

# QUARTERLY FINANCIAL STATEMENTS - 30th September, 2017

Published in accordance with the section 61(3) of 1:1048576 Banking and Financial Services Act

Take note that the financial statements on a month-on-month basis are available on request.

Schedule I	
BALANCE SHEET	as at 30 September 2017
<b>ASSETS</b>	<b>K'000</b>
Bank and cash balances	9,567
Balances with banks and financial institutions abroad	-
Gross Loans and Advances	147,561
Allowance for Loans	(8,490)
Net investments in loans	139,071
Deposits/Money Market Instruments	-
Inter branch balances	-
Fixed assets	11,584
Other assets (including investments in subsidiaries)	14,757
<b>Total Assets</b>	<b>174,979</b>
<b>LIABILITIES</b>	
Deposits/Money Market Instruments	75,080
Balances due to banks and other financial institutions in Zambia	-
Other liabilities	20,595
Other borrowed funds - EDP*	-
Other borrowed funds - Other	46,714
Shareholder's equity	32,589
<b>Total liabilities and shareholders' equity</b>	<b>174,979</b>
<b>Off balance sheet items</b>	<b>(0)</b>

\*Enterprise Development Project (EDP) is a multipurpose Credit facility providing financing through licenced 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

**Ben Banda**  
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> 30th September 2017	Year to Date
	K'000	K'000
Interest income from:		
Loans	22,335	68,576
Others	1,452	2,358
<b>Total interest income</b>	<b>23,787</b>	<b>70,933</b>
Interest Expense:		
Deposits /Money Market Instruments	2,916	7,913
Paid to banks and financial institutions/others	2,826	11,087
<b>Total interest expense</b>	<b>5,742</b>	<b>19,000</b>
<b>Net interest income</b>	<b>18,045</b>	<b>51,934</b>
Provision for loan losses	3,412	8,351
<b>Net interest income after provision for loan and lease losses</b>	<b>14,633</b>	<b>43,582</b>
Non - interest income:		
Commissions, fees and service charges	5,870	16,794
Unrealised exchange gains (losses) arising from translation of foreign exchange transactions.	35	(988)
Other	(213)	1,210
<b>Total non - interest income</b>	<b>5,691</b>	<b>17,017</b>
<b>Net interest and other income</b>	<b>20,325</b>	<b>60,599</b>
Non - interest expenses		
Depreciation	2,683	5,146
Other	18,531	53,491
<b>Total non - interest expenses</b>	<b>21,214</b>	<b>58,636</b>
<b>Profit (loss) before tax and extraordinary items</b>	<b>(889)</b>	<b>1,963</b>
Taxation provision	478	478
<b>Profit (loss) after tax and but before extraordinary items</b>	<b>(411)</b>	<b>2,440</b>
Interim dividend paid	-	-
<b>Net Profit (loss)</b>	<b>(411)</b>	<b>2,440</b>

Schedule III	
STATEMENT OF CAPITAL POSITION	As at 30th September, 2017
	K'000
<b>I PRIMARY (TIER 1 ) CAPITAL</b>	
(a) Paid-up common shares	25,827
(b) Eligible preferred shares	-
(c) Contributed surplus	(435)
(d) Retained earnings	5,938
(e) General reserves	1,258
(f) Statutory reserves	-
(g) Minority interests (common shareholders' equity)	-
<b>(h) Sub-total</b>	<b>32,589</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>32,589</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((o) + III) (Regulatory capital)</b>	<b>32,589</b>
<b>V MINIMUM TOTAL CAPITAL REQUIREMENT:</b>	<b>24,012</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>8,577</b>
<b>RISK WEIGHTED ASSETS</b>	<b>160,080</b>