

MAENDELEO BANK PLC**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2014****Report of condition of bank published pursuant to provision of section 32(3) of the Banking and Financial Institutions Act, 2006****STATEMENTS OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2014**

	2014	2013
A: ASSETS	TZS '000'	TZS'000'
1. Cash and Balances with Bank of Tanzania	2,537,166	620,632
2. Balance with other banks	8,458,378	4,142,241
3. Loans, Advances and Overdrafts (Net of Probable Losses)	7,650,887	1,339,838
4. Inventories	15,236	18,989
5. Leasehold Improvements	285,234	288,905
6. Deffered Tax	13,570	-
7. Fixed Assets (less depreciation)	344,593	404,425

8.Intangible assets	167,541	148,617
9.Other Assets	238,785	106,428
TOTAL ASSETS	19,711,390	7,070,075
B. LIABILITIES		-
10.Customers Deposits	15,824,321	3,019,217
11.Deposits from other Banks		-
12.Other Liabilities	172,002	28,587
13.Deferred Income Tax	0	25,970
TOTAL LIABILITIES	15,996,323	3,073,774
C. EQUITY		
14.Paid Up Share Capital	4,514,528	4,514,528
15.Statutory non distributable reserve	15,348	1,843

16. Retained Earnings/(Loss)	(814,809)	(520,070)
Total Equity	3,715,067	3,996,301
TOTAL LIABILITIES AND EQUITY	19,711,390	7,070,075
SELECTED FINANCIAL CONDITION INDICATORS.		
(i) Total Capital to Total Assets	23%	57%
(ii) Non performing Loans & advances to Total Loans	1%	0%
(iii) Loans & Advances to Total Assets	39%	19%
(iv) Earning Assets to total Assets	82%	78%
(v) Gross Loans and Advances to Total Deposits	49%	44%

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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST, DECEMBER 2014.

	2014	2013
	TZS '000'	TZS '000'
1. Interest Income	1,508,385	519,864
2. Interest Expense	(257,212)	(4,495)
3. Net Interest Income	1,251,173	# 515,369
4. Loan impairment charges and Advances	(94,778)	-
Net Interest Income after loan impairment	1,156,395	515,369
5. Fees and Commission income	390,714	55,816
6. Fees and Commission expense	(12,209)	(1,823)
7. Foreign exchange income	12,918	812

Total non interest income	391,423		54,805
Operating expenses			
8. General and Administrative expenses	(1,107,448)		(854,556)
9. Staff costs	(761,144)		(207,876)
Total operating expenses	(1,868,592)		(1,062,432)
Loss before tax	(320,774)	#	(492,258)
10. Income tax expense	39,540		(25,970)
Loss for the year	(281,234)		(518,228)
11. Other Comprehensive income	-		-
Comprehensive loss for the year	(281,234)		(518,228)
12. Number of Employees	23		17

PERFORMANCE INDICATORS			
(i)Return on average total Assets	-1%		-7%
(ii)Return on Ordinary share holders fund	-6%		-11%
(iii)Interest Margin to Average earning Assets	12%		2%
(iv)Non Interest expense to Gross Income	1.21%		1.85%
(V) Basic Earning per share	-31%		-57%
(vi) Diluted earning per share	-31%		-57%
(vii) Number of branches	1	1	

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER , 2014

	2014 12 months TZS '000'	2013 4 months TZS'000'
I: Cash flow from operating activities		
Net income (Loss)	(320,774)	(492,258)
Adjustment for non cash items		
Depreciation of Property and Equipments	116,133	35,136
Amortization of Intangibles	58,910	18,396
Ammortization of Lease hold Improvements	31,622	36,113
Cash flows from Operating Activities before working capital changes	(114,109)	(402,613)
Changes in working capital items		
Increase in Loans and Advances	(6,311,049)	(1,339,838)
Increase in Inventories	3,753	(18,988)
Increase in placements with other banks	(6,315,094)	(300,000)
Increase in Other Assets	(132,357)	(106,428)
Increase in Customer Deposits	12,805,104	3,019,216

Statutory Minimum Reserve	(1,228,500)	(50,000)
Increase in Other Liabilities	143,416	28,587
Net Cash provided (used) by operating activities	(1,148,836)	829,936
II: Cash flow from Investing Activities		
Acquisition of property and equipment	(56,301)	(439,561)
Acquisition of Intangible Assets	(77,834)	(167,013)
Lease hold improvements cost incurred	(27,951)	(325,018)
Net cash provided(used) by investing activities	(162,086)	(931,592)
III:Cash flow from Financing Activities		
Paid up share capital	-	4,514,528
Net Cash generated from financing Activities	-	4,514,528
IV: Cash and Cash equivalents		
Net increase/(decrease) in cash and cash equivalents	(1,310,922)	4,412,872
Cash and cash equivalents at the beginning of period	4,412,872	-
Cash and cash equivalents at the end of the quarter	3,101,950	4,412,872

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The above extracts are from the financial statements of the Bank for the year ended 31st December, 2014 which have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements were audited by INNOVEX Auditors; Certified Public Accountants and received a clean/un qualified audit report.

The financial statements were approved by the Board of Directors and signed on their behalf by:

NAME

DATE

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MR. AMULIKE S. K. NGELIAMA (Chairman)

27th March, 2015

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