

**STATEMENT OF FINANCIAL POSITION**  
As at 31st December 2016

(Amounts in million of Shillings)

	Current Year 31-Dec-16	Current Year 31-Dec-15
<b>A. Assets</b>		
1 Cash	1,466.15	1,286.54
2 Balance with Bank of Tanzania	10,531.59	11,742.86
3 Investment in government securities held to maturity	38,985.97	30,473.23
4 Balance with other banks and financial institutions	2,250.03	2,826.68
5 Cheques and items for clearing	-	-
6 Interbranch float items	-	-
7 Bills Negotiated	3,019.72	-
8 Customers' liabilities for acceptances	-	-
9 Interbank loans receivables	37,984.25	28,417.80
10 Investments in other securities held to maturity	-	-
11 Loans, advances and overdrafts (Net of allowance for probable Losses)	67,923.33	51,692.75
12 Equity investments	-	-
13 Underwriting accounts	-	-
14 Deferred tax assets	80.21	-
15 Property, plant and equipment	353.54	383.08
16 Other assets	1,223.04	906.72
<b>17 TOTAL ASSETS</b>	<b>163,817.86</b>	<b>127,729.65</b>
<b>B. LIABILITIES</b>		
18 Deposits from other banks and financial institution	52,414.53	31,459.08
19 Customer deposits	75,262.07	71,080.00
20 Cash letters of credit	-	-
21 Special deposits	1,831.71	1,731.02
22 Payment orders / transfers payable	-	-
23 Bankers' cheques and draft issued	65.82	51.73
24 Accrued taxes and expenses payable	2,496.56	1,898.32
25 Acceptances outstanding	-	-
26 Interbranch float items	-	-
27 Unearned income and other deferred charges	-	-
28 Other liabilities	1,035.71	747.46
29 Deferred tax liability	-	42.20
<b>30 TOTAL LIABILITIES</b>	<b>133,106.40</b>	<b>107,009.80</b>
<b>31 NET ASSETS/(LIABILITIES) (18 minus 32)</b>	<b>30,711.45</b>	<b>20,719.85</b>
<b>D. SHAREHOLDERS' FUNDS</b>		
32 Paid up share capital	21,500.00	15,000.00
33 Share premium	-	-
34 General provision	1,024.32	830.28
35 Statutory reserves	1,671.64	18.11
36 Retained earnings	2,486.39	1,251.81
37 Profit / (loss) account	4,029.10	3,619.66
38 Other capital accounts	-	-
39 Minority interest	-	-
<b>40 OTHER CAPITAL AND SHAREHOLDERS' FUNDS</b>	<b>30,711.45</b>	<b>20,719.85</b>
41 Contingent liabilities	18,273.21	11,329.87
42 Non performing loans & advances	3,736.38	34.00
43 Allowances for probable losses	366.01	33.89
44 Other non performing assets	-	-
<b>D. SELECTED FINANCIAL CONDITION INDICATORS</b>		
(i) Shareholders funds to total assets	18.75%	16.22%
(ii) Non performing loans to total gross loans	5.24%	0.07%
(iii) Gross loans and advances to total deposits	55.06%	49.61%
(iv) Loans and advances to total assets	43.31%	40.47%
(v) Earning assets to total assets	90.29%	86.58%
(vi) Deposit growth	24.20%	32.00%
(vii) Assets growth	28.25%	28.37%



**STATEMENT OF COMPREHENSIVE INCOME**  
For the year ended 31st December 2016

(Amounts in millions of shillings)

	Current Year 31-Dec-16	Previous Year 31-Dec-15
1. Interest income	14,430.92	10,361.64
2. Interest expense	(5,487.97)	(4,273.17)
<b>3. Net interest income ( 1 minus 2)</b>	<b>8,942.95</b>	<b>6,388.47</b>
4. Bad debts written off	-	-
5. Impairment losses on loans and advances	(332.25)	(77.97)
<b>6. Non-interest income</b>	<b>1,719.56</b>	<b>2,359.17</b>
6.1 Foreign currency dealings and translation gains / (loss)	516.00	1,216.11
6.2 Fees and commissions	1,203.57	1,143.06
6.3 Other operating income	-	-
<b>7. Non interest expenses:</b>	<b>(3,713.85)</b>	<b>(3,498.79)</b>
7.1 Salaries and benefits	(1,112.25)	(1,093.78)
7.2 Fees and commissions	(58.84)	(73.08)
7.3 Other operating expenses	(2,542.76)	(2,331.93)
8. Loss due to fraud for 2012	(602.36)	0.00
<b>9. Operating income / (loss)</b>	<b>6,014.06</b>	<b>5,170.88</b>
10. Income tax	(1,984.97)	(1,551.23)
<b>11. Net income (loss) after income tax</b>	<b>4,029.10</b>	<b>3,619.65</b>
12. Number of employees	28	25
13. Basic earnings per share	187.40	241.31
14. Diluted earnings per share	187.40	241.31
15. Number of branches	2	2
<b>PERFORMANCE INDICATORS</b>		
(I) Return on average total assets	2.81%	3.21%
(II) Return on average shareholders' fund	15.70%	18.81%
(iii) Non interest expense to gross income	23.00%	26.87%
(iv) Net interest income to average earning assets	6.26%	5.66%





**STATEMENT OF CASH FLOWS**  
For the year ended 31st December 2016

(Amounts in millions of shillings)

	Current Year 31-Dec-16	Previous Year 31-Dec-15
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net income (loss)	6,014.06	5,170.88
Adjustment for:		
- Deferred revenue expenditure write off	93.72	24.28
- Depreciation	61.66	64.32
- Gain / loss on sale of assets	0.21	1.09
- Net change in deposits	25,137.53	23,544.38
- Net change in loans and advances to customers	(19,250.31)	(18,481.18)
- Net change in short term negotiable securities	(9,233.15)	(8,188.41)
- Net change in other liabilities	725.13	1,052.15
- Net change in other assets	(478.78)	246.43
- Increase in placement with banks with maturities over three months	(2,177.80)	1,570.20
- Tax paid	(2,000.00)	(1,532.14)
- Others (specify)	-	-
<b>Net cash provided (used) by operating activities</b>	<b>(1,107.73)</b>	<b>3,472.00</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	(32.36)	(57.35)
Purchase of intangible assets	0.00	0.00
Proceeds from sale of fixed assets	0.02	0.13
Purchase of non-dealing securities	-	-
Proceeds from sale non-dealing securities	-	-
Others (specify)	-	-
<b>Net cash provided (used) by investing activities</b>	<b>(32.34)</b>	<b>(57.22)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issuance of share capital	6,500.00	0.00
Dividend paid	(300.00)	0.00
Others (specify)	-	-
<b>Net cash provided (used) by financing activities:</b>	<b>6,200.00</b>	<b>0.00</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
Net increase (decrease) in cash and cash equivalents	5,059.93	3,414.78
Cash and cash equivalents at the beginning of the year	47,022.80	43,608.02
<b>Cash and cash equivalents at the end of the year</b>	<b>52,082.73</b>	<b>47,022.80</b>

During the period covered by the disclosure we have been penalized TZS 10 million by Bank of Tanzania (BOT) for regulatory issue pertaining to June 2012.



Name and Title	Signature	Date
Mr. Sanjib Sarkar Managing Director		20.03.2017
Mr. Poncian B. Katesigwa Asst Head of Finance		20.03.2017
Mr. Allen Richard Internal Auditor		20.03.2017
<p>The above extracts are from financial statements of the bank for year ended 31st December 2016, which have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements were audited by Baker Tilly DGP &amp; CO Certified Public Accountant and received unqualified Audit Report.</p> <p>The Financial statements were approved by the Board of Directors and signed on behalf by</p>		
Name	Signature	Date
1. Mr. Fredrick Mbala- Director		20.03.2017
2 .Mr. Hashim Kihwelo - Director		20.03.2017