



REPORT OF THE CONDITION OF THE FINANCIAL INSTITUTION PUBLISHED PURSUANT TO SECTION 32(3) OF THE BANKING AND FINANCIAL INSTITUTIONS ACT, 2006.

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2019

		BANK CURRENT QUARTER 31/12/2019	GROUP CURRENT QUARTER 31/12/2019	BANK PREVIOUS QUARTER 30/09/2019	GROUP PREVIOUS QUARTER 30/09/2019
A	ASSETS				
1	Cash	-	5,291	-	3,337
2	Balances with Bank of Tanzania	28	2,586	801	37,214
3	Investments in Government Securities	23,043	61,617	31,892	59,978
4	Balances with Other Banks and financial institutions	2,162	30,256	2,787	10,536
5	Cheques and Items for Clearing	-	11	-	44
6	Interbranch float items	-	-	-	-
7	Bills Negotiated	-	-	-	-
8	Customer Liability on Acceptances	-	-	-	-
9	Interbank Loans receivables	-	(594)	-	-
10	Investments in other Securities	-	520	-	520
11	Loans, Advances and Overdrafts (Net of Allowances for Probable Losses)	452,089	617,308	456,145	635,501
12	Other Assets	79,562	94,925	78,637	90,032
13	Equity Investments	55,714	18,611	55,725	18,626
14	Underwriting accounts	-	-	-	-
15	Property Plant and Equipment	354	4,456	425	4,822
16	TOTAL ASSETS	612,953	834,986	626,412	860,610
B.	LIABILITIES				
17	Deposits from Other Banks and Financial Institutions	122,928	74,027	128,273	82,288
18	Customer Deposits	203,300	438,491	201,742	469,453
19	Cash Letters of Credit	-	40,599	-	7,886
20	Special deposits	-	-	-	-
21	Payment Order/Transfers Payable	-	92	-	89
22	Bankers' Cheques and Drafts Issued	-	-	-	-
23	Accrued Taxes and Expenses Payable	13,062	15,096	15,901	17,808
24	Acceptances Outstanding	-	-	-	-
25	Inter Branch Float items	-	-	-	-
26	Unearned income and other deferred charges	673	1,038	1,004	1,471
27	Other Liabilities	2,832	7,197	2,808	7,595
28	Borrowings	49,550	49,550	51,360	51,360
29	TOTAL LIABILITIES	392,345	626,089	401,088	637,950
30	NET ASSETS /LIABILITIES	220,608	208,898	225,324	222,661
C.	SHAREHOLDERS' FUNDS AND RESERVES				
31	Paid Up Share Capital	219,138	202,138	219,138	219,138
32	Capital Reserves	-	-	-	-
33	Retained Earnings	(106,634)	(137,147)	(98,225)	(102,841)
34	Profit (Loss) Account	(4,709)	(11,033)	(604)	(3,892)
35	Other capital accounts	112,813	154,940	105,015	110,255
36	Minority interest	-	-	-	-
37	TOTAL SHAREHOLDERS' FUNDS AND RESERVES	220,608	208,898	225,324	222,661
38	Contigent Liabilities	32,462	113,556	34,839	74,497
39	Non Performing Loans and Advances	281,847	352,867	273,841	343,659
40	Allowances for Probable Losses	103,718	114,649	97,628	104,540
41	Other Non Performing Assets	8,313	8,398	8,246	8,330
D.	SELECTED FINANCIAL CONDITION INDICATORS	%	%	%	%
i	Shareholders Funds to Total Assets	36%	25%	36%	26%
ii	Non Performing Loans to Total Gross Loans	44%	48%	44%	46%
iii	Gross Loans and Advances to Total Deposits	309%	113%	308%	113%
iv	Loans and Advances to Total Assets	74%	74%	73%	74%
v	Earning Assets to Total Assets	87%	84%	87%	83%
vi	Deposit Growth	-1%	-7%	0%	0%
vii	Asset Growth	-2%	-3%	0%	0%

CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 31ST DECEMBER 2019

GROUP	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	REGULATORY RESERVE	GENERAL PROVISION RESERVE	OTHERS	TOTAL
CURRENT YEAR							
Balance at the beginning of the year (Jan 2019)	219,138	-	(84,145)	82,782	596	10,369	228,740
Profit for the year	-	-	(12,592)	-	-	-	(12,592)
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	(33,817)	33,817	-	-	-
General Provision Reserve	-	-	1,214	-	(1,214)	-	-
Others	-	-	(7,808)	-	-	558	(7,250)
Balance at the end of the current period (31 st December 2019)	219,138	-	(137,148)	116,599	(618)	10,927	208,898
PREVIOUS YEAR							
Balance at the beginning of the year 2018	202,138	-	(100,769)	116,468	791	14,673	233,301
Profit for the year	-	-	(17,080)	-	-	-	(17,080)
Other Comprehensive Income	-	-	(177)	-	-	-	(177)
Transactions with owners	17,000	-	-	-	-	-	17,000
Dividends Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	33,686	(33,686)	-	-	-
General Provision Reserve	-	-	195	-	(195)	-	-
Others	-	-	-	-	-	(4,304)	(4,304)
Balance at the end of the current period (31 st Dec 2018)	219,138	-	(84,145)	82,782	596	10,369	228,740
BANK							
CURRENT YEAR							
Balance at the beginning of the year Jan 2019	219,138	-	(92,198)	82,611	-	14,661	224,211
Profit for the year	-	-	(3,597)	-	-	-	(3,597)
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	(15,542)	15,542	-	-	-
General Provision Reserve	-	-	-	-	-	-	-
Others	-	-	(7)	-	-	-	(7)
Balance at the end of the current period (31 st December 2019)	219,138	-	(111,344)	98,152	-	14,661	220,608
PREVIOUS YEAR							
Balance at the beginning of the year 2018	202,138	-	(99,512)	113,524	-	14,677	230,826
Profit for the year	-	-	2,578	-	-	-	2,578
Other Comprehensive Income	-	-	988	-	-	(16)	972
Transactions with owners	17,000	-	-	-	-	-	17,000
Dividends Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	34,119	(34,119)	-	-	-
General Provision Reserve	-	-	-	-	-	-	-
Impact of IFRS 9 adoption (Net of Tax)	-	-	(30,371)	-	-	-	(30,371)
Others	-	-	-	3,206	-	-	3,206
Balance at the end of the previous period (31 st Dec 2018)	219,138	-	(92,198)	82,611	-	14,661	224,211

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31ST DECEMBER 2019

(Amounts in million Shillings)		BANK CURRENT QUARTER 31/12/2019	GROUP CURRENT QUARTER 31/12/2019	BANK COMPARATIVE QUARTER 31/12/2018	GROUP COMPARATIVE QUARTER 31/12/2018	BANK CURRENT YEAR CUMULATIVE 31/12/2019	GROUP CURRENT YEAR CUMULATIVE 31/12/2019	BANK COMPARATIVE YEAR CUMULATIVE 31/12/2018	GROUP COMPARATIVE YEAR CUMULATIVE 31/12/2018
E.									
1	Interest Income	18,262	24,119	21,077	29,530	76,966	102,523	90,799	120,361
2	Interest Expense	(9,613)	(12,746)	(7,317)	(9,736)	(30,056)	(40,991)	(35,567)	(46,878)
3	Net Interest Income	8,649	11,373	13,760	19,793	46,911	61,532	55,232	73,483
4	Bad Debts Written Off	(40)	(40)	(516)	(516)	(9,026)	(9,026)	(687)	(687)
5	Impairment losses on loans and Advances	(11,738)	(13,472)	(10,741)	(11,012)	(24,660)	(29,628)	(23,216)	(24,717)
6	Non Interest Income	1,683	2,860	889	2,608	2,951	9,009	4,436	10,964
	6.1 Foreign currency Dealings and Translation Gain /(Loss)	(69)	229	343	894	(35)	2,331	405	2,124
	6.2 Fees and Commissions	471	1,231	147	1,089	905	4,163	1,124	5,332
	6.3 Dividend Income	-	-	220	220	-	-	-	-
	6.4 Other operating income	1,281	1,400	178	404	2,081	2,515	2,907	3,508
7	Non Interest Expense	(5,281)	(11,068)	(6,239)	(12,464)	(21,314)	(45,692)	(21,927)	(44,926)
	7.1 Salary and benefits	(3,264)	(6,593)	(3,498)	(6,901)	(13,752)	(27,305)	(13,324)	(25,865)
	7.2 Fees and Commissions	-	(63)	-	(128)	-	(369)	-	(542)
	7.3 Other operating expenses	(2,017)	(4,412)	(2,741)	(5,435)	(7,562)	(18,018)	(8,603)	(18,519)
8	Operating Income/(Loss) beforeTax	(6,727)	(10,348)	(2,848)	(1,590)	(5,138)	(13,804)	13,838	14,117
9	Income Tax Provision	2,018	2,057	854	365	1,541	1,211	(4,151)	(4,235)
10	Net Income /(Loss) after Income Tax	(4,709)	(8,291)	(1,993)	(1,225)	(3,597)	(12,592)	9,686	9,882
11	Other Comprehensive Income (itemize)	-	-	-	-	-	-	-	-
12	Total comprehensive income/(loss) for the year	(4,709)	(8,291)	(1,993)	(1,225)	(3,597)	(12,592)	9,686	9,882
13	Number of employees	160	307	153	285	160	301	153	285
14	Basic Earnings per share	(21)	(2,719)	(10)	(6)	(16)	(290)	48	49
15	Number of branches	-	6	-	5	-	6	-	5
F.	SELECTED PERFORMANCE INDICATORS		%		%				
	(i) Return on Average Total Assets	-1%	-1%	0%	0%	-1%	-2%	2%	1%
	(ii) Return on Average Shareholders Fund	-3%	-5%	-1%	2%	-2%	-6%	6%	6%
	(iii) Non Interest Expense to Gross Income	26%	41%	28%	33%	27%	41%	23%	34%
	(iv) Net Interest Income to Average Earning Assets	2%	1%	2%	2%	9%	5%	9%	9%

CONDENSED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31ST DECEMBER 2019

	Bank For the Quarter Ended 31/12/2019	Group For the Quarter Ended 31/12/2019	Bank For the Quarter Ended 30/09/2019	Group For the Quarter Ended 30/09/2019	Bank Current Year Cummulative 31/12/2019	Group Current Year Cummulative 31/12/2019	Bank Comparative year Cumulative 31/12/2018	Group Comparative year Cumulative 31/12/2018
I:Cashflow from operating activities								
Net Income/(Loss)	(6,727)	(10,349)	(863)	(5,242)	(5,138)	(13,804)	13,838	14,477
Adjustments for:								
Impairment/Amortisation	11,862	14,062	7,343	10,269	24,492	31,173	23,904	27,104
Net change in Loans and Advances	(4,740)	5,380	(1,333)	4,101	28,349	45,929	25,914	(31,546)
(Gain)/Loss on sale of Assets	(96)	(96)	-	-	(96)	(96)	-	-
Net change in Deposits	(3,787)	(6,096)	(1,170)	225	(31,770)	(94,267)	(63,955)	139,506
Net change in Short term Negotiable Securities	-	(4,569)	-	(948)	-	(14,498)	(3,030)	(2,325)
Net change in other liabilities	(2,815)	(4,869)	(1,721)	1,107	(4,012)	(4,908)	(1,336)	(328)
Net change in other Assets	7,921	2,687	3,773	4,320	7,827	5,478	(2,570)	(1,013)
Tax paid	-	(1)	-	(2)	-	(9)	-	(19)
Other :- Net change in deferred income	(331)	(331)	31	31	(239)	(239)	(143)	(143)
- Net change in SMR	-	-	-	27,438	-	31,745	-	(8,852)
- Net change in Placement over 90 days	-	536	-	(55,359)	-	(658)	-	-
Net cash provided (used) by operating activities	1,286	(3,648)	6,061	(14,059)	19,412	(14,154)	(7,379)	136,861
II:Cash flow used in investing activities								
Dividend Received	-	-	-	-	32	32	-	-
Purchase of Fixed Assets	(30)	(412)	(121)	(1,224)	(165)	(2002)	(163)	(595)
Proceeds from Sale Of Fixed Assets	96	96	-	-	96	96	-	-
Purchase of non-dealing securities	-	-	-	-	-	-	-	-
Proceeds from sale of non-dealing securities	-	-	-	-	-	-	-	-
Others: Investmen in Equity	-	-	-	-	-	-	-	-
Net cash provided (used) by investing activities	66	(316)	(121)	(1,224)	(37)	(1,874)	(163)	(595)
III:Cash flow from financing activities								
Repayment of Long Term Borrowing	(2,751)	(2,751)	(5,884)	(5,884)	(20,366)	(20,366)	(15,144)	(15,144)
Proceeds from Issuance of Long Term Debt	-	-	-	-	-	-	-	-
Proceeds from Issuance of Share Capital	-	-	-	-	-	-	-	17,000
Payment of Cash Dividends	-	-	-	-	-	-	-	-
Net Change in Other Borrowings	-	-	-	-	-	-	-	-
Proceeds from disposal of available for sale investments	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Net cash provided (used) by Financing Activities	(2,751)	(2,751)	(5,884)	(5,884)	(20,366)	(20,366)	(15,144)	1,856
IV:Cash and Cash Equivalents								
Net Increase/Decrease in Cash and Cash Equivalents.	(1,398)	(6,714)	56	(21,167)	(990)	(36,393)	(22,686)	138,123
Cash and Cash equivalents At the beginning of the quarter	3,589	51,634	3,533	72,801	3,181	81,313	23,578	104,528
Cash and Cash equivalents At the end of the quarter	2,190	44,920	3,589	51,634	2,190	44,920	892	242,652

In preparation of the quarterly financial statement, consistent accounting policies have been used as those applicable to the previous year audited financial statements.

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