

Ref: No. MKCB/HQ/FIN/2018/629

02nd, May, 2018

CHIEF EXECUTIVE OFFICER,
DAR ES SALAAM STOCK EXCHANGE,
P.O.BOX 70081,
DAR ES SALAAM.

Sir/ Madam,

RE: SUBMISION QUARTERLY FINANCIAL STATEMENT FOR MARCH 2018

Reference is made to above captioned heading.

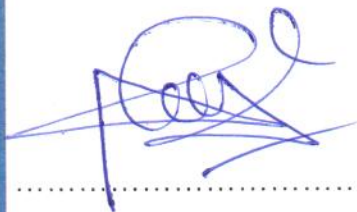
Please find herewith the copy of our quarterly financial statements for the quarter ended March 2018.

Please acknowledge receipt by signing copy of this letter.

Thanking you for the continued cooperation

Yours Sincerely

For and on behalf of Mkombozi Commercial Bank Plc,



DENNIS F. KEJO
DIRECTOR OF FINANCE AND ADMINISTRATION

Board of Directors

Mr. Method Anatoli Kashonda (Chairman), Prof. Marcellina Mvula Chijoriga (Deputy), Mr. George R. Shumbusho (MD), Most Rev Beatus Kinyaiya (Director), Rev Fr. Raymond Saba (Director), Mr. Marcellino Kayombo (Director), Mr. Ayouv Mtafya (Director).



Issued pursuant to regulations 7 and 8 of the Banking and Financial Institutions (Disclosures) Regulations, 2014

PUBLICATION OF FINANCIAL STATEMENTS

MKOMBOZI COMMERCIAL BANK PLC

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2018

(Amounts in million shillings)

		Current Quarter 31ST MAR 2018	Previous Quarter 31ST DEC 2017
A. ASSETS			
1	Cash	4,181	4,950
2	Balances with Bank of Tanzania	18,275	8,465
3	Investments in Government securities	21,898	15,459
4	Balances with other banks and financial institutions	4,939	8,623
5	Cheques and items for clearing	(30)	(55)
6	Inter branch float items	-	-
7	Bills negotiated	-	-
8	Customers' liabilities for acceptances	-	-
9	Interbank Loans Receivables	22,134	24,357
10	Investments in other securities		
11	Loans, advances and overdrafts (net of allowances for probable losses)	80,235	81,583
12	Other assets	7,927	5,302
13	Equity investments	39	39
14	Underwriting accounts		
15	Property, Plant and Equipment	2,357	2,518
16	TOTAL ASSETS	161,956	151,239
B. LIABILITIES			
17	Deposits from other banks and financial institutions	-	-
18	Customer deposits	128,244	118,054
19	Cash letters of credit	-	-
20	Special deposits	-	-
21	Payment orders/transfers payable	-	-
22	Bankers' cheques and drafts issued	10	10
23	Accrued taxes and expenses payable	5,553	5,927
24	Acceptances outstanding	-	-
25	Interbranch float items	-	-
26	Unearned income and other deferred charges	9	9
27	Other liabilities	1,173	704
28	Borrowings	2,909	3,314
29	TOTAL LIABILITIES	137,899	128,017
30	NET ASSETS/(LIABILITIES)(16 minus 29)	24,058	23,222
C. SHAREHOLDERS' FUNDS			
31	Paid up share capital	20,615	20,615
32	Capital reserves	732	1,645
33	Retained earnings	2,450	93
34	Profit (Loss) account	260	869
35	Other capital accounts	-	-
36	Minority Interest	-	-
37	TOTAL SHAREHOLDERS' FUNDS	24,058	23,222
38	Contingent liabilities	1,016	967
39	Non performing loans & advances	5,632	6,083
40	Allowances for probable losses	3,451	4,771
41	Other non performing assets	-	617
D. SELECTED FINANCIAL CONDITION INDICATORS			
(i)	Shareholders Funds to total assets	14.9%	15.4%
(ii)	Non performing loans to total gross loans	7.00%	7.00%
(iii)	Gross loans and advances to total deposits	65.3%	73.1%
(iv)	Loans and Advances to total assets	49.5%	57.1%
(v)	Earning Assets to Total Assets	76.7%	83.4%
(vi)	Deposits Growth	9%	0%
(vii)	Assets growth	7.1%	1.3%

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31ST MARCH 2018

Amounts in million of shillings

	Current Quarter 31-March-18	Comparative Quarter 31-March-17	Current Year Cumulative 31-March-18	Comparative Cumulative 31-March-17
1 Interest Income	5,091	3,969	5,091	3,969
2 Interest Expense	(1,847)	(1,573)	(1,847)	(1,573)
3 Net Interest Income (1 minus 2)	3,244	2,396	3,244	2,396
4 Bad Debts Written-Off	-	-	-	-
5 Impairment Losses on Loans and Advances	(33)	594	(33)	594
6 Non Interest Income:	701	426	701	426
6.1 Foreign Currency Dealings and Translation Gains/(Loss)	165	99	165	99
6.2 Fees and Commissions	415	282	415	282
6.3 Dividend Income	-	-	-	-
6.4 Other Operating Income	120	46	120	46
7 Non Interest Expenses:	(3,440)	(2,810)	(3,440)	(2,810)
7.1 Salaries and Benefits	(1,758)	(1,424)	(1,758)	(1,424)
7.2 Fees and Commission	-	-	-	-
7.3 Other Operating Expenses	(1,681)	(1,385)	(1,681)	(1,385)
8 Operating Income/(Loss)	472	607	472	607
9 Income Tax Provision	(212)	-	(212)	-
10 Net Income/ (Loss) After Income Tax	260	607	260	607
11 Other Comprehensive Income (itemize)	-	-	-	-
12 Total comprehensive income/(loss) for the year	260	607	260	607
13 Number of Employees	132	135	132	135
14 Basic Earnings Per Share	0.06	2.94	0.06	2.94
15 Number of Branches	6	3	6	2.94
SELECTED PERFORMANCE INDICATORS			-	
(i) Return on Average Total Assets	0.6%	0.1%	0.6%	0.1%
(ii) Return on Average Shareholders' Fund	1.1%	2.8%	1.1%	2.8%
(iii) Non Interest Expense to Gross Income	59%	69%	59%	69%
(iv) Net Interest Income to Average Earning Assets	10.6%	9.0%	10.6%	9.0%

**CONDENSED STATEMENT OF CASH FLOW STATEMENT
FOR THE QUARTER/ YEAR ENDED 31ST MARCH 2018
(Amounts in million shillings)**

	Current Quarter 31st-Mar-18	Previous Quarter 31st-Dec-17	Current Year Cumulative 31st-Mar-18	Comparative Year (Previous Year) 31st-Mar-17	
I:	Cash flow from operating activities:				
	Net income(loss)	472	(205)	472	607
	Adjustments for:				
	- Impairment/Amortization	319	1,840	319	403
	- Net change in Loans and Advances	1,347	(907)	1,347	1,284
	- Gain/loss on Sale of Assets	-	-	-	-
	- Net change in Deposits	10,190	(280)	10,190	4,924
	Securities				
	- Net change in Other Liabilities	96	(543)	96	1,275
	- Net change in Other Assets	(2,625)	923	(2,625)	(982)
	- Tax Paid	(212)	(16)	(212)	136
	- Others SMR	-	(191)	-	(740)
	Net cash provided (used) by operating activities	9,588	622	9,588	6,906
II:	Cash flow from investing activities:				
	Dividend Received	-	-	-	-
	Purchase of Fixed Assets	(313)	564	(313)	-
	Proceeds from Sale of Fixed Assets	-	-	-	-
	Purchase of Non- Dealing Securities	(6,439)	-	(6,782)	(124)
	Securities				
	Others (specify)	-	-	-	-
	Net cash provided (used) by investing activities	(6,752)	564	(7,095)	(124)
III:	Cash flow from financing activities:				
	Repayment of Long-term Debt				
	Debt				
	Proceeds from Issuance of Share Capital				
	Payment of Cash Dividends				
	Net Change in Other Borrowings	(404)	3,314	(404)	(431)
	Others (specify)				
	Net Cash Provided (used) by Financing Activities	(404)	3,314	(404)	(431)
IV:	Cash and Cash Equivalents:				
	Net Increase/ (Decrease) in Cash and Cash Equivalents	2,432	4,500	2,088	6,351
	Cash and Cash Equivalents at the Beginning of the Quarter/Year	52,143	47,643	52,143	39,164
	Cash and Cash Equivalents at the end of the Quarter/Year	54,575	52,143	54,231	45,515

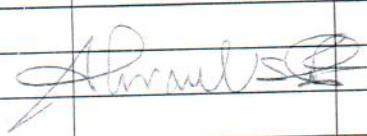
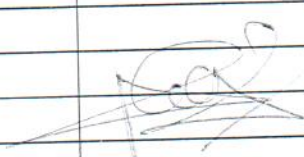

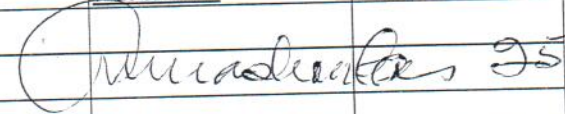

CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2018

Amounts in million of shillings

	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Others	Total
Current Year (2018)							
Balance as at the beginning of the year	20,615	-	2,462	-	721	-	23,798
Profit for the year	-	-	260	-	-	-	-
Other Comprehensive Income							-
Transactions with owners							-
Dividends Paid							-
Regulatory Reserve							-
General Provision Reserve			(11)		11		-
Others							-
Balance as at the end of March 2018	20,615	-	2,710		732	-	24,058
Previous Year (2017)							
Balance as at the beginning of the year 2017	20,615	-	568	929	655	-	22,767
Profit for the year			1,443				1,443
Other Comprehensive Income			-	-	-	-	-
Transactions with owners			-	-	-	-	-
Dividends Paid			(412)	-	-	-	(412)
Regulatory Reserve			929	(929)			-
General Provision Reserve			(66)		66		-
Others			-		-		-
Balance as at the end of the year 2017	20,615	-	2,462	-	721	-	23,798

SELECTED EXPLANATORY NOTES

In preparation of the quarterly financial statements, consistent accounting policies have been used as those applicable to the previous year audited financial statements (if there were changes during the quarter, the changes be explained as per IAS 34 & IAS 8)

<u>Name and Title</u>	<u>SIGNATURE</u>	<u>DATE</u>
George R. Shumbusho		
(Managing Director)		25/04/18
Dennis F. Kejo		
(Director of Finance and Administration)		25/4/2018
Thomas Enock		
(Director of Internal Auditor)		25/04/2018
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.Method A.Kashonda-Chairperson		25/04/18
2.Prof. Marcellina Mvula Chijoriga-Deputy Chairperson		25/04/2018