



# 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	7,010	6,631
2 Balances with Bank of Tanzania	40,090	45,844
3 Investments in Government securities	125,211	113,911
4 Balances with other banks and financial institutions	10,804	22,945
5 Cheques and items for clearing	-	117
6 Inter branch float items	-	-
7 Bills negotiated	-	-
8 Customer liabilities for acceptances	-	-
9 Interbank Loans Receivables	20,097	20,157
10 Investments in other securities	-	-
11 Loans, advances and overdrafts (net of allowances for probable losses)	365,972	354,889
12 Other assets	20,724	14,509
13 Equity Investments	1,014	1,014
14 Underwriting accounts	-	-
15 Property, Plant and Equipment	6,066	7,082
<b>16 TOTAL ASSETS</b>	<b>596,989</b>	<b>587,098</b>
<b>B. LIABILITIES</b>		
17 Deposits from other banks and financial institutions	32,663	12,542
18 Customer deposits	450,701	435,346
19 Cash letters of credit	-	-
20 Special deposits	3,492	870
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and drafts issued	316	311
23 Accrued taxes and expenses payable	4,693	2,834
24 Acceptances outstanding	-	-
25 Interbranch float items	-	-
26 Unearned income and other deferred charges	1,781	1,624
27 Other liabilities	4,798	4,695
28 Borrowings	12,857	31,231
<b>29 TOTAL LIABILITIES</b>	<b>511,301</b>	<b>489,453</b>
<b>30 NET ASSETS/(LIABILITIES)(16 minus 29)</b>	<b>85,687</b>	<b>97,645</b>
<b>C. SHAREHOLDERS' FUNDS</b>		
31 Paid up share capital	23,192	23,192
32 Share premium	18,090	18,090
33 Capital reserves	335	254
34 Retained earnings	49,122	33,262
35 Profit (Loss) account	(9,931)	7,026
36 Provision Reserve	4,879	15,821
37 Minority Interest	-	-
<b>38 TOTAL SHAREHOLDERS' FUNDS</b>	<b>85,687</b>	<b>97,645</b>
39 Contingent liabilities	124,144	152,587
40 Non performing loans & advances	70,365	34,443
41 Allowances for probable losses	34,059	20,074
42 Other non performing assets	-	-
<b>D. SELECTED FINANCIAL CONDITION INDICATORS</b>		
(i) Shareholders Funds to total assets	14.35%	16.63%
(ii) Non performing loans to total gross loans	17.59%	9.19%
(iii) Gross loans and advances to total deposits	82.17%	83.56%
(iv) Loans and Advances to total assets	67.01%	63.87%
(v) Earning Assets to Total Assets	91.35%	86.70%
(vi) Deposits Growth	8.49%	19.81%
(vii) Assets growth	1.68%	14.50%

## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31<sup>st</sup> DECEMBER 2022 (Amounts in million shillings)

	Current Year 31.12.2022	Previous Year 31.12.2021
1 Interest Income	54,778	51,799
2 Interest Expense	(22,942)	(20,412)
<b>3 Net Interest Income (1 minus 2)</b>	<b>31,836</b>	<b>31,387</b>
4 Bad Debts Written-Off	-	-
5 Impairment Losses on Loans and Advances	25,283	5,295
<b>6 Non Interest Income:</b>	<b>11,701</b>	<b>10,107</b>
6.1 Foreign Currency Dealings and Translation Gains/(Loss)	4,307	3,174
6.2 Fees and Commissions	6,970	6,182
6.3 Dividend Income	16	20
6.4 Other Operating Income	409	731
<b>7 Non Interest Expenses:</b>	<b>(31,769)</b>	<b>(25,958)</b>
7.1 Salaries and Benefits	(14,171)	(12,689)
7.2 Fees and Commission	(12)	(138)
7.3 Other Operating Expenses	(17,587)	(13,131)
<b>8 Operating Income/(Loss)</b>	<b>(13,515)</b>	<b>10,241</b>
9 Income Tax Provision	3,584	(3,215)
<b>10 Net Income/ (Loss) After Income Tax</b>	<b>(9,931)</b>	<b>7,026</b>
11 Other Comprehensive Income (itemize)	81	5
<b>12 Total comprehensive income/(loss) for the quarter / year</b>	<b>(9,850)</b>	<b>7,031</b>
13 Number of Employees	181	185
14 Basic Earnings Per Share	(0.43)	0.34
15 Number of Branches	8	8
<b>SELECTED PERFORMANCE INDICATORS</b>		
(i) Return on Average Total Assets	-1.65%	1.28%
(ii) Return on Average Shareholders' Fund	-10.84%	7.75%
(iii) Non Interest Expense to Gross Income	72.97%	62.43%
(iv) Net Interest Income to Average Earning Assets	5.86%	6.74%

## CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 31<sup>st</sup> DECEMBER 2022 Amounts in million shillings)

	Share capital	Share premium	Retained profit	Regulatory reserve	General provision reserve	Others	Total
<b>Current Year (31.12.2022)</b>							
Balance as at the beginning of the current year (01.01.2022)	23,192	18,090	40,288	15,821	-	254	97,645
Profit for the year	-	-	(9,931)	-	-	81	(9,850)
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Rights Issue (Dividends Paid)	-	-	(2,108)	-	-	-	(2,108)
Regulatory Reserve	-	-	10,943	(10,941)	-	-	-
General Provision Reserve	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Balance as at the end of the current year (31.12.2022)</b>	<b>23,192</b>	<b>18,090</b>	<b>38,191</b>	<b>4,879</b>	<b>-</b>	<b>335</b>	<b>85,687</b>
<b>Previous Year (31.12.2021)</b>							
Balance as at the beginning of the previous year (1.01.2021)	18,202	18,090	29,789	18,294	-	249	83,624
Profit for the year	-	-	7,026	-	-	5	7,026
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Rights Issue (Dividends Paid)	-	-	-	-	-	-	-
Regulatory Reserve	-	-	6,990	-	-	-	6,990
General Provision Reserve	-	-	-	3,474	(3,474)	-	-
Others	-	-	-	-	-	-	-
<b>Balance as at the end of the previous year (31.12.2021)</b>	<b>18,202</b>	<b>18,090</b>	<b>40,288</b>	<b>15,821</b>	<b>-</b>	<b>254</b>	<b>97,645</b>

In preparation of the yearly financial statements, consistent accounting policies have been used as those applicable to the previous year audited financial statements (if there were changes during the year, the changes be explained as per IAS 34 & IAS 8).

Name and Title	Signature	Date
Zahid Mustafa (Chief Executive Officer)	(Signed)	31.03.2023
Veronica Pascal Magono (Head of Finance)	(Signed)	31.03.2023
Aimtonga Adolph (Chief Internal Auditor)	(Signed)	31.03.2023
The above extracts are from the Financial Statements of the Bank for the year ended December 31, 2022 which have been prepared in accordance with International Financial Reporting Standards, and Companies Act, CAP 212 Act No. 12 of 2002. The Financial Statements were audited by PWC Certified Public Accountants (T) and received a clean audit report. The Financial Statements were approved by the Board of Directors and signed on behalf by:		
Name	Signature	Date
Sarit S. Raje Shah	(Signed)	31.03.2023
Pratul H. Shah	(Signed)	31.03.2023

## CONDENSED STATEMENT OF CASH FLOW STATEMENT FOR THE QUARTER ENDED 31<sup>st</sup> DECEMBER 2022 (Amounts in million shillings)

	Current year 31.12.2022	Previous Year 31.12.2021
<b>I: Cash flow from operating activities:</b>		
Net income(loss)	(13,515)	10,241
Adjustments for:		
- Impairment/Amortization	29,433	8,974
- Net change in Loans and Advances	(36,366)	(39,474)
- Gain/loss on Sale of Assets	-	-
- Net change in Deposits	38,098	74,202
- Net change in Short Term Negotiable Securities	(11,301)	(10,679)
- Net change in Other Liabilities	3,072	588
- Net change in Other Assets	(1,904)	382
- Tax Paid	(2,484)	(3,896)
- Others	20,017	(12,365)
<b>Net cash provided (used) by operating activities</b>	<b>25,051</b>	<b>27,972</b>
<b>II: Cash flow from investing activities:</b>		
Dividend Received	16	20
Purchase of Fixed Assets	(2,123)	(2,045)
Proceeds from Sale of Fixed Assets	-	-
Purchase of Non-Dealing Securities	-	-
Proceeds from Sale of Non-Dealing Securities	-	-
Others (specify)	-	-
<b>Net cash provided (used) by investing activities</b>	<b>(2,107)</b>	<b>(2,025)</b>
<b>III: Cash flow from financing activities:</b>		
Repayment of Long-term Debt	(28,149)	(21,927)
Proceeds from Issuance of Long Term Debt	9,340	9,304
Proceeds from Issuance of Share Capital	-	6,990
Payment of Cash Dividends	(2,108)	-
Net Change in Other Borrowings	-	-
Others (specify)	(840)	(559)
<b>Net Cash Provided (used) by Financing Activities</b>	<b>(21,757)</b>	<b>(6,192)</b>
<b>IV: Cash and Cash Equivalents:</b>		
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>1,187</b>	<b>19,754</b>
Cash and Cash Equivalents at the Beginning of the Quarter	49,772	30,018
<b>Cash and Cash Equivalents at the end of the Quarter</b>	<b>50,959</b>	<b>49,772</b>

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