Grant Thornton

Zambia National Provident Fund

Financial Statements
31 January 2000

ZAMBIA NATIONAL PROVIDENT FUND

FINANCIAL STATEMENTS
31 JANUARY 2000

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ZAMBIA NATIONAL PROVIDENT FUND

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for financial statements that give a true and fair view.

The Board of Directors confirm that the following statement is in accordance with a resolution of the Directors:

In the opinion of the Directors:

- The income and expenditure account is drawn up so as to give a true and fair view of the deficit of the Fund for the financial period ended 31 January 2000.
- The balance sheet is drawn up so as to give a true and fair view of the state of affairs of the Fund as at 31 January 2000.
- The financial statements have been prepared on the going concern basis.
- At the date of this statement there are reasonable grounds to believe that the Fund will be able to pay its debts as and when these fall due.
- The financial statements are drawn up in accordance with the Zambia National Provident Fund Act and applicable accounting standards.

Signed at **Lusaka** on 29 MAR 2001

- Chairman

- Director

Chartered Accountants
Zambian Member Firm of
Grant Thornton International

Grant Thornton

ZAMBIA NATIONAL PROVIDENT FUND

AUDITORS' REPORT

1. We have audited the financial statements on pages 3 to 15.

Respective responsibilities of directors and auditors

2. As described on page 1 the Fund's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit on those statements and to report our opinion to you.

Basis of opinion

3. We conducted our audit in accordance with approved auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Fund's circumstances, consistently applied and adequately disclosed.

4. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Scope limitation

5. Attention is drawn to the fact that the Fund has not strictly complied with the requirements of International Accounting Standard 25 (IAS 25).

Opinion

6. Except for the matter referred to in paragraph 5 above, in our opinion proper accounting records have been maintained by the Fund and the financial statements give a true and fair view of the state of the Fund's affairs at 31 January 2000 and of its deficit and cash flows for the period then ended.

Grant Thornton
Chartered Accountants

E N Hamuwele
Partner

Lusaka

Date 16 MAY 2001

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ZAMBIA NATIONAL PROVIDENT FUND

INCOME AND EXPENDITURE ACCOUNT
FOR THE TEN MONTHS PERIOD ENDED 31 JANUARY 2000

	Note	31 January 2000 K'000	31 March 1999 K'000
Income		15,831,374	12,174,763
Expenditure		(16,838,162)	(17,869,237)
Deficit of income over expenditure	4	(1,006,788)	(5,694,474)
Revaluation realised on disposal of assets	11(c)	3,407,472	-
Transfer from revaluation reserve	11(c)	190,700	259,409
Transfer to general reserve	11(b)	2,591,384	(5,435,065)

ZAMBIA NATIONAL PROVIDENT FUND

MEMBERS' FUND ACCOUNT - 31 JANUARY 2000

Members' Funds

	31 January 2000 K'000	31 March 1999 K'000
At 1 April 1999	95,802,575	77,569,035
Statutory contributions received	17,385,029	21,671,797
Special interest credited (notes 11(d) and 12)	-	6,776,429
	113,187,604	106,017,261
Less:		
Benefits paid		
Disability	585,189	552,155
Emigration	6,553	3,950
Home ownership	553,158	1,363,255
Old age and retirement	3,796,926	6,389,606
Savings	68,355	68,984
Survivors	1,969,871	1,836,736
Refund	4,775	-
	6,984,827	10,214,686
At 31 January 2000	106,202,777	95,802,575

The movements in the Members' Funds are based on manual accounting records and have been arrived at in accordance with the accounting policies described in notes 3(a) and 3(b). Detailed records of the individual Members' accounts are computerised and are updated on the basis of information received from employers. Although total cash receipts are promptly accounted for in the manual records, the processing of some information through the computer system is delayed due to the inadequacy or inaccuracy of the information submitted by employers, and a lack of resources available to correct the information submitted.

ZAMBIA NATIONAL PROVIDENT FUND

BALANCE SHEET - 31 JANUARY 2000

	Note	31 January 2000 K'000	31 March 1999 K'000
Employment of funds			
Fixed assets	5	12,562,468	16,087,365
Investments	6	81,176,221	67,345,502
Current assets			
Stores		77,283	39,593
Accrued interest		3,313,573	3,587,892
Debtors	7	4,052,126	3,438,636
Treasury bills		13,440,039	16,198,673
Bank balances and cash	8	2,686,005	640,689
		23,569,026	23,905,483
Less:			
Current liabilities			
Creditors	9	4,245,458	3,642,065
Bank overdraft		794,870	1,100,730
		5,040,328	4,742,795
Net current assets		18,528,698	19,162,688
		112,267,387	102,595,555
Funds employed			
Members' funds		106,202,777	95,802,575
Annuity account	10	32,560	29,308
Reserves	11	6,032,050	6,763,672
		112,267,387	102,595,555

The financial statements on pages 3 to 15 were approved by the Board of Directors on 29 MAR 2001 and were signed on its behalf by:

- CHAIRMAN

- DIRECTOR

ZAMBIA NATIONAL PROVIDENT FUND

CASHFLOW STATEMENT
FOR THE PERIOD ENDED 31 JANUARY 2000

	Note	31 January 2000 K'000	31 March 1999 K'000
Net cash outflow on operating activities	13	(1,891,820)	(4,549,294)
Returns on investments and servicing of finance			
Benefits paid		(6,984,827)	(10,214,686)
Maternity and funeral grants		(26,892)	(33,553)
Net cash outflow on returns on investments and servicing of finance		(7,011,719)	(10,248,239)
Investing activities			
Purchase of fixed assets		(2,509,110)	(828,068)
Redemption/(purchase) of government stocks		1,479,358	(1,050,391)
Purchase of investments		(3,795,195)	(347,129)
Loans disbursements		(2,458,473)	(59,690)
Proceeds on sale of fixed assets		7,085,562	187,158
Net cash outflow on investing activities		(197,858)	(2,098,120)
Financing activities			
Members contributions received		17,385,029	21,671,797
Penalties and special contributions received		245,346	258,954
Repurchase of annuities		(45)	(65)
Net cash inflow from financing activities		17,630,330	21,930,686
Net increase in cash and cash equivalents	14	8,528,933	5,035,033

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2000

1. **National Pension Scheme Authority (NAPSA)**
The National Pension Scheme Authority was established by the National Pension Scheme Act, 1996. The existing Fund, the Zambia National Provident Fund, will be transformed into a pension scheme and transferred to the Authority. The Authority shall have the sole management rights and control of the pension scheme. The Authority will manage the pension scheme and pay pension benefits to members. Arrangements are underway to effect the provisions of the Act.

2. **Actuarial review of the Fund**
In accordance with Section 26(1) of the ZNPF Act the Fund is to be reviewed by an actuary every five years. The last review was in respect of the ten years ended 1991. The actuarial review was dated 13 September 1993. The actuarial review of the operations of the Fund is due but has not yet been done. Management has stated that an actuarial review will be carried out in April 2000, the Actuaries' recommendations on any deficit in the Fund or contingencies would be implemented under NAPSA.

3. **Accounting policies**
As in previous years, the financial statements have been prepared in accordance with the historical cost convention as modified by the inclusion of certain assets at a valuation. The following is a summary of the more important accounting policies used.

(a) **Contributions received and benefits paid**
Contributions received from registered employers and benefits paid to eligible employees are accounted for on a cash basis. Accordingly, at the year end, contributions due but not received from registered employers, and claims received but not paid to eligible employees are not brought to account.

The use of a receipts basis for accounting for contributions from employers is not in accordance with section 23 of the Zambia National Provident Fund Act which states that the accounts of eligible employees shall be credited with all contributions payable by an employer.

The Board is of the opinion that it is not practicable to account for contribution income on an accruals basis as the relevant figures cannot be determined until returns are received from employers.

(b) **Interest credited to Members' Funds**
Interest is credited to Members' Funds at the end of each financial year on the balances outstanding at the beginning of that year less claims paid during the year. No interest accrual is made in respect of contributions received during the latest financial year. When claims are received, however, the interest due to any member is calculated on the balance standing to the credit of his account at the end of the month prior to payment of a benefit, as required by the Zambia National Provident Fund (Amendment) Act, 1973. The annual rates of interest used, which are determined by the Board having regard to the net income of the Fund, and periodical surplus on the revaluation of investment properties are as follows:-

	2000	**1999**
Statutory contributions	10%	10%
Supplementary contributions	15%	15%

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2000 (CONTINUED)

3. **Accounting policies (continued)**

(c) **Annuity account**
In accordance with Regulation 3 of the Zambia National Provident Fund (Annuity) Regulations, the annuity account is maintained as a separate account. Capital sums paid by employers to purchase annuities, and Members' accounts converted into annuities, are credited to this account together with interest at the average rate earned on the total assets of the Fund each year. Payments of annuities and administrative expenses are charged to the annuity account in accordance with the Regulations.

(d) **Special reserve account**
The Zambia National Provident Fund (Amendment) Act, 1973 empowered the Board to establish special reserves to provide for contingencies, interest equalisation, payments to Members whose contributions have not been received from employers and additional benefits to Members in the form of maternity and funeral grants. Appropriations are made by the Board from the income and expenditure account and payments are charged directly to the special reserve account.

(e) **Reserve account**
In accordance with Section 34 of the Zambia National Provident Fund Act, the Zambia National Provident Fund has established a reserve account to which may be credited:-

(i) fines and penalties;

(ii) any surplus remaining on the income and expenditure account after allocating interest to Members' accounts and appropriations to special reserve;

(iii) unclaimed contributions and unidentified contributions in the circumstances described in Regulation 26 of the Zambia National Provident Fund Regulations.

(f) **Fixed assets**
Fixed assets are revalued on a cyclical basis so that all such assets are revalued at least once in every three years. Assets which have not been revalued are stated at cost. The surplus or deficit over original cost and depreciation no longer required are taken to the revaluation reserve account.

Depreciation is calculated so as to write off the cost or valuation of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose, which are consistent with those of the previous year, are:-

	%
Leasehold buildings	2
Motor vehicles	20 – 25
Furniture and equipment	12½ - 33⅓

Capital work-in-progress is not depreciated.

ZAMBIA NATIONAL PROVIDENT FUND

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2000 (CONTINUED)

3. **Accounting policies (continued)**

(g) **Investments**

Investments, which consist of Government and other fixed interest stocks, deposits, investments properties and loans held for long term, and other financial assets are held for the accreting of the net worth of the Members' funds through distribution and capital appreciation.

(i) The directors have classified these investments into current and long term investments. Current investments are by their nature readily realisable.

(ii) Where it is the intention of the Fund to hold investments to maturity, they are valued at cost and no account is taken of market value, whether higher or lower than cost. This applies principally to Government stocks and debenture stocks.

(iii) Equity investments which are listed on the Lusaka Stock Exchange or unlisted markets are valued at 50% of the middle market price, the valuation surplus or deficit is transferred to the investment revaluation reserve account.

(iv) **Investment properties**

The directors regard the reclassification of investment properties from fixed assets to investments as necessary to give a true and fair view. They have not included all investment properties at market value but it is their intention to do so in the near future, when values will be determined periodically by independent valuers, but updated at least annually by the directors, using either appropriate indices or with the help of independent professional advice.

(v) Loans are stated at the recoverable amount after deducting provisions for any amounts that appear doubtful.

(h) **Treasury bills**

Treasury bills are valued at cost plus accrued interest.

(i) **Investment income**

(i) Interest on fixed interest stocks, treasury bills, deposit accounts and loans is brought into account on an accruals basis.

(ii) Dividend income is brought into account on the date of declaration.

(iii) Profits and losses on disposals or redemption's of investments are taken to the income and expenditure account in the period in which the disposal or redemption occurred.

(iv) In accordance with Section 34(2) of the Zambia National Provident Fund Act, income from investment of monies in the Reserve Account is regarded as general income of the Fund and credited to the income and expenditure account.

ZAMBIA NATIONAL PROVIDENT FUND

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2000 (CONTINUED)

4. **Surplus/(deficit) of income over expenditure**

Surplus/(deficit) of income over expenditure is stated after charging:-

	31 January 2000 K'000	31 March 1999 K'000
Depreciation	1,137,391	948,298
and after crediting:-		
Profit on sale of fixed assets	2,188,946	87,796

5. **Fixed assets**

(a) Summary:-

	Leasehold buildings K'000	Capital work-in-progress K'000	Motor vehicles and equipment K'000	Total K'000
Cost or valuation				
At 1 April 1999	13,932,845	1,709,659	4,422,797	20,065,301
Additions	48,463	81,182	2,379,465	2,509,110
Disposals	(3,483,878)	(1,790,548)	(87,061)	(5,361,487)
At 31 January 2000	10,497,430	293	6,715,201	17,212,924
Cost	962,418	293	6,715,201	7,677,912
Valuation	9,535,012	-	-	9,535,012
	10,497,430	293	6,715,201	17,212,924
Depreciation				
At 1 April 1999	1,280,116	-	2,697,820	3,977,936
Charge for the year	175,459	-	961,932	1,137,391
Disposals	(415,832)	-	(49,039)	(464,871)
At 31 January 2000	1,039,743	-	3,610,713	4,650,456
Net book value				
At 31 January 2000	9,457,687	293	3,104,488	12,562,468
At 31 March 1999	12,652,729	1,709,659	1,724,977	16,087,365

ZAMBIA NATIONAL PROVIDENT FUND

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2000 (CONTINUED)

5. **Fixed assets (continued)**

(b) The Fund is in the process of obtaining legal title to certain leasehold buildings included above and in investment properties (note 6) at a cost or valuation of K30,615,068,000 (1999 - K30,615,068,000).

(c) Included above are fully depreciated assets still in use with a cost of K474,156,068 (1999 - K444,969,208). The notional depreciation thereon not charged in these financial statements amounts to K118,564,017 (1999 - K100,875,795).

(d) The depreciation charge for the year includes K190,700,240 (1999 - K259,409,000) which relates to the depreciation charge on the surplus over the original cost of fixed assets shown at valuation and as this amount should not be taken to reduce the Fund's distributable reserve, an equivalent amount has been transferred to distributable reserve from the non-distributable reserve (note 11(c)).

6. **Investments**

The investments at 31 January 2000 were made up as follows:-

	31 January 2000 K'000	Percentage of total	Restated 31 March 1999 K'000	Percentage of total
Government stocks	3,025,419	3.7	4,704,777	7.0
Other fixed interest stocks	238,874	0.3	205,431	0.3
Shares (less provision for diminution in value)	6,679,244	8.2	7,145,632	10.6
Fixed deposits	29,595,483	36.5	20,659,092	30.7
Loans to Government	187,463	0.2	187,463	0.3
Loans to local authorities	2,918	0.0	3,086	0.0
Loans to parastatals	8,320	0.0	8,320	0.0
Other loans	28,341	0.0	156,835	0.2
Investment properties	34,559,813	42.6	32,489,293	48.2
Medium term loans	6,850,346	8.5	1,785,573	2.7
	81,176,221	100.0	67,345,502	100.0

ZAMBIA NATIONAL PROVIDENT FUND

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2000 (CONTINUED)

7. Debtors	31 January 2000 K'000	31 March 1999 K'000
Staff loans	2,181,415	1,594,067
Rent	2,533,232	1,982,661
Prepayments and deposits	-	36,539
Sundry	16,144	341,181
	4,730,791	3,954,448
Less:		
Provision for bad debts	(678,665)	(515,812)
	4,052,126	3,438,636

8. **Bank balances and cash**

Cash resources are stated after adjusting for uncleared banking items (see note 9).

	2000 K'000	1999 K'000
9. **Creditors**		
Trade creditors	1,043,266	489,193
Other creditors	1,476,522	1,652,899
Uncleared banking items (see below)	1,725,670	1,499,973
	4,245,458	3,642,065
Uncleared banking items		
Unpresented cheques	1,784,513	2,103,430
Cash in transit	(58,843)	(603,457)
	1,725,670	1,499,973

10. **Annuity account**		
At 1 April 1999	29,308	25,655
Interest credited	3,297	3,718
	32,605	29,373
Less:		
Payments made	(45)	(65)
At 31 January 2000	32,560	29,308

ZAMBIA NATIONAL PROVIDENT FUND

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2000 (CONTINUED)

11. **Reserves**

		31 January 2000 K'000	31 March 1999 K'000
(a)	**Special reserve account:**		
	At 1 April 1999	41,945	75,498
	Maternity and funeral grants	(26,892)	(33,553)
	At 31 January 2000	15,053	41,945
(b)	**General reserve account:**		
	At 1 April 1999	(7,347,118)	(2,167,289)
	Penalties	245,346	258,954
	Transfer to annuity Account	(3,297)	(3,718)
	Transfer from income and expenditure account	2,591,384	(5,435,065)
	At 31 January 2000	(4,513,685)	(7,347,118)
(c)	**Revaluation reserve account**		
	At 1 April 1999	14,068,845	14,328,254
	Transfer to income and expenditure account	(190,700)	(259,409)
	Revaluation realised on disposal of assets	(3,407,472)	-
	At 31 January 2000	10,470,673	14,068,845
(d)	**Investment revaluation reserve account**		
	At 1 April 1999	-	7,096,011
	Surplus/(deficit) on share valuation (note 3(g)(iii))	60,009	(319,582)
	Special interest on members funds (note 12)	-	(6,776,429)
	At 31 January 2000	60,009	-
		6,032,050	6,763,672

The balance on special reserve account at 31 January 2000 is net of estimated liabilities resulting from uncollected contributions.

ZAMBIA NATIONAL PROVIDENT FUND

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2000 (CONTINUED)

12. **Amounts credited to members funds**

An Actuary reviewed the operations of the Fund in accordance with section 26(1) of the Zambia National Provident Fund Act in respect of the ten years ended 1991. The actuarial review was dated 13 September 1993.

The actuary's recommendations, which were accepted by the Board, relate, inter alia, to amounts to be credited to members funds, by partial distribution of the investment revaluation reserve based on the following rates:-

	2000	1999
Normal interest	-	-
Special interest	10%	10%

The actuary further recommended that in order to ensure the continued financial stability of the fund future interest should be credited to members accounts based on the balances standing to the credit of members accounts excluding the special interest element.

Ministerial approval of the actuary's recommendations was subsequently obtained.

13. **Reconciliation of operating deficit to net cash outflow on operating activities**

	31 January 2000 K'000	31 March 1999 K'000
Operating deficit	(1,006,788)	(5,694,474)
Depreciation	1,137,391	948,298
Profit on sale of tangible fixed assets	(2,188,946)	(87,796)
Surplus in value of investments	(60,009)	-
(Increase)/decrease in stores	(37,690)	24,981
Decrease/(increase) in accrued interest	274,319	(415,041)
Increase in debtors	(613,490)	(410,085)
Increase in creditors	603,393	1,084,823
Net cash outflow from operating activities	(1,891,820)	(4,549,294)

ZAMBIA NATIONAL PROVIDENT FUND

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 2000 (CONTINUED)

14. **Analysis of the balances of cash and cash equivalents as shown in the balance sheet**

	31 January 2000 K'000	31 March 1999 K'000	Change in year K'000
Bank overdraft	(794,870)	(1,100,730)	305,860
Cash at bank and in hand	2,686,005	640,689	2,045,316
Fixed term deposits	29,595,483	20,659,092	8,936,391
Treasury bills	13,440,039	16,198,673	(2,758,634)
	44,926,657	36,397,724	8,528,933

15. **Capital commitments**

	2000 K'000	1999 K'000
Commitments in respect of contracts and agreements	3,570,000	64,615

16. **Comparative figures**

Comparative figures have been restated where necessary to afford a reasonable comparison.

17. **Events subsequent to balance sheet date**

There has not arisen since the end of the financial year any item, transaction or event of a material and unusual nature likely in the opinion of the directors of the fund, to affect substantially the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in subsequent financial years.

SCHEDULE 1

ZAMBIA NATIONAL PROVIDENT FUND

31 JANUARY 2000

INCOME

	31 January 2000 K'000	31 March 1999 K'000
Interest:		
Building Society and bank deposits	6,244,238	4,130,494
Government stocks	1,157,409	960,698
Other stocks	33,889	26,386
Loans	29,290	281,947
Staff loans	278,162	179,618
Treasury bills	5,601,751	3,963,230
Dividends	629,614	654,755
Real estate (see below)	1,838,306	1,938,749
Sundry income	18,715	38,886
	15,831,374	12,174,763
Real estate - net		
Rent receivable	3,056,612	3,382,379
Less:		
Expenses	(1,218,306)	(1,443,630)
Net income	1,838,306	1,938,749

SCHEDULE 2

ZAMBIA NATIONAL PROVIDENT FUND

31 JANUARY 2000

EXPENDITURE

	31 January 2000 K'000	31 March 1999 K'000
Advertising and publicity	125,132	102,049
Audit fees	131,241	-
Bank charges	571,379	620,058
Board members' expenses	63,098	61,574
Communications	400,983	397,636
Data processing	170,091	174,248
Depreciation	1,137,391	948,298
Grants in aid	15,280	13,340
Group life assurance scheme	420,290	500,380
Insurance	27,399	66,199
Legal and professional expenses	21,281	170,613
Profit on sale of fixed assets and investments	(2,188,946)	(87,796)
Provision for bad debts	3,205,534	1,237,271
R/D cheques written off	20,468	-
Motor vehicle expenses	840,862	794,337
Printing, stationery and office expenses	740,002	617,880
Recruitment	77,431	119,558
Rent and rates	352,999	389,377
Retirement and retrenchment	962,249	2,329,948
Salaries and allowances	8,098,460	8,406,103
Sports expenses	61,467	70,593
Staff canteen	263,319	296,062
Staff training	196,150	143,256
Sundry expenses	863,043	193,445
Travelling and subsistence	261,559	304,808
	16,838,162	17,869,237

SCHEDULE 3

ZAMBIA NATIONAL PROVIDENT FUND

31 JANUARY 2000

INVESTMENTS

Government stocks	Cost K'000
Local registered	
K451,300,000 - Republic of Zambia bonds @ 37%	499,551
K671,009,000 - Republic of Zambia bonds @ 38%	741,304
K549,442,000 - Republic of Zambia bonds @ 38%	582,337
K 44,400,000 - Republic of Zambia bonds @ 33%	46,569
K927,000,000 - Republic of Zambia bonds @ 38%	972,564
K167,500,000 - Republic of Zambia bonds @ 38%	181,464
K 1,000,000 - Republic of Zambia bonds @ 45%	1,630
	3,025,419

SCHEDULE 4

Investments – other	Cost K'000
Cavmont Income Fund	221,412
Emerging Markets Investments	17,462
	238,874

SCHEDULE 5

ZAMBIA NATIONAL PROVIDENT FUND

31 JANUARY 2000

INVESTMENTS

Shares at cost or valuation

	31 January 2000 K'000	31 March 1999 K'000
Chilanga Cement Limited 9,376,256 "A" shares of 50 ngwee each	1,398,942	1,244,208
Consumer Buying Corporation of Zambia Limited 500,000 8% First cumulative redeemable participating shares of K5 each	2,500	2,500
Commerce Bank (Z) Limited	2,157,780	532,780
Associated Printers Limited 125,000 12½% Cumulative redeemable participating preference shares of K2 each	-	-
Zambia Sugar Company Limited 222,500,000 ordinary shares of 50 ngwee each	3,476,360	3,896,250
Kapiri Glass Products Limited 150,000 Ordinary shares of K1 each	150	150
Development Bank of Zambia 4,505, "A" Class shares of K10,000 each	45,050	45,050
Standard Chartered Bank (Zambia) Limited 54,568,900 Ordinary shares of 50 ngwee each	1,243,488	969,070
Zambian Breweries Plc 929,500 Ordinary shares of K1 each	279,779	211,461
National Breweries Plc 1,250,000 Ordinary shares of K1 each	235,625	246,813
Lima Bank Limited 500,000 Ordinary shares of K1 each	500	500
	8,840,174	7,148,782
Less: Provision for diminution in value	(2,160,930)	(3,150)
	6,679,244	7,145,632

ZAMBIA NATIONAL PROVIDENT FUND

31 JANUARY 2000

INVESTMENTS

Fixed term deposits

			31 January 2000 K'000
First Merchant Bank Limited	22%	30 days	220,328
First Merchant Bank Limited	22%	30 days	210,900
First Merchant Bank Limited	22%	30 days	113,085
First Merchant Bank Limited	22%	30 days	262,112
First Merchant Bank Limited	22%	30 days	131,947
Prudence Bank Limited	22%	30 days	212,379
Prudence Bank Limited	22%	30 days	203,278
Citibank Limited	36%	90 days	2,798,871
Finance Building Society	35%	90 days	33,254
Finance Building Society	35%	90 days	51,934
Finance Building Society	35%	30 days	88,862
Pan African Building Society	35%	30 days	27,870
Pan African Building Society	35%	30 days	46,287
Pan African Building Society	35%	90 days	78,039
New Capital Bank Limited	40%	90 days	431
Meridien BIAO Zambia Limited	24-42%	-	55,602
Meridien BIAO Zambia Limited	140%	-	616,126
Zambia National Building Society	33%	30 days	1,463,212
Zambia National Commercial Bank Limited	37%	90 days	3,011,010
Zambia National Commercial Bank Limited	36%	90 days	1,917,313
Zambia National Commercial Bank Limited	37%	90 days	652,440
Zambia National Commercial Bank Limited	37%	30 days	1,000,000
Zambia National Commercial Bank Limited	37%	90 days	1,800,000
National Savings and Credit bank	32%	180 days	362,200
Access Financial Services	33%	365 days	300,000
Stanbic Bank Zambia Limited	37%	90 days	1,500,000
Barclays Bank Zambia Limited	37%	30 days	824,329
Barclays Bank Zambia Limited	38%	90 days	2,200,000

ZAMBIA NATIONAL PROVIDENT FUND

31 JANUARY 2000

INVESTMENTS

Fixed term deposits

			31 January 2000 K'000
Leasing Finance Company Limited	36%	90 days	421,801
- do -	36%	90 days	433,373
- do -	36%	90 days	480,747
- do -	36%	90 days	409,461
- do -	36%	90 days	118,317
- do -	36%	90 days	215,139
- do -	36%	90 days	156,971
Unifinance Zambia Limited	37%	30 days	54,483
- do -	37%	30 days	62,834
Finance Bank Zambia Limited	37%	30 days	5
- do -	36%	30 days	493,539
- do -	37%	30 days	144,512
- do -	36%	30 days	243,542
Union Bank Zambia Limited	36%	30 days	324,963
Union Leasing Zambia Limited	36%	30 days	153,140
Cavmont Merchant Bank Limited	36%	90 days	1,005,923
- do -	36%	90 days	502,848
- do -	36%	90 days	391,433
Cavmont Merchant Bank Limited	37.5%	90 days	2,200,000
African Commercial Bank Limited	48%	90 days	122,151
Indo Zambia Bank Limited	36%	90 days	1,629,016
- do -	36%	90 days	508,150
- do -	36%	90 days	448,779
- do -	36%	30 days	197,060
			-
Credit Africa Bank Limited			540,898
- do -			252,892
Commerce Bank Limited	11.2%	30 days	210,868
- do -	36%	30 days	730,945
- do -	36%	30 days	335,580
Investrust Merchant Bank Limited	36%	30 days	51,215
- do -	36%	30 days	68,358
- do -	36%	30 days	153,610
- do -	36%	30 days	167,309
- do -	36%	30 days	203,502
IMS Financial Services Limited	36%	30 days	103,384
			33,718,557
Less: provisions for amounts doubtful of recovery on maturity			(4,123,074)
			29,595,483

SCHEDULE 7

ZAMBIA NATIONAL PROVIDENT FUND

31 JANUARY 2000

INVESTMENTS

Loans to Government

		31 January 2000 K'000	31 March 1999 K'000
Government of the Republic of Zambia	8½ %-18½ %	187,463	187,463
		187,463	187,463

SCHEDULE 8

Loans to local authorities

		2000 K'000	1999 K'000
Chadiza District Council	- 26%	262	262
Kabompo District Council	- 26%	294	294
Kasempa District Council	- 26%	90	90
Mwinilunga District Council	- 26%	-	168
Senanga District Council	- 26%	2,272	2,272
		2,918	3,086

SCHEDULE 9

ZAMBIA NATIONAL PROVIDENT FUND

31 JANUARY 2000

INVESTMENTS

Loans to parastatals

		31 January 2000 K'000	31 March 1999 K'000
General Pharmaceutical Limited	- 30%	4,445	4,445
Zambia Airways Corporation Limited	- 40%	1,519	1,519
Zambia Ceramics Limited	- 30%	2,356	2,356
		8,320	8,320
Less: Provision for loans of doubtful recovery		-	-
		8,320	8,320

SCHEDULE 10

ZAMBIA NATIONAL PROVIDENT FUND

31 JANUARY 2000

INVESTMENTS

Other loans

			31 January 2000 K'000	31 March 1999 K'000
Modern Press Limited	40.5%	(note (a))	28,341	76,928
Zambia Farmers Coop - Society Limited	45.8502%	(note (b))	79,907	79,907
Interland Marketing Limited	50%	(note (c))	450,000	450,000
La Hacienda Hotel Limited	BR+1.5%	(note (d))	25,000	25,000
			583,248	631,835
Less: provision			(554,907)	(475,000)
			28,341	156,835

(a) The loan is secured on stand number 7192 Lusaka and a debenture containing a first floating charge over all the assets of the company.

(b) The loan is to be secured by a first mortgage charge over stand number 1629 Malambo Road and stand number 20B/F 875 Mandevu, Lusaka. The registration of the securities is still in process.

(c) The loan is to be secured by a first mortgage over stand number 13982 Lusaka and a specific charge over the assets of Interland Marketing Limited. The registration of the securities is still in process.

(d) The loan is to be secured by a first mortgage over stand number 14 Mumbwa and buildings or other property registered in the absolute ownership of the loanee. The registration of securities is still in process.