

**Kingdom**  
Bank Africa Limited



Plot 115, Unit 23, Kgale Mews  
P.O. Box 45078, Riverwalk  
Gaborone, BOTSWANA

Tel: +267 3919038 / 3919043 /  
71317673 / 71317672

Fax: +267 3906874 / 3906924

Email: kbal@kingdombotswana.co.bw

**04 March 2015**

The Registrar of the High Court  
Private Bag 220  
GABORONE

Dear Sir

**KINGDOM BANK AFRICA LTD – UNDER TEMPORARY MANAGEMENT**

Kingdom Bank Africa Ltd (“KBAL”) was placed under Temporary Management in terms of Section 33 of the Banking Act [CAP 46:04] on 16 February 2015. The Temporary Manager/s are required in terms of Section 33(4) to prepare an inventory of the assets of Kingdom Bank Africa Limited (“KBAL”) and to provide a copy to the High Court.

We enclose a Statement of Affairs of KBAL as at 23 February 2015, which serves as an inventory of the assets of KBAL as well as an estimated realisable value of such assets and also provides information on the liabilities of KBAL at 23 February 2015.

The realisable value of the assets is the best estimate made by the Temporary Manager/s, based on a preliminary review of the assets of KBAL, their current state, realisable value of securities held as collateral for loans and advances to customers, the state of wear and tear of movable and immovable assets, and the recoverability of other assets.

We have not obtained professional valuations for immovable assets and securities held as collateral against advances to clients, and an audit of the balances has not been conducted in terms of International Standards on Auditing to determine the absolute accuracy of loans and advances to customers and other debit balances, and deposits from customers and other liabilities, classified respectively under Assets and Liabilities in the Statement of Affairs. The actual value of the assets of KBAL can only be determined with any certainty when the transaction to realise them takes place, and accordingly, a range of possible values is provided in the Statement of Affairs.

Yours faithfully

M Marinelli

In my capacity of Temporary Manager of Kingdom Bank Africa Limited – in Temporary Management

Directors: Mr M. McNaught (Chairman), Mr P.S. Mukunga\*,  
\*Executive



**KINGDOM BANK AFRICA LIMITED**  
**STATEMENT OF AFFAIRS**  
**AT 23 FEBRUARY 2015**

	Note	Estimated realisable value HIGH US\$	Estimated realisable value LOW US\$
<b>ASSETS</b>			
Cash and cash equivalents	1	80 333	80 333
Investments	2	20 500	20 500
Loans and advances to customers	3	3 478 148	1 739 074
Assets held for sale	4	1 000 000	0
Other assets	5	321 548	212 601
Property and equipment	6	326 000	312 500
		<u>5 226 528</u>	<u>2 365 008</u>
<b>LIABILITIES</b>			
Deposits from customers	7	18 463 252	18 463 252
Other liabilities	8	588 064	588 064
		<u>19 051 316</u>	<u>19 051 316</u>
<b>LIABILITIES EXCEED ASSETS</b>		<u><b>(13 824 787)</b></u>	<u><b>(16 686 307)</b></u>
<b>Recovery rate</b>		<u><b>27%</b></u>	<u><b>12%</b></u>

**KINGDOM BANK AFRICA LIMITED**  
**NOTES TO STATEMENT OF AFFAIRS**  
**AT 23 FEBRUARY 2015**

	HIGH US\$	LOW US\$
<b>1 Cash and cash equivalents</b>		
Cash	18 781	18 781
Bank balances	<u>61 552</u>	<u>61 552</u>
	<u>80 333</u>	<u>80 333</u>
<b>2 Investments</b>		
Kingdom Meikles Ltd - at cost	<u>20 500</u>	<u>20 500</u>
	<u>20 500</u>	<u>20 500</u>
<b>3 Loans and advances to customers</b>		
Loans and advances - originated	5 474 686	5 474 686
Loans taken over	<u>6 119 139</u>	<u>6 119 139</u>
	11 593 825	11 593 825
Less : impairment allowance	<u>(8 115 678)</u>	<u>(9 854 751)</u>
	<u>3 478 148</u>	<u>1 739 074</u>
<b>4 Assets held for sale</b>		
Telecommunications equipment - taken over	10 000 000	10 000 000
Less : impairment allowance	<u>(9 000 000)</u>	<u>(10 000 000)</u>
	<u>1 000 000</u>	<u>0</u>
<b>5 Other assets</b>		
Staff loans	94 383	47 191
Kingdom Bank Zimbabwe	62 650	62 650
MasterCard - Prepaid Financial Service	13 591	13 591
FNB card advances	123 510	61 755
BURS - VAT	<u>27 414</u>	<u>27 414</u>
	<u>321 548</u>	<u>212 601</u>
<b>6 Property and equipment</b>		
Land and buildings	300 000	300 000
Motor vehicles	1 000	500
Office equipment	20 000	10 000
Furniture and fittings	<u>5 000</u>	<u>2 000</u>
	<u>326 000</u>	<u>312 500</u>
<b>7 Deposits from customers</b>		
Call	10 236 886	10 236 886
Fixed	<u>8 226 366</u>	<u>8 226 366</u>
	<u>18 463 252</u>	<u>18 463 252</u>
<b>8 Other liabilities</b>		
Afrasia Bank Zimbabwe	124 157	124 157
Sundry creditors	107 848	107 848
MasterCard	101 324	101 324
Payroll and benefits accruals	133 768	133 768
BURS - PAYE	<u>120 967</u>	<u>120 967</u>
	<u>588 064</u>	<u>588 064</u>