



NRSP MICROFINANCE BANK LIMITED
BALANCE SHEET (UN-AUDITED)
AS AT JUNE 30th, 2012

	<i>Notes</i>	Jun-12 Rupees
ASSETS		
Cash and balances with SBP and NBP	6	75,666,795
Balances with other Banks/ NBFIs/ MFBs	7	2,012,827,748
Lending to financial institutions	8	-
Investments	9	355,053,346
Advances	10	2,233,301,131
Operating fixed assets	11	234,921,118
Other assets	12	183,920,718
Deferred tax asset - net	11	5,478,532
Total assets		<u>5,101,169,388</u>
LIABILITIES		
Deposits	13	950,896,114
Borrowings	14	2,851,521,333
Sub-ordinated loan	15	-
Other liabilities	16	152,312,502
Deferred tax Liability - net	11	-
Taxation	27	-
Total liabilities		<u>3,954,729,949</u>
NET ASSETS		<u>1,146,439,439</u>
REPRESENTED BY:		
Share capital	17	1,000,000,000
Statutory reserve		22,649,447
Capital reserve		
Reserve for contingencies		
Accumulated Profit / (loss)		46,112,913
		<u>1,068,762,360</u>
Surplus / (Deficit) on revaluation of assets	18	(280,581)
Deferred grant	19	77,957,660
Total capital		<u>1,146,439,439</u>

MEMORANDUM / OFF BALANCE SHEET ITEMS

The annexed notes 1 to 33 form an integral part of these financial statements.

PRESIDENT / CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

NRSP MICROFINANCE BANK LIMITED
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30th, 2012

	<i>Notes</i>	Jun-12 Rupees
Mark-up / return / interest earned	21	432,468,748
Mark-up / return / interest expensed	22	218,091,805
Net Mark-up / Interest income		214,376,943
Provisions against non-performing loans, advances and other assets		
Specific provisions		1,335,465
General provisions		1,690,882
		3,026,347
Bad debts written off directly	10.2	1,221,476
Net mark-up / interest income after provisions		210,129,120
NON-MARK-UP / NON-INTEREST INCOME		
Fee, commission and brokerage income	23	70,919,106
Other income	24	23,223,560
Total Non-Mark-up / Non-Interest Income		94,142,666
Total Income		304,271,786
NON MARK-UP/ NON INTEREST EXPENSES		
Administrative expenses	25	221,533,451
Other charges	26	-
		221,533,451
PROFIT (LOSS) BEFORE TAXATION		82,738,335
Taxation - Current	27.1	5,033,879
Deffered	27.2	-
PROFIT (LOSS) AFTER TAXATION		77,704,456
Unappropriated loss brought forward		(12,165,429)
Profit/(Loss) available for appropriation		65,539,027
APPROPRIATIONS:		
Transfer to:		
Statutory reserve		15,540,891
Contribution to Depositors Protection Fund		3,885,223
General reserve		-
		19,426,114
UNAPPROPRIATED PROFIT/(LOSS) CARRIED FORWARD		46,112,913
EARNING PER SHARE	29	0.86

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PRESIDENT / CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

NRSP MICROFINANCE BANK LIMITED
CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30th, 2012

	Note	Jun-12 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation		82,738,335
Adjustments for:		
Depreciation		10,117,621
Amortization		1,001,628
Revaluation of Investment		(266,925)
(Gain)/Loss on Disposal of Fixed Assets		(1,625,000)
Provision against non-performing loans and advances		3,026,347
Loans Written Off		1,221,476
Amortization of grant		-
		<u>13,475,147</u>
		96,213,482
(Increase)/decrease in operating assets		
Advances - Microcredit Loan		(169,465,549)
Other assets		(111,443,612)
		<u>(280,909,161)</u>
Increase in operating liabilities		
Deposits		318,351,106
Other liabilities		23,850,692
		<u>342,201,798</u>
<i>Net cash flow from operating activities</i>		<u>157,506,119</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in operating fixed assets		(29,463,325)
Investment in CWIP		(4,159,821)
Investment in Intangible assets		-
Net investments in held-to-maturity securities		(293,597,678)
Proceed Received on Sale of Fixed Assets		3,510,142
<i>Net cash flow from investing activities</i>		<u>(323,710,682)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of share capital		160,000,000
Grant from the State Bank of Pakistan		12,369,798
Borrowings- Others		404,833,968
<i>Net cash flow from financing activities</i>		<u>577,203,766</u>
Net increase in cash and cash equivalents		410,999,203
Cash and cash equivalents at beginning of the year/period		1,677,495,340
Cash and cash equivalents at end of the year/period		<u><u>2,088,494,543</u></u>

The annexed notes 1 to 33 form an integral part of these financial statements.

PRESIDENT / CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

NRSP MICROFINANCE BANK LIMITED
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30th, 2012

	Share Capital	Unappropriated Profit/(loss)	Statutory Reserve	General Reserve	Total
	-----Rupees-----				
Balance as at December 31, 2010	1,006,000	(38,822,513)	-	-	(37,816,513)
Profit/Loss for the Period	-	35,542,779	-	-	35,542,779
Issue of share capital	838,994,000	-	-	-	838,994,000
Transferred to Statutory Reserve		(7,108,556)	7,108,556		-
Transferred to Depositors Protection Fund		(1,777,139)	-		(1,777,139)
Balance as at December 31, 2011	840,000,000	(12,165,429)	7,108,556	-	834,943,127
Profit/Loss for the Period		77,704,456			77,704,456
Issue of share capital	160,000,000				
Transferred to Statutory Reserve		(15,540,891)	15,540,891		
Transferred to Depositors Protection Fund		(3,885,223)			(3,885,223)
Balance as at June 30th, 2012	1,000,000,000	46,112,913	22,649,447	-	1,068,762,360

The annexed notes 1 to 33 form an integral part of these financial statements.

PRESIDENT / CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

NOTE TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30th, 2012

	Note	Jun-12 Rupees
6. CASH AND BALANCES WITH SBP AND NBP		
Cash in hand		
Local currency		16,044,718
Balances with State Bank of Pakistan (SBP) in:		
Local currency current accounts	6.1	59,622,077
Balances with National Bank of Pakistan (NBP) in:		
Local currency current accounts		-
Local currency deposit accounts		-
		75,666,795
7. BALANCES WITH OTHER BANKS/ NBFIS/ MFBS		
In Pakistan		
Local currency current accounts		567,681
Local currency deposit accounts		2,012,260,067
		2,012,827,748
8. LENDING TO FINANCIAL INSTITUTIONS		
Call money lending		-
Repurchase agreement lending (reverse repo)		-
Clean lending		-
Less: Provision for impairment		-
		-
9. INVESTMENTS		
Held for Trading Investments		
Market Treasury Bills (T-Bills)		-
Other Investments		-
		-
Available for sale securities		
Market Treasury Bills (T-Bills)		-
Add/(less): Surplus/(deficit) on revaluation of available for sale securities		-
		-
Held to maturity investments		
Treasury Bills		83,513,936
Pakistan Investment Bonds (PIBs)		71,539,410
Term Finance Certificates		200,000,000
Other Investments		-
		355,053,346
		355,053,346

10. ADVANCES

Loan Type

Micro Credit	2,251,695,025
Micro Lease	-
Others	5,500,168
	2,257,195,193

Less: Provisions held:

Specific	(1,335,465)
General	(22,558,597)
	(23,894,062)

Advances- net of provisions	2,233,301,131
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10.1 Particulars of Non-Performing Loans

Category of Classification	Amount Outstanding	Provisions Required	Provisions Held
OAEM	159,069	-	-
Sub-Standard	-	-	-
Doubtful	2,519,207	1,259,604	1,259,604
Loss	75,861	75,861	75,861
Total	2,754,137	1,335,465	1,335,465

10.2 Particulars of Write Offs:

	Jun-12
Against Provisions	-
Directly charged to Profit & Loss account	1,221,476
	1,221,476

11. OPERATING FIXED ASSETS

	Note	Jun-12 Rupees
Capital Work-in-Progress	11.1	133,117,753
Operating Fixed Assets	11.2	99,014,096
Intangible Assets	11.3	2,789,269
		234,921,118

11.1 Capital Work-in-Progress

Civil works	3,695,870
Advance to Suppliers for Purchase of Office Equipment	48,750
Advance to Suppliers for Implementation of Banking Software	88,868,849
Hardware	40,504,284
IT Infrastructure Cost	-
	133,117,753

NRSP MICROFINANCE BANK LIMITED
NOTE TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30th, 2012

		Jun-12
		Rupees
11.3	Intangible Assets	
	Computer Softwares	11.3.1 2,789,269
	Goodwill	-
	Client acquisition costs	11.3.2 -
		<u>2,789,269</u>
11.3.1	Computer Softwares	
	Balance as at beginning of the period	6,070,470
	Additions during the period	-
	Balance as at end of the period	<u>6,070,470</u>
	Amortization	
	Balance as at beginning of the period	(2,279,573)
	Charge during the period	(1,001,628)
	Balance as at end of the period	<u>(3,281,201)</u>
	Carrying value	<u><u>2,789,269</u></u>
11.3.1.1	Amortization is charged on straight line basis @ 33.33% per annum, starting from the month the asset is available for use.	
11.3.2.1	Amortization is charged on straight line basis @ 20% per annum, starting from the month the asset is available for use.	
11.3.2.2	DEFERRED TAX ASSET - NET	Rupees
	Deferred debits arising in respect of	
	Retirement benefits	13,684,123
	Accelerated amortization allowance	13,684,123
	Deferred credits arising in respect of	
	Accelerated depreciation allowance	8,205,591
	Deficit on revaluation of investment	8,205,591
		<u>5,478,532</u>

13. DEPOSITS		Jun-12
		Rupees
Current Accounts		4,618,676
Saving Accounts		802,382,438
Fixed Deposits		143,895,000
		<u>950,896,114</u>
14. BORROWINGS		
Borrowings from PPAF	14.1	1,350,000,000
Borrowing from NRSP	14.2	1,001,521,333
Borrowing from JS Bank	14.3	500,000,000
Long Term Client Acquisition Cost		-
		<u>2,851,521,333</u>
15. SUB-ORDINATED LOAN		<u>-</u>
17. SHARE CAPITAL		
17.1 Authorized Capital		
Jun-12		Jun-12
Number		Rupees
<u>100,000,000</u>	Ordinary shares of Rs. 10 each	<u>1,000,000,000</u>
17.2 Issued, subscribed and paid-up capital		
<u>1,000,000,000</u>	Ordinary shares of Rs. 10 each	<u>1,000,000,000</u>
17.2.1	This represents ordinary shares allotted to shareholders of the Bank.	

NRSP MICROFINANCE BANK LIMITED
NOTE TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30th, 2012

	Jun-12 Rupees
21. MARK-UP / RETURN / INTEREST EARNED	
Mark-up Income on Advances - Microcredit Loans	366,341,963
Interest on deposit accounts/ placements with other banks/ financial institutions/ mutual funds	66,126,785
Others	-
	432,468,748
22. MARK-UP / RETURN / INTEREST EXPENSED	
Interest on:	
NRSP borrowings	125,737,947
Client acquisition cost	-
Loan processing fee	11,615,000
PPAF Loan	55,243,508
JS Bank Borrowing	4,420,411
Other deposits	21,074,939
Others	-
	218,091,805
23. FEE, COMMISSION AND BROKERAGE INCOME	
Micro-credit loan processing fee	66,547,409
Other Transaction Processing Fees	36,560
Commission Income	-
Collection Service income	4,335,137
	70,919,106
24. OTHER INCOME	
Income from Investments	16,141,441
Other Misc Services Incomes	5,457,119
Gain/(Loss) On Disposal Of Assets	1,625,000
Amortization of Deferred Grant	-
	23,223,560