



# PUBLICATION OF AUDITED FINANCIAL STATEMENTS

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

## CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2022 (AMOUNTS IN MILLION SHILLINGS)

	CURRENT YEAR 31/12/2022	PREVIOUS YEAR 31/12/2021
<b>A. ASSETS</b>		
1 Cash	739	748
2 Balances with Bank of Tanzania	767	965
3 Investment in Government Securities	-	-
4 Balances with Other Banks and financial institutions	10,896	5,368
5 Cheques and Items for Clearing	-	-
6 Interbranch float items	-	-
7 Bills Negotiated	-	-
8 Customers' liabilities for acceptances	-	-
9 Interbank Loan Receivables	-	-
10 Investments in Other securities	-	-
11 Loans, Advances and Overdrafts (Net of allowances for Probable losses)	61,174	34,857
12 Other Assets	1,347	2,922
13 Equity Investments	-	-
14 Underwriting accounts	-	-
15 Property, Plant and Equipment	4,990	6,498
<b>16 TOTAL ASSETS</b>	<b>79,913</b>	<b>51,358</b>
<b>B. LIABILITIES</b>		
17 Deposits from other banks and financial institutions	14,937	7,243
18 Customer Deposits	43,288	30,799
19 Cash letters of credit	-	-
20 Special Deposits	-	-
21 Payments orders / transfers payable	-	-
22 Bankers' cheques and drafts issued	-	-
23 Accrued taxes and expenses payable	1,140	251
24 Acceptances outstanding	-	-
25 Interbranch float items	-	-
26 Unearned income and other deferred charges	267	404
27 Other Liabilities	4,347	1,131
28 Borrowings	7,161	4,150
<b>29 TOTAL LIABILITIES</b>	<b>71,140</b>	<b>43,978</b>
<b>30 NET ASSETS/(LIABILITIES)(16 MINUS 29)</b>	<b>8,773</b>	<b>7,380</b>
<b>C. SHAREHOLDERS' FUNDS</b>		
31 Paid up Share Capital	37,895	37,320
32 Capital Reserves	-	-
33 Retained Earnings	(29,940)	(27,147)
34 Profit/ (Loss) Account	818	(3,457)
35 Other Capital Accounts/Capital Advance	-	-
35a. Other- Statutory Reserve	-	664
35b. General Provision Reserve	-	-
36 Minority Interest	-	-
<b>37 TOTAL SHAREHOLDERS' FUNDS</b>	<b>8,773</b>	<b>7,380</b>
38 Contingent Liabilities	-	-
39 Non-Performing Loans and Advances	7,869	5,924
40 Allowances for Probable Losses	5,884	2,858
41 Other Non-Performing assets	-	-
<b>D. PERFORMANCE INDICATORS</b>		
(I) Shareholders Funds to Total Assets	11%	14%
(II) Non Performing loans to Total Gross Loans	10%	9%
(III) Gross Loans and Advances to Total Deposits	115%	99%
(IV) Loans and Advances to Total Assets	77%	68%
(V) Earning Assets to Total Assets	90%	78%
(VI) Deposits Growth	53%	20%
(VII) Assets Growth	56%	-12%

## CONDENSED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022 (AMOUNTS IN MILLION SHILLINGS)

	CURRENT YEAR 31/12/2022	PREVIOUS YEAR 31/12/2021
<b>1 Cash flow from operating activities:</b>		
Net income(Loss)	1,440	(3,362)
Adjustment for :		
-Impairment/Amortization	2,335	2,419
-Net change in Loans and Advances	(26,290)	(3,139)
-Gain on Sale of Assets	(5)	11
-Net change in Deposits	20,183	6,222
-Net change in Short Term Negotiable Securities	-	-
-Net change in Other Liabilities	3,537	(2,075)
-Net change in Other Assets	1,637	(1,012)
-Tax paid	(53)	(203)
-Others (Specify) -Foreign exchange gain/(loss)	(87)	(19)
<b>Net cash provided (used) by operating activities</b>	<b>2,697</b>	<b>(1,158)</b>
<b>11 Cash flow from investing activities:</b>		
Dividend Received	-	-
Purchase of Fixed Assets	(231)	(265)
Proceeds from Sale of Fixed Assets	5	7
Purchase of Non- Dealing Securities	-	-
Proceeds from Sale of Non-Dealing Securities	-	-
Proceeds from maturity of investment in fixed deposit	(1,783)	4,677
Others (specify) -Additions on Right of use asset	(120)	(49)
Others (specify) -Proceeds from issue of share	575	3,218
<b>Net cash provided (used) by investing activities</b>	<b>(1,554)</b>	<b>7,588</b>
<b>111 Cash flow from financing activities:</b>		
Repayment of Long-term Debt	(575)	(10,113)
Proceeds from Issuance of Long Term Debt	3,914	-
Proceeds from Issuance of Share Capital	-	-
Payment of lease liabilities	(917)	(931)
Net Change in Other Borrowings	-	-
Others -Long term financing (Grants)	-	-
<b>Net cash provided (used) by financing activities</b>	<b>2,422</b>	<b>(11,044)</b>
<b>IV Cash and Cash Equivalents:</b>		
Net increase/(decrease) in cash and cash equivalents	3,565	(4,614)
Cash and cash equivalents at the beginning of the year	2,404	7,018
Cash and cash equivalents at the end of the year	5,969	2,404

The above are extracts from the Audited Financial Statements of the Bank for the year ended 31 December 2021 which have been prepared in accordance with International Financial Reporting Standards (IFRS). The Financial Statements were audited by Deloitte & Touche' and received a clean audit report. The Financial Statements were approved by the Board on 19 April 2023.

Name and Title	Signature	Date
Edward Talawa (Chief Executive Officer)	(Signed)	19 <sup>th</sup> April 2023
Deusdedith Mulidwa Edward (Head of Finance)	(Signed)	19 <sup>th</sup> April 2023
Peter Kaisi (Internal Audit Manager)	(Signed)	19 <sup>th</sup> April 2023

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.

Name	Signature	Date
1. Nasama Massinda (Board Chairman)	(Signed)	19 <sup>th</sup> April 2023
2. Mary Pascal Mabili (Board Member)	(Signed)	19 <sup>th</sup> April 2023

## MINIMUM DISCLOSURES OF BANK CHARGES AND TARRIFS

Number	Item/Transaction	Charge/Fee
<b>1</b>	<b>Savings Account(TZs)</b>	
	<b>Mkwaja(TZs)</b>	
	(a) Required minimum opening balance	0
	(b) Required minimum operating balance	0
	(c) Monthly Services Fees	1,500
	(d) Interim Statement per page	0
	(e) Monthly Services Fees	0
	(f) Withdraw charges over the counter	1,000
	(g) Interest payable	0
	<b>Hakika Individual (TZs)</b>	
	(a) Required minimum opening balance	0
	(b) Monthly Services Fees	0
	(c) Interim Statement per page	0
	(d) Interest payable	2%
	(e) Balance enquiry	0
	(f) Withdraw charges over the counter	1,000
	<b>Hakika Legal Entity(TZs)</b>	
	(a) Required minimum opening balance	0
	(b) Monthly Services Fees	0
	(c) Interim Statement per page	0
	(d) Interest payable	3%
	(e) Balance enquiry	0
	(f) Withdraw charges over the counter	2,000
	<b>Mtoto (TZs)</b>	
	(a) Required minimum opening balance	0
	(b) Monthly Services Fees	0
	(c) Interim Statement per page	0
	(d) Interest payable	4%
	(e) Balance enquiry	0
	(f) Withdraw charges over the counter	1,000
<b>2</b>	<b>Mobile banking Charges(TZs)</b>	
	(a) Balance enquiry	100
	(b) Minimum Statement	100
	(c) Full Statement request	0
	(d) Finca Mobile (In Finca Account)	400
	(e) Finca Account to Finca Account Transfer	100
	(f) Finca Mobile (In and Out Finca Account)-Finca Account to	1,000
<b>3</b>	<b>Loans (TZs)</b>	
	<b>Business Loan -Small</b>	
	(a) Interest	4.8%
	(b) Loan Processing Fees	3.00%
	<b>Business Loan - Medium</b>	
	(a) Interest	3.8%
	(b) Loan Processing Fees	3.00%
	<b>Business Loan - Large</b>	
	(a) Interest	2.5%
	(b) Loan Processing Fees	3.00%
	<b>Small Enterprise</b>	
	(a) Interest	3.0%
	(b) Loan Processing Fees	3.00%
	<b>Micro Business</b>	
	(a) Interest	6.3%
	(b) Loan Processing Fees	2.00%
	<b>Lien Loan</b>	
	(a) Interest	2.0%
	(b) Loan Processing Fees	1.02%
	<b>Education provider</b>	
	(a) Interest	4.8% , 3.8% & 2.5%
	(b) Loan Processing Fees	3.00%
	<b>School fees</b>	
	(a) Interest	3.0%
	(b) Loan Processing Fees	1.02%
	<b>Pamoja Loan</b>	
	(a) Interest	6.3%
	(b) Loan Processing Fees	2.00%
	<b>Social Financial Group</b>	
	(a) Interest	2% or 2.5% to 3%
	(b) Loan Processing Fees	1.02% to 1.19%
<b>4</b>	<b>Transfer and Agent Services</b>	
	Outward TISS Charges	10,000
	Inward TISS Charges	Free
	<b>Agent Banking withdrawal fee</b>	
	<b>Withdrawal Charges</b>	<b>Charges (VAT inclusive)</b>
	<b>Amount</b>	<b>Charges</b>
	1,000 - 19,999	1,180
	20,000 -49,999	1,300
	50,000 - 99,999	1,700
	100,000 - 149,999	3,000
	150,000 - 299,999	4,000
	300,000 - 599,999	6,000
	600,000 - 999,999	7,000
	1,000,000 - 1,999,999	7,500
	2,000,000 - 10,000,000	8,000

## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022 (AMOUNT IN MILLION SHILLINGS)

	CURRENT YEAR 31/12/2022	COMPARATIVE YEAR 31/12/2021
1 Interest Income	51,447	14,709
2 Interest Expense	(5,912)	(4,354)
<b>3 Net Interest Income (1 Minus 2)</b>	<b>45,535</b>	<b>10,355</b>
4 Bad debts written off	-	-
5 Impairment Losses on Loans and Advances	(5,361)	(2,163)
<b>6 Non-Interest Income</b>	<b>2,585</b>	<b>4,204</b>
6.1 Foreign Currency Dealings and Translation Gains/(Loss)	25	(54)
6.2 Fees and Commissions	2,400	4,074
6.3 Dividend Income	-	-
6.4 Other Operating Income	160	184
<b>7 Non-Interest Expense</b>	<b>(41,319)</b>	<b>(15,758)</b>
7.1 Salaries and Benefits	(6,739)	(6,906)
7.2 Fees and Commission	(307)	(291)
7.3 Other Operating Expenses	(34,273)	(8,561)
<b>8 Operating Income/(Loss)</b>	<b>1,440</b>	<b>(3,362)</b>
9 Income Tax Provision	(622)	(95)
<b>10 Net Income (loss) After Income Tax</b>	<b>818</b>	<b>(3,457)</b>
<b>11 Other Comprehensive Income (itemize)</b>	<b>-</b>	<b>-</b>
<b>12 Total comprehensive income/(loss) for the year</b>	<b>818</b>	<b>(3,457)</b>
13 Number of Employees	230	229
14 Basic Earning Per Share	22	(93)
15 Number of Branches	20	20
<b>PERFORMANCE INDICATORS</b>		
(I) Return on Average Total Assets	1%	-6%
(II) Return on Average Shareholders' Funds	10%	-46%
(III) Non Interest Expense to Gross Income	76%	83%
(IV) Net Interest Margin to Average Earning Assets	81%	25%

## CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022 (AMOUNTS IN MILLION SHILLINGS)

	share Capital	Accumulated Surplus	General Provision Reserve	Statutory Reserve	Total
Current Year(2022)					
Balance as at the beginning of the year 2022	37,320	(30,604)	-	664	7,380
IFRS 9 impact net of tax	-	-	-	-	-
Other Comprehensive Income	-	818	-	-	818
Transactions with owners	575	-	-	-	575
Dividends Paid	-	-	-	-	-
Regulatory Reserve	-	664	-	(664)	-
General Provision Reserve	-	-	-	-	-
Others	-	-	-	-	-
<b>Balance as at the end of the current period</b>	<b>37,895</b>	<b>(29,122)</b>	<b>-</b>	<b>664</b>	<b>8,773</b>
Previous Year(2021)					
Balance as at the beginning of the year 2021	34,102	(27,455)	-	972	7,619
Other Comprehensive Income	-	(3,457)	-	-	(3,457)
Transactions with owners	3,218	-	-	-	3,218
Dividends Paid	-	-	-	-	-
Regulatory Reserve	-	308	-	(308)	-
General Provision Reserve	-	-	-	-	-
Others -Issue of shares	-	-	-	-	-
<b>Balance as at the end of the previous period</b>	<b>37,320</b>	<b>(30,604)</b>	<b>-</b>	<b>664</b>	<b>7,380</b>