



# INTERNATIONAL COMMERCIAL BANK (TANZANIA) LIMITED

## EXTRACT FROM AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### Report of condition of bank pursuant to section 32(3) of Banking and Financial Institutions Act, 2006

#### STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	2014 TZS '000	2013 TZS '000
<b>Assets</b>		
Cash and balance with Bank of Tanzania	15,364,029	11,592,188
Balance with other Banks	10,349,452	4,943,025
Cheques in course of collection	280,159	130,423
Placements with other banks	28,514,620	5,117,498
Loans and Advances to customers	47,779,023	53,170,483
Government securities held to maturity	14,072,916	17,937,111
Property, plant and equipment	851,018	1,144,138
Leasehold improvements	522,492	734,367
Intangible assets	62,378	91,178
Tax Recoverable	-	130,952
Deffered tax asset	573,516	275,651
Other assets	499,643	396,013
<b>Total Assets</b>	<b>118,869,246</b>	<b>95,663,027</b>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Deposits from Banks	19,118,000	6,891,600
Deposits from Customers	86,216,571	75,453,613
Tax Payable	200,288	-
Other Liabilities	1,042,727	1,105,250
<b>Total Liabilities</b>	<b>106,577,586</b>	<b>83,450,463</b>
<b>Equity</b>		
Share capital	11,795,332	11,795,332
Accumulated losses	(3,555,813)	(1,966,692)
Regulatory reserve	4,052,141	2,383,924
<b>Total Equity</b>	<b>12,291,660</b>	<b>12,212,564</b>
<b>Total Liabilities and Equity</b>	<b>118,869,246</b>	<b>95,663,027</b>
<b>Selected Financial Performance Indicators</b>		
Total issued capital to total assets	10%	12%
Non performing loans to total advances	13%	8%
Gross loans to total deposits	49%	66%
Loans to total assets	40%	56%

#### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 TZS '000	2013 TZS '000
Interest Income	7,329,129	7,985,511
Interest expense	(3,113,888)	(3,302,625)
<b>Net Interest Income</b>	<b>4,215,241</b>	<b>4,682,886</b>
Fees and commissions	1,264,631	1,297,679
Foreign currency dealings and translation gains-net	433,581	811,531
Other operating income	220,543	198,944
<b>Operating income</b>	<b>6,133,996</b>	<b>6,991,040</b>
Recoveries made during the year	273,249	402,969
<b>Total operating income</b>	<b>6,407,245</b>	<b>7,394,009</b>
Impairment charge on loans and advances	(707,101)	(1,916,475)
<b>Net operating income</b>	<b>5,700,144</b>	<b>5,477,534</b>
<b>Operating expenses</b>		
Personnel expenses	(2,209,845)	(2,188,238)
Depreciation and amortisation	(554,892)	(533,306)
Other operating expenses	(2,803,888)	(2,582,325)
<b>Total operating expenses</b>	<b>(5,568,625)</b>	<b>(5,303,869)</b>
<b>Profit/(Loss) before tax</b>	<b>131,519</b>	<b>173,665</b>
Tax expense	(52,423)	(59,924)
<b>Profit/(Loss) for the year</b>	<b>79,096</b>	<b>113,741</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>79,096</b>	<b>113,741</b>
<b>Selected Financial Performance Indicators</b>		
Return on total assets	0.07%	0.2%
Return on equity	0.67%	1.4%
Non interest income to net interest income	46%	49%
Operating expenses to total assets	5%	6%
Interest margin to average earning assets	5%	6%
Non interest expense to gross income	61%	71%

#### STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 TZS '000	2013 TZS '000
<b>Cash from operating activities:</b>		
Profit before tax	131,519	173,665
<b>Adjustments for non cash items:</b>		
Impairment of loans and advances	707,101	1,916,475
Depreciation of property and equipment	306,108	294,287
Amortisation of leasehold improvements	211,875	185,119
Amortisation of intangible assets	36,909	53,900
	<b>1,393,512</b>	<b>2,623,446</b>
<b>Changes in:</b>		
Statutory minimum reserve	(510,000)	420,000
Market placements of maturity over 90 days	(2,269,420)	203,361
Loans and advances	4,684,359	(2,704,799)
Government securities held to maturities over 90 days	900,345	(8,013,760)
Other assets	(103,630)	19,614
Deposits from Banks	12,226,400	1,531,600
Deposits from Customers	10,762,958	(21,051,529)
Other liabilities	(62,523)	232,176
<b>Net cash inflows from/ (used in) operating activities</b>	<b>27,022,001</b>	<b>(26,739,891)</b>
Tax Paid	(19,048)	(112,500)
	<b>27,002,953</b>	<b>(26,852,391)</b>
<b>Net cash inflows from/ (used in) investing activities</b>		
Additions to leasehold improvements	-	(263,226)
Purchase of property and equipments	(12,988)	(291,479)
Purchase of intangible assets	(8,109)	(82,260)
<b>Net cash used in investing activities</b>	<b>(21,097)</b>	<b>(636,965)</b>
Increase/(decrease) in cash and cash equivalents	26,981,856	(27,489,356)
Cash and cash equivalent at the beginning of the year	16,152,936	43,642,292
Cash and cash equivalent at the end of the year	<b>43,134,792</b>	<b>16,152,936</b>

#### BRANCH NETWORK

**Vijana Branch**  
Fire Station Road, Vijana Towers  
Tel: +255-22-2153580/2153763/2152787

**Lumumba Branch**  
Lumumba Street  
Tel: +255-22-2180017/2180031

**Jamhuri Branch**  
Jamhuri Street / Morogoro Road  
Tel: +255-22-2134989-992, 2111173

**Ubungu Branch**  
Millennium Business Park  
Tel: +255-22-2401128/2401129

**Mikocheni Branch**  
Old Bagamoyo Road/Chwaku Street  
Tel: +255-22-2775706/2775703

The above extracts are from the financial statements of the Bank for the year ended December 31, 2014 which have been prepared in accordance with International Financial Reporting Standards (IFRS) and companies act, cap 212, act no. 12 of 2002. The Financial Statement were audited by KPMG, Certified Public Accountants and received a clean audit report.

The Financial Statements were approved by the Board of Directors and signed by:

Lim Teong Liat	Chairman	01st April 2015
Charles R.B. Rwechungura	Director	01st April 2015
Baseer Mohammed	Chief Executive Officer	01st April 2015