



**Managed by
B.R.R. Investments (Private) Limited**

**Un-Audited
Financial Statements
For the Nine Months Periods Ended
March 31,2011**



Managed by B.R.R. Investments (Private) Limited

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CORPORATE INFORMATION

Modaraba Company	B.R.R. Investments (Private) Limited
Chairman	Mr. Rafique Dawood
Chief Executive	Mr. Ayaz Dawood
Directors	Mr. Majid Dawood Mr Farouq Habib Rahimtoola
Audit Committee	Mr Farouq Habib Rahimtoola - Chairman Mr. Rafique Dawood - Member Mr. Majid Dawood - Member
Chief Operating Officer	Mr. Saeed Siddiqui
Chief Financial Officer	Syed Tariq Masood
Company Secretary	Mr Tahir Mahmood
Auditors	Ernst & Young Ford Rhode Sidat Hyder Chartered Accountant
Legal Advisor	Rauf Ghaffar Law Associate Malik & Maliks
Banker's	Al Baraka Bank(Pakistan) Limited Dawood Islamic Bank NIB Bank Limited Oman International Bank S.A.O.G.
Web-site	www.firstdawood.com/csm
Registered Office & Head Office	1900-B, Saima Trade Towers, I.I Chundrigar Road, Karachi-74000 PABX 32271874-84 37010960-65 37014641-4 Fax : 92-21-3227-1912
Registrars	F.D Registrar Services (SMC-Pvt.) Ltd 17th Floor, Saima Trade Tower-A I.I Chundrigar Road, Karachi Phone # 32271875
Branch Offices	Suit No. 210, 5th Floor, Siddiq Trade Centre, Main Boulevard, Gulberg - III, Lahore Office No. 20 & 21, 1st Floor, Beverly Centre, 56-G7, Jinnah Avenue, Islamabad-44000
Security Vault	187-G, Block-2, Shahrah-e-Quaideen, PECHS. Karachi-754000

DIRECTORS' REPORT

Crescent Standard Modaraba
Managed by B.R.R. Investments (Private) Limited
IN THE NAME OF ALLAH, THE MOST COMPASSIONATE, THE MOST MERCIFUL.

Dear Certificate holders,

On behalf of the Board of Directors of B.R.R. Investments (Private) Limited ('BRRI' or 'the company'), manager of Crescent Standard Modaraba ('CSM' or 'the Modaraba'), presents to certificate holders the 3rd Quarter Financial statement of the Modaraba for the Nine months ended March 31,2011.

Operations and performance

	March 31, 2011	March 31, 2010
 Rupees.....	
Total Income	10,565,378	10,654,751
Total Expenses	8,275,581	6,074,681
Modaraba Company Management Fee	228,980	458,007
Profit for the Period	2,060,817	4,122,063

Operating expenses remained under control and are within budget. We still expect to post a profit and declare our second consecutive dividend.

Your Modaraba, vigilant and cautious during the Period in existing economic condition, also focused to take benefit of good opportunities that add value of all stake holders.

On Behalf of the Board of Directors
B.R.R. Investments (Private) Limited

April 22, 2011
Karachi

Rafique Dawood
Chairman

CRESCENT STANDARD MODARABA
CONDENSED INTERIM BALANCE SHEET (UNAUDITED)
AS AT MARCH 31, 2011

	Note	(Unaudited) March 31, 2011	(Audited) 30 June 2010
------(Rupees)-----			
ASSETS			
Current assets			
Cash and bank balances	4	15,481,883	20,812,016
Musharaka finance	5	49,674,250	23,629,162
Murabaha finance	6	-	-
Short term investments	7	24,867,305	44,589,305
Trade debts		34,584,572	40,210,401
Advances, deposits and other receivable	8	4,630,583	5,408,589
Total current asset		129,238,593	134,649,473
Non current assets			
Long term portion of musharaka finances		5,489,667	22,197,007
Tangible fixed asset		1,835,517	-
Property plant and equipment - ijarah		27,369,888	2,285,117
Total non current asset		34,695,072	24,482,124
Total assets		163,933,665	159,131,597
Current liabilities			
Musharaka finance under markup arrangements	11	40,454,094	40,454,094
Accrued expenses and other liabilities		2,232,131	3,428,028
Unclaimed dividends		483,793	69,014
Total current liabilities		43,170,018	43,951,136
Non current liabilities			
Security deposits		6,512,637	150,200
Total liabilities		49,682,655	44,101,336
Net assets		114,251,010	115,030,261
Represented by:			
Certificate capital		200,000,000	200,000,000
Statutory reserve		7,949,958	7,949,958
Accumulated loss		(92,363,077)	(92,023,894)
Net unrealize loss on revaluation of investment - available for sale		(1,335,871)	(895,803)
CONTINGENCIES		114,251,010	115,030,261

The annexed notes 1 to 16 form an integral part of these condensed Interim financial statements.

For B.R.R. Investments (Private) Limited
(Management Company)

CRESCENT STANDARD MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31,2011

Note	Nine Months ended		Quarter ended	
	March 31,		March 31,	
	2011	2010	2011	2010
	------(Rupees)-----		------(Rupees)-----	
INCOME				
Income on Ijarah Finance	3,593,802	184,335	2,208,857	184,335
Income on Musharaka Finance	5,483,696	2,488,226	2,055,033	1,595,054
(Loss)/Income on Investments	(127,447)	6,216,559	(4,385,539)	1,748,003
Income on Balances with Banks	1,337,824	1,740,631	504,454	240,786
	10,287,875	10,629,751	382,805	3,768,178
EXPENDITURE				
Administrative and General expenses	3,799,818	3,476,104	1,059,109	1,141,519
Depreciation on ijarah assets	2,293,260	136,150	1,416,983	136,150
Financial Charges	1,759,704	1,024,967	577,487	577,858
(Gain) /loss on Remeasurment of investment	(83,095)	216,830	43,562	360,092
Impairment	505,894	1,127,159	-	-
	8,275,581	5,981,210	3,097,141	2,215,619
Operating Profit	2,012,294	4,648,541	(2,714,336)	1,552,559
Other income	277,503	25,000	18,003	15,000
	2,289,797	4,673,541	(2,696,333)	1,567,559
Other expenses	-	93,471	-	31,351
	2,289,797	4,580,070	(2,696,333)	1,536,208
Modaraba company's management fee	228,980	458,007	(269,633)	153,621
Profit before taxation	2,060,817	4,122,063	(2,426,700)	1,382,587
Taxation	-	-	-	-
	2,060,817	4,122,063	(2,426,700)	1,382,587
Profit after taxation	2,060,817	4,122,063	(2,426,700)	1,382,587
	-	-	-	-
Earnings per certificate - Basic and diluted	0.103	0.206	(0.121)	0.069

The annexed notes 1 to 16 form an integral part of these condensed Interim financial statements.

For B.R.R. Investments (Private) Limited
(Management Company)

Chairman

Chief Executive Officer

Director

CRESCENT STANDARD MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31,2011

	Nine Months ended		Quarter ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
	-----Rupees-----			
Profit/(Loss) after taxation	2,060,817	4,122,063	(2,426,700)	1,382,587
Other Comprehensive Income for period				
Net-unrealized (Deficit)/Surplus on available-for-sale investments	(440,068)	(273,664)	(151,615)	623,317
Profit/(Loss) for after comprehensive income	<u>1,620,749</u>	<u>3,848,399</u>	<u>(2,578,315)</u>	<u>2,005,904</u>

The annexed notes 1 to 16 form an integral part of these condensed Interim financial statements.

For B.R.R. Investments (Private) Limited
(Management Company)

Chairman

Chief Executive Officer

Director

CRESCENT STANDARD MODARABA
CASH FLOW STATEMENT(UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31,2011

	March 31, 2011 Rupees	March 31, 2010 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the Period	2,060,817	4,122,063
Adjustments		
Depreciation on Ijarah Assets	2,293,244	136,150
Depreciation on own Assets	156,976	-
Gain on sale of Investment	4,252,157	-
Amortization on Investment	(591,133)	-
Income from TFC and Sukuk Bond	(3,467,397)	-
Dividend Income	(66,180)	-
Financial Charges	1,756,605	-
	<u>4,334,272</u>	<u>136,150</u>
	6,395,089	4,258,213
(Increase) / Decrease in Current Assets		
Advances, deposits and other receivables	(228,082)	(101,678)
Trade Debts	5,625,829	5,954,210
	<u>5,397,747</u>	<u>5,852,532</u>
Increase/(Decrease) in Current Liabilities		
Accrued expenses and other liabilities	(612,500)	1,596,833
Dividend Paid	(1,985,221)	-
Net cash generated from operating activities	<u>9,195,115</u>	<u>11,707,578</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Investment-Net	19,281,931	3,965,074
Musharaka Finance	(9,337,748)	(40,139,607)
Property and Equipment	(27,378,016)	-
Fixed Capital Expenditure on Ijarah Assets	(1,992,493)	(3,242,000)
Net cash used in investing activities	<u>(19,426,326)</u>	<u>(39,416,533)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Profit paid on Musharaka Arrangement	(2,340,000)	18,000,000
Income received on Investment	878,641	-
(Decrease)/Increase in Customers Security Deposits	6,362,437	324,200
Net cash generated from financing activities	<u>4,901,078</u>	<u>18,324,200</u>
Net decrease in cash and cash equivalents (A + B+C)	(5,330,133)	(9,384,755)
Cash and cash equivalents at the beginning of the year	<u>20,812,016</u>	<u>16,490,129</u>
Cash and cash equivalents at the end of the Period	<u>15,481,883</u>	<u>7,105,374</u>

The annexed notes 1 to 16 form an integral part of these condensed Interim financial statements.

For B.R.R. Investments (Private) Limited
(Management Company)

Chairman

Chief Executive Officer

Director

CRESCENT STANDARD MODARABA
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2011

	Certificate capital	Statutory reserve	Net unrealize (Deficit)/ Surplus on revaluation of investmen- Available for sale	Accumulated loss	Total
	-----Rupees-----				
Balance as at July 01, 2009	200,000,000	5,437,852	(630,083)	(94,536,000)	110,271,769
Profit for Nine months ended March 31, 2010	-	-	-	4,122,063	4,122,063
Other comprehensive income-unrealized (Deficit) o available-for-sale investmer	-	-	(273,664)	-	(273,664)
	-	-	(273,664)	4,122,063	3,848,399
Balance as at March 31, 2010	200,000,000	5,437,852	(903,747)	(90,413,937)	114,120,168
Profit for quarter ended June 30, 2010	-	-	-	902,149	902,149
Other comprehensive income-unrealized surplus o available-for-sale investmer	-	-	7,944	-	7,944
	-	-	-	902,149	910,093
Transfer to statutory reserve	-	2,512,106	-	(2,512,106)	-
Balance as at June 30, 2010	200,000,000	7,949,958	(895,803)	(92,023,894)	115,030,261
Profit for Nine months ended March 31, 2011	-	-	-	2,060,817	2,060,817
Profit distribution for the year ended June 30, 2010 @ 0.12 per certificate	-	-	-	(2,400,000)	(2,400,000)
Other comprehensive income-unrealized (Deficit) o available-for-sale investmer	-	-	(440,068)	-	(440,068)
Transfer to statutory reserve	-	-	(440,068)	(339,183)	(779,251)
Balance as at March 31, 2011	200,000,000	7,949,958	(1,335,871)	(92,363,077)	114,251,010

The annexed notes 1 to 16 form an integral part of these condensed Interim financial statements.

For B.R.R. Investments (Private) Limited
(Management Company)

Chairman

Chief Executive Officer

Director

CRESCENT STANDARD MODARABA
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31,2011

1. LEGAL STATUS AND NATURE OF THE BUSINESS

1.1 Crescent Standard Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba(Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Rules framed there under. The Modaraba was managed by Financial Link Limited up to January 19, 2007. However vide order dated January 19, 2007. Deputy Registrar, Modaraba Wing, SECP, Management of the Modaraba was transferred to Providence Modaraba Limited. Subsequently Providence Modaraba Limited was merged into B.R.R Investments (Private) Limited, and since then Modaraba is under the management of B.R.R Investment (Private)

1.2 The Modaraba is a multipurpose perpetual modaraba and is primarily engaged in ijarah financing, finance leasing, musharaka financing, morahaba financing, modaraba financing, diminishing musharaka and investment in listed securities. The address of registered office is 1900-B,Saima Trade Towers, I.I Chundrigar Road, Karachi. The Modaraba is listed on the Karachi Stock Exchange Guarantee Limited.

2. BASIS OF PREPARATION

These financial statement are unaudited and being submitted ot certificate holders as required under Rule 10 of Modaraba Companies and Modaraba Rules 1981, These have been prepared in accordance with International Accounting Standard- 34 "Interim Financial Reporting" as applicable in Pakistan

3. SIGNIFICANT ACCOOUNTING POLICIES

The accounting policies and methods of computation followed in the preparation of these condensed interiem financial information are the same as those applied in preparing the audited financial statements for the year ended June 30, 2010

	(Unaudited) March 31, 2011	(Audited) 30 June 2010
	------(Rupees)-----	
4 CASH AND BANK BALANCES		
Cash in hand	3,408	5,000
With banks on:		
Current accounts	1,584,028	80,845
Deposit account	14,984,680	21,816,404
Less: Provision for doubtful receivables	1,090,233	1,090,233
	<u>13,894,447</u>	<u>20,726,171</u>
	<u>15,481,883</u>	<u>20,812,016</u>
5 MUSHARAKA FINANCE		
The Modaraba has entered into musharaka investment agreements with different parties on profit and loss sharing		
Fund provided under Musharaka Arrangements	65,346,256	56,008,508
Less: provision for doubtful receivables	10,182,339	10,182,339
	55,163,917	45,826,169
Less: Current portion of Misharaka Finances	5,489,667	22,197,007
	<u>49,674,250</u>	<u>23,629,162</u>
6 MURABAHA FINANCE		
Considered doubtful-unsecured	1,902,053	1,902,053
Less: provision for doubtful receivables	1,902,053	1,902,053
	<u>-</u>	<u>-</u>
7 SHORT TERM INVESTMENTS		
At fair value through profit and loss- Held for trading		
Investment in listed equity securities	7.1 6,179,056	1,589,238
Investment in Available for Sale		
Investment in listed equity securities	7.2 1,330,000	-
Investment in debt securities	7.3 17,358,249	43,000,067
	<u>18,688,249</u>	<u>43,000,067</u>
	<u>24,867,305</u>	<u>44,589,305</u>

7.1 Held for trading at fair value through profit and loss

Unless stated otherwise, the holdings are in the fully paid ordinary shares / units of Rs.10/- each

(Unaudited) March 31, 2011	(Audited) 30 June 2010	Name of Investee	(Unaudited) March 31, 2011	(Audited) 30 June 2010
No. of Shares			------(Rupees)-----	
		Financial Services		
-	5,000	Arif Habib Securities Limited	-	166,050
97	97	NIB Bank Limited	203	290
		Personal Goods		
140	140	Saif Textile Mills Limited	1,225	346
462	462	Kohinoor Textile Mills Limited	1,972	2,596
5,027	15,027	Nishat Mills Limited	326,704	647,964
		Gas water and Multiutilities		
200,000	-	Sui Southern Gas Company Limited	4,828,000	-
		Construction and Materials		
300	300	Lucky Cement Limited	20,244	18,642
25	25	D.G. Khan Cement Limited	643	590
		Chemicals		
5,000	5,000	I.C.I Pakistan Limited	825,900	592,800
1,500	-	Fatima Fertilizers	20,070	-
		Miscellaneous		
10,664	10,664	United Distributors Pakistan Limited	154,095	159,960
			6,179,056	1,589,238

7.2 Investment in listed equity securities-Available for Sale

(Unaudited) March 31, 2011	(Audited) 30 June 2010	Name of Investee	(Unaudited) March 31, 2011	(Audited) 30 June 2010
No. of shares			------(Rupees)-----	
		Financial Services		
875,000	-	Dawood Equities Limited	1,330,000	-

7.3 Investment in debt securities-Available for Sale

(Unaudited) March 31, 2011	(Audited) June 30, 2010	Name of Investee	(Unaudited) March 31, 2011	(Audited) 30 June 2010
No. of certificates			------(Rupees)-----	
1,900	1,900	Haq Bahoo Sugar Mills Limited-(unlisted)	1,825,938	7,125,000
1,267	1,400	Eden Housing Limited-(listed)	4,631,218	4,429,091
1,013	1,013	Avani Hotel Limited-(unlisted)	4,302,342	4,697,135
1,000	1,000	Trust Investment Bank Limited-(listed)	2,670,315	3,946,902
400	400	Al Zamin Investbank.	1,500,000	1,600,000
200	3,000	Pace Pakistan Limited	616,133	14,245,957
908	908	Worldcall Telecom Limited	1,447,360	2,227,854
1,500	1,500	Escort Investment Bank Limited	1,997,996	4,728,128
		Less Impairment on TFCS	(1,633,053)	-
			17,358,249	43,000,067

8 ADVANCES, DEPOSIT AND OTHER RECEIVABLES

Advance for purchases	90,387,701	90,387,701
Security deposit	25,000	25,000
Advance income tax	497,503	373,751
Sales tax receivable	3,350,922	3,350,922
Profit receivable on fund provided under musharaka	9,396,466	9,767,405
Profit receivable on TFC	910,453	1,871,822
Profit receivable on Sukuk	1,553,800	1,227,580
Other receivables	162,162	57,832
	106,284,007	107,062,013
Provision for doubtful receivables	101,653,424	101,653,424
Considered good	4,630,583	5,408,589

9 Property, Plant and Equipment-Owned

Following additions and disposals in assets in own use, at cost, were made during the period:

	-----Additions-----		-----Disposals-----	
	(Unaudited) March 31, 2011	(Audited) 30 June 2010	(Unaudited) March 31, 2010	(Audited) 30 June 2010
	------(Rupees)-----		------(Rupees)-----	
Vehicles	1,992,493	-	-	-
	<u>1,992,493</u>	<u>-</u>	<u>-</u>	<u>-</u>

10 Property, Plant and Equipment-Ijarah/Leased

Following additions and disposals in assets leased out, at cost, were made during the period:

	-----Additions-----		-----Disposals-----	
	(Unaudited) March 31, 2011	(Audited) 30 June 2010	(Unaudited) March 31, 2010	(Audited) 30 June 2010
	------(Rupees)-----		------(Rupees)-----	
Vehicles	22,528,016	1,667,000	-	-
Machinery	4,850,000	835,000	-	-
	<u>27,378,016</u>	<u>2,502,000</u>	<u>-</u>	<u>-</u>

11 FUNDS RECEIVED UNDER MUSHARAKA ARRANGEMENTS

	Note	(Unaudited) March 31, 2011	(Audited) 30 June 2010
		------(Rupees)-----	
Crescent Standard Business Management	11.1	22,454,094	22,454,094
UDL Modaraba		18,000,000,000	18,000,000
		<u>40,454,094</u>	<u>40,454,094</u>

11.1 These represents funds received under musharaka arrangements on profit and loss sharing basis. Pending complete information and documents on the arrangement of Rs. 22.454 million, no accrual for profit payable, if any has been made on this amount.

12 CONTINGENCIES AND COMMITMENTS

Following contingencies are related to period before the management of the Modaraba was transferred to the present management.

12.1 United Bank Limited has lodged a claim of Rs.1,090,000/- on account of excess markup paid to the Modaraba for previous years which is not accepted by the Modaraba. The Modaraba has also lodged a claim before the banking tribunal against United Bank Limited for short payment of mark up to the Modaraba to the extent of Rs.2,497,867/-. The proceeding under both cases are pending to-date.

12.2 The Modaraba had received a legal notice from Innovative Investment Bank Limited formally Crescent Standard Investment Bank Limited) which was addressed to previous Management Company (Financial Link Limited) of the Modaraba, whereby they have asked Modaraba to settle an outstanding balance of Short Term Borrowing amounting to Rs.171,143,350/- along with the mark up thereon on or before February 10, 2007. the plaintiff - Innovative Investment Bank Limited has sent all the agreements and supporting documents relating to above matter. Further plaintiff has also filed a petition against the modaraba.

12.3 The Modaraba filed a recovery suit for Rs. 3,421,740/- against Sheikh Abdul Ghafoor and another, before the Chairman Modaraba Tribunal Punjab, at Lahore. After dismissal of defendants' application for seeking leave to appear and defend the suit, the Tribunal passed a judgment and decree for an amount of Rs. 1,415,640/-. The execution petition is filed and recovery proceedings are under process.

13 PROVISION FOR TAXATION

As per the Second Schedule to the Income Tax Ordinance, 2001, the income of a non-trading modaraba is exempt from income tax provided that it distributes 90% of its profits to its certificate holders for the year after making appropriation for statutory reserves. The modaraba intends to avail this exemption by distributing 90% of its profits to its certificate holders after making appropriation for statutory reserves. Accordingly, no provision in respect of current and deferred tax has been made in these condensed interim financial statements.

14 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include a subsidiary company, associated companies with or without common directors, directors, and key management personnel.

The modaraba has related party relationship with its Management Company, Associated Undertakings and its Key Management Personnel.

A number of transactions are entered into with related parties in the normal course of business. These transactions are executed on the same terms as those prevailing at the time for comparable transactions with unrelated parties.

The detail of transactions with related parties and balances with them, apart from compensation to executives, is given below: -

Relationship with the Company	Nature of Transactions	March 31, 2011	March 31, 2010
Management Company	Management Fee Accrued	228,980	458,007
BRR Guardian Modaraba	Payment of Sharing Expenses	2,579,729	2,689,324
	Musharaka facilities received	10,000,000	-
	Sale of Debt Securities	(14,500,000)	
First Dawood Investment and other Employer Provident Fund	Transfer to provident funds	13,500	-

15 DATE OF ISSUE

This condensed interim financial information was authorized for issue on April 22, 2011 by the Board of Directors of B.R.R. Investments (Private) Limited.

16 GENERAL

Figures have been rounded off nearest to Rupee.

**For B.R.R. Investments (Private) Limited
(Management Company)**

Chairman

Chief Executive Officer

Director