



**Capital Assets Leasing
Corporation Limited**

**Condensed Interim
Financial Information
For the 3rd Quarter Ended
March 31, 2012
(Un-Audited)**



Capital Assets Leasing Corporation Limited

CORPORATE INFORMATION

Board of Directors:	Mr. Muhammad Sajid (Chairman) Mr. Saad Saeed Faruqui (Chief Executive Officer) Syed Hasan Akbar Kazmi Syed Sajid Nasim Mr. Shahrukh Saeed Faruqui Mr. Mustafa Jafar Ms. Ayesha Qadri
Audit Committee:	Mr. Muhammad Sajid (Chairman) Syed Sajid Nasim (Member) Mr. Mustafa Jafar (Member) Mr. Moiz Saifuddin (Secretary)
Chief Executive Officer:	Mr. Saad Saeed Faruqui
CFO & Company Secretary:	Mr. Abdul Wajid Soherwardy
Head of Internal Audit:	Mr. Moiz Saifuddin
Registrar & Share Transfer Office:	Technology Trade (Pvt.) Ltd. Ballotter, Share Registrar & Transfer Agent Dagia House, 241-C, Block-2, P.E.C.H.S, Karachi. Tel: 92(21) 3439 1316-7 & 19, 3438 7960-1 Fax: 92(21) 3439 1318
Auditors:	Baker Tilly Mehmood, Idrees, Qamar, Chartered Accountants
Legal Advisor:	Mohsin Tayebaly & Co. Advocates Hosain & Rahim, Advocates & Corporate Counsel
Bankers:	JS Bank Limited
Registered Office:	14th Floor, Chapal Plaza, Hasrat Mohani Road, Karachi-74000 Tele: +92 (21) 3243 1181-8 Fax: +92 (21) 3246 5718 E-mail: calcorp@optimus.com.pk Web: www.calcorp.com.pk
Branch Office:	Suite # 2, 2nd Floor, Gulberg Heights Off Sherpao Bridge, Gulberg-II, Lahore-54660. Tel: +92 (42) 3578 7471-73 Fax: +92 (42) 3575 8920

TO THE SHARE HOLDERS

Attached is the Un-Audited Condensed Interim financial information for the Quarter ended March 31, 2012 together with the selected notes to the condensed interim financial information and Directors' review report thereon for the shareholders of the company. These are submitted as required under section 245 of the Companies Ordinance, 1984.

Karachi: April 25, 2012

By the Order of the Board
Abdul Wajid Soherwardy
CFO & Company Secretary



Capital Assets Leasing Corporation Limited

**VISION / MISSION STATEMENTS OF
CAPITAL ASSETS LEASING CORPORATION LIMITED**

VISION STATEMENT

To become a leading Leasing Company by making a sizeable contribution to the development and growth of the Country's economy wave, by providing financial and technical assistance to our customers, combined with innovative ideas and services, thus enabling the customers and the Company to achieve their objectives.

MISSION STATEMENT

To achieve the role of a leading Leasing services Company by delivering quality service at competitive rates to its customers whilst maintaining the highest levels of professionalism, ethical standards and corporate individuality, thereby also rewarding the Shareholders, Employees, and other stakeholders.



Capital Assets Leasing Corporation Limited

DIRECTORS' REVIEW

On behalf of the Board of Directors, I am pleased to present the Condensed Interim financial Information for the Nine months ended March 31, 2012 of your company. The financial results for the period under review are summarized below:

	NINE MONTHS ENDED		QUARTER ENDED	
	March 2012	March 2011	March 2012	March 2011
 Rupees Rupees	
INCOME				
Income From Operations	13,297,086	12,064,731	4,469,717	4,425,020
Other operating income	<u>316,412</u>	<u>73,785</u>	<u>59,687</u>	<u>40,768</u>
	<u>13,613,498</u>	<u>12,138,516</u>	<u>4,529,404</u>	<u>4,465,788</u>
EXPENSES				
Administrative and operating expenses	4,602,393	4,113,420	1,632,973	1,244,814
Financial charges	2,168	1,780	732	123
Worker's Welfare Fund	182,899	-	58,717	-
(Reversals) / Provision and write offs	<u>(61,030)</u>	<u>(1,218,076)</u>	<u>34,852</u>	<u>(192,532)</u>
	<u>4,726,430</u>	<u>2,897,124</u>	<u>1,727,274</u>	<u>1,052,405</u>
PROFIT BEFORE TAXATION	<u>8,887,068</u>	<u>9,241,392</u>	<u>2,802,130</u>	<u>3,413,383</u>
Taxation	<u>(3,171,754)</u>	<u>(204,509)</u>	<u>(1,169,890)</u>	<u>(71,258)</u>
PROFIT AFTER TAXATION	<u>5,715,314</u>	<u>9,036,883</u>	<u>1,632,240</u>	<u>3,342,125</u>
EARNINGS PER SHARE	<u>0.53</u>	<u>0.84</u>	<u>0.15</u>	<u>0.31</u>

During the period, company has earned income from operations amounting PKR 13.3 million compared to PKR 12 million in corresponding period last year. However, Pre-tax profit for the period is PKR 8.88 million compared to PKR 9.24 million last year. Overall decrease is mainly the result of more recoveries made in prior year from non-performing leases compared to current period. The net profit for the period is PKR 5.71 million after accounting for current and deferred taxation.

FUTURE OUTLOOK

Company has negotiated a financing arrangement to increase its fleet size which is expected to contribute to the profitability from next quarter. Further, management is looking forward to raise equity in the company soon to revive its leasing license and leasing business.

ACKNOWLEDGEMENT

The directors wish to place on record their appreciation for the hard work put in and dedication displayed by the staff in performance of their duties.

We owe special gratitude to our shareholders and clients for their kindness and support. We also thank the Securities and Exchange Commission of Pakistan, all three Stock Exchanges and other regulatory bodies of the country for their support and understanding.

Saad Saeed Faruqi
Chief Executive Officer

Dated: 25th April, 2012



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2012

	Note	(Un-audited) March 31 2012	(Audited) June 30 2011
..... Rupees			
ASSETS			
Current Assets			
Cash and bank balances		662,209	535,558
Current portion of net investment in finance lease	4	9,551,190	10,115,203
Advances, deposits, prepayments and other receivables		18,318,976	10,903,196
Taxation - net		5,201,549	4,652,846
		33,733,924	26,206,803
Non-Current Assets			
Long term advances, deposits and prepayments	5	201,250	252,063
Deferred tax asset	6	26,938,959	29,908,957
Property, plant and equipment	7	55,579,747	54,927,635
		82,719,956	85,088,655
		<u>116,453,880</u>	<u>111,295,458</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
20,000,000 Ordinary shares of Rs. 10/- each		<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid-up share capital			
10,744,413 (June 30, 2011: 10,744,413) Ordinary shares of Rs.10/- each		107,444,130	107,444,130
Reserves		(2,809,882)	(8,525,196)
		104,634,248	98,918,934
Current Liabilities			
Current portion of long term deposits	8	9,568,175	9,688,175
Trade and other payables		2,251,457	2,688,349
		11,819,632	12,376,524
Contingencies and Commitments			
	9	-	-
		<u>116,453,880</u>	<u>111,295,458</u>

The annexed notes form an integral part of this condensed interim financial information.

Saad Saeed Faruqui
Chief Executive Officer

Muhammad Sajid
Chairman



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM PROFIT & LOSS ACCOUNT
FOR THE PERIOD ENDED MARCH 31, 2012
(UN-AUDITED)

	Note	PERIOD ENDED		QUARTER ENDED	
		March 2012 ----- Rupees -----	March 2011 ----- Rupees -----	March 2012 ----- Rupees -----	March 2011 ----- Rupees -----
Income					
Income from operations	10	13,297,086	12,064,731	4,469,717	4,425,020
Other operating income		316,412	73,785	59,687	40,768
		<u>13,613,498</u>	<u>12,138,516</u>	<u>4,529,404</u>	<u>4,465,788</u>
Administrative and operating expenses		4,602,393	4,113,420	1,632,973	1,244,814
Financial charges		2,168	1,780	732	123
workers' welfare fund		182,899	-	58,717	-
(Reversals) / Provision and write offs		(61,030)	(1,218,076)	34,852	(192,532)
		<u>4,726,430</u>	<u>2,897,124</u>	<u>1,727,274</u>	<u>1,052,405</u>
Profit before taxation		8,887,068	9,241,392	2,802,130	3,413,383
Taxation		(3,171,754)	(204,509)	(1,169,890)	(71,258)
Profit after taxation		5,715,314	9,036,883	1,632,240	3,342,125
Earnings per share		<u>0.53</u>	<u>0.84</u>	<u>0.15</u>	<u>0.31</u>

The annexed notes form an integral part of this condensed interim financial information.

Saad Saeed Faruqi
Chief Executive Officer

Muhammad Sajid
Chairman



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2012
(UN-AUDITED)

	Note	PERIOD ENDED		QUARTER ENDED	
		March 2012	March 2011	March 2012	March 2011
		----- Rupees -----		----- Rupees -----	
Net income for the period		5,715,314	9,036,883	1,632,240	3,342,125
Other Comprehensive Income		-	-	-	-
Total comprehensive income for the period		5,715,314	9,036,883	1,632,240	3,342,125

The annexed notes form an integral part of this condensed interim financial information.

Saad Saeed Faruqi
Chief Executive Officer

Muhammad Sajid
Chairman



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED MARCH 31, 2012
(UN-AUDITED)

	March 2012	March 2011
 Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	8,887,068	9,241,392
Adjustments for non cash items:		
Depreciation	2,830,965	2,708,117
Financial charges	2,168	1,780
(Reversal)/ provisions or write off	(61,030)	(1,218,076)
(Gain) on disposal of operating property, plant and equipment	(137,952)	(54,579)
	<u>11,521,219</u>	<u>10,678,634</u>
(Increase) in current assets		
Advances, deposits, prepayments and other receivables	(7,312,254)	(4,894,500)
(Decrease) in current liabilities		
Trade and other payables	(332,401)	(5,531,760)
	<u>3,876,564</u>	<u>252,374</u>
Cash generated from operations	3,876,564	252,374
Financial charges paid	(2,168)	(1,780)
Tax paid	(750,459)	(1,192,143)
Net investment in lease and hire purchase finances	522,329	8,086,974
Morabaha and short term finances	50,000	550,000
Lease security deposits	(120,000)	(5,237,872)
Net cash generated from operating activities	3,576,266	2,457,553
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment	(7,721,420)	(5,184,291)
Proceeds from sale of property, plant and equipment	4,376,296	1,405,450
Long term advances, deposits and prepayments	-	754,777
Net cash (used in) investing activities	(3,345,124)	(3,024,064)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of interim dividend	(104,491)	-
Net cash (used in) financing activities	(104,491)	-
Net increase / (decrease) in cash and cash equivalents	126,651	(566,511)
Cash and cash equivalents at the beginning of the period	535,558	945,598
Cash and cash equivalents at the end of the period	662,209	379,087

The annexed notes form an integral part of this condensed interim financial information.

Saad Saeed Faruqi
Chief Executive Officer

Muhammad Sajid
Chairman



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2012
(UN-AUDITED)

	Issued, Subscribed and Paid-up Share Capital	Statutory Reserves	Accumulated (Loss)	Total
 Rupees			
Balance as at July 01, 2010	107,444,130	9,638,752	(59,052,672)	58,030,210
Net profit for the period	-	-	9,036,883	9,036,883
Transfer to reserve	-	1,807,377	(1,807,377)	-
Dividend @ 5%	-	-	(860,220)	(860,220)
Balance as at March 31, 2011	107,444,130	11,446,129	(52,683,386)	66,206,873
Balance as at July 01, 2011	107,444,130	17,988,541	(26,513,737)	98,918,934
Net profit for the period	-	-	5,715,314	5,715,314
Transfer to reserve	-	1,143,063	(1,143,063)	-
Balance as at March 31, 2012	107,444,130	19,131,604	(21,941,486)	104,634,248

The annexed notes form an integral part of this condensed interim financial information.

Saad Saeed Faruqi
Chief Executive Officer

Muhammad Sajid
Chairman

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2012
(UN-AUDITED)**

1. LEGAL STATUS AND OPERATIONS

- 1.1 The company and its business CAPITAL ASSETS LEASING CORPORATION LIMITED was incorporated on April 1, 1992 in Pakistan as a public limited company and its shares are quoted on all Stock Exchanges in Pakistan. The principal activity of the Company is to carry out leasing business. In addition, the company is also engaged in renting out of vehicles through its holding company.

The registered office of the company is situated at 14th Floor, Chapal Plaza, Hasrat Mohani Road, Karachi. The company is a subsidiary of M/s. Optimus Limited which holds 83.96% ordinary share capital of the company.

- 1.2 According to the Non-Banking Finance Companies and Notified Entities Regulations, 2008 as notified by the SECP through its S.R.O.1203 (I) 2008, dated November 21, 2008, and further amended through its SRO 764 dated September 2, 2009 the minimum equity requirement for the leasing companies has been enhanced. The existing leasing companies are required to increase their minimum equity to Rs. 500 million latest by June 30, 2012, and Rs. 700 million by June 30, 2013. At present the company's equity is below prescribed limits.

- 1.3 As disclosed in detail in note 1.2, the company has been operating with an equity which is less than the statutory requirement and has stopped its leasing operations since April 2008. The management has decided to raise further capital and enhance its equity atleast upto the minimum limit required to operate as a leasing company.

2. BASIS OF PREPARATION

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard No. 34 'Interim Financial Reporting' and is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi Stock Exchange.

This condensed interim financial information comprise of the balance sheet as at March 31, 2012, the profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity for the Period ended March 31, 2012.

3. ACCOUNTING POLICIES AND COMPUTATION METHOD

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2011.

There are no IFRSs or IFRIC interpretations becoming effective during the period that would be expected to have a material impact on the company's financial statements.

4. INVESTMENT IN FINANCE LEASE

	(Un-Audited)			(Audited)		
	March 31, 2012			June 30, 2011		
	Not later than one year	More than one year and upto five year	Total	Not later than one year	More than one year and upto five year	Total
----- Rupees -----			----- Rupees -----			
Minimum lease and hire purchase rentals	20,970,834	-	20,970,834	21,387,135	-	21,387,135
Add: Residual value of leased assets	9,568,175	-	9,568,175	9,688,175	-	9,688,175
Gross investment in lease and hire purchase finance	30,539,009	-	30,539,009	31,075,310	-	31,075,310
Less: Unearned finance income	(4,164,844)	-	(4,164,844)	(4,178,816)	-	(4,178,816)
	26,374,165	-	26,374,165	26,896,494	-	26,896,494
Less: Provision for lease losses	(16,822,975)	-	(16,822,975)	(16,781,291)	-	(16,781,291)
Net investment in leases	9,551,190	-	9,551,190	10,115,203	-	10,115,203

	(Un-Audited) March 31 2012	(Audited) June 30 2011
----- Rupees -----		
5. LONG TERM, ADVANCES, DEPOSITS AND PREPAYMENTS		
Security deposits	334,290	334,290
Less: Provision	(280,290)	(280,290)
	54,000	54,000
Less: Current Portion	(29,000)	(29,000)
	25,000	25,000
Prepayments	314,790	354,551
Less: Current portion	(138,540)	(127,488)
	176,250	227,063
	201,250	252,063
6. DEFERRED TAX ASSET		
Debit balances arising in respect of:		
Net investment in finance lease	-	8,052
Carry forward tax losses	31,132,091	33,231,775
	31,132,091	33,239,827
Credit balance arising in respect of:		
Accelerated depreciation	(4,193,132)	(3,330,870)
	26,938,959	29,908,957

	(Un-Audited) March 31 2012	(Audited) June 30 2011
 Rupees	
7. PROPERTY, PLANT AND EQUIPMENT		
Opening written down value	54,927,635	55,448,587
Add: Cost of acquisition during the period / year	7,721,420	25,926,878
	62,649,055	81,375,465
Less: Written down value of deletions during the period / year	(4,238,343)	(22,803,048)
	58,410,712	58,572,417
Less: Depreciation Charged for the period / year	(2,830,965)	(3,644,782)
	<u>55,579,747</u>	<u>54,927,635</u>
8. CURRENT PORTION OF LONG TERM DEPOSITS		
Lease security deposit	9,568,175	9,688,175
	<u>9,568,175</u>	<u>9,688,175</u>

9. CONTINGENCIES AND COMMITMENTS
Contingent Assets

The company has obtained court decrees in respect of recovery of overdue lease rentals receivable from various clients aggregating to Rs. 7,211,463 as at March 31, 2012 (June 30, 2011 : Rs. 7,211,463).

	Note	(Un-Audited) March 31 2012	(Un-Audited) March 31 2011
	 Rupees	
10. INCOME FROM OPERATIONS			
Income on lease contracts	10.1	13,972	301,763
Income from vehicles plying for hire	10.2	13,283,114	11,417,576
Late payment and other charges		-	345,392
		<u>13,297,086</u>	<u>12,064,731</u>
10.1 Income on lease contracts			
Lease finance income for the current period		20,446	169,968
Lease finance income (Suspended)/ Reversal		(6,474)	131,795
		<u>13,972</u>	<u>301,763</u>
10.2 Income from Vehicles Plying for Hire			
Rentals		19,467,688	17,812,998
Less: Cost of services			
Road tax/registration and other charges		183,459	220,833
Vehicle service and maintenance		1,098,429	1,338,698
Tracker monitoring cost		236,305	212,895
Tracker transfer cost		-	8,964
Insurance		816,463	903,913
Depreciation		2,769,918	2,632,619
Service charges to the holding company		1,080,000	1,077,500
		6,184,574	6,395,422
		<u>13,283,114</u>	<u>11,417,576</u>

11. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, directors, key management personnel and employees' fund. The company has a policy whereby all transactions with related parties are entered into at arm's length prices using the permissible method of pricing. The transactions with related parties other than remuneration under the terms of employment are as follows:

Related Party	Nature of relationship	Nature of transaction	(Un-Audited)	(Un-Audited)
			31 March 2012	31 March 2011
		 Rupees	
Optimus Limited	Holding Company	Rental services rendered	19,467,688	17,812,998
		Management services received	1,080,000	1,077,500
		Vehicle maintenance services received	1,098,429	1,338,698
		Sale of Motor Vehicle	3,955,000	-
		Purchase of tracker	45,000	23,091
		Salary and allowances	1,888,483	1,187,866
		Vehicle Hiring		9,199
Mustang Security (Pvt) Ltd	Common Directorship	Purchase of Motor vehicles	-	41,200
Mustang Eye (Pvt) Ltd	Common Directorship	Tracker services	8,470	-
Staff provident fund		Contribution to staff provident fund	59,489	58,459

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information has been authorised for issue on 25 April 2012 by the Board of Directors of the Company.

Saad Saeed Faruqi
Chief Executive Officer

Muhammad Sajid
Chairman

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If undelivered please return to:



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