

## 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 31st Mar 2014	Quarter Ended 30th June 2014
	ZMW'000	ZMW'000
<b>ASSETS</b>		
Notes and coins	45,744	53,408
Balances with Bank of Zambia	62,523	67,585
Balances with banks and other financial institutions in Zambia	19,873	29,936
Balances with banks and other financial institutions abroad	31,901	50,071
Investments in securities	80,046	61,796
Loans and advances (net of Capitalised interest on non - performing loans and allowances for loan losses)	269,514	280,745
Interbranch	3,296	1,702
Fixed assets	36,239	37,824
Other assets	52,562	57,498
<b>Total Assets</b>	<b>601,697</b>	<b>640,565</b>
<b>LIABILITIES</b>		
Deposits	442,222	484,236
Balances due to banks and other financial institution in Zambia	26,000	10,000
Balances due to banks and other financial institution abroad	15,000	31,600
Other liabilities	10,279	6,240
Shareholders' equity	108,197	108,489
<b>Total liabilities and shareholders' equity</b>	<b>601,697</b>	<b>640,565</b>
Off balance sheet items		
Contingent liabilities	37,305	47,295
	<b>37,305</b>	<b>47,295</b>

INCOME STATEMENT	Quarter Ended 30th June 2014	Year to Date 30th June 2014
	ZMW'000	ZMW'000
<b>Interest income from:</b>		
Loans & overdrafts	14,071	24,917
Banks and financial institution	1,094	2,198
Securities	2,559	5,386
Other	-	-
<b>Total interest income</b>	<b>17,724</b>	<b>32,501</b>
<b>Interest expense</b>		
Deposits	5,130	10,823
Paid to banks and financial institution	1,759	1,974
Shareholders Loans	-	-
Other	-	-
<b>Total interest expense</b>	<b>6,889</b>	<b>12,797</b>
<b>Net interest income</b>	<b>10,834</b>	<b>19,704</b>
Provision for loan losses	(173)	997
<b>Net interest income after provision for loan losses</b>	<b>10,661</b>	<b>20,701</b>
<b>Non interest and other income</b>		
Commissions fees and service charge	6,935	13,068
Foreign exchange		
- Fees from foreign exchange transactions	19	34
- Realised trading gains (losses)	2,676	4,775
- Unrealised trading gains (losses) from forex holding	536	1,383
Dividend income	-	-
Other	213	342
<b>Total non-interest income</b>	<b>10,378</b>	<b>19,602</b>
<b>Net interest and other income</b>	<b>21,039</b>	<b>40,303</b>
<b>Non-interest expense</b>		
Depreciation	1,670	3,260
Other	18,888	36,975
<b>Total non-interest expense</b>	<b>20,557</b>	<b>40,236</b>
Income before taxes and extraordinary items	481	68
Taxation	190	53
Income after taxation	292	15
Extraordinary items	-	-
Income after Taxation and Extra-ordinary items	292	15
<b>Net Income</b>	<b>292</b>	<b>15</b>

STATEMENT OF LIQUIDITY POSITION	30th June 2014
	ZMW'000
<b>(i) DEPOSIT LIABILITIES AND BILLS PAYABLE</b>	
1. Demand deposits	256,722
2. Savings deposits	63,226
3. Time deposits	164,289
4. Bills payable	1
<b>Total liabilities to the public and bills payable</b>	<b>484,237</b>
<b>(ii) TOTAL DEPOSIT LIABILITIES AND BILLS PAYABLE AT THE END OF THE PREVIOUS QUARTER</b>	<b>442,320</b>
<b>(iii) LIQUID ASSETS</b>	
1. Gold coins & bullion	
2. Notes & coins which are legal tender in Zambia	53,408
3. Balances at Bank of Zambia	
(a) Current account	3,581
(b) Statutory deposits account	64,003
(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)	52,715
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	8,975
8. Items in transit between banks, branches and head office of bank	12,636
<b>Total Liquid assets</b>	<b>195,319</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)	22.66
2. Total liquid assets as a percentage of total deposit liabilities and bills payable	40.34
3. Total liquid assets as a percentage of total deposit liabilities and bills payable at the end of the previous quarter	44.89

STATEMENT OF CAPITAL POSITION	30th June 2014
	ZMW'000
<b>I. PRIMARY (Tier 1) CAPITAL</b>	
(a) Paid-up common shares	95,915
(b) Eligible preferred shares*	-
(c) Contribution surplus	49,725
(d) Retained earnings	(46,385)
(e) General reserves	-
(f) Statutory reserves	5,000
(g) Minority interests (common shareholders' equity)	-
<b>(h) Sub-total</b>	<b>104,255</b>
<b>LESS:</b>	
(i) Goodwill and intangible assets	-
(j) Investments in unconsolidated subsidiaries and associates	-
(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>-</b>
<b>OTHER ADJUSTMENTS:</b>	
Provisions	
Assets of little or no realisable value	(106)
Other adjustments (specify)	
<b>(n) Sub-total (B) - (Sub total A above + Other adjustments)</b>	<b>(106)</b>
<b>(o) Total primary capital (h-n)</b>	<b>104,149</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}	1,694
<b>(f) Total secondary capital</b>	<b>1,694</b>
<b>III. ELIGIBLE SECONDARY CAPITAL</b>	<b>1,694</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>105,842</b>
<b>V. MINIMUM TOTAL CAPITAL REQUIREMENT:</b>	<b>104,000</b>
(The higher of 104,000 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>1,842</b>
<b>RISK BASED ASSETS</b>	<b>335,864</b>

Charles H. de B Carey  
Managing Director

Louis Kabula  
Chief Financial Officer