

MWALIMU COMMERCIAL BANK PLC
PUBLICATION OF FINANCIAL STATEMENTS

Issued pursuant to regulation 7 of the Banking and Financial Institutions (Disclosures) Regulation

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020
(Amounts in million shillings)

Current Quarter
30-June-2020

A. ASSETS:	
1. Cash	141
2. Balances with Bank of Tanzania	2,621
3. Investments in government securities	-
4. Balances with other banks and financial institutions	281
5. Cheques and Items for clearing	-
6. Inter branch float items	132
7. Bills negotiated	-
8. Customers' liabilities for acceptances	-
9. Interbank loans receivables	1,000
10. Investment in other securities	-
11. Loans, advances and overdrafts (Net of allowance for probable losses)	15,347
12. Other assets	5,213
13. Equity investments	-
14. Underwriting accounts	-
15. Property, plant and equipment (net)	1,046
16. TOTAL ASSETS	25,781
B. LIABILITIES:	
17. Deposits from other banks and financial institutions	-
18. Customer deposits	8,926
19. Cash letters of credit	-
20. Special deposits	-
21. Payment orders/transfers payable	-
22. Bankers' cheques and drafts issued	-
23. Accrued taxes and expenses payable	616
24. Acceptances outstanding	-
25. Interbranch float items	421
26. Unearned income and other deferred charges	222
27. Other liabilities	1,165
28. Borrowings	-
29. TOTAL LIABILITIES	11,350
30. NET ASSETS/(LIABILITIES) (16 minus 29)	14,431
C. SHAREHOLDERS' FUNDS:	
31. Paid up share capital	30,912
32. Capital reserves	-
33. Retained Earnings	(14,554)
34. Profit (Loss) account	(1,926)
35. Others capital accounts (Provision General Reserve)	-
36. Minority interest	-
37. TOTAL SHAREHOLDERS' FUNDS	14,431
38. CONTINGENT LIABILITIES	
39. Non performing loans & advances	300
40. Allowances for probable losses	(266)
41. Other non performing assets	-
D. SELECTED FINANCIAL CONDITION INDICATORS	
- Shareholders' Funds to Total Assets	56%
- Non Performing Loans to Total Gross Loans	1.9%
- Gross Loans and Advances to Total Deposits	169%
- Loans and Advances to Total Assets	58%
- Earning Assets to Total Assets	63%
- Deposits Growth	-15%
- Assets Growth	-10%

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CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2020 (Amounts in million shillings)	Current Quarter 30-June-2020	Comparative Quarter 30-June-2019	Current Year Cumulative 30-June-2020	Comparative Year Cumulative 30-June-2019
1. Interest income	646	697	1,319	1,506
2. Interest expense	99	175	222	277
3. Net interest income (1 minus 2)	547	522	1,097	1,229
4. Bad debts written-off	-	-	-	-
5. Impairment losses on loans and advances	(25)	(1)	(25)	(115)
6. Non- interest income:	60	74	121	151
6.1 Foreign currency dealings and translation gains/(loss)	3	4	6	142
6.2 Fees and commissions	56	70	112	9
6.3 Dividend income	-	-	-	-
6.4 Other operating income	1	-	3	-
7. Non interest expenses	1,607	2,013	3,170	3,996
7.1 Salaries and benefits	697	841	1,359	1,707
7.2 Fees and commission	-	-	-	-
7.3 Other operating expenses	910	1,172	1,811	2,289
8. Operating income/(loss)	(975)	(1,416)	(1,927)	(2,501)
9. Income tax provision	-	-	-	-
10. Net Income/(loss) after income tax	(975)	(1,416)	(1,927)	(2,501)
11. Other Comprehensive Income	-	-	-	-
12. Total comprehensive Income/(loss) for the year	(975)	(1,416)	(1,927)	(2,501)
13. Number of employees	61	59	61	59
14. Basic Earnings Per Share	-16	-23	-31	-41
15. Number of branches	2	2	2	2
SELECTED PERFORMANCE INDICATORS				
(i) Return on Average Total Assets	-4%	-5%	-7%	-9%
(ii) Return on Average Shareholders' Funds	-7%	-7%	-13%	-13%
(iii) Non Interest Expense to Gross Income	265%	338%	260%	291%
(iv) Net Interest Income to Average Earning Assets	3%	3%	7%	6%

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CONDENSED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 30 JUNE 2020 (Amounts in million shillings)	Current Quarter 30-June-2020	Previous Quarter 31-March-2020	Current Year Cumulative 30-June-2020	Comparative Year - Cumulative 30-June-2019
I. Cash flow from operating activities:				
Net (loss)profit before tax	(975)	(952)	(1,927)	(2,510)
Adjustment for:	-	-	-	-
- Impairment/amortisation/depreciation	319	295	614	1,162
- Net change in loans and advances	417	388	805	(132)
- Net change in deposits	(1,600)	(547)	(2,147)	319
- Net change in short term negotiable securities	-	-	-	-
- Net change in other liabilities	(329)	313	(16)	58
- Net change in other assets	472	519	991	(504)
- Tax paid	-	-	-	-
- Others	-	-	-	-
Net cash provided (used) by operating activities	(1,696)	16	(1,680)	(1,607)
II. Cash flow from investing activities:				
- Dividend received	-	-	-	-
- Purchase of fixed assets	-	(12)	(12)	(14)
- Proceeds from sale of fixed assets	-	-	-	-
- Purchase of non-dealing securities	-	-	-	946
- Proceeds from sale of non-dealing securities	-	-	-	-
- Others	-	-	-	-
Net cash provided (used) by Investing activities	-	(12)	(12)	932
III. 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	-	-	-	-
IV. Cash and cash equivalents:				
- Net increase/(decrease) in cash and cash equivalents	(1,696)	4	(1,692)	(675)
- Cash and cash equivalents at the beginning of the year	4,653	4,649	4,274	1,557
- Cash and cash equivalents at the end of the quarter	2,957	4,653	2,582	882

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CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 30							
JUNE 2020 (Amounts in million shillings)							
Current Year	Share Capital	Retained Earnings	Regulatory Reserve	Bond Revaluation Reserve	Provision General Reserve	Total	
Balance as at the beginning of the year	30,912	(14,445)	-	-	-	16,466	
Profit for the year	-	(1,927)	-	-	-	(1,927)	
Other Comprehensive Income	-	-	-	-	-	-	
Transactions with owners	-	-	-	-	-	-	
Dividends Paid	-	-	-	-	-	-	
Bond Revaluation Reserve	-	-	-	-	-	-	
Provision General Reserve	-	-	-	-	-	-	
Others	-	(108)	-	-	-	(108)	
Balance as at the end of the current period	30,912	(16,480)	-	-	-	14,431	
Previous Year	-	-	-	-	-	-	
Balance as at the beginning of the year	30,912	(9,976)	-	179	179	21,293	
Profit for the year	-	(4,827)	-	-	-	(4,827)	
Other Comprehensive Income	-	-	-	-	-	-	
Transactions with owners	-	-	-	-	-	-	
Dividends Paid	-	-	-	-	-	-	
Bond Revaluation Reserve	-	179	-	(179)	-	-	
Provision General Reserve	-	179	-	-	(179)	-	
Others	-	-	-	-	-	-	
Balance as at the end of the previous period	30,912	(14,445)	-	-	-	16,466	




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**SELECTED EXPLANATORY NOTES
FOR THE QUARTER ENDED 30 JUNE 2020**

In preparation of the quarterly 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)	16 July 2020
Selemani Kijori (Head of Finance)	 (signed)	16 July 2020
Patrick Mashalla (Head of Internal Audit)	 (signed)	16 July 2020

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/ Herman Kessy	 (signed)	16 July 2020
2/ Ambrose Nshala	 (signed)	16 July 2020