25 JUL 2003

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National Pension Scheme Authority

Financial Statements
31 December 2002

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NATIONAL PENSION SCHEME AUTHORITY

FINANCIAL STATEMENTS
31 DECEMBER 2002

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NATIONAL PENSION SCHEME AUTHORITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for financial statements that give a true and fair view of the state of the Authority's affairs at the year end and of its surplus and cash flows for the year then ended.

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

In the opinion of the Trustees:

- The income and expenditure account is drawn up so as to give a true and fair view of the surplus of the Authority for the financial year ended 31 December 2002.
- The balance sheet is drawn up so as to give a true and fair view of the state of affairs of the Authority as at 31 December 2002.
- 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 Authority will be able to pay its debts as and when these fall due.
- The financial statements are drawn up in accordance with the National Pension Scheme Authority Act, 1996 and applicable international accounting standards, except for the lack of revaluations of leasehold buildings and investment properties, and the non-accrual of unpaid benefits and contributions income. Further details of these exceptions are provided in notes 3(a), 10(e) and 11(e) of the financial statements.

Signed at **Lusaka** on

- Chairman

- Trustee

NATIONAL PENSION SCHEME AUTHORITY

AUDITORS' REPORT

We have audited the financial statements on pages 3 to 25.

Respective responsibilities of Trustees and auditors
As described on page 1 the Trustees 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
We conducted our audit in accordance with Auditing Standards except that the scope of our work was limited as explained.

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 Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Authority's circumstances, consistently applied and adequately disclosed.

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.

Opinion
In our opinion the financial statements give a true and fair view of the state of the Authority's affairs at 31 December 2002 and of its surplus and cash flows for the year then ended.

Without qualifying our opinion above, we draw your attention to Note 12 on page 17 of the financial statements, which provides details on the absence of agreement with Duly Motors Limited on the amount recoverable of K3,148,637,000.

Chartered Accountants

Lusaka

Date

NATIONAL PENSION SCHEME AUTHORITY

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2002

	Note	2002 K'000	2001 K'000
Income			
Members' contributions	4	99,183,458	77,837,158
Investment income	5	83,930,757	47,941,313
Other operating income		2,595,197	146,045
		185,709,412	125,924,516
Expenditure			
Administrative expenses		(10,466,750)	(8,378,607)
Other operating expenses		(30,891,141)	(22,302,422)
General expenses		(2,959,703)	(1,688,620)
		(44,317,594)	(32,369,649)
Finance costs	6	(569,341)	(518,570)
Benefit payments		(2,821,450)	-
Operating surplus before retrenchment costs	7	138,001,027	93,036,297
Retrenchment costs	8	(445,971)	(13,185,381)
Surplus before taxation		137,555,056	79,850,916
Taxation	9	-	-
Surplus after taxation		137,555,056	79,850,916

NATIONAL PENSION SCHEME AUTHORITY

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2002

	Annuity Account K'000	ZNPF members' Fund K'000	Accumulated Fund K'000	Special reserve K'000	General reserve K'000	Revaluation reserve K'000	Investment revaluation reserve K'000	Total K'000
At 1 January 2001	29,202	102,480,824	30,810,644	(12,178)	(3,996,737)	10,279,973	1,468,816	141,060,544
Statutory contributions received	-	231,163	-	-	-	-	-	231,163
Benefits paid	-	(8,085,159)	-	-	-	-	-	(8,085,159)
Penalties	-	-	-	-	381,381	-	-	381,381
Surplus on revaluation of investments	-	-	-	-	-	-	9,975	9,975
Transfer from revaluation reserve	-	-	-	-	90,809	(90,809)	-	-
Maternity and funeral grants	-	-	-	(20,736)	-	-	-	(20,736)
Net gains and losses not recognised in the income and expenditure account	-	(7,853,996)	-	(20,736)	472,190	(90,809)	9,975	(7,483,376)
Surplus for the year	-	-	79,850,916	-	-	-	-	79,850,916
At 31 December 2001	29,202	94,626,828	110,661,560	(32,914)	(3,524,547)	10,189,164	1,478,791	213,428,084
Statutory contributions received	-	565,559	-	-	-	-	-	565,559
Domestic servant stamp duty	-	1,044	-	-	-	-	-	1,044
Unclaimed benefit payments	-	212,742	-	-	-	-	-	212,742
Benefits paid	-	(9,514,770)	-	-	-	-	-	(9,514,770)
Other payments	(1,723)	-	-	-	-	-	-	(1,723)
Surplus on revaluation of investments	-	-	-	-	-	-	623,894	623,894
Revaluation surplus realised on disposal	-	-	-	-	202,474	(202,474)	-	-
Transfer from revaluation reserve	-	-	-	-	190,700	(190,700)	-	-
Maternity and funeral grants	-	-	-	(15,853)	-	-	-	(15,853)
Net gains and losses not recognised in the income and expenditure account	(1,723)	(8,735,425)	-	(15,853)	393,174	(393,174)	623,894	(8,129,107)
Surplus for the year	-	-	120,452,835	-	17,102,221	-	-	137,555,056
At 31 December 2002	27,479	85,891,403	231,114,395	(48,767)	13,970,848	9,795,990	2,102,685	342,854,033

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NATIONAL PENSION SCHEME AUTHORITY

BALANCE SHEET - 31 DECEMBER 2002

	Note	2002 K'000	As restated 2001 K'000
ASSETS			
Non current assets			
Property, plant and equipment	10	14,516,205	11,416,245
Investment properties	11	32,018,892	32,869,106
Other financial assets	12	59,414,226	34,074,964
Trade and other receivables	13	9,736,744	6,552,870
		115,686,067	84,913,185
Current assets			
Properties held for resale	11	188,659	-
Inventories		93,422	90,281
Other financial assets	12	244,678,108	134,687,218
Trade and other receivables	13	7,339,403	7,125,111
Cash and cash equivalents	14	4,762,064	14,908,095
		257,061,656	156,810,705
Total assets		372,747,723	241,723,890
EQUITY AND LIABILITIES			
Members' interest			
Accumulated fund	15	231,114,395	110,661,560
Reserves	16	25,820,756	8,110,494
ZNPF members' funds	17	85,891,403	94,626,828
Annuity account	18	27,479	29,202
		342,854,033	213,428,084
Non-current liabilities			
Interest bearing liabilities	19	22,041,667	19,300,000
		22,041,667	19,300,000
Current liabilities			
Interest bearing liabilities	19	958,333	-
Trade and other payables	20	5,780,581	7,879,702
Bank overdraft	21	1,113,109	1,116,104
		7,852,023	8,995,806
Total equity and liabilities		372,747,723	241,723,890

The financial statements on pages 3 to 25
were approved by the Board of Trustees
on
and were signed on its behalf by:

CHAIRMAN **TRUSTEE**

NATIONAL PENSION SCHEME AUTHORITY

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2002

	2002 K'000	As restated 2001 K'000
Cash flows from operating activities		
Surplus for the year	137,555,056	79,850,916
Depreciation	2,278,960	3,036,693
Interest paid	569,341	518,570
Provision for impairment of investment properties	168,261	-
Diminution in value of other financial assets	2,901,191	-
Profit on sale of property, plant and equipment	(215,100)	(302,737)
Profit on sale of investment properties	(243,003)	-
(Increase)/decrease in inventories	(3,141)	18,572
Increase in trade and other receivables	(3,398,166)	(1,982,360)
Foreign exchange loss	-	1,651,446
Long term loan exchange gain	3,700,000	692,346
(Decrease)/increase in trade and other payables	(2,099,121)	4,304,698
Net cash inflow from operating activities	141,214,278	87,788,144
Returns on investments and servicing of finance		
Interest paid	(569,341)	(518,570)
ZNPF benefits paid	(9,514,770)	(8,085,159)
ZNPF contributions received	779,345	231,163
Other grants paid	(15,853)	-
Net cash outflow on returns on investments and servicing of finance	(9,320,619)	(8,372,566)
Investing activities		
Purchase of property, plant and equipment	(5,565,847)	(1,668,289)
Purchase of investment properties	(459,512)	-
Purchase of government bonds	(48,884,798)	(19,679,967)
Purchase of other fixed interest stocks	(211,110)	-
Purchase of fixed deposits	(11,206,834)	(11,435,359)
Purchase of treasury bills	(73,270,333)	(38,684,455)
Purchase of equity instruments	(3,847,865)	-
Purchase/redemption of other financial assets	(318,922)	333,984
Loans recovered	132,413	-
Proceeds on disposal of investment properties	1,195,809	-
Proceeds from sale of property, plant and equipment	402,027	450,141
Net cash outflow on investing activities	(142,034,972)	(70,683,945)

NATIONAL PENSION SCHEME AUTHORITY

CASH FLOW STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2002

	2002 K'000	2001 K'000
Financing activities		
Redemption of annuities	(1,723)	-
Net cash inflow on financing activities	(1,723)	-
(Decrease)/increase in cash and cash equivalents	(10,143,036)	8,731,633
Cash and cash equivalents at 1 January 2002	13,791,991	5,060,358
Cash and cash equivalents at 31 December 2002	3,648,955	13,791,991
Represented by:		
Bank overdraft	(1,113,109)	(1,116,104)
Cash at bank and in hand	4,762,064	14,908,095
	3,648,955	13,791,991

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NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2002

1. **National Pension Scheme Authority (NAPSA)**

(a) The National Pension Scheme Authority was established by the National Pension Scheme Act, 1996. The Authority has the sole management rights and control of the pension scheme. The Authority manages the pension scheme and pays pension benefits to members. The Authority became operational on 1 February 2000.

(b) The main objective of the Authority is to implement the policy relating to the National Pension Scheme as stipulated in the Act. The Authority is mandated to manage the Scheme so as to ensure that at all times it is in a state of actuarial correctness, financially sustainable, fair in its benefit distribution and is affordable

(c) Under the Act and its regulations, the Authority also controls and manages the assets and liabilities of members who contributed to a defined contribution plan established under the repealed Zambia National Provident Fund Act. Members of the former fund may, at their election, and on the conditions subsisting under the Act and its regulations, convert their assets to the National Pension Scheme to improve their benefits payable under the Scheme. Members who exercise this option shall receive a Month's credit for every three Months of contributions under the Zambia National Provident Fund.

(d) Notwithstanding the repeal of the Zambia National Provident Fund Act, the Authority, as custodian, continues to pay benefits to members qualifying under the rules in the repealed Act.

2. **Actuarial review of the Authority**

(a) In accordance with Section 44(2) of the NAPSA Act the Authority is to be reviewed by an actuary every three years. In November, 2001 the Authority undertook an interim actuarial valuation of the scheme with the assistance of the World Bank. The projections in this report indicate that on the basis of current assumptions there will be need to review the contribution rate of the Scheme by 2018. A full actuarial valuation is due by December 2003.

(b) After transformation, the assets and liabilities of the Zambia National Provident Fund were transferred to the Authority. The last actuarial review was dated 13 September, 1993. However, in 1996 when the design of the pension scheme was being legislated, an actuarial assessment of the scheme, which also touched on some aspects of the provident fund as related to mechanics of conversion rights of the members of the provident fund to the pension scheme, was done.

(c) An inventory of the assets and liabilities of the fund was compiled prior to the conversion to the pension scheme.

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NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2002 (CONTINUED)

3. **Accounting policies**

The Authority's financial statements have been prepared in accordance with applicable accounting standards and 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**

(i) Contributions received from registered employers under the Act are accounted for on a cash basis. This is a departure from IAS 1 Presentation of Financial Statements, which requires the accruals basis to be used. In the opinion of the Trustees the accruals basis would be misleading due to the absence of a practicable method of calculating the accrued contribution income. Cheques received from employers that are dishonoured are recognised as income.

(ii) Pension benefits due to members under the National Pension Scheme Authority will not start to fall due until 2005. Other benefits payable to members who have lodged a claim are not accrued by the Authority, but are accounted for on a cash basis. This is not in compliance with IAS 1 which requires the accruals basis to be used. It is the opinion of the Trustees that the accruals basis may be misleading due to the absence of a practicable method of calculating accrued benefits claims.

(iii) The Trustees have concluded that the financial statements fairly present the Authority's financial position, performance and cash flows.

(iv) Interest payable on lump sum benefits and the wage inflation figures applicable in the year 2002 and 2001 are stated below:

	2002	2001
Wage inflation	5%	5%
Interest	15%	15%

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3. **Accounting policies (continued)**

(b) **Transitional policies relating to ZNPF members**

As stated in note 1 (c) and 1 (d) above, the assets and liabilities of the former Fund are controlled and managed by the Authority. The following are the policies relating to the award of interest to ZNPF members and related matters:

(i) **Benefit claims against ZNPF Members' Funds**

When claims are received, 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 previously required by the now repealed ZNPF Act. 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:-

	2002	2001
Statutory contributions	10%	10%
Supplementary contributions	15%	15%

(ii) **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.

(iii) **Special reserve account**

The now repealed 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.

(iv) **Reserve account**

In accordance with Section 34 of the repealed Zambia National Provident Fund Act, the Zambia National Provident Fund had 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;

NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

3. **Accounting policies (continued)**

(iv) **Reserve account (continued)**

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

(c) **Income Recognition**

(i) Under the National Pension Scheme Regulations, income for the pension scheme consists of contributions received, investment income, penalties and miscellaneous income while under the repealed Act only returns from investments were deemed to be income. For purposes of these financial statements, investment income is derived from assets of both the pension scheme and the provident funds.

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

(iii) Dividend income is brought into account when the right to receive payment is established.

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

(v) The regulations stipulate that only a portion of contributions may be used for administrative expenditure. The limits have been set at 30% in the first three years, 20% in the subsequent two years and 10% thereafter.

(d) **Property, plant and equipment**

(i) The Authority's buildings are revalued on a cyclical basis so that all such assets are revalued at least once in every three years. Plant and equipment are stated at cost less accumulated depreciation. The surplus or deficit over original cost and depreciation no longer required are taken to the revaluation reserve account.

(ii) 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 are:-

	%
Leasehold land and buildings	2
Motor vehicles	20 - 25
Furniture and equipment	12½ - 33

NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

3. **Accounting policies (continued)**

(e) **Other financial assets**

Other financial assets, which consist of Government and other fixed interest stocks, deposits and loans and equity instruments are held for the accretion of the net worth of the Members' funds through distribution and capital appreciation.

The NAPSA Act provides for the investment guidelines to be issued by the Minister under a statutory instrument. These guidelines were issued on 13 September 2001. Therefore, NAPSA investment portfolio is now managed under the Investment Guidelines.

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

(ii) Where it is the intention of the Authority to hold financial assets to maturity, they are valued at amortised cost.

(iii) Equity instruments which are listed on the Lusaka Stock Exchange are valued at their fair value, the valuation surplus or deficit is transferred to the investment revaluation reserve account. Unlisted equity instruments are valued at cost less provision for diminution in value.

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

(vi) Treasury bills are valued at cost plus accrued interest.

(f) **Investment properties**

(i) Investment properties are measured at fair value. The method applied in determining the fair value of investment property is consideration of most recent market evidence where available, as well as subsequent capital expenditure. The valuation is on the basis of a report by independent and qualified professional valuers.

(ii) Subsequent expenditure on investment properties is added to the carrying amount when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the property will flow to the enterprise.

NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

3. **Accounting policies (continued)**

(f) **Investment properties (continued)**

(iii) Investment properties are distinguished from owner-occupied properties when only an insignificant portion is held for the Authority's own use. Property held for sale is distinguished from investment property when an offer has been made to a third party to sell the asset and this has been accepted.

(g) **Retirement benefit costs**

The Authority operates a defined benefit scheme for all employees. The cost of the defined benefit scheme is recognised in accordance with actual payments due to the Scheme as per actuarial recommended rates. Any actuarial gain or loss upon actuarial valuation is recognised.

(h) **Borrowing costs**

Borrowing costs, being interest payable on loans, are recognised on an accruals basis.

4. **Members' contributions**

	Year ended 31 December 2002 K'000	Year ended 31 December 2001 K'000
Contributions from members	49,591,729	38,918,579
Contributions from employers	49,591,729	38,918,579
	99,183,458	77,837,158

As stated in accounting policy note 3 (a) (i) above, the members' contributions represent the actual receipts from employers on behalf of members and employers.

5. **Investment income**

	Year ended 31 December 2002 K'000	Year ended 31 December 2001 K'000
Investment property	4,808,826	4,381,543
Shares and securities	21,656,612	6,653,994
Loans and advances	506,860	256,842
Treasury bills	37,018,750	13,220,813
Fixed deposits	19,915,890	23,360,005
Other investments	23,819	68,116
	83,930,757	47,941,313

6. **Finance costs**

Finance costs represents interest on the World Bank loan.

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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

7. Operating surplus before retrenchment costs

The operating surplus before retrenchment costs is stated after charging:-

	31 December 2002 K'000	31 December 2001 K'000
Depreciation	2,278,960	3,036,693
Loan interest	569,341	518,570
Impairment of investment properties	168,261	-
Diminution in value of investments	-	1,800,005
Loss on foreign exchange translation	3,700,000	1,651,446
and after crediting:-		
Profit on sale of property, plant and equipment	215,100	302,737

8. Retrenchment costs

The retrenchment costs represent payments to staff who were retrenched to restructure ZNPF into NAPSA. The payment of this cost was funded by the IDA World Bank loan facility (see note 17).

9. Taxation

The Authority is not liable to company taxation.

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NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

10. **Property, plant and equipment**

(a) Summary

	Leasehold buildings K'000	Motor vehicles K'000	Equipment K'000	Total K'000
Cost or valuation				
At 1 January 2002	10,489,136	2,325,634	8,450,502	21,265,272
Additions	212,230	4,202,402	1,151,215	5,565,847
Disposals	(108,295)	(99,836)	(93,455)	(301,586)
At 31 December 2002	10,593,071	6,428,200	9,508,262	26,529,533
Cost	1,058,059	6,428,200	9,508,262	16,994,521
Valuation	9,535,012		-	9,535,012
	10,593,071	6,428,200	9,508,262	26,529,533
Depreciation				
At 1 January 2002	1,363,989	2,057,317	6,427,721	9,849,027
Charge for the year	211,856	1,045,251	1,021,853	2,278,960
Disposals	(14,823)	(99,836)	-	(114,659)
At 31 December 2002	1,561,022	3,002,732	7,449,574	12,013,328
Net book value				
At 31 December 2002	9,032,049	3,425,468	2,058,688	14,516,205
At 31 December 2001	9,125,147	268,317	2,022,781	11,416,245

(b) The Authority is in the process of obtaining legal title to certain leasehold buildings included above at cost/valuation of K2,166,202,851.

(c) Included above are fully depreciated assets still in use with a cost of K2,869,589,000. The notional depreciation thereon not charged in these financial statements amounts to K358,712,074.

(d) The depreciation charge for the period includes K190,700,240 which relates to the depreciation charge on the surplus over the original cost of fixed assets shown at a valuation, and as this amount should not be taken to reduce the Authority's distributable reserve an equivalent amount has been transferred to distributable reserve from the non-distributable reserve (note 16(c)).

(e) International Accounting Standard 16 requires revaluations with sufficient regularity such that the carrying amount does not differ materially from fair value at the balance sheet date. Leasehold buildings included above were last valued by an independent qualified valuer in 1996. Consequently the standard has not been complied with. Revaluations were not performed at the year end due to cost restrictions. It is however the intention of the Trustees to have properties revalued once every three years in future.

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NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

11. **Investment properties**

	2002 K'000	As restated 2001 K'000
At 1 January 2002	35,698,821	35,109,060
Reclassification (note 12)	(2,829,715)	(2,829,715)
As reclassified	32,869,106	32,279,345
Additions	459,512	589,761
Disposals	(952,806)	-
Provision for impairment	(168,261)	-
	32,207,551	32,869,106
Less: Property held for resale	(188,659)	-
At 31 December 2002	32,018,892	32,869,106

(a) The Authority is in the process of obtaining legal title in its name for investment properties included above at a value of K1,349,462,731.

(b) The following minimum lease payments on rental income are due to the Authority:

	K'000
Falling due within:	
One year	4,819,528
	4,819,528

(c) The Authority's leasing arrangements are for non cancellable operating leases of not more than one year.

(e) International Accounting Standard 40 requires the fair value of investment property to reflect the actual market state and circumstances as of the balance sheet date, not as of a past date. Investment properties included above were last valued by an independent qualified valuer in 1996. Consequently the standard has not been complied with. Revaluations were not performed at the year end due to cost restrictions. It is however the intention of the Trustees to have properties revalued once every three years in future.

(f) Direct operating expenses arising from investment property that generated rental income were K3,195,185,000 (2001 – K2,632,717,000). There were no expenses that did not generate rental income.

(g) There are no known restrictions on the realisation of investment properties or the remittance of income and proceeds of disposal. There are also no known material contractual obligations to purchase, construct or develop investment properties or for repair, maintenance or enhancements.

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NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

10. **Investment properties (continued)**

(h) Impairment losses are recognised in the income and expenditure account under the classification operating expenses.

12. **Other financial assets**

Other financial assets represent:-

	2002 K'000	Percentage of other financial assets	As restated 2001 K'000	Percentage of other financial assets
Government bonds	79,213,456	25.02	30,328,658	17.00
Treasury bills	133,615,230	42.21	60,344,897	33.84
Other fixed interest stocks	2,326,538	0.73	2,115,428	1.19
Equity instruments	12,745,607	4.03	8,273,848	4.64
Fixed deposits	84,032,635	26.54	72,825,801	40.84
Loans to Government	383,647	0.12	359,828	0.20
Loans to Local Authorities	8,492	0.00	8,995	0.00
Loans to parastatals and other loans	1,072,910	0.36	1,228,639	0.69
At 31 December 2002	313,398,515		175,486,094	
Reclassification (note 11):				
Recoverable from Duly Motors	3,148,637	0.99	2,829,715	1.60
As reclassified	316,547,152	100.00	178,315,809	100.00
Less: Diminution in value	(12,454,818)		(9,553,627)	
Less:				
Amounts falling due within one year				
Government bonds	(26,653,918)		-	
Fixed term deposits	(84,408,960)		(74,342,321)	
Treasury bills	(133,615,230)		(60,344,897)	
	244,678,108		134,687,218	
Amounts falling due after more than one year	59,414,226		34,074,964	

The Authority is entitled, under a court ruling 1993/HP/4201 of 1993 in 1998, to charge interest on late settlement of amounts recoverable from Duly Motors Limited. The interest rate has not yet been agreed with this third party however interest has been recognised. The financial effect of this negotiation process cannot yet be determined but the Trustees are of the opinion that the amounts shown above are fully recoverable.

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NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

12. **Financial assets (continued)**

(b) **Price risk**

(i) **Currency risk**

In the opinion of the Trustees all the financial instruments other than the World Bank loan bear no exposure to currency risk, as they are denominated in Kwacha. The World Bank loan is denominated in United States Dollars and therefore leads to a risk of fluctuation of value due to changes in the foreign exchange rate. This risk is partly hedged by holding United States Dollar bank balances.

(ii) **Interest rate risk**

All financial assets recorded other than equity instruments are exposed to the risk that their value will fluctuate due to changes in market interest rates. The effective interest rates on the recorded financial instruments are assessed at 20% per annum, being the estimated rate of inflation. Details of the interest rates and maturity of government bonds, treasury bills, fixed term deposits, loans to government and local authorities are disclosed in schedules 3 and 6 to 10 attached to the financial statements.

The maturity of staff loans (note 13) and the related interest rates are as follows:-

	Interest rate	**Maturity**
Housing loans	6.5%	on retirement
Vehicle loans	5%	10 years
Personal loans	5%	5 years
Medical loans	5%	5 years
Self liquidating loans	0%	5 years

(iii) **Market risk**

The authority is exposed to the risk of the value of its government bonds, treasury bills and equity instruments fluctuating as a result of changes in market prices.

(b) **Credit risk**

The Authority is exposed to varying degrees of credit risk, in the following significant concentrations:

a) Government bonds and treasury bills
The Trustees believe the credit risk of such instruments is very low.

b) Other fixed interest stocks
These investments represent unsecured preference shares. The credit risk is deemed to be low.

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NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

(b) **Credit risk (continued)**

c) Shares
In the opinion of the Trustees the credit risk of such instruments is low.

d) Fixed deposits
The Trustees believe the credit risk of such instruments is low.

e) Loans to Government.
In the opinion of the Trustees the credit risk is low.

f) Loans to parastatals and local authorities.
In the opinion of the Trustees the credit risk is high.

g) Staff loans
The credit risk on staff housing loans is restricted by security over property. The risk on other loans is restricted by security in the form of terminal benefits payments.

h) Rental debtors
The related credit risk on rental debtors is relatively high. The risk is managed by legally binding rental agreements and requirements for rentals in advance. At 31 December 2002 security deposits on rentals amounted to K584 million.

(c) **Liquidity risk**
The Authority may be exposed to some risk due to inability to sell certain financial assets quickly at close to their fair value.

This risk is particularly high on staff loans, rental debtors, shares and investment properties for which there is limited demand. The ability to sell large portions of the bonds, treasury bills and equity instruments may also be constrained by the limited liquidity in the market.

(d) **Cash flow risk**
The Authority is not exposed to the risk that future cash flows associated with monetary financial instruments will fluctuate in amount. It has no instruments that include a floating interest rate.

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NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

		2002 K'000	2001 K'000
13.	**Trade and other receivables**		
	Staff loans	11,718,878	9,145,746
	Less: provision for doubtful debts	(8,681)	-
	Less: amounts due after more than one year	(9,736,744)	(6,552,870)
		1,973,453	2,592,876
	Rental debtors	5,627,842	5,139,220
	Less: Provision for doubtful debts	(1,616,583)	(771,597)
		4,011,259	4,367,623
	Contributions receivable	657,200	164,612
	Other debtors	697,491	-
		7,339,403	7,125,111

(a) The fair value of the colleteral held against risk of default is believed by the Trustees to exceed the value of the staff loans.

14. **Cash and cash equivalents**

Cash resources are stated after adjusting for uncleared banking items (see note 20).

15. **Accumulated fund**

	2002 K'000	2001 K'000
At 1 January 2002	110,661,560	30,810,644
Surplus for the period	120,452,835	79,850,916
At 31 December 2002	231,114,395	110,661,560

Accumulated fund represents accumulation in reserve fund of the Pension Scheme since commencement in February 2000.

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NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2002 (CONTINUED)

		2002 K'000	2001 K'000
16.	**Reserves**		
(a)	**Special reserve account:**		
	At 1 January 2002	(32,914)	(12,178)
	Maternity and funeral grants	(15,853)	(20,736)
	At 31 December 2002	(48,767)	(32,914)
(b)	**General reserve account:**		
	Transfer from ZNPF	(3,524,547)	(3,996,737)
	Penalties	-	381,381
	Transfer from revaluation reserve (note 16(c))	190,700	90,809
	Surplus for the year	17,102,221	-
	Realised on disposal (note 16(c))	202,474	-
	At 31 December 2002	13,970,848	(3,524,547)
(c)	**Revaluation reserve account**		
	At 1 January 2002	10,189,164	10,279,973
	Realised on disposal (note 16 (b))	(202,474)	-
	Transfer to accumulated fund (note 16 (b))	(190,700)	(90,809)
	At 31 December 2002	9,795,990	10,189,164
(d)	**Investment revaluation reserve account**		
	At 1 January 2002	1,478,791	1,468,816
	Revaluation of shares	623,894	9,975
		2,102,685	1,478,791
	Total reserves	25,820,756	8,110,494

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NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

17. **ZNPF members' funds**

	2002 K'000	2001 K'000
At 1 January 2002	94,626,828	102,480,824
Statutory contributions received	565,559	230,687
Domestic servants stamp duty	1,044	476
Unclaimed benefit payments	212,742	-
	95,406,173	102,711,987
Less:		
Benefits paid	2,931,951	3,185,863
Emigration	2,292	18,452
Home ownership	325,695	276,296
Interest on benefits	6,231,946	4,186,392
Savings	21,114	28,666
Refund	1,772	389,490
	9,514,770	8,085,159
At 31 December 2002	85,891,403	94,626,828

These funds are represented by assets and liabilities taken over from the Zambia National Provident Fund at book value.

	2002 K'000	2001 K'000
18. **Annuity account**		
At 1 January 2002	29,202	29,202
Interest credited	-	-
	29,202	29,202
Less:		
Payments made	(1,723)	-
At 31 December 2002	27,479	29,202

19. **Interest bearing liabilities**

Loan payable at 31 December 2002	23,000,000	19,300,000
Less: amounts due within one year	(958,333)	-
	22,041,667	19,300,000

This represents the long term loan from the IDA World Bank to NAPSA amounting to US$5,000,000 at 2.5% interest per annum. The first principle repayment is due on 17 October 2003. The loan is repayable in 24 instalments over a period of 12 years. The loan was obtained to finance separation packages for staff of the former Zambia National Provident Fund.

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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

20. Trade and other payables

	2002 K'000	2001 K'000
Income received in advance and security deposits	2,327,091	2,565,239
Provisions and accruals	3,432,370	2,308,707
Amounts payable to Bank of Zambia	-	3,005,756
Uncleared banking items (note 14)	21,120	-
	5,780,581	7,879,702

21. Bank overdraft

This represents a cash book overdraft. The Authority does not operate an overdraft facility with its bankers.

22. Amounts credited to members' funds

An Actuary reviewed the operations of the ZNPF Fund in accordance with sections 44(2) and 45 of the repealed ZNPF Act, 1973 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:-

Normal interest	-
Special interest	10%

The actuary further recommended that in order to ensure the continued financial stability of ZNPF 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.

NATIONAL PENSION SCHEME AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2002 (CONTINUED)

23. **Defined benefit pension scheme**

The Authority has not calculated the actuarial gains or losses on the pension scheme at the balance sheet date. The scheme was last valued by an independent professional actuary on 31 December 2000. The actuarial valuation was performed by Hymans Robertson & Co. (Pty) Limited of South Africa. The valuation found the scheme to have an 11% surplus of assets over its liabilities.

The current service cost of the Scheme is 11.75% of wages and salaries.

The net actuarial gain at 31 December 2000 not recognised in the balance sheet is K587,700,000.

The actuarial valuation was performed using the following principal assumptions:

(i) Future investment returns will exceed future salary inflation by 3% per annum.

(ii) Pension increases of 5% per annum.

(iii) Future investment returns in excess of 20% per annum.

(iv) In service mortality in accordance with the South African 56/62 actuarial table adjusted for 50% of the Actuarial Society of South Africa AIDS model.

24. **Employees**

The Authority had 456 employees at the end of the year. (2001 – 469) The related staff costs were K20,675,248,000 (2001 - K13,091,985,000).

25. **Capital commitments**

	2002 K'000	2001 K'000
Commitments in respect of contracts and agreements	197,011	6,800,000
Approved but not contracted	-	-

26. **Contingent liability**

The Authority is represented in a number of legal cases which remain unsettled at the balance sheet date. The related range of possible liability is K495 to K510 million.

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27. **Related parties**

The Government of the Republic of Zambia exercises control over the Authority by virtue of powers of appointment of Trustees.

The following amounts were receivable from this related party:

	K'000
Rental debtors recoverable from government ministries	1,822,047
Loans to government	187,463
Loans to government owned entities	538,227
	2,547,737

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

There has not arisen since the end of the financial period any item, transaction or event of a material and unusual nature likely in the opinion of the Trustees of the Authority, 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.

29. **Prior year comparatives**

The previous year's comparatives have been reclassified where necessary to provide a more meaningful presentation.

N A P S A CONSOLIDATED EXTENDED TRIAL BALANCE AS AT 31 DECEMBER 2002																		
Accounti	Period: 01/2002																	
	To: 12/2002																	
Account	Account Name	ZNPF	TRIAL BALANCE 19/05/2003		IN FS	2ND DRAFT FS	ADJUSTMENTS & RECLASSIFICATIONS									3RD DRAFT FS	NAPSA	ZNPF
Code		NAPSA	DR	CR	CATEGORIES													
					Amount K													
BALANCE SHEET																		
ASSETS																		
Property, Plant and Equipment																		
Land & Building																10,592,779		10,592,779
51005	Land & Buildings	NPF	10,592,778,842		10,592,778,842	10,592,779										293		293
51010	Work-In-Progress	NPF	292,650		292,650	293										10,593,071		10,593,071
					10,593,071,492	10,593,071										(1,561,022)		(1,561,022)
52005	Depreciation - Buildings	NPF		1,574,189,086	-1,574,189,086	-1,563,070		2,048								9,032,049		9,032,049
					9,018,882,406	9,030,001												
Motor Vehicles																4,348,215	4,348,215	
100025	Motor Vehicles	Napsa	4,348,214,750		4,348,214,750	4,348,215										2,079,985		2,079,985
51015	Motor Vehicles	NPF	2,079,985,179		2,079,985,179	2,079,985										6,428,200	4,348,215	2,079,985
					6,428,199,929	6,428,200										(961,792)	(961,792)	
102025	Motor Vehicle	Napsa		961,791,755	-961,791,755	-961,792										(2,040,940)		(2,040,940)
52020	Depreciation- Motor Vehicles	NPF		2,040,939,591	-2,040,939,591	-1,827,349	(192,101)	(21,490)								-3,002,731	-961,792	-2,040,940
					-3,002,731,346	-2,789,140										3,425,469	3,386,423	39,046
					422,737,237	3,639,060												
Furniture & Equipment																604,765	604,765	
100015	Office Furniture	Napsa	604,765,296		604,765,296	330,104	274,661									682,194	682,194	
100020	Office Equipment	Napsa	682,193,635		682,193,635	682,194										112,012	112,012	
100030	Staff Housing Furniture	Napsa	112,011,503		112,011,503	112,012										4,152,246	4,152,246	
100035	Computer Equipment	Napsa	4,152,245,640		4,152,245,640	4,152,245										696	696	
100040	Workshop Equipment	Napsa	695,600		695,600	695										2,623,943		2,623,943
51020	Computer Equipment	NPF	2,623,943,220		2,623,943,220	2,623,943										332,322		332,322
51025	Office Furniture	NPF	332,322,274		332,322,274	332,322										78,215		78,215
51030	Staff Housing Furn & Equip	NPF	78,215,410		78,215,410	78,215										836,597		836,597
51035	Office Equipment	NPF	831,015,911		831,015,911	831,015		5,581								32,538		32,538
51040	Workshop Equipment	NPF	32,538,200		32,538,200	32,538										-		-
51045	Guest House Equipment	NPF	0		0	0										18,995		18,995
51050	Club Equipment	NPF	18,995,310		18,995,310	18,995										32,792		32,792
51055	Club Furniture	NPF	32,792,000		32,792,000	32,792										946		946
51060	Staff Clinic Equipment	NPF	946,000		946,000	-20,503		21,449								9,508,261	5,551,911	3,956,349
					9,502,679,999	9,206,570												
																(256,573)	(256,573)	
102015	Office Furniture	Napsa		256,573,370		-256,573										(297,539)	(297,539)	
102020	Office Equipment	Napsa		297,538,826		-297,539										(40,013)	(40,013)	
102030	Staff Housing Furniture	Napsa		40,013,400		-40,013										(2,680,885)	(2,680,885)	
102035	Computer Equipment	Napsa		2,680,884,529		-2,680,885										(306,104)		(306,104)
52010	Depreciation- Office Furniture	NPF		326,739,361		-306,104										(1,141,057)		(1,141,057)
52015	Depreciation- Office Equipment	NPF		960,150,955		-1,130,535	(2,893)	(7,629)								(91,715)		(91,715)
52025	Depreciation -Staff Hse Furniture	NPF					-91,715									(2,624,236)		(2,624,236)
52030	Depreciation- Computer Equip	NPF		2,623,943,220		-2,715,658	91,715		-293							(2,480)		(2,480)
52040	Depreciation-Club Equipment	NPF		2,479,959		-2,773			293							(8,971)		(8,971)
52045	Depreciation-Club Furniture	NPF		8,970,667		-8,930		-41								-7,449,574	-3,275,010	-4,174,563
					-7,197,294,285	-7,439,011												
																2,058,687	2,276,901	-218,214
					2,305,385,714	1,767,559												
Property, plant & equipment						*14,436,620*										*14,516,205*	*5,663,324*	*8,852,881*
53025	Investments Properties	NPF	35,831,196,373		35,831,196,373	32,018,892										32,018,892		32,018,892
NEW CC	Property held for Resale	NPF				108,659				181,297	(101,297)					188,659		188,659
						0												
Financial Assets						0												
201005	Government Stocks and Bonds	Napsa	65,602,732,642		65,602,732,642	72,141,011	2,122,812	-1,763,152				(1,395,861)				71,104,810	71,104,810	
53030	Government Stocks & Other Loan	NPF	6,217,756,570		6,217,756,570	7,072,445		1,763,152		9,490		(736,442)				8,108,646		8,108,646
					71,820,489,213	79,213,457										79,213,456	71,104,810	8,108,646
201015	Treasury Bills	Napsa	91,952,130,122		91,952,130,122	103,042,027	-3,050,889									99,991,138	99,991,138	
53045	Treasury Bills	NPF	30,573,202,634		30,573,202,634	30,573,203	3,050,889									33,624,092		33,624,092
					122,525,332,756	133,615,230										133,615,230	99,991,138	33,624,092
201010	Other Stocks and Bonds	Napsa	2,109,754,004		2,109,754,004	2,109,754						17,586				2,127,340	2,127,340	
53035	Other Fixed Interest Stocks	NPF	199,198,274		199,198,274	199,198										199,198		199,198
					2,308,952,277	2,308,952										2,326,538	2,127,340	199,198

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Account Code	Account Name	ZNPF NAPSA	TRIAL BALANCE 19/05/2003 DR	CR	IN FS CATEGORIES Amount K	2ND CRAFT FS	ADJUSTMENTS & RECLASSIFICATIONS									3RD DRAFT FS	NAPSA	ZNPF
201025	Shares	Napsa	3,803,124,988		3,803,124,988	3,803,125						739,331				4,542,456	4,542,456	
53005	Shares	NPF	8,203,151,112		8,203,151,112	8,203,151										8,203,151		8,203,151
					12,006,276,099	**12,006,276**										**12,745,607**	**4,542,456**	**8,203,151**
201020	Fixed Term Deposits	Napsa	32,907,991,513		32,907,991,513	32,907,992					2,664,407	638,944				36,211,343	36,211,343	
53040	Fixed Term Deposits	NPF	47,858,439,474		47,858,439,474	52,866,866	-1,365,897	(886,242)	(678,599)	(181,297)	-2,664,407				730,868	47,821,292		47,821,292
					80,766,430,987	**85,774,858**										**84,032,635**	**36,211,343**	**47,821,292**
NEW CC	RECOVERABLE DULY MOTORS	NPF				**3,148,637**										**3,148,637**		3,148,637
53010	Government Loans	NPF	187,463,000		187,463,000	187,463						196,184				383,647		383,647
53015	Local Authority Loans	NPF	2,917,636		2,917,636	2,918						5,574				8,492		8,492
53020	Parastatal and Private Sector	NPF	538,227,309		538,227,309	538,227						534,684				1,072,911		1,072,911
					290,156,089,277	**316,796,017**										**316,547,152**	**213,977,086**	**102,570,066**
Less Diminuition in value																		
202055	Prov-Bad Debts	Napsa		187,125,109			(183,114)	(502,682)		-187,125	(179,595)					**(1,052,516)**	**(1,052,516)**	
53105	Prov - Bad Debts	NPF		873,922,978	**-1,061,048,087**	**-11,234,775**	9,499,946	673,781	(296,827)	187,125						**(1,170,750)**		**(1,170,750)**
61020	PROV DIMINUTION IN VALUE	NPF		9,499,945,851	-9,499,945,851	**0**	-9,499,946	(731,606)								**(10,231,552)**	0	**(10,231,552)**
Current financial assets																		
NEW CC	RECOVERABLE DULY MOTORS	NPF				**0**												
	Government Bonds															-		
	Treasury Bills															-		
	Fixed Term Deposits					**-244,678,108**										**(244,678,108)**	**-183,217,457**	**(61,460,651)**
Non-current financial assets						**60,883,134**										**59,414,226**	**29,707,114**	**29,707,113**
Inventories																		
203005	Maintenance Stores	Napsa	2,313,957		2,313,957	2,314										2,314	2,314	
203015	Workshop Stores	Napsa	64,392,492		64,392,492	64,392										64,392	64,392	
203020	Fuel Holding Account	Napsa	26,715,975		26,715,975	26,716										26,716	26,716	
					93,422,424	**93,422**										**93,422**	**93,422**	
Financial Assets																		
301005	Interest on Government Stocks	Napsa	4,645,856,521													-		
54030	Interest Debtors - GRZ Stocks	NPF	1,763,151,861		6,409,008,382				9,490	(9,490)						-		
54025	Interest Debtors - T/Bills	NPF	3,050,888,848													-		
301015	Interest on Treasury Bills	Napsa	8,039,007,964		11,089,896,812											-		
301010	Interest on Other Stocks and B	Napsa	2,664,407,394													-		
54035	Interest Debtors - Other Stocks	NPF	972,548,153													-		
54020	Interest Debtors - L/Authority	NPF	5,574,137		3,642,529,684											-		
54015	Interest Debtors - Mortgage	NPF	730,868,457		730,868,457													
Trade & Other Recevaibles																		
Staff Debtors - current assets																80,270	80,270	
302005	Staff Loans - Education	Napsa	80,270,219		80,270,219	80,270										1,066	1,066	
302010	Staff Loans - Clothing-Medium	Napsa	1,065,943		1,065,943	1,066										6,909	6,909	
302015	Staff Loans -Shares	Napsa	6,909,195		6,909,195	6,909										(1,170)	(1,170)	
302020	Staff Loans-Interest free Educ.	Napsa		1,169,730	-1,169,730	-1,170										67,645	67,645	
302025	House Hold Loans	Napsa	67,644,728		67,644,728	67,645										(430)	(430)	
302030	Medical Loan	Napsa		429,682	-429,682	-430										1,457,076	1,457,076	
302035	Self - Liquidating Facility	Napsa	1,457,075,788		1,457,075,788	1,457,076										311	311	
302040	Staff Management Furniture	Napsa	310,591		310,591	311										6,277,678	6,277,678	
303005	Staff Loans - Housing	Napsa	6,277,677,841		6,277,677,841	7,008,546									-730,868	1,275,996	1,275,996	
303010	Staff Loans - Board Houses	Napsa	1,275,995,840		1,275,995,840	1,275,996										718,204	718,204	
303015	Staff Loans - Vehicles	Napsa	718,204,394		718,204,394	718,204										23,882	23,882	
303020	Staff Loans - Mgmt Housing	Napsa	23,881,969		23,881,969	23,882										1,291,796	1,291,796	
303025	Staff Loans - Personal	Napsa	1,291,796,152		1,291,796,152	1,291,796										-	-	
303030	Staff Loans - Self Liquiding	Napsa	0		0	0										238,234	238,234	
304005	Business Advances	Napsa	238,233,968		238,233,968	238,234										229,208	229,208	
304010	Salary Advances	Napsa	229,207,677		229,207,677	229,208										52,202	52,202	
304035	Vehicle Licence/Insurance	Napsa	52,202,201		52,202,201	52,202												
						0												
					11,718,877,092	**12,449,746**										**11,718,878**	**11,718,878**	-
NEW CC	Business advances provision					-183,114	183,114									-	-	-
NEW CC	Staff Debtors Provision					-181,008			181,008							-	-	-
202030	Provisions-Staff Debtors	Napsa				-8,681										(8,681)	(8,681)	
						-372,803										**-8,681**	**(8,681)**	-
Staff Debtors Amounts due >1 Year					0	**-9,736,744**										**(9,736,744)**	(9,736,744)	
						2,340,199										**1,973,453**	**1,973,453**	-

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Account Code	Account Name	ZNPF NAPSA	TRIAL BALANCE 19/05/2003 DR	CR	IN FS CATEGOR ES Amount K	2ND DRAFT FS	ADJUSTMENTS & RECLASSIFICATIONS									3RD DRAFT FS	NAPSA	ZNPF
																		-
54005	Rent Debtors	NPF	6,356,083,866		6,356,083,866	5,645,084	676,608	(691,277)	(2,573)							5,627,842		5,627,842
Less Provision for doubtful debts																-	-	-
202030	Provisions-Staff Debtors	Napsa		8,681,240	*-8,681,240*											(1,616,582)		(1,616,582)
61025	Bad Debts Reserve	NPF		769,451,733	*-769,451,733*	-1,856,173	934,840	(511,539)	(181,008)	151,881	(154,583)							-
					-778,132,973											4,011,260	-	4,011,260
					5,577,950,893	3,788,911										-	-	-
Contributions receivable						0										-	-	-
304015	RD Cheques	Napsa	502,681,679			0										-	-	-
54010	RD Cheques	NPF	154,583,427			0										657,265	502,682	154,583
					657,265,106	657,265										-	-	-
NEW CC	RD debtor provision					-657,265	657,265									657,265	502,682	154,583
						0										-	-	-
Other Debtors						0										91,622	91,622	
203010	Stores Control	Napsa	91,622,384		91,622,384	91,622										35,893	35,893	
304020	Prepayment	Napsa	35,892,752		35,392,752	35,893										75,522	75,522	
304025	Deposit on Debtors	Napsa	75,522,306		75,522,306	75,522										446,239	446,239	
304030	External Debtors	Napsa	106,658,942		106,658,942	106,659	339,580									1,662	1,662	
501035	Tax on Benefits	Napsa	1,661,534		1,661,534	1,662										12,965	12,965	
501085	Withholding Tax Account	Napsa	12,964,941		12,964,941	12,965										13,563	13,563	
402010	Premium on Group Mortgage Prot	Napsa	13,562,741		13,562,741	13,563										19,960	19,960	
304050	Deposit on Fuel	Napsa	19,960,000		19,960,000	19,960										**697,426**	**697,426**	0
					357,845,600	**357,846**										**7,339,403**	**3,173,560**	**4,165,843**
						6,486,955										-	-	
304045	ZNPF Current A/c	Napsa		3,633,132,201		-2,599,436	1,225,836	12,250			10,701					**(1,350,649)**	**(1,350,649)**	
																-	-	-
Cash and Cash Equivalents																-	-	-
401005	ZANACO - Corporate Cash A/C	Napsa	668,763,318		668,763,318	732,091	15,933	1,057	2,573	(26,905)						724,749	724,749	
401010	Retrenchment Cash A/c	Napsa	2,046,005,804		2,046,005,804	2,046,006										2,046,006	2,046,006	
401015	Citibank Paylink A/c	Napsa	180,687,347		180,687,347	180,687										180,687	180,687	
401020	Citi Bank Cash A/c	Napsa	1,078,611,980		1,078,611,980	1,078,612										1,078,612	1,078,612	
401025	ZANACO- Operations A/C	Napsa	342,306,150		342,306,150	342,306										342,306	342,306	
401035	Imprest Account - HQ	Napsa	30,762,996		30,762,996	849										849	849	
401040	Imprest Account - Southern Reg	Napsa	109,221,434		109,221,434	109,221										109,221	109,221	
401045	Imprest Account - Northern Reg	Napsa	230,897,632		230,897,632	230,898										230,898	230,898	
401050	Housing Revolving fund	Napsa	33,555,914		33,555,914	33,556										33,556	33,556	
401055	General Loans Revolving fund	Napsa	76,135,198		76,135,198	76,135										76,135	76,135	
401060	GLA Cash A/c	Napsa	31,636,408		31,636,408	31,636										31,636	31,636	
401065	Motor Vehicle Revolving Fund	Napsa	44,275,931		44,275,931	44,276										44,276	44,276	
401075	Benefit Payment a/c Ndola	Napsa	790,195,545		790,195,545	-243,500										(243,500)	(243,500)	
401090	Barclays Bank Cash A/c	Napsa	1,830,506		1,830,506	1,831										1,831	1,831	
402005	Salaries Control Account	Napsa	2		2	0										0	0	
58010	Cash in Transit	NPF	104,801,337		104,801,337	104,801										104,801		104,801
402015	Group Personal Accidents	Napsa	0			0										-	-	-
					5,769,687,503	**4,769,406**										**4,762,064**	**4,657,262**	**104,801**
Bank overdraft																-	-	-
401030	ZANACO - Benefit Payments	Napsa		493,044,823	-493,044,823	-493,045										(493,045)	(493,045)	
401070	Benefits payment a/c Kitwe	Napsa		547,539,711	-547,539,711	-547,540	(20,000)									(567,540)	(567,540)	
401080	Benefit Payment a/c Kabwe	Napsa		28,804,661	-28,804,661	-28,805										(28,805)	(28,805)	
401085	Benefit Payment a/c Livstone	Napsa		23,719,550	-23,719,550	-23,720										(23,720)	(23,720)	
					-1,093,108,744	**-1,093,109**										**-1,113,109**	**-1,113,109**	**0**
																-	-	-
Trade and Other Payables																-	-	-
Income received in advance and security deposits																-	-	-
501025	Ex - Staff Retained Benefits	Napsa		11,099,814	-11,099,814	-11,100										(11,100)	(11,100)	
501045	Contract Retentions	Napsa		156,931,823	-156,931,823	-156,932										(156,932)	(156,932)	
56005	Deposit on Sale of Properties	NPF		1,740,274,310	-1,740,274,310	-544,465										(544,465)		(544,465)
56010	Rent Received in Advance	NPF		1,721,264,445	-1,721,264,445	-1,029,483	-691,781	691,277								(1,029,987)		(1,029,987)
56030	Security deposit on rentals	NPF		583,528,785	-583,528,785	-583,529	(1,057)									(584,586)		(584,586)
					-4,213,099,178	**-2,325,509**										**-2,327,070**	**-168,032**	**-2,159,039**
Provisions and accruals																-	-	-
202040	Prov-Gratuity Provision	Napsa		766,403,321	-766,403,321	-766,403										(766,403)	(766,403)	
202045	Prov-Accrued leave provision	Napsa		441,777,227	-441,777,227	-441,777										(441,777)	(441,777)	
202050	Prov-Audit Fees	Napsa		100,000,000	-100,000,000	-100,000										(100,000)	(100,000)	
NEW CC	Legal fees accruals				0	-187,000	150,000			37,000						-	-	-
53110	Prov - Audit Fees	NPF		142,928,071	-142,928,071	-142,928										(142,928)		(142,928)
56015	VAT on Commercial Properties	NPF		413,014,854	-413,014,854	-1,255,955	20,000	343								(1,235,612)		(1,235,612)
56035	Tax on Benefits	NPF		1,823,339	-1,823,339	-1,823										(1,823)		(1,823)

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Account Code	Account Name	ZNPF NAPSA	TRIAL BALANCE 19/05/2003 DR	CR	IN FS CATEGORIES Amount K	2ND DRAFT FS	ADJUSTMENTS & RECLASSIFICATIONS				-					3RD DRAFT FS	NAPSA	ZNPF
501020	Staff Pension Scheme	Napsa		12,011,900	-12,011,900	-12,012										(12,012)	(12,012)	
501040	PAYE	Napsa		295,499,419	-295,499,419	-295,499										(295,499)	(295,499)	
501050	Trade union - Holding Account	Napsa		7,032,016	-7,032,016	-7,032										(7,032)	(7,032)	
501055	Creditors - Club	Napsa		274,060	-274,060	-274										(274)	(274)	
501065	NAPSA Holding Account	Napsa		54,355,031	-54,355,031	-54,355										(54,355)	(54,355)	
501070	Personal Levy Holding Account	Napsa		2,557,500	-2,557,500	-2,558										(2,558)	(2,558)	
501105	Club Subscriptions Holding A/C	Napsa		529,428	-529,428	-529										(529)	(529)	
304040	Group Life Assurance Fund	Napsa		14,975,478	-14,975,478	-14,975										(14,975)	(14,975)	
501005	Vehicle Disposal Account	Napsa		718,513	-718,513	-719										(719)	(719)	
501110	Other Creditors	Napsa		308,172,145	-308,172,145	-308,672				-37,000	(10,701)					(355,873)	(355,873)	
					-2,562,072,302	**-3,592,012**										**-3,432,370**	**-2,052,007**	**-1,380,363**
	Amounts payable to Bank of Zambia					0										-	-	-
	Uncleared banking items					0										-	-	-
56040	Uneplained Deposits	NPF		21,119,878	-21,119,878	-21,120										**(21,120)**		**(21,120)**
					-6,796,291,357	**-5,938,641**										**-5,780,560**	**-2,220,039**	**-3,560,522**
																-	-	-
																-	-	-
56020	NAPSA Current A/c	NPF	3,633,132,201		3,633,132,201	2,599,436	(1,225,836)	(12,250)							(10,701)	1,350,649		1,350,649
56045	Fixed Assets Disposal	NPF		0												-	-	-
																-	-	-
	Interest Bearing Liabilities															(23,000,000)		(23,000,000)
55005	World Bank Loan	NPF		23,000,000,000	-23,000,000,000	-23,000,000										**958,333**		958,333
	Interest bearing liabilities due <1 Year					**958,333**										**-22,041,667**		**-22,041,667**
						-22,041,667										-	-	-
	ZNPF Members' funds					0										(95,241,568)		(95,241,568)
58005	Members' Account (Statutory)	NPF		95,241,567,701	-95,241,567,701	-95,241,568								(20,736)		(185,341)		(185,341)
57005	Statutory Contributions	NPF		164,604,946	-164,604,946	-164,605										**-95,426,909**	**0**	**-95,426,909**
					-95,406,172,647	**-95,406,173**										-	-	-
	Benefits paid															327,063		327,063
57025	Disability	NPF	327,063,073		327,063,073	327,063										569,377		569,377
57035	Age	NPF	569,376,761		569,376,761	569,377										908,587		908,587
57040	Retirement	NPF	908,587,130		908,587,130	908,587										1,147,660		1,147,660
57050	Survivors	NPF	1,147,659,630		1,147,659,630	1,147,660										0		0
59005	Funeral Grant	NPF	15,553,452		15,553,452	15,553						(15,553)				-		-
59010	Maternity Grant	NPF	300,000		300,000	300									(300)	**2,952,687**	**0**	**2,952,687**
					2,968,540,046	**2,968,540**										**2,292**		**2,292**
57030	Emigration	NPF	2,292,472		2,292,472	2,292										**325,694**		**325,694**
57055	Home Ownership Scheme	NPF	325,694,011		325,694,011	325,694										**6,231,946**		**6,231,946**
57065	Interest on Benefits paid	NPF	5,198,250,122		5,198,250,122	6,231,946										**21,114**		**21,114**
57045	Savings-Payments	NPF	21,113,626		21,113,626	21,114										**1,772**		**1,772**
57060	Refund of Contributions	NPF	1,771,908		1,771,908	1,772										**9,535,505**	**0**	**9,535,505**
					8,517,662,186	**9,551,358**										**-85,891,403**	**0**	**-85,891,403**
					-86,888,510,461	**-85,854,814**										-	-	-
	Capital and reserves															-	(78,150)	-
503010	Share - Revaluation Reserves	Napsa		78,125,013	-78,125,013											**(2,102,685)**		**(2,024,535)**
NEW CO	Share - Revaluation Reserves	NPF			0	**-2,102,685**										**(9,795,990)**		**(9,795,990)**
61005	Revaluation Reserve on Property	NPF		12,011,224,824	-12,011,224,824	**-9,795,990**										**(13,970,848)**		**(13,970,848)**
61010	General Reserve	NPF		397,561,303	-397,561,303	**-359,024**	192,101	2,893	886,242	731,606	1,225,836	(190,700)	(12,090)	(372,868)	-16,074,843	**48,679**		**48,679**
NEW CO	SPECIAL RESERVE	NPF										15,553	12,090	20,736	300	**-25,869,522**	**-78,150**	**-25,791,372**
						-12,257,699										**(27,479)**		**(27,479)**
62005	Annuities	NPF		27,478,810	***27,478,810***	**-27,479**										-	-	-
502040	Accumulated Fund	Napsa		108,192,373,556	108,192,373,556	**-107,917,713**	-274,661	(1,225,836)	(188,049)	(400,791)				372,868		**(109,634,182)**	**(109,634,182)**	
	Surplus for the year				137,738,706,300	**-136,931,729**									16,074,843	**-121,480,213**	**-121,480,213**	
	Transfer from reveluation reserve				0	**-190,700**						190,700				-		
					245,931,079,856	**-245,040,142**										**-231,114,395**	**-231,114,395**	**0**
																-	-	-
501060	ZNBS Mortgate Repayment	Napsa	0													-	-	-
57070	GRATUITY	NPF	0													-	-	-
																-	-	-
501075	NAPSA Staff - ZESCO scheme	Napsa	0													-	-	-
501090	Staff Madison Insurance Scheme	Napsa	0													-	-	-
501095	Staff ZISC Scheme.	Napsa	0													-	-	-
501100	Credit Union and Savings Ass	Napsa	0													-	-	-
																-	-	-
																-	-	-
	INCOME AND EXPENDITURE															-	-	-
																-	-	-
	Income															-	-	-

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Account Code	Account Name	ZNPF NAPSA	TRIAL BALANCE 19/05/2003 DR	CR	IN FS CATEGORIES Amount K	2ND DRAFT FS	ADJUSTMENTS & RECLASSIFICATIONS										3RD DRAFT FS	NAPSA	ZNPF
601005	Statutory Contributions	Napsa		99,167,525,695	**-99,167,525,695**	**-99,167,526**	(15,933)										**(99,183,459)**	**(99,183,458)**	
																	-	-	-
Investment Income																10,701	**(4,808,826)**		**(4,808,826)**
63020	***Real Estate Rental Income***	NPF		4,819,527,186	**-4,819,527,186**	**-4,682,819**	-151,881	691,781	-676,608									-	-
Shares and securities						0											(298,526)	(298,526)	
601070	Dividend Income	Napsa		298,525,845	-298,525,845	-298,526											(807,290)		(807,290)
63070	Dividend Income	NPF		807,289,849	-807,289,849	-807,290											**-1,105,816**	**-298,525**	**-807,290**
					-1,105,815,693	**-1,105,816**											(15,309,662)	(15,309,662)	
601010	Interest On Government Stocks	Napsa		13,057,579,738	-13,057,579,738	-13,186,850		-2,122,812									(79,730)	(79,730)	
601015	Interest On Other Stocks and B	Napsa		79,730,313	-79,730,313	-79,730											(5,131,580)		(5,131,580)
63045	Interest On Government Stocks	NPF		4,955,490,102	-4,955,490,102	-5,810,179			678,599								(29,824)		(29,824)
63050	Interest On Other Stocks	NPF		29,824,023	-29,824,023	-29,824											**-21,656,612**	**-15,687,913**	**-5,968,694**
					-19,228,439,870	**-20,212,399**													
Loans and advances																	(37,942)	(37,942)	
602005	Interest on Revolving Fund	Napsa		37,942,127	-37,942,127	-37,942											(1,745)	(1,745)	
602010	Interest on Education Loan	Napsa		1,744,769	-1,744,769	-1,745											(24,792)	(24,792)	
602015	Interest on Vehicle Loan	Napsa		24,791,950	-24,791,950	-24,792											(347,128)	(347,128)	
602020	Interest on Housing Loan	Napsa		347,127,830	-347,127,830	-347,128											(42,862)	(42,862)	
602035	Interest on Personal Loans	Napsa		42,861,595	-42,861,595	-42,862											(55)	(55)	
602040	Interest on Medical Loans	Napsa		54,838	-54,838	-55											(730)	(730)	
602045	Interest on House Hold Loans	Napsa		729,767	-729,767	-730											(51,607)	(51,607)	
602050	Interest on Board Houses	Napsa		51,607,040	-51,607,040	-51,607											**-506,860**	**(506,860)**	
					-506,859,916	**-506,860**													
Treasury bills																	(26,834,698)	(26,834,698)	
601020	Interest On Treasury Bills	Napsa		26,834,697,552	-26,834,697,552	-26,834,698											(10,184,053)		(10,184,053)
63055	Interest On Treasury Bills	NPF		10,184,052,542	-10,184,052,542	-10,184,053											**(37,018,750)**	**(26,834,698)**	**(10,184,053)**
					-37,018,750,094	**(37,018,750)**											-	-	-
																	-	-	-
Fixed deposits						0											(5,505,465)		(5,505,465)
63060	Interest On Fixed Term Deposit	NPF		5,495,975,460	-5,495,975,460	-5,495,975			(9,490)								(661,678)	(661,678)	
602055	Interest on Current Account	Napsa		661,678,049	-661,678,049	-661,678											(277,631)	(277,631)	
601060	Interest on Current Account	Napsa		277,630,997	-277,630,997	-277,631											(13,471,115)	(13,471,115)	
601025	Interest On Fixed Term Deposit	Napsa		13,471,115,287	-13,471,115,287	-14,837,012	1,365,897										**-19,915,890**	**-14,410,424**	**-5,505,465**
					-19,906,399,793	**-21,272,297**											0		
601065	***Interest On Government Loans***	Napsa		23,819,111	**-23,819,111**	**-23,819**	23,819										**(23,819)**	-	**(23,819)**
63005	Interest on Government Loans	NPF		0	0	0	(23,819)										-	-	-
																	-83,930,757	**-57,439,900**	**-26,490,857**
Total Investment Income					**-81,503,795,968**	**-83,716,944**											-	-	-
						0											-	-	-
Other Operating Income						0											-	-	-
NEW CATEGORY - INTEREST ON DULY MOTORS																	**(318,922)**		**(318,922)**
63040	Interest on Duly Motors(Mortgage)	NPF			0	**-318,922**											(5,046)		(5,046)
63030	Re-Opening Penalty -Rent	NPF		5,045,604	-5,045,604	-5,046											(561,134)		(561,134)
63035	Profit / Loss FA disposal	NPF		215,099,846	-215,099,846	-215,100	-346,034										-		
NEW CO	Profit on INV PROPERTY disposal				0	**-346,034**	346,034										(685)		(685)
63015	Interest on Parastatal and Priv	NPF		684,960	-684,960	-685											(502,667)	(502,667)	
601030	Penalties Income	Napsa		502,666,962	-502,666,962	-502,667											(33,550)	(33,550)	
601035	Non Refundable- Bidding Fees	Napsa		33,550,000	-33,550,000	-33,550											(49,485)	(49,485)	
601045	Miscellaneous Income	Napsa		49,484,878	-49,484,878	-49,485											(1,123,708)	(1,123,708)	
601055	Gain/Loss on Exchange	Napsa		1,123,708,446	-1,123,708,446	-1,123,708											**-2,595,197**	**-1,709,410**	**-885,736**
					-1,930,240,695	**-2,595,197**											-	-	-
																	-185,709,412	**-158,332,768**	**-27,376,644**
Total Income					**-182,601,562,359**	**-185,479,666**											-	-	-
																	-	-	-
	ADMINISTRATIVE EXPENSES																		
606010	Advertising & Publicity	Napsa	525,039,649		**525,039,649**	**525,040**				26,905							**551,945**	**551,945**	
	Audit Fees																		
607010	Audit Fees	Napsa	0			0	128,350										128,350	128,350	-
64010	Audit Fees	NPF	50,000,000		**50,000,000**	**178,350**	-128,350										50,000		50,000
																	178,350	**128,350**	**50,000**
608020	Bank Charges	Napsa	1,195,052,010		**1,195,052,010**	**1,131,724**	(339,580)										**792,144**	**792,144**	
	Bad Debts																		
608035	Bad Debts	Napsa								502,682	179,595					183,114	865,391	865,391	
65030	Bad Debts	NPF		205,728,324	**-205,728,324**	**1,750,499**	-934,840	511,539	296,827	(502,682)						-183,114	938,229		938,229
						0											**1,803,620**	**865,391**	**938,229**
65035	Prov for Diminuition of Investments	NPF				**66,964**					101,297						**168,261**	-	**168,261**
607020	Authority Expenses	Napsa	134,383,567		**134,383,567**	**134,384**											**134,384**	**134,384**	
						0											-	-	-
Depreciation	*Depreciation*					0											-	-	-
609005	Office Furniture	Napsa	188,458,721		188,458,721	188,459	(60)										188,399	188,399	

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Account Code	Account Name	ZNPF NAPSA	TRIAL BALANCE 19/05/2003 CR	CR	IN FS CATEGORIES Amount K	2ND DRAFT FS	ADJUSTMENTS & RECLASSIFICATIONS								3RD DRAFT FS	NAPSA	ZNPF
609010	Office Equipment	Napsa	63,989,252		63,989,252	63,989									63,989	63,989	
609015	Motor Vehicles	Napsa	932,629,103		932,629,103	932,629									932,629	932,629	
609020	Staff Housing Furn.	Napsa	29,249,467		29,249,467	29,249									29,249	29,249	
609025	Computer Equipment	Napsa	529,442,267		529,442,267	529,442									529,442	529,442	
66005	Land and Buildings	NPF	211,855,577		211,855,577	211,856									211,856		211,856
66010	Office Furniture	NPF	797,559		797,559	798									798		798
66020	Motor Vehicles	NPF	112,621,687		112,621,687	112,622									112,622		112,622
66030	Computer Equipment	NPF	198,524,621		198,524,621	198,525									198,525		198,525
66040	Club Equipment	NPF	2,479,959		2,479,959	2,480									2,480		2,480
66045	Club Furniture	NPF	8,970,667		8,970,667	8,971									8,971		8,971
					2,279,018,880	**2,279,019**									**2,278,959**	**1,743,709**	**535,250**
64025	Exchange Gains/Losses	NPF	3,698,913,618		**3,698,913,618**	**3,698,914**	1,096								**3,700,000**		**3,700,000**
	Furniture & Equipment					0									-	-	-
605005	Hire of Equipment	Napsa	390,988		390,988	391									391	391	
605010	Computer Maintenance	Napsa	64,631,903		64,631,903	64,632									64,632	64,632	
605015	Computer Sundries	Napsa	17,726,091		17,726,091	17,726									17,726	17,726	
605020	Equipment Maintenance	Napsa	93,407,157		93,407,157	93,407									93,407	93,407	
605025	Furniture Maintenance	Napsa	7,551,050		7,551,050	7,551									7,551	7,551	
					183,707,190	**183,707**									**183,707**	**183,707**	
603090	Group Life Assurance	Napsa	241,385,542		**241,385,542**	**241,386**									**241,386**	**241,386**	
	Insurance					0									-	-	-
606015	Office Insurances	Napsa	18,394,918		18,394,918	18,395									18,395	18,395	
606045	Computer Insurance	Napsa	24,464,911		24,464,911	24,465									24,465	24,465	
67010	Insurance	NPF	45,002,997		45,002,997	45,003	(1,086)								43,917		43,917
					87,862,826	**87,863**									**86,777**	**42,860**	**43,917**
	Legal & Professional					0											
607025	Legal fees	Napsa	0		0	0		37,000							37,000	37,000	
64015	Legal fees	NPF	206,434,434		206,434,434	206,434									206,434		206,434
607005	Professiona fees	Napsa	176,474,816		176,474,816	235,125	-150,000	(37,000)							48,125	48,125	
					382,909,250	**441,559**									**291,559**	**85,125**	**206,434**
	Motor Vehicle expenses					0											
604005	Insurance - Motor vehicle	Napsa	110,306,098		110,306,098	110,306									110,306	110,306	
604010	Motor vehicle Licences	Napsa	10,652,500		10,652,500	10,653									10,653	10,653	
604015	Fuel & Oil	Napsa	895,065,167		895,065,167	895,065									895,065	895,065	
604025	Tyres and Batteries	Napsa	57,522,375		57,522,375	57,522									57,522	57,522	
65020	Fuels & Oils	NPF	223,766,292		223,766,292	223,766									223,766		223,766
604020	Repairs and Maintenance	Napsa	495,226,508		495,226,508	495,227									495,227	495,227	
604030	Motor Vehicle Miscellaneous	Napsa	54,263,745		54,263,745	54,264									54,264	54,264	
					1,846,802,684	**1,846,803**									**1,846,803**	**1,623,036**	**223,766**
															-	-	-
	Provision on investment				0	**673,781**		-673,781							-	-	-
65040	Other Provisions	NPF				**842,940**		(383)							**842,557**		**842,557**
	Rent & Rates					0									-	-	-
606005	Office Rents	Napsa	13,165,299		13,165,299	13,165									13,165	13,165	
67005	Rates and Lease Rents	NPF	550,668,998		550,668,998	542,252									542,252		542,252
					563,834,297	**555,417**									**555,417**	**13,165**	**542,252**
					10,983,181,189	**14,638,348**									**13,655,867**	**6,405,201**	**7,250,666**
	Operating expenses														-	-	-
	Communication					0									-	-	-
606035	Telephone & Postage	Napsa	1,660,225,488		1,660,225,488	1,660,225			188,049						1,848,274	1,848,274	
65015	Telephone	NPF	577,323,625		577,323,625	577,324									577,324		577,324
					2,237,549,113	**2,237,549**									**2,425,598**	**1,848,274**	**577,324**
Employee's Emoluments						0									-	-	-
603005	Salaries	Napsa	10,220,651,770		10,220,651,770	10,220,652									10,220,652	10,220,652	
603010	Accrued Leave	Napsa	840,664,509		840,664,509	840,665									840,665	840,665	
603015	Gratuities	Napsa	742,495,497		742,495,497	742,495									742,495	742,495	
603020	NAPSA	Napsa	308,249,752		308,249,752	308,250									308,250	308,250	
603025	Travel and Subsistence - Vacat	Napsa	539,064,852		539,064,852	539,065	(20,000)								519,065	519,065	
603030	Holiday and Social Tours	Napsa	37,857,695		37,857,695	37,858									37,858	37,858	
603035	Workmens Compensation	Napsa	9,688,000		9,688,000	9,688									9,688	9,688	
603040	Housing Allowance	Napsa	2,788,905,283		2,788,905,283	2,788,905									2,788,905	2,788,905	
603045	Education Allowance	Napsa	551,603,771		551,603,771	551,604									551,604	551,604	
603050	Professiona Allowance	Napsa	1,597,000		1,597,000	1,597									1,597	1,597	
603055	Funeral Grant	Napsa	30,770,000		30,770,000	30,770									30,770	30,770	
603060	Uniforms	Napsa	18,748,026		18,748,026	18,748									18,748	18,748	
603065	Employer's Pension Contribuion	Napsa	1,127,912,107		1,127,912,107	1,127,912									1,127,912	1,127,912	
603070	Medical Expenses.	Napsa	263,282,928		263,282,928	263,283									263,283	263,283	
603085	Utility Allowance	Napsa	16,280,906		16,280,906	16,281									16,281	16,281	

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Account Code	Account Name	ZNPF NAPSA	TRIAL BALANCE 19/05/2003 DR	CR	IN FS CATEGORIES Amount K	2ND DRAFT FS	ADJUSTMENTS & RECLASSIFICATIONS									3RD DRAFT FS	NAPSA	ZNPF
603095	Transport Allowance	Napsa	660,351,945		660,351,945	660 352										660,352	660,352	
603100	Fuel Allowance	Napsa	294,722,201		294,722,201	294.722										294,722	294,722	
603105	Meal Allowance	Napsa	529,009,682		529,009,682	529,010										529,010	529,010	
603110	Repatriation	Napsa	13,223,717		13,223,717	13,224										13,224	13,224	
603115	Long Service/Labour day Awards	Napsa	99,677,954		99,677,954	99,678										99,678	99,678	
603120	Overtime	Napsa	698,746,660		698,746,660	698,747										698,747	698,747	
603135	Motor Vehicle Maint. Allowance	Napsa	851,403,272		851,403,272	851,403										851,403	851,403	
603140	Special Allownace	Napsa	30,340,021		30,340,021	30,340										30,340	30,340	
					20,675,247,549	**20,675,248**										**20,655,248**	**20,655,248**	
	Print, Stationery & Office expenses															984,716	984,716	
606020	Printing & Stationery	Napsa	984,715,778		984,715,778	984,716										136,627	136,627	
606040	Office Miscellaneous Expenses	Napsa	106,713,042		106,713,042	136,627										**1,121,343**	**1,121,343**	**0**
					1,091,428,820	**1,121,343**										-	-	
	Real estate expenses															1,121,138		1,121,138
67015	Repairs and Maintenance	NPF	1,121,137,905		1,121,137,905	1,121,138										221,892		221,892
67020	Electricity and Water	NPF	201,891,727		201,891,727	201,892	20,000									433,484		433,484
67025	Security	NPF	433,483,769		433,483,769	433,484										408,935		408,935
67030	Property Managers fees	NPF	408,934,597		408,934,597	408,935										213,528		213,528
67040	Cleaning Materials	NPF	213,528,350		213,528,350	213,528										161,294	161,294	
606050	Electricity and Water	Napsa	161,294,160		161,294,160	161,294										37,485	37,485	
606055	Refuse Removal	Napsa	37,484,737		37,484,737	37,485										210,754	210,754	
606060	Cleaning Materials	Napsa	210,753,710		210,753,710	210,754										347,153	347,153	
606065	Security Charges	Napsa	347,153,340		347,153,340	347,153										59,522		59,522
67045	Building Miscellaneous Expenses	NPF	59,522,079		59,522,079	59,522										**3,215,184**	**756,686**	**2,458,498**
					3,195,184,374	**3,195,184**										**101,901**	**101,901**	
608005	Appointments(Recruitments)	Napsa	101,900,582		**101,900,582**	**101,901**										**182,750**	**182,750**	
603080	Staff Welfare	Napsa	182,690,080		**182,690,080**	**182,690**	60									-	-	-
																27,702,024	**24,666,201**	**3,035,822**
					27,484,000,518	**27,513,915**										-	-	-
	General Expenses															**166,689**	**166,689**	
608025	Sports Fund	Napsa	166,689,150		**166,689,150**	**166,689**										-	-	
	Sundry Expenses					0										38,674	38,674	
606030	Books and Magazines	Napsa	38,673,565		38,673,565	38 674										112,315	112,315	
607015	Subscription/Club Membership	Napsa	112,314,528		112,314,528	112,315										195,674	195,674	
607030	Entertainment and Function	Napsa	195,674,262		195,674,262	195,674										44,292	44,292	
607040	Conference / Seminars Expenses	Napsa	44,292,372		44,292,372	44,292										144,239	144,239	
608010	Agricultural Show	Napsa	144,239,322		144,239,322	144,239										57,245	57,245	
608015	Zambia Trade Fair	Napsa	57,245,313		57,245,313	57,245										17,881	17,881	
608030	Guest House Expenses	Napsa	17,881,005		17,881,005	17,881										7,967	7,967	
608040	Anniversary(Labour Day)	Napsa	7,967,000		7,967,000	7,967										**618,287**	**618,287**	**0**
					618,287,367	**618,287**										**50,544**	**50,544**	
607035	Donation and Grants	Napsa	50,544,443		**50,544,443**	**50,544**										**1,186,529**	**1,186,529**	-
606025	Travel & Subsistence	Napsa	1,186,529,261		**1,186,529,261**	**1,186,529**										**937,654**	**937,654**	-
603125	Training	Napsa	937,653,668		**937,653,668**	**937,654**										-	-	-
																2,959,704	**2,959,704**	**0**
					2,959,703,890	**2,959,704**										-	-	-
	Finance cost															**569,341**		**569,341**
64020	Interest on World Bank Loan	NPF	569,341,250		**569,341,250**	**569,341**										-	-	-
						0										-	-	-
Napsa Benefit Refunds						0										799,698	799,698	
502005	Retirement Refund	Napsa	799,698,059		799,698,059	799,698										507,956	507,956	
502010	Invalidity Refunds	Napsa	107,164,932		107,164,932	107,165				400,791						975,987	975,987	
502015	Survivors Refunds	Napsa	975,987,043		975,987,043	975,987										417,382	417,382	
502020	Interest on Refunds	Napsa	417,381,597		417,381,597	417,382										120,427	120,427	
502025	Indexed Payments	Napsa	120,426,581		120,426,581	120,427										**2,821,449**	**2,821,449**	**0**
					2,420,658,212	**2,420,658**										-	-	-
																445,971		445,971
65025	Retrenchment and Retirement	NPF	445,971,001		**445,971,001**	**445,971**										-	-	-
																-137,555,056	**-121,480,212**	**-16,074,843**
	Surplus for the year					**-136,931,729**										-	-	-
																-	-	-
603075	Capital - Self Liquiding All.	Napsa	0													-	-	-
603130	Retrenchment & Retirement	Napsa	0													-	-	-
603145	Shift allowance	Napsa	0													-	-	-
																-	-	-
Ledger Total			456,557,700,179	456,557,700,179			2,609,073	-4,773,569	209,634	883,487	1,071,253	0	0	0	0		-	-