

FIRST CAPITAL EQUITIES LIMITED
BALANCE SHEET
AS AT DECEMBER 31, 2003

	<u>Note</u>	<u>December 31, 2003</u>	<u>June 30, 2003</u>
		(Rupees)	(Rupees)
NON - CURRENT ASSETS			
Tangible Fixed Assets	4	22,741,606	23,259,782
Cost of Cards & Rooms		56,200,000	56,200,000
Long Term Deposits		1,884,246	1,458,936
		<u>80,825,852</u>	<u>80,918,718</u>
CURRENT ASSETS			
Accounts receivable		138,142,095	129,852,698
Investments		105,058,656	23,101,031
Advances, deposits, prepayments and other receivables		39,525,968	37,201,845
Cash and bank balances		152,328,348	27,732,581
		<u>435,055,067</u>	<u>217,888,155</u>
CURRENT LIABILITIES			
Current maturity of liabilities against finance lease		13,098	61,293
Accounts payable		172,746,213	95,339,911
Creditors, accrued and other liabilities		9,348,888	7,224,989
Provision for taxation		7,854,657	5,254,657
		<u>189,962,856</u>	<u>107,880,850</u>
WORKING CAPITAL		245,092,211	110,007,305
CAPITAL EMPLOYED		<u>325,918,063</u>	<u>190,926,023</u>
LIABILITY AGAINST ASSETS SUBJECT TO FINANCE LEASE			
		33,453	36,151
DEFERRED LIABILITIES		5,029,942	4,988,481
NET CAPITAL EMPLOYED		<u><u>320,854,668</u></u>	<u><u>185,901,391</u></u>
REPRESENTED BY:			
SHARE CAPITAL & RESERVES			
Share capital		120,035,000	120,035,000
Share Deposit Money		120,035,000	-
Unappropriated profit		80,784,668	65,866,391
		<u>320,854,668</u>	<u>185,901,391</u>
CONTINGENCIES AND COMMITMENTS	6	-	-
		<u><u>320,854,668</u></u>	<u><u>185,901,391</u></u>

The annexed notes form an integral part of these accounts.

These financial statements were authorized for issue by the Board of Directors on February 26, 2004

Lahore

Chief Executive

Director

FIRST CAPITAL EQUITIES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE QUARTER AND PERIOD ENDED DECEMBER 31, 2003

	2003		2002	
	Three months ended December 31, Rupees	Six months ended December 31, Rupees	Three months ended December 31, Rupees	Six months ended December 31, Rupees
OPERATING REVENUE				
BROKERAGE INCOME	22,527,366	58,357,950	23,694,468	40,738,944
CAPITAL GAINS	6,652,326	13,824,300	(671,557)	(637,704)
	<u>29,179,692</u>	<u>72,182,250</u>	<u>23,022,911</u>	<u>40,101,240</u>
OPERATING EXPENSES	<u>24,515,230</u>	<u>53,992,138</u>	<u>17,874,671</u>	<u>32,767,845</u>
OPERATING PROFIT	<u>4,664,462</u>	<u>18,190,112</u>	<u>5,148,240</u>	<u>7,333,395</u>
FINANCIAL EXPENSES	112,095	319,168	157,777	521,844
NET OPERATING PROFIT	<u>4,552,367</u>	<u>17,870,944</u>	<u>4,990,463</u>	<u>6,811,551</u>
OTHER INCOME	896,142	1,882,509	3,578,677	4,917,199
	<u>5,448,509</u>	<u>19,753,453</u>	<u>8,569,140</u>	<u>11,728,750</u>
(DEFICIT) / SURPLUS ON REVALUATION OF INVESTMENTS	(162,454)	(2,756,012)	2,238,465	2,621,763
	<u>5,286,055</u>	<u>16,997,441</u>	<u>10,807,605</u>	<u>14,350,513</u>
OTHER EXPENSES	4,057	4,241	29,438	64,393
PROFIT BEFORE TAXATION	<u>5,281,998</u>	<u>16,993,200</u>	<u>10,778,167</u>	<u>14,286,120</u>
TAXATION				
Current	120,850	2,600,000	50,000	205,000
Deferred	(458,662)	(525,077)	-	-
PROFIT AFTER TAXATION	<u>5,619,810</u>	<u>14,918,277</u>	<u>10,728,167</u>	<u>14,081,120</u>
ACCUMULATED PROFIT BROUGHT FORWARD	75,164,858	65,866,391	23,842,126	20,489,173
ACCUMULATED PROFIT CARRIED FORWARD	<u><u>80,784,668</u></u>	<u><u>80,784,668</u></u>	<u><u>34,570,293</u></u>	<u><u>34,570,293</u></u>
Earning per share - Basic	<u>0.47</u>	<u>1.24</u>	<u>0.89</u>	<u>1.17</u>
Earning per share - Diluted	<u>0.23</u>	<u>0.62</u>	<u>0.45</u>	<u>0.59</u>

The annexed notes form an integral part of these accounts.

Lahore

Chief Executive

Director

FIRST CAPITAL EQUITIES LIMITED
CASH FLOW STATEMENT
FOR THE PERIOD ENDED DECEMBER 31, 2003

	December 31, 2003	December 31, 2002
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	16,993,200	14,286,120
Add: Items not involved in movement of funds		
Depreciation	1,643,362	2,063,268
Deficit/(Surplus) on revaluation of investments	2,756,012	(2,621,763)
Dividend Income	(55,862)	(2,394,543)
Interest/ Mark up Income	(556,313)	(568,987)
Interest/ Mark up Expense	4,189	283,298
Loss/(Gain) on sale of fixed assets	83,979	(179,736)
Provision for gratuity	724,538	537,503
	<u>4,599,905</u>	<u>(2,880,960)</u>
	21,593,105	11,405,160
(Increase) / decrease in current assets		
Investments	(84,713,636)	(2,609,463)
Accounts receivable	(8,289,397)	(53,482,029)
Advances, deposits, prepayments and other receivables	(2,259,465)	(4,129,620)
	<u>(95,262,498)</u>	<u>(60,221,112)</u>
Increase / (decrease) in current liabilities		
Accounts payable	77,406,302	89,681,442
Creditors, accrued and other liabilities	2,123,899	(11,365,911)
	<u>79,530,201</u>	<u>78,315,531</u>
Cash Generated from Operations	5,860,809	29,499,579
Dividend received	55,862	317,520
Interest/ Mark up received	545,554	684,066
Interest/ Mark up paid	-	(552,747)
Gratuity Paid	(158,000)	(366,200)
Tax Paid	-	(1,472,458)
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>6,304,225</u>	<u>28,109,760</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(1,296,565)	(2,723,393)
Proceeds from sale of fixed assets	33,500	970,500
Long term deposits	(425,310)	260,754
NET CASH FLOW FROM INVESTING ACTIVITIES	<u>(1,688,375)</u>	<u>(1,492,139)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment against lease finance	(55,083)	(916,236)
Proceeds from Lease Finance	-	69,000
Share Deposit Money	120,035,000	-
Short Term Running Finance	-	(14,247,836)
NET CASH FLOW FROM FINANCING ACTIVITIES	<u>119,979,917</u>	<u>(15,095,072)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	124,595,767	11,522,549
CASH AND CASH EQUIVALENTS - OPENING	<u>27,732,581</u>	<u>58,221,515</u>
CASH AND CASH EQUIVALENTS - CLOSING	<u><u>152,328,348</u></u>	<u><u>69,744,064</u></u>

The annexed notes form an integral part of these accounts.

Lahore

Chief Executive

Director

FIRST CAPITAL EQUITIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2003

PARTICULARS	Share Capital	Share Deposit Money	Un appropriated Profit	Total
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Balance as at June 30, 2002	120,035,000	-	20,489,173	140,524,173
Profit for the half year ended December 31, 2002	-	-	14,081,120	14,081,120
Balance as at December 31, 2002	120,035,000	-	34,570,293	154,605,293
Profit for the half year ended June 30, 2003			31,296,098	31,296,098
Balance as at June 30, 2003	120,035,000	-	65,866,391	185,901,391
Share Deposit Money	-	120,035,000		120,035,000
Profit for the half year ended December 31, 2003	-	-	14,918,277	14,918,277
Balance as at December 31, 2003	120,035,000	120,035,000	80,784,668	320,854,668

The annexed notes form an integral part of these accounts.

Lahore

Chief Executive

Director

FIRST CAPITAL EQUITIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED DECEMBER 31, 2003

- 1 First Capital Equities Limited, (the "Company") was incorporated on January 26, 1995 as private limited company, under the Companies Ordinance, 1984. The Company was converted into Public Limited Company on June 18, 1997 and is listed on Lahore Stock Exchange. The principal activities of the Company include share brokerage and conducting / publishing business research.
- 2 These accounts are un-audited but subject to limited review by auditors as required by clause (xxi) of Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan and are being presented to shareholders under section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 'Interim Financial Reporting'.
- 3 The accounting policies adopted for the preparation of these accounts are consistent with those applied in preparing the annual audited accounts for the year ended June 30, 2003.

4 OPERATING FIXED ASSETS

The following additions to operating fixed assets have been made during the period of six months ended December 31, 2003.

	December 2003	December 2002
	(Rupees)	(Rupees)
Owned:		
Leased Hold Improvements	-	150,730
Computers	138,250	328,300
Office Equipments	333,315	832,696
Furniture & Fixtures	-	76,767
Vehicles	825,000	1,265,900
	1,296,565	2,654,393
Leased:		
Vehicles	-	69,000
	1,296,565	2,723,393

Computer accessories costing Rs. 65,800/- having book value of Rs. 26,354/- were sold to Commercial Computers, Islamabad for Rs. 5,500/-. Office equipments costing Rs. 125,000/- having book value of Rs. 91,125/- were sold to Power way Tech, Karachi for Rs. 28,000/-. All sales were made through negotiations.

5 TRANSACTIONS WITH ASSOCIATED COMPANIES

	December 2003	December 2002
	Rupees	Rupees
Brokerage Income	184,979	898,045
Payment for / against current accounts	37,975,951	517,508
Mark up charged on borrowing	-	55,526
Group pool expenses paid	730,320	2,362,924

The company continuous to have a policy where by all transaction with related parties are entered into at arm's length determined in accordance with "Comparable Uncontrolled Price Method".

6 CONTINGENCIES AND COMMITMENTS

There were no change in contingencies and commitments disclosed in the annual accounts for the year ended June 30, 2003.

7 GENERAL

Figures have been rounded off to the nearest rupee.

Lahore

Chief Executive

Director