

Montego Freeport Limited & Subsidiaries

Unaudited Consolidated Profit & Loss Account

Six months ended September 2003

CONSOLIDATED PROFIT & LOSS ACCOUNT

	3 months ended 30 September		6 months ended 30 September	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Turnover	4,163	4,604	8,366	8,507
Other operating income	137	240	334	256
Administrative expenses	(2,119)	(2,191)	(4,528)	(4,391)
Other operating	<u>(4,101)</u>	<u>(3,848)</u>	<u>(7,901)</u>	<u>(7,009)</u>
Operating Loss	(1,920)	(1,195)	(3,729)	(2,637)
Finance hicome	<u>12,588</u>	<u>13,288</u>	<u>30,323</u>	<u>24,880</u>
Profit before Taxation	10,668	12,093	26,504	22,243

Taxation	(3,062)	378	(6,228)	(4,178)
Net Profit	<u>7,606</u>	<u>12,471</u>	<u>20,366</u>	<u>18,065</u>
	=====	=====	=====	=====
	CENTS	CENTS	CENTS	CENTS
Earnings per share unit	1.35	2.21	3.62	3.21

BALANCE SHEET

	30 September 2003 \$'000	*31 march 2003 \$'000	*30 September 2002 \$'000
ASSETS			
Non-current assets			
Fixed Assets	417,789	418,834	421,050
Current Assets			
Receivables	98423	41762	47,980
Taxation recoverable	33,109	19,081	21,278
Cash and deposits	<u>268,677</u>	<u>309,922</u>	<u>277,724</u>
	<u>400,209</u>	<u>370,765</u>	<u>346,982</u>
Total assets	<u>817,998</u>	<u>789,599</u>	<u>768,032</u>
	=====	=====	=====
SHAREHOLDERS' EQUITY			
Share Capital	281,533	281,533	281,533
Capital Reserve	401,485	401,485	398,448
Retained Earnings/ (Accumulated Losses)	<u>8,588</u>	<u>(11,778)</u>	<u>(27,894)</u>
	<u>691,606</u>	<u>671,240</u>	<u>652,087</u>
	=====	=====	=====

LIABILITIES

Non- current liabilities	25,439	32,862	35,424
Current Liabilities			
Payables	80,815	81,786	73,391
Taxation payable	<u>20,138</u>	<u>3,711</u>	<u>7,130</u>
	<u>100,953</u>	<u>85,497</u>	<u>80,521</u>
Total equity and liabilities	<u>817,998</u>	<u>789,599</u>	<u>768,032</u>

STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL \$'000	CAPITAL RESERVE \$'000	ACCUMULATED LOSSES \$'000	TOTAL \$'000
Balance at 1 April 2002 as previously reported	231,533	398,448	(37,592)	42,389
effect of adoption				
IAS 12- Income Taxes			3,693	3,693
IAS 38- Intangible Assets			(12,060)	(12,060)
As restated at 1 April 2002	281,533	398,443	(45,959)	624,022
Net profit		-	18,065	18,065
Balance as at 30 September 2002	<u>281,533</u>	<u>398,448</u>	<u>(27,894)</u>	<u>652,087</u>
	SHARE CAPITAL	CAPITAL RESERVE	ACCUMULATED LOSSES	TOTAL

	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2002 as previously reported	281,533	401,485	(1,340)	681,678
effect of adoption				
IAS 12- Income Taxes			1,622	1,622
IAS 38- Intangible Assets			(12,060)	(12,060)
As restated at 1 April 2003	<u>281,533</u>	<u>401,485</u>	<u>(11,778)</u>	<u>671,240</u>
Net Profit			<u>20,366</u>	<u>20,366</u>
Balance as at 30 September 2003	<u>281,533</u> =====	<u>401,485</u> =====	<u>8,588</u> =====	<u>691,606</u> =====

COSOLIDATED CASH FLOW STATEMENT

	2003 \$'000	2002 \$'000
CASH RESOURCES WERE PROVIDED BY / (USED IN) :		
Cash flow from operating activities		
Net Profit	20,366	18,065
Items not affecting cash resources	<u>1,226</u>	<u>1,194</u>
	21,592	19,259
Changes in non-cash working capital components	<u>(55,233)</u>	<u>11,162</u>
Cash (used in)/provided by operating activities	(33,641)	30,421
Cash used in investing activities	(181)	(136)
Cash (used in)/provided by financing		

activities	(7,423)	30,723
(Decrease)/ increase in cash and cash equivalent	<u>(41,245)</u>	<u>61,008</u>
Net cash and cash equivalents at beginning of period	309,922	216,716
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>268,677</u>	<u>277,724</u>
	=====	=====

Notes to report

Accounting Policies

(a) Basis of preparation

These consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS),

(b) Fixed Assets

Freehold land and buildings are initially recorded at cost and subsequently shown at a market valuation by an external independent valuer, less subsequent depreciation of buildings, Other fixed assets are stated at cost less accumulated depreciation. There was no impairment of fixed assets in the reporting period.

(c) Deferred Taxation

Deferred income tax is provided in full, using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised

(d) Provisions

Provisions are required when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

(e) Cash and Cash Equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand and deposits held at call with banks.

(f) Earnings per Stock Unit

Earnings per stock unit is based on the group net profit for the period divided by the average number of stock units in issue during the period.

(g) Comparative Information

Where necessary, comparative figures have been reclassified and/or restated to conform with changes in presentation In the current year.
