

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 30
SEPTEMBER 2018

Current Quarter
30-Sep-2018

Previous Quarter
30-Jun-2018

(Amounts in million shillings)

A. ASSETS:		
1. Cash	244	319
2. Balances with Bank of Tanzania	974	783
3. Investments in government securities	4,894	4,894
4. Balances with other banks and financial institutions	141	332
5. Cheques and Items for clearing	1	-
6. Inter branch float items	-	-
7. Bills negotiated	-	-
8. Customers' liabilities for acceptances	-	-
9. Interbank loans receivables	300	4,950
10. Investment in other securities	-	-
11. Loans, advances and overdrafts (Net of allowance for probable losses)	17,701	15,163
12. Other assets	9,345	6,585
13. Equity investments	-	-
14. Underwriting accounts	-	-
15. Property, plant and equipment (net)	2,117	2,132
16. TOTAL ASSETS	35,717	35,158
B. LIABILITIES:		
17. Deposits from other banks and financial institutions	3,380	1,100
18. Customer deposits	5,588	7,738
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	961	918
24. Acceptances outstanding	-	-
25. Interbranch float items	-	-
26. Unearned income and other deferred charges	536	581
27. Other liabilities	2,161	371
28. Borrowings	-	-
29. TOTAL LIABILITIES	12,626	10,708
30. NET ASSETS/(LIABILITIES) (16 minus 29)	23,091	24,450
C. SHAREHOLDERS' FUNDS:		
31. Paid up share capital	30,912	30,912
32. Capital reserves	176	152
33. Retained Earnings	(4,182)	(4,158)
34. Profit (Loss) account	(4,019)	(2,660)
35. Others capital accounts	204	204
36. Minority interest	-	-
37. TOTAL SHAREHOLDERS' FUNDS	23,091	24,450
38. CONTINGENT LIABILITIES		
39. Non-performing loans & advances	21	20
40. Allowances for probable losses	21	20
41. Other non-performing assets	-	-
D. SELECTED FINANCIAL CONDITION INDICATORS		
- Shareholders' Funds to Total Assets	65%	70%
- Non-Performing Loans to Total Gross Loans	0%	0%
- Gross Loans and Advances to Total Deposits	198%	172%

- Loans and Advances to Total Assets	50%	43%
- Earning Assets to Total Assets	64%	71%
- Deposits Growth	1%	21%
- Assets Growth	2%	-7%

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2018 (Amounts in million shillings)	Current Quarter 30-Sep-2018	Comparative Quarter 30-Sep-2017	Current Year Cumulative 30-Sep-2018	Comparative Year Cumulative 30-Sep-2017
1. Interest income	781	975	2,456	2,739
2. Interest expense	135	141	448	312
3. Net interest income (1 minus 2)	646	834	2,008	2,427
4. Bad debts written-off	-	-	-	-
5. Impairment losses on loans and advances	0	39	8	39
6. Non- interest income:	64	57	162	219
6.1 Foreign currency dealings and translation gains/(loss)	-	(1)	4	(8)
6.2 Fees and commissions	62	56	156	225
6.3 Dividend income	-	-	-	-
6.4 Other operating income	2	2	2	2
7. Non-interest expenses	2,069	1,647	6,181	5,941
7.1 Salaries and benefits	886	998	2,695	2,341
7.2 Fees and commission	-	-	-	-
7.3 Other operating expenses	1,183	649	3,486	3,600
8. Operating income/(loss)	(1,359)	(795)	(4,019)	(3,334)
9. Income tax provision	-	-	-	-
10. Net income/(loss) after income tax	(1,359)	(795)	(4,019)	(3,334)
11. Other Comprehensive Income	-	-	-	-
12. Total comprehensive Income/(loss) for the year	(1,359)	(795)	(4,019)	(3,334)
13. Number of employees	63	58	63	58
14. Basic Earnings Per Share	-22	-13	-65	-54
15. Number of branches	2	1	2	1
SELECTED PERFORMANCE INDICATORS				
(i) Return on Average Total Assets	-4%	-2%	-11%	-9%
(ii) Return on Average Shareholders' Funds	-6%	-3%	-16%	-12%
(iii) Non-Interest Expense to Gross Income	291%	185%	285%	225%
(iv) Net Interest Income to Average Earning Assets	3%	3%	9%	10%

CONDENSED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 30 SEPTEMBER 2018 (Amounts in million shillings)	Current Quarter 30-Sep-2018	Previous Quarter 30-Jun-2018	Current Year Cumulative 30-Sep-2018	Comparative Year Cumulative 30-Sep-2017
I. Cash flow from operating activities:				
Net (loss)profit before tax	(1,359)	(1,395)	(4,019)	(3,334)
Adjustment for:				
- Impairment/amortisation/depreciation	521	490	1,496	844
- Net change in loans and advances	2,112	1,465	8,010	731
- Gain/loss on sale of assets	-	-	-	-
- Net change in deposits	130	(858)	(988)	4,324
- Net change in short term negotiable securities	-	-	-	-
- Net change in other liabilities	1,788	(489)	2,926	860
- Net change in other assets	(2,894)	(232)	(3,589)	(1,121)
- Tax paid	-	-	-	-
- Others	-	-	-	-
Net cash provided (used) by operating activities	298	(1,019)	3,836	2,304
II. Cash flow from investing activities:				
- Dividend received	-	-	-	-
- Purchase of fixed assets	(252)	(249)	(471)	(179)
- Proceeds from sale of fixed assets	-	-	-	-
- Purchase of non-dealing securities	-	865	(3,119)	7,817
- Proceeds from sale of non-dealing securities	-	-	-	-
- Others	-	-	-	-
Net cash provided (used) by investing activities	(252)	616	(3,590)	7,638
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	46	(403)	246	9,942
- Cash and cash equivalents at the beginning of the year	843	1,246	643	190
- Cash and cash equivalents at the end of the quarter	889	843	890	10,132

CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 30 SEPTEMBER 2018 (Amounts in million shillings)	Share Capital	Retained Earnings	Regulatory Reserve	Bond Revaluation Reserve	Total
Current Year					
Balance as at the beginning of the year	30,912	(4,120)	114	204	27,110
Profit for the year	-	(4,019)	-	-	(4,019)
Other Comprehensive Income	-	-	-	-	-
Transactions with owners	-	-	-	-	-
Dividends Paid	-	-	-	-	-
Regulatory Reserve	-	(62)	62	-	-
General Provision Reserve	-	-	-	-	-
Others	-	-	-	-	-
Balance as at the end of the current period	30,912	(8,201)	176	204	23,091
Previous Year					
Balance as at the beginning of the year	30,912	259	6	-	31,177
Profit for the year	-	(4,271)	-	-	(4,271)
Other Comprehensive Income	-	-	-	-	-
Transactions with owners	-	-	-	-	-
Dividends paid	-	-	-	-	-
Regulatory Reserve	-	(108)	108	-	-
Others (bond revaluation reserve)	-	-	-	204	204
Balance as at the end of the previous period	30,912	(4,120)	114	204	27,110

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

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)	24 OCTOBER 2018
Selemani Kijori (Head of Finance)	..... (signed)	24 OCTOBER 2018
Hemed Maulu (Chief Internal Auditor)	..... (signed)	24 OCTOBER 2018

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)	24 OCTOBER 2018
2/ Ambrose Nshala	..... (signed)	24 OCTOBER 2018