

**JONAS BROWNE AND HUBBARD (GRENADA) LIMITED
AND SUBSIDIARY COMPANY**

SEMI-ANNUAL REPORT

31ST MARCH, 2003

**JONAS BROWNE AND HUBBARD (GRENADA) LIMITED
AND SUBSIDIARY COMPANY
CONSOLIDATED BALANCE SHEET
AT 31ST MARCH, 2003 AND 30TH SEPTEMBER, 2002**

	Notes	2003	2002
CURRENT ASSETS			
Cash at bank and on hand		7,643,072	3,226,028
Accounts receivable		8,608,497	9,816,303
Other receivable		2,710,292	8,402,184
Inventories	3	<u>28,463,147</u>	<u>28,413,759</u>
		<u>47,425,008</u>	<u>49,858,274</u>
CURRENT LIABILITIES			
Bank overdrafts	4	-	16,248
Accounts payable and accrued expenses		9,060,539	9,304,914
Deposit accounts	5	13,877,696	14,372,671
Provision for taxation		<u>-</u>	<u>380,942</u>
		<u>22,938,235</u>	<u>24,074,775</u>
WORKING CAPITAL		24,486,773	25,783,499
INVESTMENTS	6	3,869,502	2,869,502
MORTGAGES	7	2,204,596	2,263,687
FIXED ASSETS	8	<u>20,691,616</u>	<u>20,235,559</u>
		<u>\$51,252,487</u>	<u>\$51,152,247</u>
FINANCED BY:			
SHAREHOLDERS' EQUITY			
STATED CAPITAL	9	17,175,750	17,175,750
RETAINED EARNINGS		<u>34,076,737</u>	<u>33,976,497</u>
		<u>\$51,252,487</u>	<u>\$51,152,247</u>

**JONAS BROWNE AND HUBBARD (GRENADA) LIMITED
AND SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF INCOME FOR THE SIX MONTHS ENDED
31ST MARCH, 2003 AND THE YEAR ENDED 30TH SEPTEMBER, 2002**

	2003	2002
Sales and Commission Income	47,045,682	92,306,808
Cost of Sales	<u>36,369,541</u>	<u>70,200,383</u>
Gross profit and commission income	<u>10,676,141</u>	<u>22,106,425</u>
Direct expenses	5,378,366	10,229,243
General and administrative expenses	2,296,192	5,118,598
Interest expense - (Net)	221,325	646,294
Depreciation	<u>403,849</u>	<u>970,156</u>
	<u>8,299,732</u>	<u>16,964,291</u>
NET OPERATING INCOME	2,376,409	5,142,134
OTHER INCOME		
Rents	302,051	686,911
Gain on disposal of fixed assets	95,996	8,818
Miscellaneous	<u>22,694</u>	<u>64,637</u>
EARNINGS BEFORE TAXATION	<u>2,797,150</u>	<u>5,902,500</u>
Deduct: Provision for taxation		
Stamp tax	247,382	130,312
Income tax	<u>724,528</u>	<u>1,677,729</u>
	<u>971,910</u>	<u>1,808,041</u>
NET EARNINGS FOR THE PERIOD AFTER TAXATION	<u>\$1,825,240</u>	<u>\$4,094,459</u>

**JONAS BROWNE AND HUBBARD (GRENADA) LIMITED
AND SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AT 31ST MARCH, 2003**

	Stated Capital	Retained Earnings	Total
Balance at 1 st October, 2001	17,175,750	30,736,988	47,912,738
2002 profit for the year after tax	-	4,094,459	4,094,459
Redemption of preference shares	_____ -	(854,950)	(854,950)
Balance at 30 th September, 2002	17,175,750	33,976,497	51,152,247
2003 profit for six months after tax	-	1,825,240	1,825,240
Dividends paid	_____ -	(1,725,000)	(1,725,000)
Balance at 31st March, 2003	<u>\$17,175,750</u>	<u>\$34,076,737</u>	<u>\$51,252,487</u>

**JONAS BROWNE AND HUBBARD (GRENADA) LIMITED
AND SUBSIDIARY COMPANY**

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS
ENDED 31ST MARCH, 2003 AND YEAR ENDED 30TH SEPTEMBER, 2003**

	2003	2002
OPERATING ACTIVITIES		
Net Profit for year before taxation	2,797,150	5,902,500
Adjustments for:		
Depreciation	403,849	970,156
Gain on disposal of fixed assets	(95,996)	(8,818)
(Decrease)/increase in deposit accounts	(494,975)	3,231,204
Decrease in accounts receivable	1,207,806	403,935
(Increase)/decrease in inventory	(49,338)	8,157,856
Decrease in accounts payable and accrued charges	(244,375)	(650,277)
Increase in investments	(1,000,000)	(769,500)
Decrease/(increase) in other receivables	5,691,892	(8,402,184)
Payment of income tax	(1,352,856)	(1,530,479)
Cash provided by operating activities	<u>6,863,107</u>	<u>7,304,393</u>
INVESTING ACTIVITIES		
Loss of assets - fire	-	3,512,542
Proceeds of disposal of fixed assets	96,000	88,050
Decrease in mortgages	59,091	809,418
Purchase of fixed assets	(859,906)	(1,129,035)
Cash (used in)/provided by investing activities	<u>(704,815)</u>	<u>3,280,975</u>
FINANCING ACTIVITIES		
Redemption of preference shares	-	(854,950)
Loan repaid	-	(3,405,280)
Payment of dividends	(1,725,000)	(1,585,495)
Cash used in financing activities	<u>(1,725,000)</u>	<u>(5,845,725)</u>
Net increase in cash and cash equivalents	4,433,292	4,739,643
Net cash/(overdraft) - at the beginning of the year	<u>3,209,780</u>	<u>(1,529,863)</u>
Net cash - at the end of the year	<u>\$7,643,072</u>	<u>\$3,209,780</u>
REPRESENTED BY:		
Cash at bank and on hand	7,643,072	3,226,028
Bank overdraft	_____ -	(16,248)
	<u>\$7,643,072</u>	<u>\$3,209,780</u>

