



# INTERNATIONAL COMMERCIAL BANK (TANZANIA) LIMITED

## EXTRACT FROM AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 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 2015

	2015 TZS '000	2014 TZS '000
<b>Assets</b>		
Cash and balance with Bank of Tanzania	37,976,922	15,364,029
Balance with other Banks	9,205,973	10,349,452
Cheques in course of collection	577,134	280,159
Placements with other banks	11,427,066	28,514,620
Loans and Advances to customers	47,819,802	47,779,023
Government securities held to maturity	29,122,417	14,072,916
Property, plant and equipment	751,680	851,018
Leasehold improvements	347,900	522,492
Intangible assets	118,493	62,378
Deferred tax asset	829,310	573,516
Other assets	421,477	499,643
<b>Total Assets</b>	<b>138,598,174</b>	<b>118,869,246</b>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Deposits from Banks	18,709,238	19,118,000
Deposits from Customers	97,014,609	86,216,571
Tax Payable	515,547	200,288
Other Liabilities	1,103,994	1,042,727
<b>Total Liabilities</b>	<b>117,343,388</b>	<b>106,577,586</b>
<b>Equity</b>		
Share capital	20,025,247	11,795,332
Accumulated losses	(2,587,159)	(3,555,813)
Regulatory reserve	3,816,698	4,052,141
<b>Total Equity</b>	<b>21,254,786</b>	<b>12,291,660</b>
<b>Total Liabilities and Equity</b>	<b>138,598,174</b>	<b>118,869,246</b>
<b>Selected Financial Performance Indicators</b>		
Total issued capital to total assets	14.45%	10.00%
Non performing loans to total advances	14.89%	13.00%
Gross loans to total deposits	44.95%	49.00%
Loans to total assets	34.50%	40.00%

#### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 TZS '000	2014 TZS '000
Interest Income	8,354,762	7,329,129
Interest expense	(2,931,839)	(3,113,888)
<b>Net Interest Income</b>	<b>5,422,923</b>	<b>4,215,241</b>
Fees and commissions	1,206,146	1,264,631
Foreign currency dealings and translation gains-net	369,206	433,581
Other operating income	276,714	220,543
<b>Operating income</b>	<b>7,274,989</b>	<b>6,133,996</b>
Recoveries made during the year	582,719	273,249
<b>Total operating income</b>	<b>7,857,708</b>	<b>6,407,245</b>
Impairment charge on loans and advances	(515,522)	(707,101)
<b>Net operating income</b>	<b>7,342,186</b>	<b>5,700,144</b>
<b>Operating expenses</b>		
Personnel expenses	(2,484,465)	(2,209,845)
Depreciation and amortisation	(517,553)	(554,892)
Other operating expenses	(2,939,129)	(2,803,888)
<b>Total operating expenses</b>	<b>(5,941,147)</b>	<b>(5,568,625)</b>
<b>Profit/(Loss) before tax</b>	<b>1,401,039</b>	<b>131,519</b>
Tax expense	(667,828)	(52,423)
<b>Profit/(Loss) for the year</b>	<b>733,211</b>	<b>79,096</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>733,211</b>	<b>79,096</b>
<b>Selected Financial Performance Indicators</b>		
Return on total assets	0.53%	0.07%
Return on equity	3.45%	0.67%
Non interest income to net interest income	34%	46%
Operating expenses to total assets	4%	5%
Interest margin to average earning assets	6%	5%
Non interest expense to gross income	58%	61%

#### Other Disclosures:

We have paid a penalty amounting to TZS 359,863 for non compliance with the Statutory Minimum Reserve (SMR) requirement as at 29/05/2015 to Bank of Tanzania

The above extracts are from the financial statements of the Bank for the year ended December 31, 2015 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	29th March 2016
Sivakugan Thambirajah	Director	29th March 2016

#### STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 TZS '000	2014 TZS '000
<b>Cash from operating activities:</b>		
Profit before tax	1,401,039	131,519
<b>Adjustments for non cash items:</b>		
Impairment of loans and advances	515,522	707,101
Depreciation of property and equipment	267,253	306,108
Amortisation of leasehold improvements	206,706	211,875
Amortisation of intangible assets	43,594	36,909
	<b>2,434,114</b>	<b>1,393,512</b>
<b>Changes in Operating Assets and Liabilities:</b>		
Statutory minimum reserve	180,000	(510,000)
Market placements of maturity over 90 days	3,704,020	(2,269,420)
Loans and advances	(556,301)	4,684,359
Government securities held to maturities over 90 days	(1,445,057)	900,345
Other assets	78,166	(103,630)
Deposits from Banks	(408,762)	12,226,400
Deposits from Customers	10,798,038	10,762,958
Other liabilities	61,267	(62,523)
<b>Net cash inflows from/ (used in) operating activities</b>	<b>14,845,485</b>	<b>27,022,001</b>
Tax Paid	(608,363)	(19,048)
	<b>14,237,122</b>	<b>27,002,953</b>
<b>Net cash inflows from/ (used in) investing activities</b>		
Additions to leasehold improvements	(32,114)	-
Purchase of property and equipments	(167,915)	(12,988)
Purchase of intangible assets	(99,709)	(8,109)
<b>Net cash used in investing activities</b>	<b>(299,738)</b>	<b>(21,097)</b>
<b>Cash flows from financing activities</b>		
Additional capital	8,229,915	-
	<b>8,229,915</b>	<b>-</b>
Increase/(decrease) in cash and cash equivalents	<b>22,167,299</b>	<b>26,981,856</b>
Cash and cash equivalent at the beginning of the year	43,134,792	16,152,936
Cash and cash equivalent at the end of the year	<b>65,302,091</b>	<b>43,134,792</b>

#### HEAD OFFICE & BRANCH NETWORK

**Head Office**  
Fire Station Road, Vijana Towers

**Vijana Branch**  
Fire Station Road, Vijana Towers

**Lumumba Branch**  
Lumumba Street

**Jamhuri Branch**  
Jamhuri Street / Morogoro Road

**Ubungu Branch**  
Millennium Business Park

**Mikocheni Branch**  
Old Bagamoyo Road/Chwaku Street

Signed By:

**VISWANATHAN SUNDARAM**  
Chief Executive Officer  
Date: 29th March 2016

**HERIABDIEL.N.AYOH**  
Head of Finance  
Date: 29th March 2016

Attested By:

**UNDULE KOROSSO**  
Head - Internal Audit  
Date: 29th March 2016