

# QUARTERLY FINANCIAL STATEMENTS - 31st March, 2016

Published in accordance with the section 61(3) of the Banking and Financial Services Act.

| Schedule I   |                        |
|--|------------------------|
| BALANCE SHEET  | As at 31st March, 2016 |
| <b>ASSETS</b>  | <b>K'000</b>           |
| Bank and cash balances   | 6,985                  |
| Balances with banks and financial institutions abroad            | -                      |
| Gross Loans and Advances   | 135,130                |
| Allowances for loan losses                                       | (6,737)                |
| Net investments in loans   | 128,393                |
| Deposits/Money Market Instruments                                | -                      |
| Inter branch balances  | -                      |
| Fixed assets   | 13,025                 |
| Other assets (including investments in subsidiaries)             | 24,729                 |
| <b>Total Assets</b>  | <b>173,132</b>         |
| <b>LIABILITIES</b>   |                        |
| Deposits/Money Market Instruments                                | 30,885                 |
| Balances due to banks and other financial institutions in Zambia | -                      |
| Other liabilities  | 21,683                 |
| Other borrowed funds - EDP*                                      | -                      |
| Other borrowed funds -Other                                      | 90,722                 |
| Shareholder's equity   | 29,842                 |
| <b>Total liabilities and shareholders' equity</b>                | <b>173,132</b>         |
| <b>Off balance sheet items</b>                                   | (0)                    |

\*Enterprise Development Project (EDP) is a multipurpose Credit facility providing financing through licensed Participating Financial Institutions (PFI) to provide enterprises in the form of medium and long-term credit for investment as well as short-term credit lines for the production of exports.



**Douglas Kamwendo**  
CHIEF EXECUTIVE OFFICER



**Philip Odei Asare**  
CHIEF FINANCIAL OFFICER

The above information is unaudited but is in agreement with the Financial Statements submitted to Bank of Zambia.

| Schedule II   |                               |               |
|---|-------------------------------|---------------|
| INCOME STATEMENT (UNAUDITED)  | <for quarter ended>31st March | Year to Date  |
|   | K'000 2016                    | K'000         |
| Interest income from:   |                               |               |
| Loans   | 17,329                        | 17,329        |
| Others  | 1,524                         | 1,524         |
| <b>Total interest income</b>  | <b>18,853</b>                 | <b>18,853</b> |
| Interest Expense:   |                               |               |
| Deposits /Money Market Instruments  | 784                           | 784           |
| Paid to banks and financial institutions / others   | 5,169                         | 5,169         |
| <b>Total interest expense</b>   | <b>5,953</b>                  | <b>5,953</b>  |
| <b>Net interest income</b>  | <b>12,900</b>                 | <b>12,900</b> |
| Provision for loan losses   | 3,190                         | 3,190         |
| <b>Net interest income after provision for loan and lease losses</b>                          | <b>9,710</b>                  | <b>9,710</b>  |
| Non - interest income:  |                               |               |
| Commissions, fees and service charges   | 7,189                         | 7,189         |
| Unrealised exchange gains (losses) arising from translation of foreign exchange transactions. | (1,079)                       | (1,079)       |
| Other   | 2,944                         | 2,944         |
| <b>Total non - interest income</b>  | <b>9,054</b>                  | <b>9,054</b>  |
| <b>Net interest and other income</b>  | <b>18,764</b>                 | <b>18,764</b> |
| Non - interest expenses   |                               |               |
| Depreciation  | 1,050                         | 1,050         |
| Other   | 15,339                        | 15,339        |
| <b>Total non - interest expenses</b>  | <b>16,389</b>                 | <b>16,389</b> |
| <b>Profit (loss) before tax and extraordinary items</b>                                       | <b>2,375</b>                  | <b>2,375</b>  |
| Taxation provision  | (831)                         | (831)         |
| <b>Profit (loss) after tax and but before extraordinary items</b>                             | <b>1,544</b>                  | <b>1,544</b>  |
| Interim dividend paid   |                               |               |
| <b>Net Profit (loss)</b>  | <b>1,544</b>                  | <b>1,544</b>  |

| Schedule III  |                       |
|---|-----------------------|
| STATEMENT OF CAPITAL POSITION   | As at 31st March 2016 |
|   | <b>K'000</b>          |
| <b>PRIMARY (TIER 1 ) CAPITAL</b>  |                       |
| (a) Paid-up common shares   | 25,828                |
| (b) Eligible preferred shares   |                       |
| (c) Contributed surplus   | (434)                 |
| (d) Retained earnings   | 3,190                 |
| (e) General reserves  | 1,258                 |
| (f) Statutory reserves  |                       |
| (g) Minority interests (common shareholders' equity)  | -                     |
| <b>(h) Sub -total</b>   | <b>29,842</b>         |
| <b>LESS:</b>  |                       |
| (i) Goodwill and other 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  | -                     |
| Sub-total (A) (items i to m)  | -                     |
| <b>OTHER ADJUSTMENTS:</b>   |                       |
| Provisions  | -                     |
| Assets of little or no realisable value   | -                     |
| Other adjustments (specify)   | -                     |
| (n) Sub-total (B) - (Sub - total A above + Other adjustments)                                     | -                     |
| <b>(o) Total primary capital (h - n)</b>  | <b>29,842</b>         |
| <b>II SECONDARY (TIER 2 ) CAPITAL</b>   |                       |
| (a) Eligible preferred shares (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 reserves               | -                     |
| (e) Other (Regulation (17(c). Specify   | -                     |
| (f) Total secondary capital   | -                     |
| <b>III ELIGIBLE SECONDARY CAPITAL</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>29,842</b>         |
| <b>V MINIMUM TOTAL CAPITAL REQUIREMENT:</b>   | <b>21,739</b>         |
| (15% 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>8,103</b>          |
| <b>RISK WEIGHTED ASSETS</b>   | <b>144,927</b>        |