

# PEGASUS HOTELS OF JAMAICA LIMITED

## INTERIM STATEMENT - 30 JUNE 2004

### Balance Sheet

	Unaudited Jun-04 \$'000	Restated Jun-03 \$'000	Audited Mar-04 \$'000
<b>NET ASSET EMPLOYED</b>			
<b>Fixed Assets</b>	2,581,985	2,384,326	2,594,788
<b>Pension surplus</b>	325	3,426	325
<b>Current Assets</b>			
Inventories	24,069	19,922	24,330
Accounts receivable	45,484	47,792	69,637
Taxation recoverable	0	0	0
Cash and bank balances	122,049	86,109	99,622
	191,602	153,823	193,589
<b>Current Liabilities</b>			
Bank overdraft			93
Accounts payable	17,918	21,189	49,355
Taxation payable	11,288	6,445	10,909
Current portion of long term liability	19,696	19,696	20,089
Current portion of lease obligation	296	873	575
	49,198	48,203	81,021
<b>Net Current Assets</b>	142,404	105,620	112,568
	2,724,714	2,493,372	2,707,681

**FINANCED BY**

Share Capital	120,166	120,166	120,166
Capital Reserves	1,871,730	1,710,033	1,871,730
Replacement Reserve	845	0	0
Accumulated (Deficit)/Surplus	36,030	13,128	22,795
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	2,028,771	1,843,327	2,014,691
Deferred Tax liabilities	673,195	619,662	677,475
Long Term Liability	22,662	30,190	15,413
Lease obligation	86	193	102
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	2,724,714	2,493,372	2,707,681
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**Profit and Loss Account**

	<b>Unaudited</b>	<b>Restated</b>
	<b>3 months</b>	<b>3 months</b>
	<b>to</b>	<b>to</b>
	<b>30-Jun</b>	<b>30-Jun</b>
	<b>2004</b>	<b>2003</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>	142,927	131,053
Direct costs	(58,888)	(54,836)
<b>Gross Profit</b>	<b>84,039</b>	<b>76,217</b>
Other operating income	3,402	6,251
Administration expenses	(37,928)	(34,636)
Other operating expenses	(36,448)	(36,919)

Operating profit	13,066	10,913
Finance income	2,240	3,176
<b>Profit / before Taxation</b>	<b>15,306</b>	<b>14,089</b>
Taxation	(2,070)	(3,641)
<b>NET PROFIT</b>	<b>13,235</b>	<b>10,448</b>
<b>PROFIT PER STOCK UNIT (cents)</b>	<b>11.01</b>	<b>8.69</b>

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#### Statement of Changes of Equity

	<u>Number of Shares</u>	<u>Share Capital</u>	<u>Capital Reserve</u>	<u>Replacement Reserve</u>	<u>Accumulated deficit</u>
<u>Total</u>	000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 April 2003	114,444	114,444	1,710,033		8,402
1,832,879					
Bonus issue	5,722	5,722	-		(5,722)
-					
Replacement utilisation	-	-	-	-	
-					
Fair value adjustments to land and buildings, net of taxation	-	-	161,697	-	-
161,697					

Net profit	-	-	-	-	20,115
<u>20,115</u>					
<b>Balance as at 1 April 2004</b>	120,166	120,166	1,871,730	-	22,795
2,014,691					
Bonus issue	-	-	-	-	-
-					
Provision for replacement	-	-	-	845	-
845					
Replacement utilisation	-	-	-	-	-
-					
Realised surplus on disposals of fixtures					
Net Profit	-	-	-	-	13,235
<u>13,235</u>					
<b>Balance at 30 June 2004</b>	120,166	120,166	1,871,730	845	36,030
2,028,771					

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## Statement of Cash Flows

	30/6/04	31/3/04
	\$'000	\$'000
<b>CASH RESOURCES WERE (USED IN) / PROVIDED BY:</b>		
<b>Operating Activities</b>	-	-
Net Profit	13,235	20,115
Items not affecting cash		
Depreciation	14,131	51,714
Gain on disposal of fixed assets	-	(95)
Exchange gain on foreign balances	-	(755)
Interest income	(3,325)	(19,378)
Interest expense	1,085	6,644

Taxation expense	<u>2,070</u>	<u>12,250</u>
	27,196	70,495
Changes in operating assets and liabilities:		
Inventories	262	(7,561)
Receivables	9,866	(6,132)
Payables	(26,574)	8,875
Retirement benefits	-	4,135
<b>Net cash provided by operating activities</b>	<b>10,750</b>	<b>69,812</b>
Interest received	8,664	10,845
Taxation paid	<u>(1,690)</u>	<u>(7,603)</u>
<b>Net cash provided by operating activities</b>	<b><u>17,724</u></b>	<b><u>73,054</u></b>
<b>Cash Flows From Financing Activities</b>		
Long term loan received	12,173	-
Long term loan repaid	(4,924)	(19,702)
Finance lease repaid	(184)	(737)
Interest paid	<u>(1,085)</u>	<u>(6,644)</u>
<b>Net cash (used in)/provided by financing activities</b>	<b><u>5,980</u></b>	<b><u>(27,083)</u></b>
<b>Cash Flows from Investing Activities</b>		
Purchase of fixed assets	(1,327)	(42,578)
Proceeds on disposal of fixed assets	<u>-</u>	<u>95</u>
<b>Net cash used in investing activities</b>	<b><u>(1,327)</u></b>	<b><u>(42,483)</u></b>
	22,377	3,488
Exchange gain on net foreign cash balances	<u>143</u>	<u>648</u>
Net increase in cash and cash equivalent	22,520	4,136
Cash and cash equivalents at beginning of year	<u>99,529</u>	<u>95,393</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>122,049</u></b>	<b><u>99,529</u></b>
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## Sources and Applications of Funds

	\$000	
<b>CASH RESOURCES WERE (USED IN)/ PROVIDED BY:</b>		
<b>Operating Activities</b>		
Net Profit	11,801	
Items not affecting cash		
Depreciation	8,164	
Replacement Reserve	4,276	
Replacement Reserve (SPENT)	(4,236)	
Gain on disposal of fixed assets	-	
	<u>20,005</u>	
Changes in non-cash working capital components		
Inventories	(3,000)	
Receivables	(1,208)	
Payables	778	
Forte (UK) Ltd	-	
Taxation	(97)	
Net cash provided by operating activities		16,478
<b>Financing Activities</b>		
Proceeds from disposal of fixed assets	-	
Proceeds from DBJ loan	-	
Net cash used in financing activities		-
<b>Loan Repayment</b>		(3,282)
<b>Investing Activity</b>		
Purchase of fixed assets	(12,644)	
Net cash used in investing activity		<u>(12,644)</u>
Increase/(Decrease) in net bank and cash balances		552
Net bank and cash balances at beginning of year		<u>95,393</u>

NET BANK AND CASH BALANCES AT END OF YEAR

95,945

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