



**THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE**



TANZANIA COMMERCIAL BANK PUBLIC LIMITED COMPANY

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL AND COMPLIANCE AUDIT FOR THE
FINANCIAL YEAR ENDED 31 DECEMBER 2024**

Controller and Auditor General,
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March 2025

AR/PA/TCB/2024

About the National Audit Office

Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap. 418.



Independence and objectivity

We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



Professional competence

We deliver high-quality audit services based on appropriate professional knowledge, skills, and best practices

Integrity

We observe and maintain high ethical standards and rules of law in the delivery of audit services.

Creativity and Innovation

We encourage, create, and innovate value-adding ideas for the improvement of audit services.

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ABBREVIATIONS

ARCC	Audit, Risk Management and Compliance Committee
BOT	Bank of Tanzania
CAG	Controller and Auditor General
GRRC	Governance, Recruitment and Remuneration Committee
ISAs	International Standards on Auditing
ISSAI	International Standards of Supreme Audit Institutions
IFRSs	International Financial Reporting Standards
NBAA	National Board of Accountants and Auditors
PAA	Public Audit Act No. 11 of 2008
PAR	Public Audit Regulations, 2009
PAC	Public Accounts Committee
PFA	Public Finance Act No.6 of 2001 (Revised 2004)
PFR	Public Finance Regulations, 2001
PPA	Public Procurement Act, 2011
PPR	Public Procurement Regulations, 2013
Reg.	Regulations
Sect.	Section
SMR	Statutory Minimum Reserve
TIB	TIB Corporate Bank Limited
TP & TC SACCOS	Posta na Simu Savings & Credit Cooperative Society
TWB	Tanzania Women's Bank Plc
URT	United Republic of Tanzania

CORPORATE INFORMATION

DIRECTORS

Name	Position	Remarks
Mr. Martin E. Kilimba	Chairman	Appointed 15 th May, 2024
Dr. Edmund B. Mndolwa	Chairman	Tenure expired on 15 th May, 2024
Mr. Laibu L. Ngulo	Member	Appointed on 10 th January, 2024
Mr. Gilbert W. Chawe	Member	Reappointed on 9 th July 2022
Mr. Bezil P. Ewala	Member	Reappointed on 2 nd August 2022
Mr. Aboud H. Mwinyi	Member	Appointed on 23 rd June, 2023
Dr. Allan I. Shimba	Member	Tenure expired on 29 th October, 2024
Mr. Samwel A. Oyye	Member	Tenure expired on 1 st January, 2025
Mr. Adam C. Mihayo	Member	Appointed on 1 st March, 2024

AUDIT, RISK MANAGEMENT AND COMPLIANCE COMMITTEE

Name	Position
Mr. Gilbert W. Chawe	Chairman
Mr. Samwel A. Oyye	Member

GOVERNANCE, RECRUITMENT AND REMUNERATION COMMITTEE

Name	Position
Dr. Allan I. Shimba	Chairman to 29 th October 2024
Mr. Laibu L. Ngulo	Chairman from 29 th October 2024
Mr. Aboud H. Mwinyi	Member

BOARD CREDIT COMMITTEE

Name	Position
Mr. Bezil P. Ewala	Chairman
Dr. Allan I. Shimba	Member to 29 th October 2024
Mr. Laibu L. Ngulo	Member

SECRETARY

Mystica Mapunda Ngongi
Director Legal Services & Company Secretary
Tanzania Commercial Bank Public Limited Company
LAPF Millennium Towers
Bagamoyo Road
P.O. Box 9300
Dar es Salaam

CORPORATE INFORMATION (CONTINUED)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	PSSSF Millennium Tower II Bagamoyo Road P.O. Box 9300 Dar es Salaam
PRINCIPAL AUDITOR	Controller and Auditor General National Audit Office P.O. Box 950 Tambukareli Dodoma
DELEGATED AUDITOR	Deloitte & Touche Certified Public Accountants (Tanzania) 3 rd Floor, ARiS House Plot 152, Haile Selassie Road, Oysterbay P.O. Box 1559 Dar es Salaam, Tanzania
LAWYERS	A.JBK Advocates (M.A Ismail Advocates) P.O. BOX 13060 Haidery Plaza, 8th Floor, Unit NO 8L Kisutu/Upanga Street Dar es salaam Kailu Chambers Advocates Plot No 75/6, Block S, P.O. Box 127 Mwanza Droit Law Chambers Plot No 33, Block G Nyamanora, Airport Road 3rd Floor P.O. Box 351 Mwanza Epic Law Partners (B&E Ako Law) P.O. Box 71748 Plot No 30 House No 7 Regent Estate Legis Attorneys 4th City Plaza Building/Golden Tulip Hotel City Center, Jamhuri Street P.O. Box 3750 Dar es salaam A. Law Front Advocates P.O. Box 31312 Jued Business Centre Rose Garden Rd Mikocheni A Dar es salaam



1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Board of Directors,
Tanzania Commercial Bank Public Limited Company,
P.O. Box 9300,
DAR ES SALAAM

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Commercial Bank Public Limited Company ("TCB Bank Plc" or "the Bank"), which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Commercial Bank Public Limited Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board and the requirements of the Companies Act, 2002 and the Banking and Financial Institutions Act, 2006.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAI). My responsibilities under those standards are further described in the section below entitled, "Responsibility of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Tanzania Commercial Bank Public Limited Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key Audit Matters (Continued)

Key audit matter	How my audit addressed the key audit matter
Expected Credit Losses (ECL) on loans and advance to customers Accounting policy 3(i) and Note 23 to the financial statements At 31 December 2024, the Bank had a total gross loans and advances to customers of TZS 1,178.7 billion with expected credit losses of TZS 24.0 billion. Key judgements and estimates in respect of the measurement of expected credit loss (ECL) include the following: • Allocation of assets to stages 1, 2, or 3 using criteria in accordance with the accounting standard; • Accounting interpretations and modelling assumptions used to build the ECL model; • Completeness and accuracy of data used to calculate the ECL; • Inputs and assumptions used to estimate the impact of multiple economic scenarios;	In evaluating the impairment against loans and advances, I assessed the judgements and assumptions used by the Directors and my procedures included the following: • I reviewed the appropriateness and compliance of the ECL model to the accounting standard regarding the methods used to determine historical default rates, macroeconomic variables and adjustments, expected cash flows, credit conversion factors and effective interest rates; • I reviewed the appropriateness of the definition of default, cure definition and significant increase in credit risk (SICR) of the model; • I performed a review of the approach used to segment portfolio into similar risk characteristics; • I performed an overall assessment of the ECL provision levels by stage to determine if they were reasonable considering the Bank's portfolio, risk profile, credit risk management practices and the macroeconomic environment; • I tested the criteria used to allocate Financials asset to stages 1, 2 or 3 in accordance with IFRS 9; and verified that they were allocated to the appropriate stage;

Key Audit Matters (Continued)

Key audit matter	How my audit addressed the key audit matter
• Compliance of the model with the standard in computation matrices used in the ECL model for calculation of Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (AD); and • Accuracy and adequacy of the financial statement disclosures.	• I tested the management assumptions, inputs and formulas used in a sample of ECL models. This included assessing the appropriateness of model design and formulas used, considering alternative modelling techniques and recalculating the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) for a sample of models; • To verify data quality, I tested the data used in the ECL calculation by reconciling to source systems; • I further assessed the base case and alternative economic scenarios, including challenging probability weights and comparing to other scenarios from a variety of external sources; • I assessed whether forecasted macroeconomic variables were appropriate, such as GDP, interest rates and interbank lending rates; • I assessed the correlation and impact of the macroeconomic factors to the ECL including how non-linearity was captured; and • I tested the adequacy and appropriateness of disclosures for compliance with the accounting standards including the transaction disclosures. I found that the assumptions and judgements applied in determining impairment against loans and advances were appropriate and that the amount raised was reasonable and adequate.



Other Information

Management is responsible for the other information. The other information comprises the Report of Those Charged with Governance, Statement of Responsibilities by Those Charged with Governance, Declaration by the Head of Finance and Corporate information but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or the knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed on the other information that I obtained prior to the date of this audit report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board and the requirements of the Companies Act, 2002 and Banking and Financial Institutions Act, 2006 and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:



Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements (Continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Bank to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. I describe these matters in my audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements (Continued)

In addition, Section 10 (2) of the Public Audit Act, Cap 418 requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, CAP. 410 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with Banking and Financial Institutions Regulations

As required by the Banking and Financial Institutions (External Auditors) Regulations, 2014 of Tanzania, I report to you, based on my audit, that.

The capital adequacy ratios as presented in Note 6 to the financial statements have been computed in accordance with the Banking and Financial Institutions (Capital Adequacy) Regulations, 2014 of Tanzania. Regulation 9 of the Banking and Financial Institutions (Capital Adequacy) Regulations, 2014 requires all Banks and Financial Institutions to maintain at all times, core capital of not less than 12.5% of its total risk-weighted assets and off balance sheet exposure; and total capital of not less than 14.5% of its total risk weighted assets and off balance sheet exposure.

I state that, as at 31 December 2024 the Bank maintained a minimum core capital and total regulatory capital of 13.4% which, although it was within the required ratio for core capital, it was below the required minimum total regulatory capital adequacy ratio of 14.5%. However, a waiver from the Bank of Tanzania was granted to this effect and the Bank is required to regularize the position by 31 December 2026.

1.2.2 Compliance with the Public Procurement Act

Subject matter: Compliance audit on procurement of works, goods and services

I performed a compliance audit on procurement of works, goods and services in the Tanzania Commercial Bank Public Limited Company for the financial year ended 31 December 2024 as per the Public Procurement Laws in Tanzania.

Conclusion

Based on the audit work performed, I state that, procurement of works, goods and services of Tanzania Commercial Bank Public Limited Company is generally in compliance with the requirements of the Public Procurement Laws in Tanzania.

1.2.3 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Tanzania Commercial Bank Public Limited Company for the financial year ended 31 December 2024 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that, the budget formulation and execution of Tanzania Commercial Bank Public Limited Company is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

1.2.4 Compliance with the Companies Act, 2002

Subject matter: Report based on our audit

I report to you based on our audit of the Tanzania Commercial Bank Public Limited Company for the financial year ended 31 December 2024 as per the Companies Act, 2002.

Conclusion

As required by the Companies Act, 2002, I report to you, based on my audit, that:

- i) I have obtained all the information and explanations, which to the best of my knowledge and belief, were necessary for the purpose of the audit;
- ii) In my opinion, proper books of account have been kept by the Bank, so far as appears from my examination of those books; and
- iii) The Bank's statement of financial position (balance sheet) and statement of profit or loss and other comprehensive income (profit and loss account) are in agreement with the books of account.



Charles E. Kichere
Controller and Auditor General
Dodoma, United Republic of Tanzania
March 2025

**STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Companies Act, 2002 requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Bank as at the end of the financial year and of its profit or loss. It also requires the Directors to ensure that the Bank keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Bank. They are also responsible for safeguarding the assets of the Bank.

The Directors accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. The financial statements have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies Act, 2002 and the Banking and Financial Institutions Act, 2006 of Tanzania. The Directors are of the opinion that the financial statements present fairly, in all material respects, the state of the financial affairs of the Bank and of its financial results in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board the requirements of the Companies Act, 2002 and the Banking and Financial Institutions Act, 2006 of Tanzania.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement. To enable the Directors to meet these responsibilities they set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Bank and all employees are required to maintain the highest ethical standards in ensuring the Bank's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Bank is on identifying, assessing, managing and monitoring all known risks across the Bank. While operating risk cannot be fully eliminated, the Bank endeavors to minimize it by ensuring the appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

Nothing has come to the attention of the Directors to indicate that the Bank will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Board of Directors by:



Martin E. Kilimba

Chairman

20/03/2025



Mr. Adam C. Mihayo

Chief Executive Officer

**DECLARATION OF HEAD OF FINANCE
FOR THE YEAR ENDED 31 DECEMBER 2024**

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a Statement of Declaration issued by the Head of Finance responsible for the preparation of financial statements of the Bank concerned.

It is the duty of a professional accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of a Bank showing true and fair view position of the Bank in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and statutory reporting requirements. Full legal responsibility for financial statements rests with the Board of Directors as under Directors Responsibility statement on an earlier page.

I, **CPA Regina E. Semakafu**, being the Director of Finance of Tanzania Commercial Bank Public Limited Company hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2024 have been prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies Act, 2002 and the Banking and Financial Institutions Act, 2006 of Tanzania.

I thus confirm that the financial statements comply with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies Act, 2002 and the Banking and Financial Institutions Act, 2006 of Tanzania as on that date and that they have been prepared based on properly maintained financial records.



Signed by: Regina E. Semakafu
Director of Finance

20/03/2025

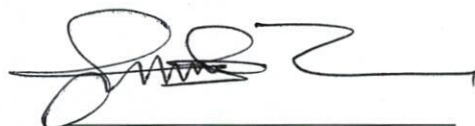
NBAA Member No.: ACPA 1322

TANZANIA COMMERCIAL BANK PLC

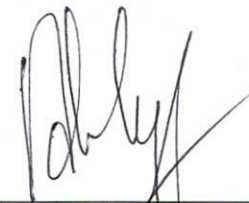
**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

	Notes	2024 TZS '000	2023 TZS '000
Assets			
Cash and balances with Bank of Tanzania	18	222,113,529	160,965,549
Cheques and items for collection	19	178,912	256,663
Placements and balances with other banks	20	95,561,550	110,599,730
Treasury bills	21	79,953,363	19,857,689
Treasury bonds	22	129,214,637	127,687,134
Loans and advances to customers	23(a)	1,137,048,515	911,150,315
Other assets	24	30,039,104	12,277,657
Deferred tax asset	25	11,814,120	10,264,091
Tax recoverable	17(c)	920,967	5,284,515
Intangible assets	26	1,574,381	2,129,923
Property and equipment	27	19,577,598	18,511,985
Right-of-use assets	28(a)	10,328,655	10,346,319
Total assets		1,738,325,331	1,389,331,570
Liabilities and equity			
Customer deposits	29	1,303,419,571	1,120,731,908
Balances due to other banks	30	197,456,069	80,009,367
Borrowings	31	33,687,253	12,132,164
Lease liabilities	28(b)	6,069,641	7,184,933
Other liabilities	32	37,978,803	41,373,673
Revenue grant	33	204,641	42,589
Staff benefit obligation	34	8,816,815	8,948,912
Total liabilities		1,587,632,793	1,270,423,546
Equity			
Share capital	35	80,028,561	80,028,561
Other reserves		2,104,510	2,104,510
Defined benefit reserve		(2,219,506)	(2,365,494)
Retained earnings		70,778,973	39,140,447
Total equity		150,692,538	118,908,024
Total liabilities and equity		1,738,325,331	1,389,331,570

The accompanying notes form an integral part of these financial statements. The financial statements on pages 38 to 114 were approved and authorized for issue by the Board of Directors on 20/03/2025 and signed on its behalf by:



Martin E. Kilimba
Chairman



Mr. Adam C. Mihayo
Chief Executive Officer

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

		2024	2023
	Notes	TZS'000	TZS'000
Interest and similar income	7	178,860,234	151,237,933
Interest and similar expense	8	(57,958,533)	(51,385,740)
Net interest income		120,901,701	99,852,193
Impairment credit/(charge) on financial instruments	9	4,083,139	(57,487,969)
Net interest income after impairment		124,984,840	42,364,224
 Fees and commission income	10	 27,537,971	 20,372,171
Fees and commission expense	11	(225,000)	(250,000)
Net fee and commission income		27,312,971	20,122,171
Foreign exchange income	12	9,559,812	6,663,353
Other income	13	10,471,309	3,910,511
Net operating income		172,328,932	73,060,259
 Administrative expenses	14	 (118,750,357)	 (107,258,968)
Depreciation and amortization	15	(9,642,732)	(10,221,643)
Profit/(loss) before tax		43,935,843	(44,420,352)
Income tax expense	17(a)	(12,297,317)	(1,854,357)
Profit/(loss) for the year		31,638,526	(46,274,709)
 Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain/(loss) from defined benefit obligation	34	208,555	(149,248)
Tax thereon		(62,567)	44,774
Other comprehensive income/(loss), net of tax		145,988	(104,474)
Total comprehensive income/(loss) for the year		31,784,514	(46,379,183)

The accompanying notes form an integral part of these financial statements. The financial statements on pages 38 to 114 were approved and authorized for issue by the Board of Directors on 2025 and signed on its behalf by:



Martin E. Kilimba
Chairman



Mr. Adam C. Mihayo
Chief Executive Officer

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

Notes	Share capital TZS '000	Regulatory reserve* TZS '000	Other reserve (acquired in business combination) TZS '000	Defined benefit reserve TZS '000	Retained earnings TZS '000	Total TZS '000
At 1 January 2023	31,371,963	-	9,693,731	(2,261,020)	77,825,935	116,630,609
Profit for the year	-	-	-	-	(46,274,709)	(46,274,709)
Other comprehensive loss, net of tax	-	-	-	(104,474)	-	(104,474)
Capital injected	48,656,598	-	-	-	-	48,656,598
Business combination	-	-	(7,589,221)	-	7,589,221	-
At 31 December 2023	80,028,561	-	2,104,510	(2,365,494)	39,140,447	118,908,024
At 1 January 2024	80,028,561	-	2,104,510	(2,365,494)	39,140,447	118,908,024
Profit for the year	-	-	-	-	31,638,526	31,638,526
Other comprehensive income, net of tax	-	-	-	145,988	-	145,988
Business combination	-	-	-	-	-	-
At 31 December 2024	80,028,561	-	2,104,510	(2,219,506)	70,778,973	150,692,538

* Regulatory reserve represents the surplus of loan provision computed as per the Bank of Tanzania regulation over the impairment of loans and advances calculated in accordance with International Financial Reporting Standards. The reserve is not available for distribution.

The accompanying notes form an integral part of these financial statements. The financial statements on pages 38 to 114 were approved and authorized for issue by the Board of Directors on 20/03/2025 and signed on its behalf by:


Martin E. Kilimba
Chairman


Mr. Adam C. Mihayo
Chief Executive Officer

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

		2024 TZS'000	2023 TZS'000
Cash flows from operating activities			
Net cash generated from/(used in) operations	36	<u>83,548,331</u>	<u>(28,792,838)*</u>
Cash flows from investing activities			
Purchase of intangible assets	26	(253,997)	(1,049,065)
Purchase of property and equipment	27	(5,021,456)	(2,224,712)
Proceeds from disposal of property and equipment and intangible assets		131,330	-
Proceeds from treasury bills	21	20,000,000	-
Investment in treasury bills	21	(80,096,301)	(19,861,042)
Proceeds from treasury bonds	22	11,000,000	-
Investment in treasury bonds	22	<u>(12,518,680)</u>	<u>(24,214,313)</u>
Net cash used in investing activities		<u>(66,759,104)</u>	<u>(47,349,132)</u>
Cash flows from financing activities			
Payments on lease liability - principal	28(b)	(6,136,876)	(5,547,671)*
Receipt from capital injection		-	46,783,499
Proceeds from borrowings		33,470,000	-
Repayment on borrowings - principal		(12,000,000)	-
Grant received	33	<u>200,611</u>	<u>-</u>
Net cash generated from financing activities		<u>15,533,735</u>	<u>41,235,828</u>
Net increase in cash and cash equivalents		32,322,962	(34,906,142)*
Cash and cash equivalents at 1 January		192,359,957	228,814,280*
Effect of foreign exchange rate changes		<u>(92,462)</u>	<u>(1,548,181)*</u>
Cash and cash equivalents at 31 December		<u>224,590,457</u>	<u>192,359,957*</u>
Analysis of cash and cash equivalents at 31 December			
Cash and balances with Bank of Tanzania	18	222,121,256	161,026,179
Statutory Minimum Reserve (SMR)	18	(93,369,513)	(77,329,720)
Placements with other banks	20	95,659,802	108,406,835*
Cheques and items in the course of collection	19	<u>178,912</u>	<u>256,663</u>
		<u>224,590,457</u>	<u>192,359,957*</u>

*Comparative figures are restated and have been disclosed under note 45 to the financial statements.

For the purpose of the cash flow statement, cash and cash equivalents comprise balances with maturity of 90 days or less from the date of acquisition including: cash and balances with Bank of Tanzania and placement with other banks. Cash and cash equivalents exclude the statutory minimum reserve requirement held with the Bank of Tanzania.

The accompanying notes form an integral part of these financial statements. The financial statements on pages 38 to 114 were approved and authorized for issue by the Board of Directors on 201031.....2025 and signed on its behalf by:



Martin E. Kilimba
Chairman



Mr. Adam C. Mihayo
Chief Executive Officer