance		1,037,824	109,066
Bad debts written off		-	10,792
Profit before working capital change:		12,750,329	9,961,977
Effect on cash flow due to changes in working capital (Increase)/Decrease in current assets:			
Trading stock		603,079	1,045,834
Debtors		1,631,409	1,697,725
Advances, prepayments and other receivable		(1,853,509)	(878,718)
		380,979	1,864,841
(Decrease)/Increase in current liabilities:			
Payable to modaraba management company		212,361	389,619
Trade and other Payables		401,352	(911,361)
		613,713	(521,742)
Cash generated from operations		13,745,021	11,305,076
Taxes paid		-	(95,598)
Gratuity Paid		(151,200)	(39,851)
Net cash flow from operating activities (B)		13,593,821	11,169,627
C. CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(3,215,759)	(4,606,205)
Proceeds from sale of Fixed Asset:		880,021	213,497
Long term morabaha finance (<i>net</i>)		(3,524,473)	(13,169,412)
Short-term morabaha finance		6,835,308	5,645,161
Long-term deposits		(1,358,200)	(16,000)

Net cash flow from investing activities (C)	<u>(383,103)</u>	<u>(11,932,959)</u>
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D. CASH USED IN FINANCING ACTIVITIES

Long term morabaha finance	(8,836,640)	15,374,852
Long term musharika finance	-	-
Dividend paid	(6,091,624)	(6,513,669)
Short-term morabaha finance	(4,489,884)	(4,246,151)
Net cash flow from financing activities(D)	<u>(19,418,148)</u>	<u>4,615,032</u>

Net increase in cash and cash equivalents (A+B+C+D)	4,361,060	3,851,700
Cash and cash equivalents at the begining of the yea	<u>9,219,600</u>	<u>5,367,900</u>
Cash and cash equivalents at the end of the yea	<u>13,580,660</u>	<u>9,219,600</u>

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