



M O D A R A B A

Crescent Standard Modaraba

(An Islamic Financial Institution)

Managed by:

B.R.R. Investments (Private) Limited

Un-Audited

Financial Statements

For The Three Months Period Ended

September 30, 2012

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CRESCENT STANDARD MODARABA

(An Islamic Financial Institution)

Managed by:

B.R.R. Investments (Private) Limited

Contents	Page
Corporate Information	02
Directors' Report	03
Condensed Interim Balance Sheet	04
Condensed Interim Profit and Loss Account	05
Condensed Interim Statement of Cash Flows	06
Condensed Interim Statement of Changes in Equity	07
Condensed Interim Notes to the Financial Statements	08



CRESCENT STANDARD MODARABA

(An Islamic Financial Institution)

CORPORATE INFORMATION

Modaraba Company	B.R.R. Investments (Private) Limited
Chairman	Mr. Rafique Dawood
Chief Executive	Mr. Ayaz Dawood
Directors	Mr. Farouq Habib Rahimtoola Mr. Muhammad Shahid Murtaza
Audit Committee	Mr. Farouq Habib Rahimtoola - Chairman Mr. Rafique Dawood - Member Mr. Muhammad Shahid Murtaza - Member
Chief Financial Officer	Syed Tariq Masood
Company Secretary	Mr Tahir Mehmood
Auditors	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountant
Legal Advisor	Malik & Maliks Minto & Mirza
Bankers	Al -Baraka Bank (Pakistan) Limited NIB Bank Limited
Web-site	www.firstdawood.com/csm
E-mail:	csm@firstdawood.com
Registered Office & Head Office	1900-B, Saima Trade Towers, I.I. Chundrigar Road, Karachi-74000 PABX 32271875-80 37010960-65 37014641-4 Fax : 92-21-227-1912
Registrars	F.D Registrar Services (SMC-Pvt.) Ltd 1705, 17th Floor, Saima Trade Towers, Tower "A", I.I. Chundrigar Road, Karachi-74000 Phone # 92-21-35478192-93 Fax # 92-21-32621233
Security Vault	G-187 Block 2, Shahrahe-e-Quaideen, PECHS Karachi-75400



CRESCENT STANDARD MODARABA
(An Islamic Financial Institution)

DIRECTORS' REPORT

Dear Certificate holders,

The Board of Directors of B.R.R. Investments (Private) Limited (BRRI or 'the company'), manager of Crescent Standard Modaraba (CSM or 'the Modaraba'), takes pleasure in presenting to certificate holders the 1st Quarter Financial Statements of the Modaraba for the three months period ended September 30, 2012.

Financial Results

	September 30, 2012	September 30, 2011
Total Income	6,719,659	5,833,210
Total Expenses	3,611,886	2,927,467
Profit before Management Fee, Sales Tax & WWF	3,107,773	2,905,743
Management Fee	310,777	290,574
Sales tax on management fee	49,724	-
Provision for Workers' Welfare Fund	54,945	52,303
Profit after Management Fee, Sales Tax & WWF	2,692,327	2,562,866

The financial performance of the Modaraba has strengthened and your Modaraba has earned a net profit of Rs 2.69 million during the period as compared to Rs. 2.56 million in the same period of last year.

Operating expenses of the Modaraba have slightly increased but are under control.

During the period the Stock Exchange index reached 15,445 which increased by 12% as compared to June 30, 2012. We hope that the prevailing scenario will continue to improve in the near future to ensure economic growth and development in the country.

The Board of Directors of the Management Company appreciates the support of the Registrar Modaraba, Securities & Exchange Commission of Pakistan for the continued guidance.

For and on behalf the
Board of Directors of
B.R.R. Investments (Private) Limited

October 23, 2012
Karachi

Rafique Dawood
Chairman



CRESCENT STANDARD MODARABA
(An Islamic Financial Institution)

**Condensed Interim Balance Sheet
As at September 30, 2012**

		(Un-Audited) September 30, 2012 Rupees	(Audited) June 30, 2012 Rupees
ASSETS			
Current Assets			
Cash and Bank Balances		31,892,320	34,243,587
Short Term Investments	3	28,543,316	23,429,777
Murabaha Finance	4	-	-
Advances, Deposits, Prepayments and other Receivables		3,465,840	3,058,388
Trade Debts		34,193,510	33,938,450
Current Portion of Musharaka Finance		4,555,074	6,039,905
Advance Tax		483,776	427,330
		103,133,836	101,137,437
Non Current Assets			
Long term portion of Musharaka Finance		21,545,130	21,686,782
Property and Equipment own Assets		2,627,643	2,803,079
Property and Equipment Ijarah Assets		35,135,052	32,292,842
Total Assets		162,441,661	157,920,140
LIABILITIES			
Current Liabilities			
Unclaimed Profit Distribution Payable		4,695,975	1,711,704
Accrued Expense and Other Liabilities		2,953,252	1,866,030
Current portion of Customers' Security Deposit		27,800	-
Musharaka Finance Under Mark-up arrangements		22,454,094	22,454,094
		30,131,121	26,031,828
Non Current Liabilities			
Long term portion of Customers' Security Deposits		11,115,017	9,727,620
Total Liabilities		41,246,138	35,759,448
Net Assets		121,195,523	122,160,692
Represented by:			
Certificate Capital		200,000,000	200,000,000
Statutory Reserve		13,362,798	13,362,798
Accumulated Loss		(91,528,047)	(91,220,374)
(Deficit) / Surplus on revaluation of available-for-sale investments		(639,228)	18,268
		121,195,523	122,160,692

The annexed notes form 1 to 7 from an integral part of these financial statements.

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

Chief Executive Officer

Director

Director



CRESCENT STANDARD MODARABA
(An Islamic Financial Institution)

Condensed Interim Profit And Loss Account
For The Three Months Period Ended September 30, 2012
(Un-Audited)

	September 30, 2012 Rupees	September 30, 2011 Rupees
INCOME		
Income on Musharaka	933,513	1,136,763
Ijarah Rentals	3,825,748	2,565,609
Return on Investment-Net	988,726	1,327,931
Mark up on Bank Balances	944,172	792,907
Other Income	27,500	10,000
	6,719,659	5,833,210
EXPENDITURE		
Depreciation on Ijarah Assets	2,845,789	1,792,524
Administrative and Operating Expenses	1,402,517	1,132,428
Financial charges	200	2,515
	4,248,506	2,927,467
Surplus on revaluation of investments - Held for Trading	636,620	-
	3,107,773	2,905,743
Modaraba Management Company's Fee	310,777	290,574
Sales Tax on Modaraba Management Company's fee	49,724	-
Provision for Workers Welfare Fund	54,945	52,303
PROFIT BEFORE TAXATION	2,692,327	2,562,866
Provision for taxation	-	-
PROFIT FOR THE PERIOD	2,692,327	2,562,866
OTHER COMPREHENSIVE INCOME		
Deficit on revaluation of available- for- sale investments	(657,496)	(285,652)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,034,831	2,277,214
EARNINGS PER CERTIFICATE - BASIC AND DILUTED	0.13	0.13

The annexed notes form 1 to 7 from an integral part of these financial statements.

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

Chief Executive Officer

Director

Director



CRESCENT STANDARD MODARABA
(An Islamic Financial Institution)

Condensed Interim Statement of Cash Flows
For The Three Months Period Ended September 30, 2012
(Un-Audited)

	September 30, 2012	September 30, 2011
	Rupees	Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit For the Period before taxation	2,692,327	2,562,866
Adjustments for non-cash items:		
Depreciation on Ijarah and own Assets	3,021,225	1,892,148
Gain/(Loss) on Remeasurement of Investments	(973,387)	114
Income on TFCs and Sukuk bonds	(607,959)	(772,447)
Dividend Income	(44,000)	(1,216,375)
Profit Paid on Musharaka Under Markup Arrangements	-	-
	1,395,879	(96,560)
(Increase) / decrease in current assets		
Advances, deposits, prepayment and other receivables	(8,082)	5,951,707
Trade debts	(255,060)	362,680
Advance Tax	(56,446)	
	(319,588)	6,314,387
(Decrease)/Increase in current liabilities		
Accrued expenses and other liabilities	1,087,241	479,630
Profit paid to certificate holders	(15,728)	-
Net cash flows Generated from operating activities	4,840,131	9,260,323
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of short term investments	(5,771,061)	(1,530,190)
Investment Made Under Musharaka Finance	1,626,483	3,180,947
Property and Equipment-Ijarah	(5,688,000)	(2,172,000)
Security Deposit	1,415,205	217,196
Income received on investments	1,225,975	1,919,348
Net cash flow (used in) / generated from investing activities	(7,191,398)	1,615,301
Net (decreased) / Increase in cash and cash equivalents (A + B)	(2,351,267)	10,875,624
Cash and cash equivalents at the beginning of the Period	34,243,587	20,645,313
Cash and cash equivalents at the end of the Period	31,892,320	31,520,937

The annexed notes form 1 to 7 from an integral part of these financial statements.

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

Chief Executive Officer

Director

Director



CRESCENT STANDARD MODARABA
(An Islamic Financial Institution)

**Condensed Interim Statement of Changes In Equity
For The Three Months Period Ended September 30, 2012
(Un-Audited)**

	Certificate capital	Statutory reserve	Deficit on Revaluation of Investments	Accumulated loss	Total
	-----Rupees-----				
Balance as at July 01, 2011	200,000,000	10,462,798	(1,000,677)	(91,911,055)	117,551,066
Profit for quarter ended September 30, 2011	-			2,562,866	2,562,866
Other comprehensive income			(285,652)		(285,652)
Final Profit distribution for the year ended June 30, 2012 @ 0.12 per certificate				(2,400,000)	(2,400,000)
Balance as at September 30, 2011	200,000,000	10,462,798	(1,286,329)	(91,748,189)	117,428,280
Balance as at July 01, 2012	200,000,000	13,362,798	18,268	(91,220,374)	122,160,692
Profit for quarter ended September 30, 2012	-			2,692,327	2,692,327
Other comprehensive income			(657,496)		(657,496)
Total Profit distribution for the year ended June 30, 2012 @ 0.15 per certificate				(3,000,000)	(3,000,000)
Balance as at September 30, 2012	200,000,000	13,362,798	(639,228)	(91,528,047)	121,195,523

The annexed notes form 1 to 7 from an integral part of these financial statements.

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

Chief Executive Officer

Director

Director



CRESCENT STANDARD MODARABA
(An Islamic Financial Institution)

**Condensed Interim Notes To The Financial Statements
For The Three Months Period Ended September 30, 2012**

1. LEGAL STATUS AND NATURE OF THE BUSINESS

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 thereunder. Modaraba was managed by Financial Link Limited upto January 19, 2007, however, the Deputy Registrar, Modaraba Wing, SECP, vide order No. SC/M/RW/CSM2006-32 dated January 19, 2007 transferred management of Modaraba to Providence Modaraba Limited. During the year 2008, Providence Modaraba Limited merged with and into B.R.R. Investments (Private) Limited, and since then the Modaraba is under management of B.R.R. Investments (Private) Limited.

It is a perpetual and multipurpose Modaraba. It is engaged in investments in equity and debt securities, musharaka and murabaha finance, etc. The certificates of the Modaraba are quoted on Karachi Stock Exchange (Guarantee) Limited.

2. ACCOUNTING BASIS

These financial statements have been prepared under the historical cost convention, except that certain financial instruments have been included at fair value in accordance with the recognition/measurement criteria mentioned in the relevant international standards applicable to such instruments.

These financial statements are un-audited and are submitted to the certificate holders and have been prepared in accordance with the requirements of the International Accounting Standard 34 (Interim Financial Reporting) as applicable in Pakistan.

The accounting policies adopted and methods of computation followed in the preparation of these financial statements are same as those applied in preparing the financial statements for the year ended June 30, 2012.

3. SHORT TERM INVESTMENTS

	(Un-Audited) September 30, 2012 Rupees	(Audited) June 30, 2012 Rupees
Held- for- trading	16,435,851	9,993,140
Available- for- sale	1,610,000	1,960,000
Debt Securities	10,497,465	11,476,637
	28,543,316	23,429,777

Assets in Own Use

Following additions and deletions in assets in own use were made during the period.

	----- Additions -----		----- Disposal -----	
	September 30, 2012 (Un-Audited) Rupees	June 30, 2012 (Audited)	September 30, 2012 (Un-Audited) Rupees	June 30, 2012 (Audited)
Vehicle	-	1,516,225	-	-
	-	1,516,225	-	-



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Lease Assets /Ijarah

Following additions and deletions in Lease /Ijarah assets were made during the period.

	-----Additions-----		----- Disposal -----	
	September 30, 2012 (Un-Audited)	June 30, 2012 (Audited)	September 30, 2012 (Un-Audited)	June 30, 2012 (Audited)
	Rupees		Rupees	
Machinery	1,175,000	65,750	-	-
Vehicles	3,317,000	18,125,500	-	4,389,000
Computer Office Equipment	1,196,000	2,400,000	-	-
	<u>5,688,000</u>	<u>20,591,250</u>	<u>-</u>	<u>4,389,000</u>

4. 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>

5. The transactions with related parties carried out during the period are as follows

Relationship with the Modaraba	Nature of Transactions	September 30, 2012 (Un-Audited)	September 30, 2011 (Un-Audited)
Management Company	Management Fee	310,777	290,574
BRR Guardian Modaraba	Payment of Sharing Expenses	821,823	720,330
Employee Provident Fund	Transfer to Provident Fund	5,199	4,500

6. DATE OF ISSUE

These financial statements were authorised for issue on October 23, 2012 by the Board of Directors of the B.R.R. Investments (Private) Limited.

7. GENERAL

Figures have been rounded of nearest to Rupee.

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

Chief Executive Officer

Director

Director

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