

MWALIMU COMMERCIAL BANK PLC
PUBLICATION OF FINANCIAL STATEMENTS
 Issued pursuant to regulation 7 and 8 of the Banking and Financial Institutions (Disc
 2014

EXTRACTS FROM THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021
 (Amounts in million shillings)

	Current Year 31-Dec-2021	31-Dec-
A. ASSETS:		
1. Cash		
2. Balances with Bank of Tanzania	237	616
3. Investments in government securities	7,805	4,727
4. Balances with other banks and financial institutions	-	-
5. Cheques and items for clearing	34	90
6. Inter branch float items	30	-
7. Bills negotiated	-	-
8. Customers' liabilities for acceptances	-	-
9. Interbank loans receivables	-	-
10. Investment in other securities	1,002	8,300
11. Loans, advances and overdrafts (Net of allowance for probable losses)	-	-
12. Other assets	44,676	19,097
13. Equity investments	3,576	5,015
14. Underwriting accounts	-	-
15. Property, plant and equipment (net)	-	-
16. TOTAL ASSETS	829	918
B. LIABILITIES:	58,189	38,763
17. Deposits from other banks and financial institutions	-	-
18. Customer deposits	-	-
19. Cash letters of credit	38,720	18,525
20. Special deposits	-	-
21. Payment orders/transfers payable	-	-
22. Bankers' cheques and drafts issued	-	-
23. Accrued taxes and expenses payable	-	-
24. Acceptances outstanding	541	941
25. Interbranch float items	-	-
26. Unearned income and other deferred charges	1,700	-
27. Other liabilities	-	-
28. Borrowings	1,210	1,892
29. TOTAL LIABILITIES	-	-
30. NET ASSETS/(LIABILITIES) (16 minus 29)	42,171	21,358
C. SHAREHOLDERS' FUNDS:	16,018	17,405
31. Paid up share capital	-	-
32. Capital reserves	30,912	30,912
33. Retained Earnings	-	-
34. Profit (Loss) account	(18,508)	(14,445)
35. Others capital accounts (Advance towards share capital)	(1,387)	(4,062)
36. Minority interest	5,000	5,000
37. TOTAL SHAREHOLDERS' FUNDS	-	-
38. CONTINGENT LIABILITIES	16,017	17,405
39. Non performing loans & advances	-	-
40. Allowances for probable losses	523	389
41. Other non performing assets	382	330
D. SELECTED FINANCIAL CONDITION INDICATORS		
- Shareholders' Funds to Total Assets		
- Non Performing Loans to Total Gross Loans	36.12%	44.90%
- Gross Loans and Advances to Total Deposits	0.85%	1.69%
- Loans and Advances to Total Assets	115.38%	103.09%
- Earning Assets to Total Assets	77.43%	50.12%
- Deposits Growth	78.50%	70.68%
- Assets Growth	109.01%	67.30%
	50.11%	29.40%

4

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021 (Amounts in million shillings)		
	Current Year Cumulative 31-Dec-2021	Previous Year Cumulative 31-Dec-2020
1. Interest income		
2. Interest expense	5,674	2,770
3. Net interest income (1 minus 2)	1,783	694
4. Bad debts written-off	3,891	2,076
5. Impairment losses on loans and advances	-	-
6. Non- interest income:	51	36
6.1 Foreign currency dealings and translation gains/(loss)	1,359	382
6.2 Fees and commissions	1	7
6.3 Dividend income	1,301	370
6.4 Other operating income	-	-
7. Non interest expenses	57	5
7.1 Salaries and benefits	6,561	6,472
7.2 Fees and commission	2,874	2,801
7.3 Other operating expenses	-	-
8. Operating income/(loss)	3,687	3,671
9. Income tax provision	(1,362)	(4,050)
10. Net income/(loss) after income tax	25	12
11. Other Comprehensive Income	(1,387)	(4,062)
12. Total comprehensive Income/(loss) for the year	(1,387)	(4,062)
13. Number of employees	55	54
14. Basic Earnings Per Share	-22	-66
15. Number of branches	2	2
SELECTED PERFORMANCE INDICATORS		
(i) Return on Average Total Assets		
(ii) Return on Average Shareholders' Funds	-2.38%	-10.52%
(iii) Non Interest Expense to Gross Income	-8.66%	-23.34%
(iv) Net Interest Income to Average Earning Assets	127.60%	301.36%
	7.94%	6.06%

8

CONDENSED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2021 (Amounts in million shillings)		Current Year Cumulative 31-Dec-2021	Previous Year Cumulative 31-Dec-2020
I. Cash flow from operating activities:			
Net (loss)profit before tax			
Adjustment for:		(1,362)	(4,050)
- Impairment/amortisation/depreciation		-	-
- Net change in loans and advances		1,329	1,378
- Net change in deposits		(18,276)	(10,334)
- Net change in short term negotiable securities		19,686	7,579
- Net change in other liabilities		-	-
- Net change in other assets		357	210
- Tax paid		156	350
- Others		(35)	-
Net cash provided (used) by operating activities		(333)	(281)
II. Cash flow from investing activities:			
- Dividend received			
- Purchase of fixed assets		-	-
- Proceeds from sale of fixed assets		(218)	(52)
- Purchase of non-dealing securities		-	-
- Proceeds from sale of non-dealing securities		-	-
- Others		-	-
Net cash provided (used) by investing activities		(218)	(52)
III. Cash flow 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 (Advance towards share capital)		-	-
Net cash provided (used) by financing activities		262	5,410
IV. Cash and cash equivalents:			
- Net increase/(decrease) in cash and cash equivalents		262	5,410
- Cash and cash equivalents at the beginning of the year		1,566	210
- Cash and cash equivalents at the end of the year		4,485	4,275
		6,051	4,485

9



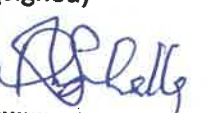
CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2021 (Amounts in million shillings)

Current Year	Share Capital	Retained Earnings	Advance towards share capital	Total
Balance as at the beginning of the year				
Profit for the year	30,912	(18,508)	5,000	17,404
Balance as at the end of the current period	-	(1,387)	-	(1,387)
Previous Year	30,912	19,895	5,000	16,017
Balance as at the beginning of the year				
Profit for the year	30,912	(14,445)	-	16,467
Advance towards share capital	-	(4,062)	-	(4,062)
Balance as at the end of the previous period	30,912	-	5,000	5,000
		18,507	5,000	17,405

8

**SELECTED EXPLANATORY NOTES
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

<u>Name and Title</u>	<u>Signature</u>	<u>Date</u>
Richard L. Makungwa (Chief Executive Officer)	 (signed)	13 April 2022
Selemani Kijori (Head of Finance)	 (signed)	13 April 2022
Patrick Mashalla (Head of Internal Audit)	 (signed)	13 April 2022

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.

<u>Name</u>	<u>Signature</u>	<u>Date</u>
1/ Francis Ramadhani (Chairman)	 (signed)	13 April 2022
2/ Enna V. Mwakipesile (Director)	 (signed)	13 April 2022