

REPORT OF CONDITION OF THE BANK PURSUANT TO SECTION 32(3) OF THE BANKING AND FINANCIAL INSTITUTIONS ACT, 2006

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016 (All figures in Million Shillings)

1. ASSETS:	
- Cash	198
- Balances with Bank of Tanzania	10
- Investment in government securities	10,483
- Balances with other banks and financial institutions	264
- Cheques and items for clearing	-
- Inter branch float items	-
- Bills negotiated	-
- Customers' liabilities for acceptances	-
- Interbank loans receivable	10,900
- Investment in other securities	-
- Loans, advances and overdrafts (Net of allowance for probable losses)	648
- Other assets	8,709
- Equity investments	-
- Underwriting accounts	-
- Property, plant and equipment (net)	2,791
TOTAL ASSETS	34,003
2. LIABILITIES:	
- Deposits from other banks and financial institutions	-
- Customer deposits	105
- Cash letters of credit	-
- Special deposits	-
- Payment orders/transfers payable	-
- Bankers' cheques and drafts issued	-
- Accrued taxes and expenses payable	407
- Acceptances outstanding	-
- Inter branch float items	-
- Unearned income and other deferred charges	779
- Other liabilities	32
- Borrowings	-
TOTAL LIABILITIES	1,323
NET ASSETS/(LIABILITIES)	32,680
3. SHAREHOLDERS' FUNDS:	
- Paid up share capital	30,912
- Capital reserves	6
- Retained Earnings	1,215
- Profit/(Loss) account	547
- Others capital accounts	-
- Minority interest	-
TOTAL SHAREHOLDERS' FUNDS	32,680
4. CONTINGENT LIABILITIES	
- Non performing loans & advances	-
- Allowances for probable losses	-
- Other non performing assets	-
5. SELECTED FINANCIAL CONDITION INDICATORS	
- Shareholders' Funds to Total Assets	96%
- Non Performing Loans to Total Gross Loans	0%
- Gross Loans and Advances to Total Deposits	616%
- Loans and Advances to Total Assets	2%
- Earning Assets to Total Assets	65%
- Deposits Growth	0%
- Assets Growth	0%

STATEMENT OF CASH FLOWS FOR THE QUARTER ENDING 30 SEPTEMBER 2016 (All figures in Million Shillings)

1. Cash flow from operating activities:	
1.1. Net (loss)/profit before tax	547
1.2. Adjustment for non-cash items:	
- provisions/amortisation/depreciation	333
- net change in loans and advances	(648)
- gain/loss on sale of assets	-
- net change in deposits	105
- net change in short term negotiable securities	(10,483)
- net change in other liabilities	32
- net change in other assets	(8,709)
- tax paid	-
- others	-
Net cash provided (used) by operating activities	(18,823)
2. Cash flow from investing activities:	
- Dividend received	-
- Purchase of fixed assets	(7,250)
- Proceeds from sale of fixed assets	-
- Purchase of non-dealing securities	-
- Proceeds from sale of non-dealing securities	-
- Others	-
Net cash provided (used) by investing activities	(7,250)
3. 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	-
4. Cash and cash equivalents:	
- Net decrease in cash and cash equivalents	(26,073)
- Cash and cash equivalents at the beginning of the year	-
- Cash and cash equivalents at the end of the quarter	(26,073)

Signed by: Ronald Manongi Chief Executive Officer Date: 27 Oct, 2016

Signed by: Selemani Kijori Head of Finance Date: 27 Oct, 2016

Signed by: Hemed Maulu Head of Internal Audit Date: 27 Oct, 2016

We the undersigned, non-executive members of the board of directors, attest to the correctness of the above financial statements. We declare that the financial statements have been examined by us, and to the best of our knowledge and belief have been prepared in conformance with instructions and are true and correct.

Signed by: Herman Kessy Chairperson Date: 27 Oct, 2016

Signed by: Saidi Kambi Non-executive Director Date: 27 Oct, 2016

MINIMUM DISCLOSURE OF CHARGES AND FEES MADE UNDER REGULATION 11

S/N.	ITEM/TRANSACTION	CHARGE/FEE
1	Current Accounts	
(a)	Required minimum opening balance	TZS 50,000
(b)	Monthly service fee (breakdown per customer)	TZS 6,000
(c)	Cheque withdrawal over the counter	TZS 2,500 for amounts less than 25Mtl otherwise 0.1% max TZS 50,000
(d)	Fees per ATM withdrawal	TZS 1,300
(e)	ATM mini statement	TZS 300
(f)	Interim statement per page	TZS 2,200
(g)	Periodic scheduled statement	0
(h)	Cheque book	TZS 450 per leaf
(i)	Dishonoured cheque	TZS 50,000
(j)	Special clearance	n/a
(k)	Counter cheque	TZS 6,000
(l)	Stop payment	TZS 30,000
(m)	Standing order	Free
(n)	Balance enquiry	TZS 300
(o)	New ATM card issuance	TZS 5,000
(p)	ATM card renewal or replacement (indicate costs for different card types)	TZS 10,000
(q)	Overdrawn account interest charge	20%
(r)	Unarranged overdraft	20%
(s)	Interbank transfer	TZS 10,000
(t)	Bill payments through ATM	n/a
(u)	Deposit fee	0
(v)	Other (please specify)	n/a
2	Savings Accounts (Disclose for product specific)	
(a)	Required minimum opening balance	TZS 10,000
(b)	Monthly service fee	TZS 1,000
(c)	Interim statement	TZS 2,200
(d)	Account closure	TZS 20,000
3	Electronic Banking	
(a)	Internet banking monthly fee	n/a
(b)	Internet transfers	n/a
(c)	SMS banking	n/a
(d)	Other	n/a
4	Foreign Exchange Transaction	
(a)	Purchase/sale of TCs transactions over the	n/a
(b)	Purchase of foreign cheque	n/a
(c)	Sale/purchase of cash passport	n/a
(d)	Telegraphic transfer	0.25% Min US\$40, Max US\$150
(e)	Telex/SWIFT	As per receiving bank
(f)	Transfer from foreign currency denominated account to local current account (within bank and to other bank)	0
5	Personal Loans	
(a)	Processing/Arrangement/Appraisal fee	2%
(i)	Personal loans	n/a
(ii)	Overdrafts	n/a
(iii)	Mortgage finance	n/a
(iv)	Asset finance	n/a
(b)	Unpaid loan instalment	n/a
(c)	Early repayment	n/a
(d)	Valuation fees	n/a
(e)	Other	n/a

Deposit Rates

Fixed Deposit - TZS	3 Months	6 Months	12 Months
1 - 2 Mln	2.0%	3.5%	6.5%
2 - 10Mln	3.0%	6.5%	9.5%
10 - 50 Mln	3.5%	7.0%	10.0%
50 - 100 Mln	4.0%	7.5%	10.5%
100 - 300 Mln	4.5%	8.0%	11.0%
300 - 500 Mln	5.0%	8.5%	11.5%
500m - 1Bln	5.5%	9.0%	12.0%
Above 1 Bln			

Contact Treasury

Savings Account - TZS	Accrue on Daily Cleared balance paid Monthly
0- 50k	0.5%
50k - 1mln	2.0%
1 - 10mln	2.5%
10 - 100mln	3.0%
Over 1mln	3.5%

Base Lending Rates

Loan Type	Base rate	Spread
1 Short term (up to 1year)	19.5%	+/- 4.5%
2 Medium term (2-4 years)	21.5%	+/- 1.5%
3 Long term (above 5 years)	19.0%	+/- 4.0%

We, the undersigned have examined the above information and hereby declare that the information is true and correct to the best of our knowledge and information.

Name	Designation	Signature	Date
1 Ronald Manongi	Chief Executive Officer		27 Oct, 2016
2 Valence Luteganya	Head of Business Development & Marketing		27 Oct, 2016
3 Selemani Kijori	Head of Finance		27 Oct, 2016

STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDING 30 SEPTEMBER 2016 (All figures in Million Shillings)

	Current Quarter	Current Year Cumulative
1. Interest income	3,228	3,228
2. Interest expense	-	-
3. Net interest income	3,228	3,228
4. Bad debts written-off	-	-
5. Impairment losses on loans and advances	-	-
6. Non-interest income:	1	1
- Foreign currency dealings and translation gains/(losses)	-	-
- Fees and commissions	1	1
- Dividend income	-	-
- Other operating income	-	-
7. Non interest expenses	(2,682)	(2,682)
- Salaries and benefits	(1,167)	(1,167)
- Fees and commission	(56)	(56)
- Other operating expense	(1,459)	(1,459)
8. Operating income/(loss)	547	547
9. Income tax provision	-	-
10. Net profit/(loss) after income tax	547	547
11. Number of employees	44	44
12. Basic Earnings Per Share	9	9
13. Diluted Earnings Per Share	9	9
14. Number of branches	1	1
15. SELECTED PERFORMANCE INDICATORS		
- Return on Average Total Assets	2%	2%
- Return on Ordinary Shareholders' Funds	2%	2%
- Non Interest Expense to Gross Income	83%	83%
- Interest Margin to Average Earning Assets	15%	15%