



Crescent Steel &
Allied Products Ltd.

BALANCE SHEET

As at June 30, 2004

	Note	2004	2003
Rupees in thousand			
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital 30,000,000 ordinary shares of Rs 10 each		<u>300,000</u>	<u>300,000</u>
Issued, subscribed and paid-up capital	3	220,934	200,849
Reserves	4	1,270,464	956,973
Unappropriated profit		<u>28,016</u>	<u>4,257</u>
		<u>1,519,414</u>	<u>1,162,079</u>
Deferred income	5	792	450
Non-current liabilities			
Redeemable capital	6	295,955	–
Liabilities against assets subject to finance leases	7	30,561	38,015
Deferred taxation	8	10,582	–
Current liabilities			
Current maturity of liabilities against assets subject to finance leases	7	13,514	27,087
Short-term finances	9	142,734	73,485
Taxation	26	–	4,236
Creditors, accrued expenses and other liabilities	10	181,514	115,364
Proposed dividend		<u>33,140</u>	<u>40,170</u>
		<u>370,902</u>	<u>260,342</u>
Contingencies and commitments	11	<u>2,228,206</u>	<u>1,460,886</u>

BALANCE SHEET

As at June 30, 2004

	Note	2004	2003
		Rupees in thousand	
ASSETS			
Non-current assets			
Tangible fixed assets			
Operating fixed assets	12	420,185	318,056
Assets subject to finance leases	13	45,925	75,036
Capital work-in-progress	14	1,695	17,397
		<u>467,805</u>	<u>410,489</u>
Intangible assets	15	2,875	415
Long-term investments	16	210,651	70,329
Long-term deposits	17	5,737	5,289
Deferred taxation	8	–	1,078
Current assets			
Stores, spares and loose tools	18	39,256	21,303
Stock-in-trade	19	240,451	205,021
Trade debts	20	36,024	26,023
Advances	21	6,756	7,248
Deposits and prepayments	22	3,422	5,598
Current maturity of long-term investments	23	12,061	3,332
Investments	24	1,012,511	652,692
Other receivables	25	112,654	24,555
Taxation - net	26	59,989	–
Cash and bank balances	27	18,014	27,514
		<u>1,541,138</u>	<u>973,286</u>
		<u>2,228,206</u>	<u>1,460,886</u>

The annexed notes 1 to 45 form an integral part of these financial statements.


Chairman


Chief Executive



Crescent Steel &
Allied Products Ltd.

PROFIT & LOSS ACCOUNT

For the year ended June 30, 2004

Note	2004			2003			
	Steel division	Cotton division	Total	Steel division	Cotton division	Total	
	Rupees in thousand						
Sales	28	612,651	730,653	1,343,304	1,215,567	523,381	1,738,948
Cost of sales	29	459,495	714,387	1,173,882	901,060	496,980	1,398,040
Gross profit		153,156	16,266	169,422	314,507	26,401	340,908
Selling expenses	30	6,183	2,832	9,015	6,224	2,701	8,925
Administration expenses	31	63,502	13,326	76,828	69,196	13,073	82,269
		69,685	16,158	85,843	75,420	15,774	91,194
Operating profit		83,471	108	83,579	239,087	10,627	249,714
Other income	32	298,769	1,626	300,395	181,174	1,292	182,466
		382,240	1,734	383,974	420,261	11,919	432,180
Financial charges	33	6,151	14,240	20,391	1,114	15,714	16,828
Other charges	34	24,089	12,776	36,865	23,189	2,905	26,094
Unrealized gain on remeasurement of available-for-sale investment securities		—	—	—	7,883	—	7,883
		30,240	27,016	57,256	32,186	18,619	50,805
Profit / (loss) before taxation		352,000	(25,282)	326,718	388,075	(6,700)	381,375
Taxation	35			30,818			97,219
Profit after taxation				295,900			284,156
Basic and diluted earnings per share	36			Rs. 13.39			Rs. 12.86
Dividend per share				Rs. 3.50			Rs. 5.00

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Chairman


Chief Executive


STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2004

	Issued, subscribed and paid-up capital	General reserve	Reserve for issue of bonus shares	Unrealized gain on remeasurement of available-for- sale investment securities	Unappropriated profit	Total
	Rupees in thousand					
Balance as at July 1, 2002	200,849	581,000	2,278	–	5,611	789,738
Profit for the year	–	–	–	–	284,156	284,156
Unrealized gains on available-for-sale investment securities relating to change in accounting policy:						
- for the year ended June 30, 2003	–	–	–	180,727	–	180,727
- for the year ended June 30, 2002	–	–	–	7,883	–	7,883
Transfer to general reserve	–	165,000	–	–	(165,000)	–
Dividends						
- First interim (10%)	–	–	–	–	(20,085)	(20,085)
- Second interim (10 %)	–	–	–	–	(20,085)	(20,085)
- Third interim (10%)	–	–	–	–	(20,085)	(20,085)
- Final (20%)	–	–	–	–	(40,170)	(40,170)
					(100,425)	(100,425)
Transfer to reserve for issue of bonus shares			20,085		(20,085)	–
Balance as at June 30, 2003	200,849	746,000	22,363	188,610	4,257	1,162,079
Profit for the year	–	–	–	–	295,900	295,900
Unrealized gains on available-for-sale investment securities	–	–	–	207,462	–	207,462
Realized gains on sale of investments	–	–	–	(68,701)	–	(68,701)
Issuance of bonus shares	20,085	–	(20,085)	–	–	–
Transfer to general reserve	–	175,000	–	–	(175,000)	–
Dividends						
- First interim (10%)	–	–	–	–	(22,093)	(22,093)
- Second interim (10%)	–	–	–	–	(22,093)	(22,093)
- Proposed final (15%)	–	–	–	–	(33,140)	(33,140)
					(77,326)	(77,326)
Transfer to reserve for issue of bonus shares			19,815		(19,815)	–
Balance as at June 30, 2004	220,934	921,000	22,093	327,371	28,016	1,519,414

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Chairman


Chief Executive



Crescent Steel &
Allied Products Ltd.

CASH FLOW STATEMENT

For the year ended June 30, 2004

	Note	2004	2003
Rupees in thousand			
Cash flows from operating activities			
Cash generated from operations	37	95,939	349,470
Taxes paid		(83,383)	(93,321)
Financial charges paid		(13,328)	(17,480)
Contributions to pension and gratuity fund		(4,886)	(12,169)
Payment for the Worker Welfare Fund		(5,393)	(3,638)
Insurance commission received		1,347	-
Increase in long-term deposits and prepayments		(448)	2,360
Net cash (used in) / from operating activities		<u>(10,152)</u>	<u>225,222</u>
Cash flows from investing activities			
Capital expenditure		(144,656)	(139,281)
Purchase of intangible assets		(4,288)	(53)
Proceeds from sale of fixed assets		6,476	1,502
Investments - net		(166,594)	(87,747)
Dividends received		53,491	37,751
Interest received		5,361	21,042
Net cash (used in) investing activities		<u>(250,210)</u>	<u>(166,786)</u>
Cash flows from financing activities			
Receipts / (payments) against short-term loans		50,000	(20,000)
Receipts against redeemable capital		300,000	-
Payments of long-term loans		-	(40,020)
Receipts against commercial papers		73,727	-
Payments of liabilities against assets subject to finance leases		(29,968)	(18,080)
Dividends paid		(87,245)	(111,972)
Net cash from / (used in) financing activities		<u>306,514</u>	<u>(190,072)</u>
Net increase / (decrease) in cash and cash equivalents		<u>46,152</u>	<u>(131,636)</u>
Cash and cash equivalents at beginning of year		<u>(45,971)</u>	<u>85,665</u>
Cash and cash equivalents at end of year	38	<u><u>181</u></u>	<u><u>(45,971)</u></u>

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Chairman


Chief Executive