

	<i>Notes</i>	Jun-13 Rupees
ASSETS		
Cash and balances with SBP and NBP	6	141,841,796
Balances with other Banks/ NBFIs/ MFBs	7	908,920,841
Lending to financial institutions	8	-
Investments	9	1,246,558,132
Advances	10	4,775,189,118
Operating fixed assets	11	235,889,827
Other assets	12	472,866,679
Deferred tax asset - net	11	29,452,510
Total assets		<u>7,810,718,903</u>
LIABILITIES		
Deposits	13	2,497,081,951
Borrowings	14	3,677,500,000
Sub-ordinated loan	0	-
Other liabilities	15	278,715,518
Deferred tax Liability - net	11	-
Taxation	26	-
Total liabilities		<u>6,453,297,469</u>
NET ASSETS		<u>1,357,421,434</u>
REPRESENTED BY:		
Share capital	16	1,000,000,000
Statutory reserve		64,196,294
Capital reserve		
Reserve for contingencies		
Accumulated Profit / (loss)		201,913,596
		<u>1,266,109,890</u>
Surplus / (Deficit) on revaluation of assets	17	26,610,337
Deferred grant	18	64,701,208
Total capital		<u>1,357,421,435</u>
MEMORANDUM / OFF BALANCE SHEET ITEMS		-

The annexed notes 1 to 32 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, 2013

	Notes	Jun-13 Rupees
Mark-up / return / interest earned	20	635,667,061
Mark-up / return / interest expensed	21	293,124,542
Net Mark-up / Interest income		342,542,519
Provisions against non-performing loans, advances and other assets		
Specific provisions		20,885,842
General provisions		16,669,898
		37,555,740
Bad debts written off directly	10.3	2,751,345
Net mark-up / interest income after provisions		302,235,434
NON-MARK-UP / NON-INTEREST INCOME		
Fee, commission and brokerage income	22	99,026,052
Other income	23	94,115,028
Total Non-Mark-up / Non-Interest Income		193,141,080
Total Income		495,376,514
NON MARK-UP/ NON INTEREST EXPENSES		
Administrative expenses	24	355,320,256
Other charges	25	-
		355,320,256
PROFIT (LOSS) BEFORE TAXATION		140,056,258
Taxation - Current	26.1	18,265,409
Deffered	26.2	-
PROFIT (LOSS) AFTER TAXATION		121,790,849
Unappropriated loss brought forward		110,570,459
Profit/(Loss) available for appropriation		232,361,308
APPROPRIATIONS:		
Transfer to:		
Statutory reserve		24,358,170
Contribution to Depositors Protection Fund		6,089,542
General reserve		-
		30,447,712
UNAPPROPRIATED PROFIT/(LOSS) CARRIED FORWARD		201,913,596
EARNING PER SHARE	28	1.22

The annexed notes 1 to 32 form an integral part of these financial statements.

PRESIDENT / CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

NRSP MICROFINANCE BANK LIMITED
CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED June 30th, 2013

	Note	Jun-13 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation		140,056,258
Adjustments for:		
Depreciation		22,652,021
Amortization		17,178,698
Revaluation of Investment		(2,013,844)
(Gain)/Loss on Disposal of Fixed Assets		(3,477)
Provision against non-performing loans and advances		27,933,483
Loans Written Off		2,751,345
Amortization of grant		(32,010,049)
		<u>36,488,177</u>
		176,544,435
(Increase)/decrease in operating assets		
Advances - Microcredit Loan		(1,779,099,426)
Other assets		(247,033,541)
		<u>(2,026,132,967)</u>
Increase in operating liabilities		
Deposits		666,123,556
Other liabilities		65,153,333
		<u>731,276,889</u>
<i>Net cash flow from operating activities</i>		<u>(1,118,311,643)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in operating fixed assets		(21,340,509)
Investment in CWIP		(8,762,349)
Investment in Intangible assets		(2,403,930)
Net investments in held-to-maturity securities		224,289,514
Proceed Received on Sale of Fixed Assets		35,000
<i>Net cash flow from investing activities</i>		<u>191,817,726</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of share capital		-
Grant from the State Bank of Pakistan		16,982,937
Borrowings- Others		613,577,821
<i>Net cash flow from financing activities</i>		<u>630,560,758</u>
Net increase in cash and cash equivalents		(295,933,159)
Cash and cash equivalents at beginning of the year/period		1,346,695,797
Cash and cash equivalents at end of the year/period		<u><u>1,050,762,638</u></u>

The annexed notes 1 to 32 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, 2013

	Share Capital	Unappropriated Profit/(loss)	Statutory Reserve	General Reserve	Total
	-----Rupees-----				
Balance as at December 31, 2011	840,000,000	(12,165,429)	7,108,556	-	834,943,127
Profit/Loss for the Period	-	163,647,842	-	-	163,647,842
Issue of share capital	160,000,000	-	-	-	160,000,000
Transferred to Statutory Reserve		(32,729,568)	32,729,568		-
Transferred to Depositors Protection Fund		(8,182,386)	-		(8,182,386)
Balance as at December 31, 2012	1,000,000,000	110,570,459	39,838,124	-	1,150,408,583
Profit/Loss for the Period		121,790,849			121,790,849
Issue of share capital					
Transferred to Statutory Reserve		(24,358,170)	24,358,170		
Transferred to Depositors Protection Fund		(6,089,542)			(6,089,542)
Balance as at June 30th, 2013	1,000,000,000	201,913,596	64,196,294	-	1,266,109,890

The annexed notes 1 to 32 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, 2013

	Note	Jun-13 Rupees
6. CASH AND BALANCES WITH SBP AND NBP		
Cash in hand		
Local currency		15,017,715
Balances with State Bank of Pakistan (SBP) in:		
Local currency current accounts	6.1	126,824,081
Balances with National Bank of Pakistan (NBP) in:		
Local currency current accounts		-
Local currency deposit accounts		-
		141,841,796
 7. BALANCES WITH OTHER BANKS/ NBFIS/ MFBS		
In Pakistan		
Local currency current accounts		205,496
Local currency deposit accounts		908,715,345
		908,920,841
 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		804,417,530
		804,417,530
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		122,059,027
Pakistan Investment Bonds (PIBs)		131,064,975
Term Finance Certificates		189,016,600
Other Investments		-
		442,140,602
		1,246,558,132

10. ADVANCES**Loan Type**

Micro Credit	4,809,071,489
Micro Lease	-
Others	30,041,617
	4,839,113,106

Less: Provisions held:

Specific	(16,680,610)
General	(47,243,378)
	(63,923,988)

Advances- net of provisions

4,775,189,118

10.1 Particulars of Non-Performing Loans

Category of Classification	Amount Outstanding	Provisions Required	Provisions Held
OAEM	1,237,526	-	-
Sub-Standard	255,569	63,892	63,892
Doubtful	29,633,178	14,816,589	14,816,589
Loss	1,800,129	1,800,129	1,800,129
Total	32,926,402	16,680,610	16,680,610

10.2 Particulars of Provision against Non-Performing Advances

	Jun-13		
	Specific	General	Total
Opening balance	5,417,025	30,573,480	35,990,505
Charge for the year	20,885,842	16,669,898	37,555,740
Amounts written off	(9,622,258)	-	(9,622,258)
Reversals			
Other movements (to be specified)			
Closing balance	16,680,609	47,243,378	63,923,987

10.3 Particulars of Write Offs:

Against Provisions	9,622,258
Directly charged to Profit & Loss account	2,751,345
	12,373,603

Jun-13**Note****Rupees****11. OPERATING FIXED ASSETS**

Capital Work-in-Progress	11.1	8,927,349
Operating Fixed Assets	11.2	155,726,553
Intangible Assets	11.3	71,235,925
		235,889,827

11.1 Capital Work-in-Progress

Civil works	8,927,349
	8,927,349

		Jun-13
		Rupees
11.3	Intangible Assets	
	Computer Softwares	11.3.1 <u>71,235,925</u>
		<u>71,235,925</u>
11.3.1	Computer Softwares	
	Balance as at beginning of the period	103,805,474
	Additions during the period	<u>2,403,930</u>
	Balance as at end of the period	<u>106,209,404</u>
	Amortization	
	Balance as at beginning of the period	(17,794,781)
	Charge during the period	<u>(17,178,698)</u>
	Balance as at end of the period	<u>(34,973,479)</u>
	Carrying value	<u>71,235,925</u>
11.3.2.2	DEFERRED TAX ASSET - NET	Rupees
	Deferred debits arising in respect of	
	Retirement benefits	44,990,127
	Accelerated amortization allowance	44,990,127
	Deferred credits arising in respect of	
	Accelerated depreciation allowance	15,537,617
	Deficit on revaluation of investment	15,537,617
		<u>29,452,510</u>

13.	DEPOSITS		Jun-13
			Rupees
	Current Accounts		36,479,958
	Saving Accounts		1,916,809,552
	Fixed Deposits		<u>543,792,441</u>
			<u><u>2,497,081,951</u></u>
14.	BORROWINGS		
	Borrowings from PPAF	14.1	1,500,000,000
	Borrowing from JS Bank	14.2	1,200,000,000
	Borrowing from Standard Chartered Bank	14.2	487,500,000
	Borrowing from Pak Oman Investment Bank	14.2	90,000,000
	Borrowing from Askari Commercial Bank	14.2	<u>400,000,000</u>
			<u><u>3,677,500,000</u></u>
16.	SHARE CAPITAL		
16.1	Authorized Capital		
		Jun-13	Jun-13
		Number	Rupees
			Ordinary shares of
			Rs. 10 each
	<u>300,000,000</u>		<u>3,000,000,000</u>
16.2	Issued, subscribed and paid-up capital		
			Ordinary shares of
			Rs. 10 each
	<u>100,000,000</u>		<u>1,000,000,000</u>
16.2.1	This represents ordinary shares allotted to shareholders of the Bank.		

16.2.2 The shareholders of the Bank are as follows:

Jun-13 Number		Jun-13 Rupees
51,999,600	NRSP	519,996,000
16,000,000	Acumen Fund USA	160,000,000
16,000,000	KFW Germany	160,000,000
16,000,000	IFC	160,000,000
100	Mr. Shoaib Sultan	1,000
100	Mr. Fazalullah Qureshi	1,000
100	Dr. Rashid Bajwa	1,000
100	Aziz Raj Kot Wala	1,000
<u>100,000,000</u>		<u>1,000,000,000</u>
17.	SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS	
	Surplus on revaluation of Held to Maturity & Available for Sale securities	26,610,337
	Unamortised loss on reclassification of available for sale securities to held to maturity	-
	Surplus/Deficit on Revaluation of Operating Fixed Assets	-
		<u>26,610,337</u>
18.	DEFERRED GRANT	
	Opening balance - January 1, 2013	79,728,320
	Grant received	17,051,454
	Interest income	(68,517)
	Amortization of the grant during the period	<u>(32,010,049)</u>
		<u>64,701,208</u>
19.	MEMORANDUM / OFF BALANCE SHEET ITEMS	Jun-13 Rupees
19.1	Commitments in respect of purchase of fixed assets	
19.2	There are no contingent liabilities at the period end.	

NRSP MICROFINANCE BANK LIMITED
NOTE TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED June 30th, 2013

		Jun-13
		Rupees
20. MARK-UP / RETURN / INTEREST EARNED		
Mark-up Income on Advances - Microcredit Loans		603,792,021
Interest on deposit accounts/ placements with other banks/ financial institutions/ mutual funds		-
Others		31,875,040
		-
		<u>635,667,061</u>
21. MARK-UP / RETURN / INTEREST EXPENSED		
Loan processing fee		17,791,438
PPAF Loan		91,938,081
JS Bank Borrowing		56,942,813
Standard Chartered Bank Borrowing		22,683,308
Pak Oman Investment Bank Borrowing		5,592,859
Askari Commercial Bank Borrowing		22,408,769
Other deposits		75,767,274
Others		-
		<u>293,124,542</u>
22. FEE, COMMISSION AND BROKERAGE INCOME		
Micro-credit loan processing fee		104,041,212
Other Transaction Processing Fees		1,174,684
Commission Income		-
Collection Service income		(6,189,844)
		<u>99,026,052</u>
23. OTHER INCOME		
Income from Investments		50,537,029
Other Misc Services Incomes		11,564,473
Gain/(Loss) On Disposal Of Assets		3,477
Amortization of Deferred Grant		32,010,049
		<u>94,115,028</u>