



PUBLICATION OF FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30TH JUNE 2019

**REPORT OF CONDITION OF BANK PURSUANT TO REGULATIONS 7 AND 8 OF THE BANKING AND
FINANCIAL INSTITUTIONS (DISCLOSURES) REGULATIONS, 2014**

**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED
30th JUNE 2019**

(Amounts in million shillings)

	Current Quarter 30 June 2019	Comparative Quarter 30 June 2018	Current Year Cumulative 30 June 2019	Comparative Year Cumulative 30 June 2018
1 Interest income	7,562	12,590	16,142	25,998
2 Interest expense	(1,407)	(2,922)	(2,956)	(6,585)
3 Net interest income	6,156	9,669	13,186	19,413
4 Bad debts written-off	-	-	-	-
5 Impairment losses on loans and advances	(2,453)	(1,731)	(3,772)	(4,232)
6 Non- interest income:	797	588	1,305	1,235
6.1 Foreign currency dealings and translation gains/(losses)	326	53	360	71
6.2 Fees and commissions	373	408	729	819
6.3 Dividend income	-	-	-	-
6.4 Other operating income	97	127	215	344
7 Non interest expenses	(7,343)	(9,086)	(14,459)	(18,430)
7.1 Salaries and benefits	(3,535)	(4,287)	(6,963)	(8,770)
7.2 Fees and commission	(306)	(320)	(600)	(672)
7.3 Other operating expense	(3,501)	(4,479)	(6,896)	(8,987)
8 Operating income/(loss)	(2,843)	(560)	(3,739)	(2,014)
9 Income tax provision	853	155	1,122	590
10 Net profit/(loss) after income tax	(1,990)	(405)	(2,617)	(1,423)
11 Other Comprehensive Income (itemize)	-	-	-	-
12 Total comprehensive income/(loss) for the year	(1,990)	(405)	(2,617)	(1,423)
13 Number of employees	406	634	406	634
14 Basic Earnings Per Share	(199.0)	(40.5)	130.86	(71.2)
15 Number of branches	9	13	9	13
<u>SELECTED PERFORMANCE INDICATORS</u>				
(i) Return on average total assets	-6.7%	-0.8%	-4.4%	-1.4%
(ii) Return on average ordinary shareholders' funds	-26.9%	-4.8%	-17.9%	-8.5%
(iii) Non interest expense to gross income	87.8%	68.9%	82.9%	67.7%
(iv) Net Interest income to average earning assets	30.1%	28.7%	30.0%	28.8%

ACCESSBANK TANZANIA LIMITED
CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30th JUNE 2019

(Amounts in million shillings)

30 June 2019 **31 March 2019**

	54	51
A. ASSETS		
1 Cash	8,942	8,509
2 Balances with Bank of Tanzania	9,270	10,398
3 Investment in government securities	-	-
4 Balances with other banks and financial institutions	979	2,210
5 Cheques and Items for clearing	106	79
6 Inter branch float items	-	-
7 Bills negotiated	-	-
8 Customers' liabilities for acceptances	-	-
9 Interbank loans receivable	13,732	8,500
10 Investment in other securities	-	-
11 Loans, advances and overdrafts (Net of allowances for probable losses)	66,659	79,814
12 Other assets	15,488	14,589
13 Equity investments	-	-
14 Underwriting accounts	-	-
15 Property, plant and equipment (net)	2,603	2,799
16 TOTAL ASSETS	117,779	126,897
B. LIABILITIES		
17 Deposits from other banks and financial institutions	-	-
18 Customer deposits	77,097	84,077
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	3,881	3,215
24 Acceptances outstanding	-	-
25 Inter branch float items	-	-
26 Unearned income and other deferred charges	3,815	4,318
27 Other liabilities	3,987	4,299
28 Borrowings	-	-
29 TOTAL LIABILITIES	88,781	95,909
30 NET ASSETS / (LIABILITIES) (16 minus 29)	28,998	30,988
C. SHAREHOLDERS' FUNDS		
31 Paid up share capital	40,000	40,000
32 Deposits for shares	-	-
33 Retained Earnings	(8,975)	(9,097)
34 Profit/(Loss) account	(2,618)	(627)
35 General Provision Reserve	590	712.45
36 Minority interest	-	-
37 TOTAL SHAREHOLDERS' FUNDS	28,998	30,988
38 Contingent liabilities	5,028	9,206
39 Non performing loans & advances	21,674	20,598
40 Allowances for probable losses	19,346	18,715
41 Other non performing assets	64	64
D. SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders' funds to total assets	24.62%	24.42%
(ii) Non performing loans to total gross loans	25.20%	20.91%
(iii) Gross loans and advances to total deposits	111.55%	117.19%
(iv) Loans and advances to total assets	56.60%	62.90%
(v) Earning assets to total assets	68.26%	69.60%
(vi) Deposits growth	-8.30%	-11.89%
(vii) Assets growth	-7.19%	-14.18%

**CONDENSED STATEMENT OF CASH FLOW STATEMENT
FOR THE QUARTER ENDED ON 30th JUNE 2019**

(Amounts in million shillings)

**Current Quarter
30 June 2019**

**Previous Quarter
31 March 2019**

I: Cash flow from operating activities:		
Net (loss)/profit before tax	(3,740)	(896)
Adjustments for:		
- Impairment charges and Amortization/depreciation charges	2,943	1,822
- net change in loans and advances	12,525	10,356
- gain/(loss) on sale of assets	7	32
- net change in deposits	(6,980)	(11,344)
- net change in short term negotiable securities	-	-
Negotiable Securities	-	-
- net change in other liabilities	(149)	495
- net change in other assets	(927)	(76)
- tax paid	-	-
- others Net change in SMR	(771)	(831)
Net cash provided (used) by operating activities	2,908	(442)
II: Cash flow from investing activities:		
Dividend received	-	-
Purchase of fixed assets	(3)	(3)
Proceeds from sale of fixed assets	7	32
Purchase of non-dealing securities	-	-
Proceeds from sale of non-dealing securities	-	-
Deferred revenue grant	-	-
Net cash provided (used) by investing activities	4	29
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	-	(9,494)
Others	-	-
Net cash provided (used) by financing activities	-	(9,494)
IV: Cash and cash equivalents:		
Net decrease in cash and cash equivalents	2,911	(9,906)
Cash and cash equivalents at the beginning of the quarter	18,086	27,992
Cash and cash equivalents at the end of the quarter	20,997	18,086

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 30TH JUNE 2019

	<i>(Amounts in million shillings)</i>						
	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Deposit for shares	Total
Current period up to 30th JUNE 2019							
Balance as at the beginning of the year	40,000	-	(9,257)	-	873	-	31,616
Profit/(Loss) for the year	-	-	(2,618)	-	-	-	(2,618)
Other Comprehensive Income	-	-	-	-	-	-	-
Transfers to Share Capital	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	282	-	(282)	-	-
Others - (IFRS-9)	-	-	-	-	-	-	-
Balance as at 30th JUNE 2019	40,000	-	(11,593)	-	590	-	28,998
Previous Year-period up to 31st December 2018							
Balance as at the beginning of the year-2018	33,000	-	(4,078)	-	1,359	-	30,280
Profit/(Loss) for the year	-	-	(953)	-	-	-	(953)
Other Comprehensive Income	-	-	-	-	-	-	-
Transfers to Share Capital	7,000	-	-	-	-	-	7,000
Dividends Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	486	-	(486)	-	-
Others - Net impact of IFRS 9 Transitional adjustment (net of tax).	-	-	(4,712)	-	-	-	(4,712)
Balance as at 31st December 2018	40,000	-	(9,257)	-	873	-	31,616

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>
Armando Massimiliano Sirolla (Chief Executive Officer)	26th July 2019
Julius Ruwaichi (Chief Financial Officer)	26th July 2019
Andrew Mollel (Head of Internal Audit)	26th July 2019

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>
Thomas Engelhardt (Chairperson)	26th July 2019
Johannes Mainhardt (Director)	26th July 2019