

BALANCE SHEET

as at June 30, 2006

	Note	2006 Rupees	2005 Rupees Restated
ASSETS			
NON-CURRENT ASSETS			
Tangible fixed assets			
Assets leased out	5	777,218,438	678,392,878
Assets in own use	6	6,207,517	6,514,833
		783,425,955	684,907,711
Long term deposits		71,000	58,000
Long term murabaha finances - secured, considered good	7	80,000,000	4,153,114
Long term musharika finances - secured, considered good	8	50,625,000	70,875,000
CURRENT ASSETS			
Short term murabaha finances - secured	9	625,622,413	366,597,490
Current portion of long term murabaha finances - secured, considered good	7	18,766,916	21,977,835
Current portion of long term musharika finances - secured, considered good	8	20,250,000	10,125,000
Investments - available for sale	10	72,856,772	89,242,730
Prepayments and other receivables	11	74,688,658	66,557,877
Cash and bank balances	12	11,817,423	10,677,214
		824,002,182	565,178,146
TOTAL ASSETS		1,738,124,137	1,325,171,971
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Certificate capital:			
Authorised:			
50,000,000 (2005: 50,000,000) certificates of Rs. 10/- each		500,000,000	500,000,000
Issued, subscribed and paid-up	13	340,200,000	340,200,000
Reserves	14	149,459,648	123,484,799
Certificate holders' equity		489,749,648	463,684,799
NON-CURRENT LIABILITIES			
Long term musharika finances - secured	15	254,868,930	523,017,127
Security deposits against assets leased out	16	108,654,538	88,386,954
CURRENT LIABILITIES			
Short-term musharika finances - secured	17	450,000,000	-
Short-term murabaha finances - secured	18	150,000,000	-
Redeemable capital - participatory and unsecured	19	216,400,000	207,800,000
Accrued and other liabilities	20	28,600,889	25,431,705
Current portion of security deposits against assets leased out	16	29,077,058	7,758,246
Unclaimed profit distribution		10,773,074	9,093,140
Total current liabilities		884,851,021	250,083,091
TOTAL EQUITY AND LIABILITIES		1,738,124,137	1,325,171,971
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 36 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

PROFIT AND LOSS ACCOUNT

for the year ended June 30, 2006

	Note	2006 Rupees	2005 Rupees (Restated)
OPERATING INCOME	22	401,078,612	290,389,853
OPERATING COSTS			
Depreciation of fixed assets leased out	5	241,497,503	197,416,206
Provision against doubtful lease rentals receivable		6,847,079	-
Operating expenses	23	9,059,172	7,414,520
		257,403,754	204,830,726
		143,674,858	85,559,127
Other income	24	28,101,210	22,126,551
		171,776,068	107,685,678
Financial charges	25	99,230,212	47,794,999
		72,545,856	59,890,679
Modaraba company's management fee		7,254,586	5,989,068
PROFIT FOR THE YEAR		65,291,270	53,901,611
Unappropriated profit brought forward - restated		44,383,684	53,993,395
PROFIT AVAILABLE FOR APPROPRIATION		109,674,954	107,895,006
APPROPRIATIONS:			
Transfer to statutory reserve @ 20% (2005: 20%) of the profit		13,058,254	10,780,322
Profit distribution of 2005 @ 13% (2004: 15.5%)		44,226,000	52,731,000
		57,284,254	63,511,322
Unappropriated profit carried forward		52,390,700	44,383,684
Earnings per certificate - basic	26	1.92	1.58

The annexed notes from 1 to 36 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CASH FLOW STATEMENT

for the year ended June 30, 2006

	Note	2006 Rupees	2005 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the year		65,291,270	53,901,611
Adjustment for:			
Depreciation of assets leased out		241,497,503	197,416,206
Depreciation on assets in own use		1,043,829	733,755
Gain on sale of tangible fixed assets leased out		(847)	(78,224)
Gain on sale of investments - available for sale		(9,955,515)	(8,728,617)
Profit on -			
Musharika finances		78,909,259	40,614,316
Morabaha finances		6,435,918	4,953,823
Redeemable capital		13,789,992	2,188,960
Dividend income		(8,780,754)	(4,440,384)
		322,939,385	232,659,835
Operating profit before working capital changes		388,230,655	286,561,446
Working capital changes			
(Increase) / decrease in assets			
Morabaha finance		(255,814,004)	(48,720,741)
Musharika finance		(10,125,000)	-
Prepayments and other receivables		(48,711,589)	(50,730,331)
Increase in liabilities			
Accrued and other liabilities		10,418,419	(6,615,539)
		(304,232,174)	(106,066,611)
		83,998,481	180,494,835
CASH GENERATED FROM OPERATIONS			
Purchase of assets leased out		(371,519,628)	(286,273,672)
Proceeds from transfer of assets leased out including security adjusted		31,197,414	6,053,816
Long term -			
Morabaha finances		(75,846,886)	5,928,702
Musharika finances		20,250,000	(81,000,000)
Deposits		(13,000)	42,000
Security deposits against assets leased out (net)		41,586,396	26,605,303
Profit paid on musharika and morabaha finances		(90,165,824)	(38,620,672)
Taxes paid		89,662	(32,697)
		(444,421,866)	(367,297,220)
		(360,423,385)	(186,802,385)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES			
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets in own use		(736,513)	(1,575,100)
Proceeds from sale of assets in own use		-	275,000
Proceeds from sale of investments		60,529,193	94,675,290
Investments made		(29,188,142)	(109,232,886)
Dividend received		33,053,319	4,440,384
		63,657,857	(11,417,312)
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES			
CASH FLOW FROM FINANCING ACTIVITIES			
Musharika finances received		181,851,803	151,972,492
Morabaha finances received / (paid)		150,000,000	(99,950,000)
Redeemable capital		8,600,000	207,800,000
Profit distributed among the certificate holders		(42,546,066)	(51,041,164)
		297,905,737	208,781,328
NET CASH INFLOW FROM FINANCING ACTIVITIES			
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		1,140,209	10,561,631
CASH AND CASH EQUIVALENTS - At the beginning of the year		10,677,214	115,583
CASH AND CASH EQUIVALENTS - At the end of the year	12	11,817,423	10,677,214

The annexed notes form 1 to 36 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

STATEMENT OF CHANGES IN EQUITY

for the year ended June 30, 2006

	Certificate capital	Statutory reserve	Un-realised loss on remeasurement of available-for-sale investments	Unappropriated profit	Total
	----- Rupees -----				
Balance as at June 30, 2004 as previously reported	340,200,000	76,497,273	(1,717,242)	1,262,395	416,242,426
Restatement considered necessary due to ICAP's circular No. 6 of 2006 dated June 19, 2006	-	-	-	52,731,000	52,731,000
Balance as at June 30, 2004 - restated	340,200,000	76,497,273	(1,717,242)	53,993,395	468,973,426
Profit distributed during the year	-	-	-	(52,731,000)	(52,731,000)
Profit for the year ended June 30, 2005	-	-	-	53,901,611	53,901,611
Transfer to statutory reserve	-	10,780,322	-	(10,780,322)	-
Net unrealized loss on investments - available for sale	-	-	(6,785,935)	-	(6,785,935)
Net gain realized on disposals of investments - available for sale	-	-	326,697	-	326,697
Profit distribution	-	-	-	(44,226,000)	(44,226,000)
Balance as at June 30, 2005 as previously reported	340,200,000	87,277,595	(8,176,480)	157,684	419,458,799
Restatement considered necessary due to ICAP's circular No. 6 of 2006 dated June 19, 2006	-	-	-	44,226,000	44,226,000
Balance as at June 30, 2005 - restated	340,200,000	87,277,595	(8,176,480)	44,383,684	463,684,799
Profit distributed during the year	-	-	-	(44,226,000)	(44,226,000)
Profit for the year ended June 30, 2006	-	-	-	65,291,270	65,291,270
Transfer to statutory reserve	-	13,058,254	-	(13,053,254)	-
Net unrealized loss on investments - available for sale	-	-	6,391,017	-	6,391,017
Net loss realized on disposals of investments - available for sale	-	-	(1,391,438)	-	(1,391,438)
Balance as at June 30, 2006	340,200,000	100,335,849	(3,176,901)	52,390,700	489,749,648

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

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR