

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 2019

(Amounts in million shillings)

Current Quarter
30-SEP-2019

Previous Quarter
30-JUN-2019

A. ASSETS:		
1. Cash	512	440
2. Balances with Bank of Tanzania	2,720	447
3. Investments in government securities	-	-
4. Balances with other banks and financial institutions	210	377
5. Cheques and Items for clearing	63	10
6. Inter branch float items	-	-
7. Bills negotiated	-	-
8. Customers' liabilities for acceptances	-	-
9. Interbank loans receivables	4,000	4,000
10. Investment in other securities	-	-
11. Loans, advances and overdrafts (Net of allowance for probable losses)	16,378	16,311
12. Other assets	5,282	5,484
13. Equity investments	-	-
14. Underwriting accounts	-	-
15. Property, plant and equipment (net)	1,296	1,453
16. TOTAL ASSETS	30,461	28,522
B. LIABILITIES:		
17. Deposits from other banks and financial institutions	-	-
18. Customer deposits	11,660	8,268
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	841	705
24. Acceptances outstanding	-	-
25. Interbranch float items	19	4
26. Unearned income and other deferred charges	170	228
27. Other liabilities	544	573
28. Borrowings	-	-
29. TOTAL LIABILITIES	13,234	9,778
30. NET ASSETS/(LIABILITIES) (16 minus 29)	17,227	18,744
C. SHAREHOLDERS' FUNDS:		
31. Paid up share capital	30,912	30,912
32. Capital reserves	-	-
33. Retained Earnings	(9,658)	(9,819)
34. Profit (Loss) account	(4,027)	(2,510)
35. Others capital accounts (Provision General Reserve)	-	161
36. Minority interest	-	-
37. TOTAL SHAREHOLDERS' FUNDS	17,227	18,744
38. CONTINGENT LIABILITIES		
39. Non-performing loans & advances	289	323
40. Allowances for probable losses	302	253
41. Other non-performing assets	-	-
D. SELECTED FINANCIAL CONDITION INDICATORS		
- Shareholders' Funds to Total Assets	57%	66%
- Non- Performing Loans to Total Gross Loans	1.7%	1.9%

- Gross Loans and Advances to Total Deposits	143%	200%
- Loans and Advances to Total Assets	55%	58%
- Earning Assets to Total Assets	67%	71%
- Deposits Growth	41%	12%
- Assets Growth	7%	(2%)

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2019 (Amounts in million shillings)	Current Quarter 30-SEP-2019	Comparative Quarter 30-SEP-2018	Current Year Cumulative 30-SEP-2019	Comparative Year Cumulative 30-SEP-2018
1. Interest income	709	781	2,215	2,456
2. Interest expense	172	135	449	448
3. Net interest income (1 minus 2)	537	646	1,766	2,008
4. Bad debts written-off	-	-	-	-
5. Impairment losses on loans and advances	62	-	(53)	8
6. Non-interest income:	169	64	311	162
6.1 Foreign currency dealings and translation gains/(loss)	12	-	21	4
6.2 Fees and commissions	157	62	289	156
6.3 Dividend income	-	-	-	-
6.4 Other operating income	-	2	1	2
7. Non-interest expenses	2,161	2,069	6,157	6,181
7.1 Salaries and benefits	922	886	2,629	2,695
7.2 Fees and commission	-	-	-	-
7.3 Other operating expenses	1,239	1,183	3,528	3,486
8. Operating income/(loss)	(1,517)	(1,359)	(4,027)	(4,019)
9. Income tax provision	-	-	-	-
10. Net income/(loss) after income tax	(1,517)	(1,359)	(4,027)	(4,019)
11. Other Comprehensive Income	-	-	-	-
12. Total comprehensive Income/(loss) for the year	(1,517)	(1,359)	(4,027)	(4,019)
13. Number of employees	56	63	56	63
14. Basic Earnings Per Share	(25)	(22)	(65)	(65)
15. Number of branches	2	2	2	2
SELECTED PERFORMANCE INDICATORS				
(i) Return on Average Total Assets	(5%)	(4%)	(14%)	(11%)
(ii) Return on Average Shareholders' Funds	(9%)	(6%)	(21%)	(16%)
(iii) Non- Interest Expense to Gross Income	306%	291%	296%	285%
(iv) Net Interest Income to Average Earning Assets	3%	3%	9%	9%

CONDENSED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 30 SEPTEMBER 2019 (Amounts in million shillings)	Current Quarter 30-SEP-2019	Previous Quarter 30-JUN-2019	Current Year Cumulative 30-SEP-2019	Comparative Year Cumulative 30-SEP-2018
I. Cash flow from operating activities:				
Net (loss)profit before tax	(1,517)	(1,416)	(4,027)	(4,019)
Adjustment for:			-	
- Impairment/amortisation/depreciation	212	622	1,346	1,496
- Net change in loans and advances	(67)	(40)	(199)	8,010
- Net change in deposits	3,392	888	3,711	(988)
- Net change in short term negotiable securities	-	-	-	-
- Net change in other liabilities	64	(138)	121	2,926
- Net change in other assets	(105)	(352)	(609)	(3,589)
- Tax paid	-	-	-	-
- Others	-	-	-	-
Net cash provided (used) by operating activities	1,979	(436)	343	3,836
II. Cash flow from investing activities:			-	
- Dividend received	-	-	-	-
- Purchase of fixed assets	(36)	(5)	(41)	(471)
- Proceeds from sale of fixed assets	-	-	-	-
- Purchase of non-dealing securities	-	(179)	946	(3,119)
- Proceeds from sale of non-dealing securities	-	-	-	-
- Others	-	-	-	-
Net cash provided (used) by investing activities	(36)	(184)	905	(3,590)
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	1,943	(620)	1,248	246
- Cash and cash equivalents at the beginning of the year	965	1,585	1,557	644
- Cash and cash equivalents at the end of the quarter	2,908	965	2,805	890

CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 30 SEPTEMBER 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	-	(4,027)	-	-	-	(4,027)
Other Comprehensive Income	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-
Bond Revaluation Reserve	-	139	-	(179)	-	40
Provision General Reserve	-	179	-	-	(179)	-
Others	-	-	-	-	-	-
Balance as at the end of the current period	30,912	(13,685)	-	-	-	17,227
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)	-	-	79	-
Balance as at the end of the previous period	30,912	(9,976)	-	179	179	21,294

FOR THE QUARTER ENDED 30 SEPTEMBER 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><u>Name and Title</u></i>	<i><u>Signature</u></i>	<i><u>Date</u></i>
Richard L. Makungwa (Chief Executive Officer)	..... (signed)	28 October 2019
Selemani Kijori (Head of Finance)	..... (signed)	28 October 2019
Poniwoa Andrew (Ag. Head of Internal Audit)	..... (signed)	28 October 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><u>Name</u></i>	<i><u>Signature</u></i>	<i><u>Date</u></i>
1/ Herman Kessy	..... (signed)	28 October 2019
2/ Ambrose Nshala	..... (signed)	28 October 2019