

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

AUDITED FINANCIAL STATEMENTS



BALANCE SHEET AS AT 31ST DECEMBER 2015	TZS '000	TZS '000
	Current Year 31-12- 2015	Previous Year 31-12- 2014
A. ASSETS		
1. Cash	6,033,730	6,741,269
2. Balances with Bank of Tanzania	26,265,589	19,500,599
3. Investment in Government securities	0	0
4. Balances with other Banks and Financial institution	4,952,269	4,482,746
5. Cheques and items for clearing	2,200,417	368,166
6. Interbranch float items	0	0
7. Bills negotiated	0	0
8. Customers' liabilities for acceptances	0	0
9. Interbank Loans Receivables	0	0
10. Investment in Other securities	0	0
11. Financing (net of allowances for probable losses)	117,924,716	76,161,091
12. Other assets	7,925,214	7,765,771
13. Equity investments	0	0
14. Underwriting Accounts	0	0
15. Property, Plant and Equipment	2,991,927	3,390,081
16. TOTAL ASSETS	168,293,862	118,409,723
B. LIABILITIES		
17. Deposits from other banks and Financial Institutions	0	0
18. Customer deposits	140,959,900	102,470,648
19. Cash Letters of Credit	0	0
20. Special deposits	7,438,440	3,172,823
21. Payment orders/ transfers,payables	0	0
22. Bankers Cheques and Drafts Issued	341,285	368,166
23. Accrued Taxes and Expenses Payable	145,138	133,925
24. Acceptances Outstanding	0	0
25. Interbranch float items	0	0
26. Unearned income and other deferred charges	0	0
27. Other Liabilities	1,491,900	478,254
28. Borrowings	0	0
29. TOTAL LIABILITIES	150,376,663	106,623,816
30. NET ASSETS/(LIABILITIES)(16 minus 29)	17,917,199	11,785,907
C. SHAREHOLDERS' FUNDS		
31. Paid up Share capital	31,674,747	25,501,500
32. Preference Share Capital	0	0
33. Capital Reserve	1,797,279	148,067
34. Retained Earnings	(13,863,660)	(11,791,545)
35. Profit (Loss) Account	(1,691,167)	(2,072,115)
36. Other Capital Accounts	0	0
37. Minority Interest	0	0
38. TOTAL SHAREHOLDERS' FUNDS	17,917,199	11,785,907
39. Contingent Liabilities	16,566,120	19,983,250
40. Non performing financing	3,066,031	2,355,382
41. Allowances for probable losses	261,560	622,945
42. Other non performing assets	0	0
D. SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to total assets	11%	10%
(ii) Nonperforming financing to total financing	2.6%	3.1%
(iii) Gross financing to total deposits	80%	73%
(iv) Financing to total assets	70%	64%
(v) Deposits Growth	40%	56%
(iv) Assets growth	42%	43%

INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2015	TZS '000	TZS '000
	Current Year 31-12- 2015	Previous Year 31-12- 2014
1. Income from Financing	13,453,251	8,057,968
2. Depositors' Profit	(4,479,103)	(2,270,376)
3. Net Financing Income	8,974,148	5,787,592
4. Bad debts written off	0	0
5. Impairment losses on Financing	(261,560)	(622,945)
6. Non Funded Income	5,765,453	3,647,292
6.1 Foreign currency Dealings and Translation Gains/(loss)	2,213,146	869,138
6.2 Fees and Commission	3,387,956	2,667,119
6.3 Dividend Income	0	0
6.4 Other Operating Income	164,351	111,035
7. Operating Expenses	(14,513,104)	(11,786,907)
7.1 Salaries and Benefit	(6,117,927)	(4,689,438)
7.2 Fees and Commissions	(27,439)	(89,279)
7.3 Other operating Expenses	(8,367,738)	(7,008,190)
8. Operating Income/(Loss)	(35,063)	(2,974,968)
9. Deferred Tax Provision	(6,892)	896,904
10. Net Income/(loss) after Income Tax	(41,955)	(2,078,064)
11. Number of employees	138	121
12. Basic Earnings Per Share	-1	-81
13. Diluted Earnings Per Share	-1	-81
14. Number of Branches	6	6
SELECTED PERFORMANCE INDICATORS		
Return on average total assets	0%	-2%
Return on ordinary shareholder's funds	0%	-18%
Operating expenses to gross income	-76	-132%
Profit margin to average earning assets	9%	10%

The above extracts are from the Financial Statements of the Bank for year ended 31st December 2015, which have been prepared in accordance with International Financial Reporting Standards (IFRS), Islamic Sharia Principles and the provisions of the Tanzania Companies Act, 2002. The Financial Statements were audited by Deloitte & Touche (Certified Public Accountants) and received unqualified audit report.

The Financial Statements were approved by the Board of Directors on March 29, 2016 and signed on their behalf by:

Mohamed Ismail
(Acting Chairman) Signed on 31, March 2016

Dr Muhsin Salim Masoud
(Managing Director) Signed on 31, March 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2015	TZS '000	TZS '000
	Current Year 31-12- 2015	Previous Year 31-12- 2014
I. Cash Flow from Operating Activities:		
- Net Income/(Loss) before tax	(35,063)	(2,974,968)
Adjustment for Non- cash Items		
Impairment/Amortization/Depreciation	1,252,875	1,596,890
Amortization of intangible assets	690,798	655,691
Gain/loss from sale of fixed assets	0	0
- net change in Financing	(42,025,185)	(34,202,059)
- net change in deposits and balances due from banking institutions	(469,523)	1,785,233
- net change in customer deposits	42,754,869	37,800,819
- net change in statutory minimum reserve	(5,700,000)	(3,490,000)
- net change in other liabilities	997,978	(121,957)
- net change in other assets	(2,332,154)	(95,159)
- net change in deposits and balances due to banking institutions	0	0
- Tax paid	0	0
- Others (Securities)	0	0
Net cash provided(used) by operating activities	(4,865,405)	954,490
II: Cash flow from investing activities		
Dividend received	0	0
Purchase of property and equipment	(813,411)	(326,501)
Purchase of computer software	(136,980)	(122,581)
Proceeds from sale of fixed assets	0	0
Purchase of non-dealing securities	0	0
Proceed from sale of non- dealing Securities	0	0
Others (specify)	0	0
Net cash provided(used) by investing activities	(950,391)	(449,082)
III. Cash flow from Financing activities		
Repayment of long-term debt	0	0
Proceeds from issuance of long term debt	0	0
Proceeds from issuance of Shares	6,173,247	0
Payment of cash dividends	0	0
Net change in other borrowings	0	0
Others (specify)-Increase in general reserve	0	0
Net cash provided(used) by financing activities	6,173,247	0
IV. Cash and cash equivalents		
Net increase (decrease) in cash and cash equivalents	357,451	505,408
Cash and cash equivalents at the beginning of the quarter	15,297,868	14,792,460
Cash and cash equivalents at the end of the quarter	15,655,319	15,297,868

Tanzania's First Islamic Bank

OUR BRANCHES

Main Branch Ground Floor, Golden Jubilee Towers, P.O. Box 9771, DSM Tel +255 222129014 Tel +255 222129014 Fax +255 222129013	Nyerere Road Branch DRTC House Tel +255 22 2863724 Tel +255 22 2863724 Fax +255 22 2863725	Lumumba Branch Lumumba Street (Kariakoo) Tel + 255 22 2180101 Tel + 255 22 2181410 Fax + 255 22 2181410	Mbagala Branch, Mbagala Zakhem, P.O. Box 9771, DSM Tel +255 222129014 Tel +255 222129014 Fax +255 222129013
Tandamti Branch (Opp. Kariakoo Market) Tel +255 22 2185474 Tel +255 22 2185474 Fax +255 22 2185475	Arusha Branch Hugo House Tel. + 255 27 2547496 Tel. + 255 27 2547496 Fax +255 27 2547497	Mwanza Branch Kenyatta Road Tel. +255 282541921 Tel. +255 282541921 Fax +255 282541922	

Islamic
Bank