

## QUARTERLY FINANCIAL STATEMENTS

Published in accordance with Section 61(3) of the Banking and Financial Services Act, 1994

Take note that the financial statements on a month on month basis are available on request at every branch of our bank

BALANCE SHEET	Quarter Ended	Quarter Ended
	31st March 2013	30th June 2013
	K'000	K'000
<b>ASSETS</b>		
Notes and coins	27,661	21,096
Balances with Bank of Zambia	28,638	34,223
Balances with banks and other financial institutions in Zambia	23,003	21,473
Balances with banks and other financial institutions abroad	6,053	9,596
Investments in securities	47,685	58,386
Loans and advances (net of Capitalised interest on non - performing loans and allowances for loan losses)	200,522	225,752
Interbranch	4,769	1,008
Fixed assets	30,932	30,838
Other assets	37,247	46,412
<b>Total Assets</b>	<b>406,510</b>	<b>448,783</b>
<b>LIABILITIES</b>		
Deposits	350,471	345,099
Balances due to Bank of Zambia		
Balances due to banks and other financial institution abroad	13,900	18,000
Other liabilities	4,373	7,692
Other borrowed funds	-	-
Shareholders' equity	37,766	77,991
<b>Total liabilities and shareholders' equity</b>	<b>406,510</b>	<b>448,783</b>
Off balance sheet items		
Contingent liabilities	4,214	1,678
Commitments	4,214	1,678

STATEMENT OF LIQUIDITY POSITION	30th June 2013
	K'000
<b>(i) DEPOSIT LIABILITIES AND BILLS PAYABLE</b>	
1. Demand deposits	157,683
2. Savings deposits	60,484
3. Time deposits	126,932
4. Bills payable	164
Total liabilities to the public and bills payable	345,263
<b>(ii) TOTAL DEPOSIT LIABILITIES AND BILLS PAYABLE AT THE END OF THE PREVIOUS QUARTER</b>	<b>350,591</b>
<b>(iii) LIQUID ASSETS</b>	
1. Gold coins & bullion	
2. Notes & coins which are legal tender in Zambia	21,096
3. Balances at Bank of Zambia	
(a) Current account	6,549
(b) Statutory deposits account	27,673
(c) OMO deposits	-
(d) Other balances	-
4. Treasury bills issued by the Government of the republic of Zambia (including those held as collateral for the Clearing House)	47,963
5. Money at call with any other bank	-
6. Bills of exchange and promissory notes eligible for discount at Bank of Zambia	
7. Local registered securities which are issued or guaranteed by Government of the Republic of Zambia and which have a final maturity date of not more than six years (at book value) and such other securities as the Minister may have approved	10,317
8. Items in transit between banks, branches and head office of bank	4,973
<b>Total Liquid assets</b>	<b>118,572</b>
<b>(iv) RATIOS</b>	
1. Liquid assets (items 2, 3 (a), 3 (c) and 4 as a percentage of total deposit liabilities and bills payable	21.90
2. Total liquid assets as a percentage of total deposit liabilities and bills payable	34.34
3. Total liquid assets as a percentage of total deposit liabilities and bills payable at the end of the previous quarter	36.19

INCOME STATEMENT	Quarter Ended	Year to Date
	30th June 2013	30th June 2013
	K'000	K'000
<b>Interest income from:</b>		
Loans & overdrafts	10,015	18,206
Banks and financial institution	65	224
Securities	1,678	3,120
Other	-	-
<b>Total interest income</b>	<b>11,758</b>	<b>21,550</b>
<b>Interest expense</b>		
Deposits	4,104	7,626
Paid to banks and financial institution	750	963
Shareholders Loans	-	-
Other	54	77
<b>Total interest expense</b>	<b>4,908</b>	<b>8,666</b>
<b>Net interest income</b>	<b>6,850</b>	<b>12,884</b>
Provision for loan losses	(2,137)	(2,558)
<b>Net interest income after provision for loan losses</b>	<b>4,714</b>	<b>10,327</b>
<b>Non interest and other income</b>		
Commissions fees and service charge	5,266	10,024
Foreign exchange		
- Fees from foreign exchange transactions	15	1,089
- Realised trading gains (losses)	1,232	1,232
- Unrealised trading gains (losses) from forex holding	293	816
Dividend income	-	-
Other	18	36
<b>Total non-interest income</b>	<b>6,824</b>	<b>13,197</b>
<b>Net interest and other income</b>	<b>11,538</b>	<b>23,524</b>
<b>Non-interest expense</b>		
Depreciation	1,267	2,494
Other	15,811	30,211
<b>Total non-interest expense</b>	<b>17,078</b>	<b>32,705</b>
Income before taxes and extraordinary items	(5,540)	(9,181)
Taxation (credit)	(1,935)	(3,206)
Income after taxation	(3,605)	(5,975)
Extraordinary items	-	-
Income after Taxation and Extra-ordinary items	(3,605)	(5,975)
<b>Net Income/(Loss)</b>	<b>(3,605)</b>	<b>(5,975)</b>

STATEMENT OF CAPITAL POSITION	30th June 2013
	K'000
<b>I. PRIMARY (Tier 1) CAPITAL</b>	
(a) Paid-up common shares	91,781
(b) Eligible preferred shares*	-
(c) Contribution surplus	12,519
(d) Retained earnings	(34,509)
(e) General reserves	-
(f) Statutory reserves	5,000
(g) Minority interests (common shareholders' equity)	-
<b>(h) Sub-total</b>	<b>74,791</b>
<b>LESS:</b>	
(i) Goodwill and intangible assets	-
(j) Investments in unconsolidated subsidiaries and associates	(106)
(k) Lending of a capital nature to subsidiaries and associates	-
(l) Holding of other banks' or financial institutions' capital instruments	-
(m) Assets pledged to secure liabilities	-
<b>Sub-total(A) (items i to m)</b>	<b>(106)</b>
<b>OTHER ADJUSTMENTS:</b>	
Provisions	
Assets of little or no realisable value	(1,888)
Other adjustments (specify)	
<b>(n) Sub-total (B) - (Sub total A above + Other adjustments)</b>	<b>(1,994)</b>
<b>(o) Total primary capital (h-n)</b>	<b>72,797</b>
<b>II. SECONDARY (Tier 2) CAPITAL</b>	
(a) Eligible preferred share (Regulations 13 and 17)	-
(b) Eligible subordinated term debt {Regulation 17 (b)}	-
(c) Eligible loan stock/capital {Regulation 17 (b)}	-
(d) Revaluation reserves {Regulation 17 (a)}(maximum is 40% of revaluation res)	-
(e) Other {Regulation 17 (a) specify}	1,280
<b>(f) Total secondary capital</b>	<b>1,280</b>
<b>III. ELIGIBLE SECONDARY CAPITAL</b>	<b>1,280</b>
(the maximum amount of secondary capital is limited to 100% of primary capital)	
<b>IV. ELIGIBLE TOTAL CAPITAL {I(o)+III} (Regulatory capital)</b>	<b>74,077</b>
<b>V. MINIMUM TOTAL CAPITAL REQUIREMENT:</b>	<b>22,348</b>
(The higher of 12,000 or 10 % of total on and off balance sheet risk-weighted assets as established in the First schedule)	
<b>VI. EXCESS (DEFICIENCY) (IV minus V)</b>	<b>51,729</b>
<b>RISK BASED ASSETS</b>	<b>223,478</b>

Johan Minnaar  
Managing Director

Louis Kabula  
Chief Financial Officer