

# AUDITED FINANCIAL STATEMENT

Issued pursuant to regulations 7 and 8 of Banking and Financial Institutions  
( Disclosures) Regulations, 2014



CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022		
	Current Year 31-Dec-22 TZS '000'	Previous Year 31-Dec-21 TZS '000'
<b>A. ASSETS</b>		
1 Cash	2,557,197	1,641,817
2 Balances with Bank of Tanzania	4,503,578	2,478,451
3 Investment in Government securities	6,254,183	-
4 Balances with other banks	13,864,692	21,532,627
5 Cheques and items for clearing	-	-
6 Inter branch float items	-	-
7 Bills negotiated	-	-
8 Customers' liabilities for acceptances	-	-
9 Interbank Loans Receivables	-	-
10 Investments in other securities	-	-
11 Loans, advances and overdrafts (net of allowances for probable losses)	80,686,335	48,546,329
12 Other assets	5,585,728	6,485,100
13 Equity Investments	-	-
14 Underwriting accounts	-	-
15 Property, plant and equipment(net)	2,599,557	2,371,855
<b>16 TOTAL ASSETS</b>	<b>116,051,270</b>	<b>83,056,179</b>
<b>B. LIABILITIES</b>		
17 Deposits from other banks	5,308,245	3,500,000
18 Customer Deposits	80,066,473	52,721,595
19 Cash letters of credit	-	-
20 Special deposits	-	-
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and draft issued	-	-
23 Accrued taxes and expenses payable	435,424	217,000
24 Acceptances outstanding	-	-
25 Interbranch floats items	-	-
26 Unearned income and other deferred charges	1,067,158	-
27 Other liabilities	2,310,250	3,364,120
28 Borrowings	4,163,932	4,275,899
29 Other Capital Accounts	-	183,491
<b>30 TOTAL LIABILITIES</b>	<b>93,351,482</b>	<b>64,262,105</b>
<b>31 NET ASSETS/(LIABILITIES)</b>	<b>22,699,788</b>	<b>18,794,074</b>
<b>C. CAPITAL AND RESERVES</b>		
32 Paid up share capital	17,111,834	16,031,834
33 Capital Reserves	-	1,634,388
34 Retained earnings	2,762,240	632,754
35 Profit/(Loss) account	2,825,714	495,098
36 Minority Interest	-	-
<b>37 TOTAL SHAREHOLDERS' FUNDS</b>	<b>22,699,788</b>	<b>18,794,074</b>
38 Contingent liabilities	112,190,196	134,195,469
39 Non Performing Loans & Advances	1,173,363	4,098,185
40 Allowances for probable losses	1,208,931	2,012,777
41 Other non performing assets	0	0
<b>D. PERFORMANCE INDICATORS</b>		
i Shareholders funds to total assets	20%	23%
ii Non performing loans to total gross loans	1.4%	8%
iii Gross loans and advances to total deposits	96%	98%
iv Loans and advances to total assets	70%	58%
v Earning Assets to Total Assets	87%	84%
vi Deposits Growth	52%	82%
vii Assets growth	40%	72%

## CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2022

Year ended 31 December 2022	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Others	Total
Balance as at 01.01.2022	16,031,834	-	2,407,904	1,634,388	-	-	20,074,126
Profit for the year	-	-	2,825,714	-	-	-	2,825,714
Prior year adjustment	-	-	(1,280,052)	-	-	-	(1,280,052)
Adjustment during the year	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	-	-	-	-	-
Issued during the year	1,080,000	-	-	-	-	-	1,080,000
Gain from Merger	-	-	-	-	-	-	-
Advance Toward share Capital	-	-	1,634,388	(1,634,388)	-	-	-
Transfer to retained earnings	-	-	5,587,954	-	-	-	5,587,954
<b>Balance as at 31.12.2022</b>	<b>17,111,834</b>	<b>-</b>	<b>5,587,954</b>	<b>1,634,388</b>	<b>-</b>	<b>-</b>	<b>22,699,788</b>
Previous Year ended 31 December 2021	8,250,834	-	1,812,494	1,389,166	-	-	11,452,494
Balance as at 01.01.2021	8,250,834	-	495,098	-	-	-	8,745,932
Loss/Profit for the year	-	-	(934,518)	-	-	-	(934,518)
Prior year adjustment	-	-	-	-	-	-	-
Adjustment during the year	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	-	-	-	-	-
Issued during the year	7,781,000	-	-	-	-	-	7,781,000
Gain from Merger	-	-	-	-	-	-	-
Advance Toward share Capital	-	-	(245,222)	245,222	-	-	-
Transfer to retained earnings	-	-	1,127,852	1,634,388	-	-	2,762,240
<b>Balance as at the 31.12.2021</b>	<b>16,031,834</b>	<b>-</b>	<b>1,127,852</b>	<b>1,634,388</b>	<b>-</b>	<b>-</b>	<b>18,794,074</b>

The above extracts are from the audited financial statements of the bank for the year ended 31 December 2021 which have been prepared in accordance to the International Financial Reporting Standards (IFRS). The financial statements have been audited by **PWC**, Certified Public Accountants and received an unqualified opinion.

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2022		
	Curr Yr P & L cumm 31-Dec-22 TZS '000'	Previous Yr P & L cumm 31-Dec-21 TZS '000'
1 Interest Income	14,229,033	8,649,704
2 Interest Expense	4,222,491	2,929,384
<b>3 Net Interest Income (1 minus 2)</b>	<b>10,006,542</b>	<b>5,720,320</b>
4 Bad debts written off	-	-
5 Impairment losses on Loans and Advances	1,760,008	16,701
<b>6 Non Interest Income</b>	<b>5,169,029</b>	<b>2,565,796</b>
6.1 Foreign Currency Dealings and Translation Gains/(Loss)	489,985	139,256
6.2 Commissions and fees	4,128,892	1,958,720
6.3 Dividend Income	-	-
6.4 Other Operating Income	550,152	467,820
<b>7 Non Interest Expense</b>	<b>9,358,660</b>	<b>7,397,657</b>
7.1 Salaries and Benefits	3,640,327	3,065,891
7.2 Fees and Commission	-	-
7.3 Other Operating expenses	5,718,333	4,331,766
<b>8 Operating Profit/(Loss) before Income Tax</b>	<b>4,056,903</b>	<b>871,758</b>
9 Income Tax Provision	(1,231,189)	(376,660)
<b>10 Net Income/(Loss ) after Income Tax</b>	<b>2,825,714</b>	<b>495,098</b>
11 Other Comprehensive Income	-	-
<b>12 Total comprehensive income/{Loss} for the year</b>	<b>2,825,714</b>	<b>495,098</b>
13 Number of Employees	108	113
14 Basic Earnings Per Share	826	154
15 Number of Branches	7	7
<b>SELECTED PERFROMANCE INDICATORS</b>		
(i) Return on average total assets	3%	1%
(ii) Return on average shareholders funds	14%	3%
(iii) Non Interest Expense to Gross Income	48%	67%
(iv) Net Interest Income to Average EarningAssets	24%	18%

## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2022

	Current Yr Cumulative 31-Dec-22 TZS '000'	Previous Yr Cumulative 31-Dec-21 TZS '000'
<b>I Cash Flow from Operating Activities :</b>		
Net ( loss )/Income	4,056,903	871,758
<b>Adjustments for non cash items :</b>		
- Gain/loss on Sale of Assets	6,430	(3,776)
- Depreciation of property and equipment	1,110,354	520,049
- Amortization of Intangible Assets and Refurbishment	470,213	149,060
- Amortization of Capital Grant & Reserve	(278,682)	(263,952)
- Prior Year adjustment	-	-
-Expected credit loss IFRS 9	(1,760,008)	(16,701)
	<b>3,605,210</b>	<b>1,256,438</b>
- Change in Statutory minimum reserve (SMR)	(1,429,935)	(485,251)
- Net change in loans and advances	(30,379,998)	(17,103,580)
- Net change in other assets	(5,400,185)	752,972
- Net change in deposits	27,344,878	23,792,019
- Net change in placement with other bank	1,808,245	2,000,000
- Net change in other liabilities	421,900	215,348
	<b>(7,635,095)</b>	<b>9,171,508</b>
-Tax paid	(2,062,481)	(372,670)
<b>Net cash flows/(used) from operating activities</b>	<b>(6,092,366)</b>	<b>10,055,276</b>
<b>II Cash Flow from Investing Activities</b>		
Dividend Received	-	-
Purchase of property, plant & equipment	(890,520)	(1,288,370)
Proceeds from disposal of property and equipment	8,000	12,165
Purchase of Intangible assets	-	(44,799)
Goodwill	-	-
Proceeds from sale of Non-Dealing Securities	-	-
<b>Net cash provided (used) by investing activities</b>	<b>(882,520)</b>	<b>(1,321,004)</b>
<b>III Cash Flow from Financing Activities</b>		
Repayment of Long term Debt	(357,666)	(201,336)
Proceeds from issuance of long term debts	-	-
Capital Grants	95,191	168,514
Proceeds from issuance of paid up capital	1,080,000	7,781,000
Payment of Cash Dividends	-	-
Net change in other borrowings	-	-
<b>Net cash provided (used) by investing activities</b>	<b>817,525</b>	<b>7,748,178</b>
<b>IV Cash and Cash equivalents</b>		
Net increase (decrease) in cash & cash equivalents	(6,157,361)	16,482,451
Cash & equivalents, beginning of Year	23,404,680	6,922,229
Cash & equivalents, end of Year	<b>17,247,319</b>	<b>23,404,680</b>

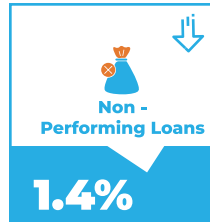
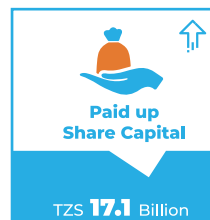
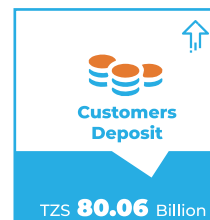
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### Signed by:

Jagjit Singh	:Managing Director
Chomete Hussein	:Head of Finance & Administration
Elifuraha Charles	:Internal Audit Manager
Date	:06 April, 2023

### Financial Statement Authorized by:

Eng. Ridhuan Mringo	: Board Chairman
CPA (T) Zukra Ally	: Board Member
Date	: 06 April, 2023



**Jipange sasa!**  
Maisha ni...

**Mseleleko**

Pata Riba Hadi

**12%**  
Kila unapowika  
Mkopo yako

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Eng. Ridhuan Mringo