

MWALIMU COMMERCIAL BANK PLC
PUBLICATION OF FINANCIAL STATEMENTS

Issued pursuant to regulation 7 of the Banking and Financial Institutions (Disclosures) Regulations, 2014

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019
(Amounts in million shillings)

Current Quarter
31-Mar-2019

Previous Quarter
31-Dec-2018

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019 (Amounts in million shillings)	Current Quarter 31-Mar-2019	Previous Quarter 31-Dec-2018
A. ASSETS:		
1. Cash	330	213
2. Balances with Bank of Tanzania	1,094	1,691
3. Investments in government securities	-	1,125
4. Balances with other banks and financial institutions	349	52
5. Cheques and Items for clearing	-	-
6. Inter branch float items	78	-
7. Bills negotiated	-	-
8. Customers' liabilities for acceptances	-	-
9. Interbank loans receivables	3,300	2,294
10. Investment in other securities	-	-
11. Loans, advances and overdrafts (Net of allowance for probable losses)	16,972	17,886
12. Other assets	5,412	5,560
13. Equity investments	-	-
14. Underwriting accounts	-	-
15. Property, plant and equipment (net)	1,641	1,874
16. TOTAL ASSETS	29,180	30,695
B. LIABILITIES:		
17. Deposits from other banks and financial institutions	-	-
18. Customer deposits	7,380	7,949
19. Cash letters of credit	-	-
20. Special deposits	-	-
21. Payment orders/transfers payable	-	-
22. Bankers' cheques and drafts issued	-	-
23. Accrued taxes and expenses payable	933	729
24. Acceptances outstanding	-	-
25. Interbranch float items	-	-
26. Unearned income and other deferred charges	265	-
27. Other liabilities	530	723
28. Borrowings	-	-
29. TOTAL LIABILITIES	9,108	9,401
30. NET ASSETS/(LIABILITIES) (16 minus 29)	20,072	21,294
C. SHAREHOLDERS' FUNDS:		
31. Paid up share capital	30,912	30,912
32. Capital reserves	-	179
33. Retained Earnings	(9,915)	(4,473)
34. Profit (Loss) account	(1,094)	(5,503)
35. Others capital accounts (Provision General Reserve)	169	179
36. Minority interest	-	-
37. TOTAL SHAREHOLDERS' FUNDS	20,072	21,294
38. CONTINGENT LIABILITIES		
39. Non-performing loans & advances	210	124
40. Allowances for probable losses	253	374
41. Other non-performing assets	2,300	2,300
D. SELECTED FINANCIAL CONDITION INDICATORS		
- Shareholders' Funds to Total Assets	69%	69%
- Non- Performing Loans to Total Gross Loans	1%	2%
- Gross Loans and Advances to Total Deposits	233%	225%
- Loans and Advances to Total Assets	59%	59%
- Earning Assets to Total Assets	69%	70%
- Deposits Growth	-7%	45%
- Assets Growth	-5%	-19%

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2019 (Amounts in million shillings)	Current Quarter 31-Mar-2019	Comparative Quarter 31-Mar-2018	Current Year Cumulative 31-Mar-2019	Comparative Year Cumulative 31-Mar-2018
1. Interest income	809	902	809	902
2. Interest expense	103	162	103	162
3. Net interest income (1 minus 2)	706	740	706	740
4. Bad debts written-off	-	-	-	-
5. Impairment losses on loans and advances	(115)	-	(115)	-
6. Non- interest income:	68	52	68	52
6.1 Foreign currency dealings and translation gains/(loss)	5	2	5	2
6.2 Fees and commissions	62	50	62	50
6.3 Dividend income	-	-	-	-
6.4 Other operating income	1	-	1	-
7. Non-interest expenses	1,983	2,057	1,983	2,057
7.1 Salaries and benefits	866	880	866	880
7.2 Fees and commission	-	-	-	-
7.3 Other operating expenses	1,117	1,177	1,117	1,177
8. Operating income/(loss)	(1,094)	(1,265)	(1,094)	(1,265)
9. Income tax provision	-	-	-	-
10. Net income/(loss) after income tax	(1,094)	(1,265)	(1,094)	(1,265)
11. Other Comprehensive Income	-	-	-	-
12. Total comprehensive Income/(loss) for the year	(1,094)	(1,265)	(1,094)	(1,265)
13. Number of employees	62	57	62	57
14. Basic Earnings Per Share	-18	-20	-18	-20
15. Number of branches	2	1	2	1
SELECTED PERFORMANCE INDICATORS				
(i) Return on Average Total Assets	-3%	-3%	-3%	-3%
(ii) Return on Average Shareholders' Funds	-5%	-5%	-5%	-5%
(iii) Non- Interest Expense to Gross Income	256%	260%	256%	260%
(iv) Net Interest Income to Average Earning Assets	3%	3%	3%	3%

CONDENSED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 31 MARCH 2019 (Amounts in million shillings)	Current Quarter 31-Mar-2019	Previous Quarter 31-Dec-2018	Current Year Cumulative 31-Mar-2019	Comparative Year Cumulative 31-Mar-2018
I. Cash flow from operating activities:				
Net (loss)profit before tax	(1,094)	(1,470)	(1,094)	(1,265)
Adjustment for:				
- Impairment/amortisation/depreciation	512	697	512	484
- Net change in loans and advances	(92)	(2,200)	(92)	4,454
- Gain/loss on sale of assets	-	(288)	-	-
- Net change in deposits	(569)	(993)	(569)	(260)
- Net change in short term negotiable securities	-	-	-	-
- Net change in other liabilities	197	(2,205)	197	1,627
- Net change in other assets	(153)	3,698	(153)	451
- Tax paid	-	-	-	-
- Others	-	-	-	-
Net cash provided (used) by operating activities	(1,199)	(2,761)	(1,199)	4,589
II. Cash flow from investing activities:				
- Dividend received	-	-	-	-
- Purchase of fixed assets	(9)	(16)	(9)	(3)
- Proceeds from sale of fixed assets	-	-	-	-
- Purchase of non-dealing securities	1,125	3,744	1,125	(3,984)
- Proceeds from sale of non-dealing securities	-	-	-	-
- Others	-	-	-	-
Net cash provided (used) by investing activities	1,166	3,458	1,166	(3,987)
III. Cash from financing activities:				
- Repayment of long-term debt	-	-	-	-
- Proceeds from issuance of long-term debt	-	-	-	-
- Proceeds from issuance of share capital	-	-	-	-
- Payment of cash dividends	-	-	-	-
- Net change in other borrowings	-	-	-	-
- Others	-	-	-	-
Net cash provided (used) by financing activities	-	-	-	-
IV. Cash and cash equivalents:				
- Net increase/(decrease) in cash and cash equivalents	(833)	696	(833)	602
- Cash and cash equivalents at the beginning of the year	1,585	889	1,585	644
- Cash and cash equivalents at the end of the quarter	1,502	1,585	1,502	1,246

CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2019 (Amounts in million shillings)	Share Capital	Retained Earnings	Regulatory Reserve	Bond Revaluation Reserve	Provision General Reserve	Total
Current Year						
Balance as at the beginning of the year	30,912	(9,976)	-	179	179	21,294
Profit for the year	-	(1,094)	-	-	-	(1,094)
Other Comprehensive Income	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-
Transfer from Bond Revaluation Reserve	-	179	-	(179)	-	-
Transfer from Provision General Reserve	-	10	-	-	(10)	-
Others	-	(128)	-	-	-	-
Balance as at the end of the current period	30,912	(11,008)	-	-	169	20,072
Previous Year						
Balance as at the beginning of the year	30,912	(4,120)	114	204	-	27,110
Decrease resulting from adopting IFRS9	-	(288)	-	-	-	(288)
Profit for the year	-	(5,503)	-	-	-	(5,503)
Loss on fair valuation of bonds	-	-	-	(25)	-	(25)
Other Comprehensive Income	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
Transfer from Regulatory Reserve	-	114	(114)	-	-	-
Transfer to Provision General Reserve	-	(179)	-	-	179	-
Balance as at the end of the previous period	30,912	(9,976)	-	179	179	21,294

FOR THE QUARTER ENDED 31 MARCH 2019

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

<i>Name and Title</i>	<i>Signature</i>	<i>Date</i>
Ronald Manongi (Chief Executive Officer)	..... (signed)	29 April 2019
Selemani Kijori (Head of Finance)	..... (signed)	29 April 2019
Hemed Maulu (Chief Internal Auditor)	..... (signed)	29 April 2019

We, the undersigned directors, attest to the faithful representation of the above statements. We declare that the statements have been examined by us and, to the best of our knowledge and belief, have been prepared in conformance with international Financial Reporting Standards and the requirements of the Banking and Financial Institutions Act, 2006 and they present a true and fair view.

<i>Name</i>	<i>Signature</i>	<i>Date</i>
1/ Herman Kessy	..... (signed)	29 April 2019
2/ Ambrose Nshala	..... (signed)	29 April 2019