

**MKOMBOZI COMMERCIAL BANK PIC**

Report of the condition of the bank published pursuant to Section 32(3) of the Banking and Financial Institutions Act, 2006

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2015**

(Amounts in million of shillings)

	Current Quarter 31ST DEC 2015	Previous Quarter 30th SEPT 2015
<b>A ASSETS</b>		
1. Cash	4,283	2,980
2. Balances with Bank of Tanzania	9,091	9,422
3. Investment in Debt Securities	12,581	14,190
4. Balances with other Banks and Financial institutions	2,816	3,376
5. Cheques and Items for clearing	195	147
6. Interbranch float Items	-	-
7. Bills negotiated	-	-
8. Customer liability on acceptances	-	-
9. Interbank Loan Receivable	14,225	19,580
10. Investments in Other Security	-	-
11. Loans, Advances and Overdrafts (Net of Allowances for Probable Losses)	63,439	50,866
12. Other Assets	3,111	4,353
13. Interbranch Suspense (net)	-	-
14. Underwriting account	-	-
15. Property, Plant and Equipment	1,994	1,047
<b>16. TOTAL ASSETS</b>	<b>111,734</b>	<b>105,961</b>
<b>B LIABILITIES</b>		
17. Deposits from other banks and financial institutions	-	-
18. Customers Deposits	83,954	80,159
19. Cash Letters of Credits	-	-
20. Special Deposits	-	-
21. Payments Order/transfer payable	-	-
22. Bankers Cheques and Drafts Issued	26	10
23. Accrued Taxes and Expenses Payable	3,318	2,580
24. Acceptances outstanding	-	-
25. Interbranch Float Items	-	-
26. Unearned Income and other deferred charges	392	392
27. Other Liabilities	412	437
28. Borrowings	1,549	1,078
<b>29. TOTAL LIABILITIES</b>	<b>89,652</b>	<b>84,657</b>
<b>30. NET ASSETS/(LIABILITIES) 16 minus 29</b>	<b>22,082</b>	<b>21,304</b>
<b>C SHAREHOLDERS' FUNDS</b>		
31. Paid-up Share Capital	20,615	20,615
32. Capital reserves	1,091	498
33. Retained Earnings	(939)	(346)
34. Profit/(Loss) Account	1,286	508
35. Others	29	29
36. Minority Interest	-	-
<b>37. TOTAL SHAREHOLDERS' FUNDS</b>	<b>22,082</b>	<b>21,304</b>
38. Contingent Liabilities	816	601
39. Non performing loans and advances	2,560	1,928
40. Allowance for probable losses	1,307	1,636
41. Other non performing assets	-	-
<b>D PERFORMANCE INDICATORS</b>		
(i) Shareholders Funds to total assets	19.8%	20.1%
(ii) Non performing loans to total gross loans	4.02%	3.70%
(iii) Gross loans and Advances to total deposits	77.1%	65.5%
(iv) Loans & Advances to Total Assets.	57.9%	49.5%
(v) Earning Assets to Total Assets	80.8%	79.9%
(vi) Deposits Growth	4.7%	13.2%
(vii) Assets growth	5.4%	9.4%

**STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2015**

(Amounts in million of shillings)

	Current Quarter 31-Dec-15	Comperative Quarter Previous Year 31-Dec-14	Current Year Cummulative 31-Dec-15	Previous Year Cummulative 31-Dec-14
1. Interest Income	4,302	3,529	14,213	12,666
2. Interest Expenses	(1,121)	(911)	(4,034)	(3,338)
<b>3. Net Interest Income ( 1 minus 2)</b>	<b>3,181</b>	<b>2,618</b>	<b>10,179</b>	<b>9,328</b>
4. Bad debts Written off	0	0	0	0
5. Impairment Losses on loan and advances	333	(141)	(1,177)	(1,233)
<b>6. Non-Interest Income :</b>	<b>344</b>	<b>401</b>	<b>1,165</b>	<b>1,541</b>
6.1 Foreign Currency Dealing and Transaction	108	43	225	308
6.2 Fees and Commissions	143	291	722	1,110
6.3 Others Operating Income	93	68	218	122
<b>7. Non-Interest Expense</b>	<b>(3,077)</b>	<b>(2,141)</b>	<b>(8,881)</b>	<b>(7,241)</b>
7.1 Salaries and Benefits	(1,130)	(816)	(3,965)	(3,422)
7.2 Fees and Commission	-	0	0	0
7.3 Other Operating Expenses	(1,947)	(1,325)	(4,916)	(3,819)
<b>8. Operating Income/(Loss) before Tax and extraordinary items</b>	<b>782</b>	<b>738</b>	<b>1,286</b>	<b>2,394</b>
9. Income Tax Provision	-	306	668	918
<b>10 Net Income/(Loss) After Income Tax</b>	<b>782</b>	<b>432</b>	<b>618</b>	<b>1,476</b>
11. Number of Employees	128	87	128	87
12. Basic Earnings per Share	0.15	0.08	0.15	0.08
13. Diluted Earnings per Share	0.15	0.08	0.15	0.08
14. Number of Branches	6	4	6	4
<b>PERFORMANCE INDICATORS</b>				
i. Return on average total assets	0.7%	1.8%	0.1%	1.5%
ii. Return on ordinary shareholders' funds	15.2%	8.4%	3.0%	8.0%
iii. Non interest expense to gross income	66.2%	54.5%	57.8%	51.0%
iv. Interest margin to average earning assets.	14.1%	8.9%	45.1%	16.1%

**STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31 DECEMBER 2015**

(Amounts in million of TZ Shillings)

	Current Quarter December 2015	Previous Quarter September 2015
<b>I Cash flow from operating activities</b>		
Net income (Loss) before tax	782	601
<b>Adjustment for non-cash items:</b>		
Depreciation and Provisions for loans	(175)	513
Gain / Loss on sale of Fixed Assets	-	-
Net change in Loans & Advances	(12,573)	(7,643)
Net change in deposits	3,795	9,371
Net change in other liabilities	730	128
Net change in other assets	1,242	(968)
Tax paid	-	(223)
Others(change in SMR)	(435)	(693)
<b>Net cash provided (used) by operating activities</b>	<b>(6,635)</b>	<b>1,088</b>
<b>II Cash flow from investing activities:</b>		
Dividend paid	-	-
Purchase of Fixed Assets	(947)	(326)
Proceeds from sale of Fixed Assets	-	-
Purchase of non-dealing securities	-	-
Proceeds from sale of non-dealing securities	1,609	(146)
Others(specify)	-	-
<b>Net cash provided(used) by investing activities</b>	<b>662</b>	<b>(472)</b>
<b>III Cash flow from financing activities</b>		
Repayment of long-term debt	-	-
Proceeds from issuance of long term debt	-	-
Proceeds from issuance of share(adv. Towards share capital)	-	-
Payment of cash dividends	-	-
Net change in other borrowings	471	(1,426)
Others(specify)	-	-
<b>Net cash provided(used) by financing activities</b>	<b>471</b>	<b>(1,426)</b>
<b>IV Cash and cash equivalents:</b>		
Net increase (decrease) in cash and cash equivalent	(5,502)	(811)
Cash and cash equivalents at the beginning of the quarter	40,105	40,916
Cash and cash equivalents at the end of the quarter	34,603	40,105

Signed by

Edwina A. Lupembe, Managing Director 27-Jan-16

Dennis Frank Kejo, Director of Finance & Adm. 27-Jan-16

Thomas Enoch, Director of Internal Audit 27-Jan-16

We, the undersigned non-executive members of the board of directors, attest to the correctness 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 the instructions and are true and correct.

Signed by

Method A. Kashonda Board Chairman 27-Jan-16

Marcellino X. Kayombo Director 27-Jan-16

**MKOMBOZI COMMERCIAL BANK PLC**  
**MINIMUM DISCLOSURE OF CHARGES AND FEES**

Number	Item/Transaction	Charge/Fee
1.0	<b>Current accounts</b>	
	Required minimum opening balance	
	(i) Company, Partnership, Clubs & Association	TZS 100,000
	(ii) Individual Customers	TZS 50,000
	(iii) Bishops Accounts	TZS 2,000,000
	(iv) Integrity Account	TZS 200,000
	(v) Elimu Account	TZS 50,000
	(vi) Wanandoa Account	TZS 30,000
	Monthly Service fee	TSZ 10,000
	(i) Banks, Financial Institutions and Bureau de change	TZS 5,000
	(ii) Corporate Accounts	TZS 2,000
	(iii) Personal Accounts	
	Cheque withdrawal over the counter	TZS 1,200 per transaction
	Fees per ATM withdrawal	TZS 1,000
	ATM min statement	NIL
	Interim statement per page	NIL
	Period scheduled statement	TZS 1,000 Adhoc statement and TZS 2,000 for more than 3 months
	Cheque book	TZS 200 per leaf
	Dishonored cheque	TZS 20,000
	Special clearance	TZS 30,000
Counter cheque	TZS 5,000 per leaf	
Stop payment	TZS 20,000 per stop payment	
Standing order		
Balance enquiry	NIL	
New ATM card issuance	NIL	
ATM card renewal or replacements	TZS 10,000 per card	
Overdrawn accounts interest charges	TZS 3,000 per month	
(r) Unarranged overdrafts	Not applicable	
(s) Interbank transfer	TZS 10,000 for TISS	
(t) Bill payments through ATM	Not applicable	
(U) Deposit fee	NIL	
2.0	<b>Savings Accounts</b>	
	(a) Required minimum opening balance	
	(i) Company, Partnership, Clubs & Association	TZS 50,000
	(ii) Individual Customers	TZS 15,000
	(iii) Wanandoa Account	TZS 30,000
	(i) Monthly services fees	TZS 1,000 per month
	(c) Interim statement	NIL
	(d) Accounts closure	TZS 10,000 for closure less than 6 months
	(e) Customers ID card	TZS 10,000
	(f) Maintenance Fee	TZS 1,000 per month
(g) Withdrawal fee	TZS 700 per transaction	
(h) Dormant activation	TZS 10,000	
(i) Adhoc statement	TZS 1,000	
(j) Interest rate		
(i) Ordinary savings	2.0% p.a	
(ii) Savings account above TZS 5 million	2.5% p.a	
(iii) Mwana account TZS 10,000 to TZS 5 million	3.0% p.a	
(iv) Mwana account above TZS 5 million	3.5% p.a	
(v) Bishops account above TZS 2 million	3% p.a	
(vi) Integrity account	2.5% p.a	
(vii) Elimu account above TZS 200,000	2.5% p.a	
(viii) Jumuiya Account above TZS 100,000	2.5% p.a	

3.0	<b>Electronic Banking</b>			
	(a) Internet banking monthly fee	Not applicable		
	(b) Internet transfers	Not applicable		
	(c) SMS banking			
	(i) Transaction fee	TZS 1,000		
	(ii) Balance enquiry	TZS 100		
4.0	<b>Foreign Exchange Transaction</b>			
	(a) Minimum opening balance			
	(i) US Company, Partnership, Clubs & Association	USD 200 GBP 200 EUR 200		
	(ii) Individual Customers	USD 100 GBP 100 EUR 100		
	(b) Maintenance fee			
	(i) USD Account	USD 5 per month		
	(ii) GBP Account	GBP 5 per month		
	(iii) EUR Account			
	(c) Cash deposit	NIL		
	(d) Adhoc statement			
(i) USD Account	USD 1.00 per copy			
(ii) GBP Account	GBP 0.5 per copy			
(iii) EUR Account	EUR 1.00 per copy			
(e) Cash withdrawal	1.00% of withdrawn amount			
5.0	<b>Lending</b>			
	(a) Lending interest rates			
	(i) Commercial loans up to TZS 500 million	17% p.a		
	(ii) Commercial loan TZS 500 million up to TZS 1 billion	15% p.a		
	(iii) Commercial loan above TZS 1 billion	13% p.a		
	(iv) Salaried loans	20% p.a		
	(v) Solidarity group lending up to TZS 2.5 million	29.4% p.a		
	(vi) Solidarity group lending above TZS 2.5 up to TZS 4.5 million	28.8% p.a		
	(vii) Solidarity group lending above TZS 4.5 up to TZS 7.5 million	28.2% p.a		
	(viii) Solidarity group lending above TZS 7.5 up to TZS 9.0 million	27.6% p.a		
	(a) Processing fee			
	(i) Salaried loans	2%		
	(ii) Solidarity group lending	1%		
	(iii) Business loans	2%		
	(b) Unpaid loans instalments	Penalty of 5%		
	(c) Early repayment	50% discounted interest		
	(d) Mortgage fee	1%		
<b>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.</b>				
	Name	Designation	Signature	Date
1	Edwina Lupembe	Managing Director		
2	Dennis Kejo	Director of Finance		
3	Sylvester Kasikila	Director of Operations		