

ANNUAL REPORT
2017

First Tri-Star Modaraba



Managed By:
A.R.T. Modaraba Management (Private) Limited



Board of Directors

Directors of Modaraba Company:

Asad Ahmad
Chairman/Chief Executive

Rashid Ahmad
Tahir Ahmad

Auditors:

M/s. Muniff Ziauddin & Co.
Chartered Accountants

Audit Committee:

| | |
|---------------------|----------|
| Mr. Tahir Ahmad | Chairman |
| Mr. Rashid Ahmad | Member |
| Mr. Mohammad Zameer | Member |

Bankers:

Al Baraka Bank (Pakistan) Ltd.
Bank Al-Habib Ltd.
Habib Bank Ltd.
National Bank of Pakistan

Registered Office:

F/498, S.I.T.E.,
Karachi-75700

Management Company:

A.R.T. Modaraba Management (Pvt) Ltd.

Notice of Annual Review Meeting

Eighteenth Annual Review Meeting of the Certificate Holders of First Tri-Star Modaraba will be held on Tuesday, October 31, 2017 at 3:30 p.m. at F/538, S.I.T.E., Karachi.

The Certificate Transfer Books shall remain closed from October 21, 2017 to October 31, 2017 (both days inclusive). Transfers received in order at the office of the Share Registrar before the close of business on October 20, 2017 will be considered in time for the purpose of attendance of the Annual Review Meeting.

By Order of the Board

Chief Executive

Dated: October 10, 2017
Place: Karachi



Report of Directors of A.R.T. Modaraba Management (Pvt) Limited as on June 30, 2017

The Board of Directors of A.R.T. Modaraba Management (Pvt) Limited present the 27th Annual Report of First Tri-Star Modaraba together with audited accounts for the year ended 30th June, 2017.

1. FINANCIAL RESULTS

Financial results are summarized as follows:

| | Rupees 2017 | Rupees 2016 |
|--|------------------|------------------|
| Revenue | 6,941,520 | 4,708,398 |
| Administrative Expenses | (2,658,969) | (607,249) |
| Bank Charges | (104) | (232) |
| Other Income/ (Loss) | (436,003) | 32,614 |
| Profit Before Taxation | 3,846,717 | 4,133,531 |
| Modaraba Company's Management fee | (384,672) | - |
| Services sales tax on Management Company's fee | (50,007) | - |
| Profit before taxation | 3,412,038 | 4,133,531 |
| Taxation | (1,408,338) | - |
| Profit for the Year | <u>2,003,700</u> | <u>4,133,531</u> |
| Profit per Certificate | <u>0.095</u> | <u>0.195</u> |

2. BUSINESS

The diversity of the Modaraba concept provides unique kind of business opportunities, which are not available in other such entities of the Islamic financial regime; having tax benefit by distributing 90% of the net profit to its certificate holders.

Your Modaraba is now on solid footings and during the ensuing year will be in a better position to generate much higher return for its certificate holders In Sha Allah.

3. DIVIDEND

The Board in its meeting held on October 09, 2017 has not recommended any dividend this year.

4. BOARD OF DIRECTOR

The Board of Directors assumed their office with effect from 14th February, 2015 for 3 years.



5. AUDITORS

The present auditors M/s. Muniff Ziauddin & Co., Chartered Accountants, are due for retirement and being eligible offer themselves for reappointment for the year ending June 30, 2018. As required by the Code of Corporate Governance, the Board of Audit Committee has recommended the re-appointment of M/s. Muniff Ziauddin & Co., Chartered Accountants, as auditors of the Company for the ensuing year.

6. STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAME WORK

- a. The financial statements, prepared by the management of the Modaraba, present fairly it's state of affairs, the results of it's operations, cash flows and change in equity.
- b. Proper books of accounts of the Modaraba have been maintained.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d. International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and departure therefrom has been adequately disclosed.
- e. The system of internal control is sound and designed and have been effectively implemented and monitored.
- f. There are no significant doubts upon the Modaraba's ability to continue as going concern.
- g. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- h. The Directors and CEO do not hold any interest in the certificates of the Modaraba other than that disclosed in the pattern of certificate holding.
- i. Key operating and financial data for the last six years in summarized form is annexed.
- j. During the year four (4) meetings of the Board of Directors were held, attendance by each Director is as follows:-

| <u>Name of Director</u> | <u>No. of Meetings attended</u> |
|-------------------------|---------------------------------|
| Mr. Rashid Ahmad | 04 |
| Mr. Tahir Ahmad | 04 |
| Mr. Asad Ahmad | 04 |

- k. The pattern of certificate holdings is annexed.



7. ACKNOWLEDGMENTS

The Board would like to place on record its appreciation of hard work of the staff responsible for the Modaraba's affairs.

By Order of the Board

ASAD AHMAD
Chief Executive

Dated: October 09, 2017

