

MKOMBOZI COMMERCIAL BANK PLC

AUDITED FINANCIAL STATEMENTS

Report of the condition of the bank published pursuant to Section 32(3) of the Banking and Financial Institutions Act, 2006

BALANCE SHEET AS AT 31st DECEMBER 2015
(Amounts in million of Tanzanian shillings)

	31st December 2015	TZS 'Mill'	31st December 2014	TZS'Mil'
A ASSETS				
1. Cash		4,257		2,592
2. Balances with Bank of Tanzania		9,154		9,060
3. Investment in Debt Securities		12,364		15,563
4. Balances with other Banks and Financial institutions		3,003		3,336
5. Cheques and Items for clearing		195		62
6. Interbranch float Items		-		-
7. Bills negotiated		-		-
8. Customer liability on acceptances		-		-
9. Interbank Loan Receivable		14,483		22,652
10. Investments in Other Security		20		20
11. Loans, Advances and Overdrafts (Net of Allowances for Probable Losses)		63,308		40,615
12. Other Assets		1,818		1,332
13. Interbranch Suspense (net)		-		-
14. Underwriting account		-		-
15. Property, Plant and Equipment		2,714		1,394
16. TOTAL ASSETS		111,315		96,626
B LIABILITIES				
17. Deposits from other banks and financial Institutions		1,549		2,167
18. Customers Deposits		85,733		69,914
19. Cash Letters of Credits		-		-
20. Special Deposits		-		-
21. Payments Order/Transfer payable		-		-
22. Bankers Cheques and Drafts Issued		-		-
23. Accrued Taxes and Expenses Payable		313		756
24. Acceptances outstanding		-		-
25. Interbranch Suspense (net)		-		-
26. Unearned Income and other deferred charges		-		-
27. Other Liabilities		1,999		850
28. Borrowings		-		2,167
29. TOTAL LIABILITIES		89,594		75,854
30. NET ASSETS/(LIABILITIES) 16 minus 29		21,721		20,772
C				
31. Paid-up Share Capital		20,615		20,615
32. Capital reserves		1,350		502
33. Retained Earnings		(811)		(346)
34. Profit/(Loss) Account		-		-
35. Others		566		-
36. Minority Interest		-		-
37. TOTAL SHAREHOLDERS' FUNDS		21,721		20,772
38. Contingent Liabilities		816		897
39. Non performing loans and advances		5,294		2,100
40. Allowance for probable losses		3,114		1,529
41. Other non performing assets		-		-
D PERFORMANCE INDICATORS				
(i) Shareholders Funds to total assets		19.5%		21.0%
(ii) Non performing loans to total gross loans		8.4%		5.0%
(iii) Gross loans and Advances to total deposits		77.5%		58.0%
(iv) Loans & Advances to Total Assets.		59.7%		44.0%
(v) Earning Assets to Total Assets		81.0%		82.0%
(vi) Deposits Growth		22.6%		45.0%
(vii) Assets growth		15.2%		51.0%

**INCOME STATEMENT
FOR THE YEAR ENDED
31 December 2015**

	Current Year 31-Dec-15	TZS'Mil'	Comperative Previous Year 31-Des-14	TZS'Mil'
1. Interest Income		15,592		12,742
2. Interest Expenses		(4,034)		(3,338)
3. Net Interest Income (1 minus 2)		11,558		9,404
4. Bad debts Written off		0		0
5. Impareirment Losses on loan and advances		(2,984)		(1,107)
6. Non-Interest Income :		1,466		1,548
6.1 Foreign Currency Dealing and Transaction		225		1,328
6.2 Fees and Commissions		1,212		192
6.3 Others Operating Income		29		28
7. Non-Interest Expense		(8,625)		(7,336)
7.1 Salaries and Benefits		(3,965)		(3,434)
7.2 Fees and Commission		0		0
7.3 Other Operating Expenses		(4,659)		(3,902)
8. Operating Income/(Loss) before Tax and extraordinary items		1,415		2,509
9. Income Tax Provision		(461)		(858)
10 Net Income/(Loss) After Income Tax		953		1,650
11. Number of Employees		128		87
12. Basic Earnings per Share		46.25		80.01
13. Diluted Earnings per Share		46.25		80.01
14. Number of Branches		6		4
PERFORMANCE INDICATORS				
i. Return on average total assets		3.7%		3.1%
ii. Return on ordinary shareholders' funds		17.6%		12.2%
iii. Non interest expense to gross income		50.6%		51.3%
iv. Interest margin to average earning assets.		17.0%		16.0%

**CASH FLOWS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015
(Amounts in million of Tanzanian shillings)**

	Current Year Dec 2015	31 TZS'Mil'	Previous Year Dec 2014	31 TZS'Mil'
1 Cash flow from operating activities				
Net income (Loss) before tax		1,415		2,509
Adjustment for non-cash items:				
Provisions / Amortisation		3,627		1,701
Gain / Loss on sale of Fixed Assets		-		-
Net change in Loans & Advances		(22,694)		(11,725)
Net change in deposits		13,034		23,283
Net change in other liabilities		636		(481)
Net change in other assets		(219)		1,144
Tax paid		(1,051)		(1,600)
Others		(1,065)		(938)
Net cash provided (used) by operating activities		(6,316)		13,893
11 Cash flow from investing activities:				
Dividend paid		-		-
Purchase of Fixed Assets		(1,982)		(276)
Proceeds from sale of Fixed Assets		-		-
Purchase of non-dealing securities		(4,699)		(3,823)
Proceeds from sale of non-dealing securities		-		-
Others		-		-
Net cash provided(used) by investing activities		(6,681)		(4,099)
111 Cash flow from financing activities				
Repayment of long-term debt		-		-
Proceeds from issuance of long term debt		-		-
Refund of advance share capital		(4)		7,839
Payment of cash dividends		-		-
Net change in other borrowings		-		-
Others(specify)		-		1,762
Net cash provided(used) by financing activities		(4)		9,601
1V Cash and cash equivalents:				
Net increase (decrease) in cash and cash equivalent		(13,001)		19,395
Cash and cash equivalents at the beginning of the quarter		35,919		16,524
Cash and cash equivalents at the end of the quarter		22,918		35,919

The above extracts are from the Financial Statements of the bank for the year ended 31st December 2015, which have been prepared in accordance with International Financial Reporting Standards (IFRS). The Financial Statements were audited by PricewaterhouseCoopers(PWC) Certified Public Accountants and received Unqualified audit report.

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

Prof. Marcellina Mvula Chijoriga

Actg:Chairman _____ 30th March 2015

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Director _____ 30th March 2015