

TANZANIA AGRICULTURAL DEVELOPMENT BANK(T) LTD

Publication of Audited Financial Statements for the year ended 31 Dec 2019

Issued pursuant to regulations 7 and 8 of the Banking and Financial Institutions (Disclosures) Regulations 2014



“Benki ya Wakulima”

STATEMENT OF FINANCIAL POSITION FOR AS AT 31ST DECEMBER 2019 (Amounts in millions Shillings)

	2019 TZS Million	2018 TZS Million
A. ASSETS		
1 Cash		
2 Balance with Bank of Tanzania	172	7,663
3 Investment in government securities	-	3,824
4 Balance with other banks and financial institutions	59,956	42,383
5 Cheques and items for clearing	-	-
6 Interbranch float items	-	-
7 Bills Negotiated	-	-
8 Customers' liabilities for acceptances	-	-
9 Interbank loans receivables	161,482	70,014
10 Investments in other securities	-	-
11 Loans, advances and overdrafts (Net of Allowance for Probable Losses)	732,301	270,345
12 Other Assets	1,976	1,020
13 Equity Investments	-	-
14 Underwriting accounts	-	-
15 Property Plant and Equipment	3,586	3,554
16 Total Assets	959,464	398,803
B. LIABILITIES		
17 Deposits from Other Banks and Financial Institutions	-	-
18 Customer Deposits	-	-
19 Cash Letters of Credit	-	-
20 Special deposits	680,202	226,034
21 Payment Order/Transfers Payable	-	-
22 Bankers' Cheques and Drafts Issued	-	-
23 Accrued Taxes and Expenses Payable	189	383
24 Acceptances Outstanding	-	-
25 Inter Branch Float items	-	-
26 Unearned income and other deferred charges	-	-
27 Other Liabilities	1,596	1,315
28 Borrowings	208,440	103,987
29 Total Liabilities	890,427	331,709
30 Net Assets /Liabilities	69,037	67,094
C. SHAREHOLDERS' FUNDS AND RESERVES		
31 Paid Up Share Capital	60,000	60,000
32 Capital Reserves	-	-
33 Retained Earnings	4,977	3,346
34 Profit (Loss) Account	3,060	1,930
35 Other capital accounts	1,000	1,818
36 Minority interest	-	-
37 Total Shareholders' Funds And Reserves	69,037	67,094
38 Contingent Liabilities	-	-
39 Non Performing Loans and Advances	1,903	1,586
40 Allowances for Probable Losses	4,099	1,000
41 Other Non Performing Assets	-	-
D. SELECTED FINANCIAL CONDITION INDICATORS		
i Shareholders Funds to Total Assets	7.20%	1.78%
ii Non Performing Loans to Total Gross Loans	1.79%	2.18%
iii Gross Loans and Advances to Total Deposits	0.00%	0.00%
iv Loans and Advances to Total Assets	76.32%	67.79%
v Earning Assets to Total Assets	98.26%	95.60%
vi Deposit Growth	0.00%	0.00%
vii Asset Growth	140.59%	131.11%

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2019 (Amounts in millions Shillings)

	2019 TZS Million	2018 TZS Million
1. Interest Income	16,848	13,864
2. Interest Expense	(1,654)	(1,438)
3. Net Interest Income	15,194	12,426
4. Bad Debts Written Off	-	-
5. Impairment losses on loans and Advances	1,771	499
6. Non Interest Income	2,977	2,413
6.1 Foreign currency Dealings & Translation Gain / (Loss)	101	581
6.2 Fees and Commissions	2,058	1,023
6.3 Dividend Income	818	809
7. Non Interest Expense	(12,334)	(11,888)
7.1 Salary and benefits	(7,029)	(6,708)
7.2 Fees and Commissions	-	-
7.3 Other operating expenses	(5,305)	(5,180)
8. Operating Income/(Loss) beforeTax	4,066	2,452
9. Income Tax Provision	(1,006)	(522)
10. Net Income /(Loss) after Income Tax	3,060	1,930
11. Number of employees	75	72
12. Basic Earnings per share	-	-
13. Diluted earnings per share	-	-
14. Number of branches	4	1
F. SELECTED PERFORMANCE INDICATORS		%
(i) Return on Average Total Assets	0.45%	0.68%
(ii) Return on Average Shareholders Fund	4.50%	5.17%
(iii) Non Interest Expense to Gross Income	67.87%	80.11%
(iv) Net Interest Income to Average Earning Assets	1.48%	0.71%

Average figures shall be computed by assuming up the end balances for respective month in the period divided by number of months in the period

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2019 (Amounts in millions Shillings)

	2019 TZS Millions	2018 TZS Millions
Operating Income (loss) before tax:	4,066	2,452
Adjustment for:		
- Impairment / amortization	1,771	526
- Amortization of grants	1,239	1,082
- Imparement on loans and advances	(818)	(798)
- Foreign Currency Exchange (gain)	82	(581)
Change in working Capital		
- Net Change in Loans and Advances	(464,670)	(257,753)
- Net Change in statutory minimum reserve	-	-
- Net Change in Deposits	-	-
- Net Change in Short Term Negotiable securities	-	-
- Net change in Loans, Advances and Overdrafts	-	-
- Net change of Placements with maturities over three months	-	-
- Net Change in Other Liabilities	282	67
- Net Change in Other Assets	(176)	4,979
- Tax Paid	(1,824)	(217)
- Others (Amortization from Grant)	-	-
Net Cash Provided (Used) By Operating Activities	(460,047)	(250,243)
CASH FLOW FROM INVESTING ACTIVITIES:		
Dividend Received	-	-
Purchase of Fixed Assets	(1,269)	(1,327)
Proceeds From Sale of Fixed Assets	-	-
Purchase of Non-Dealing Securities	-	-
Proceeds From Sale Non-Dealing Securities	-	-
Others (Specify)	-	-
Net Cash Provided (Used) By Investing Activities	(1,269)	(1,327)
CASH FLOW FROM FINANCING ACTIVITIES:		
Borrowings	104,462	-
Special deposits & funds	454,169	226,034
Repayment of Long-Term Debt	-	-
Proceeds From Issuance of Long Term Debt	-	-
Capital grants increased Grants	-	-
Proceed from PSCP on Purchase of ICT Systems	-	-
Net Change in Other Borrowings	-	1,259
Dividend payments	(300)	-
Net Cash Provided (Used) By Financing Activities:	558,330	224,739
CASH AND CASH EQUIVALENTS:		
Net Increase (Decrease) in Cash and Cash Equivalents	97,014	26,831
Cash and Cash Equivalents at the Beginning of the Quarter	124,977	151,808
Cash and Cash Equivalents at the End of the Quarter	221,992	124,977

STATEMENT OF CHANGES IN EQUITY AS AT 31ST DECEMBER 2019. (Amounts in millions Shillings)

	Share Capital	Share Premium	Retained Earning	Regulatory Reserve	General Provision Reserve	Others	Total
Balance as at the beginning of the year	60,000	-	5,277	-	-	1,818	67,094
Profit for the year	-	-	3,060	-	-	-	3,060
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with the Owners	-	-	-	-	-	-	-
Dividend Paid	-	-	(300)	-	-	-	(300)
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	-	-	-	-	-
Others	-	-	-	-	-	(818)	(818)
Balance as at the End of the Current Period	60,000	-	8,037	-	-	1,000	69,037
PREVIOUS YEAR							
Balance as at the beginning of the year	60,000	-	4,922	-	-	-	64,922
Profit for the year	-	-	1,930	-	-	-	1,930
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with the Owners	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	(1,576)	-	-	-	(1,576)
Others	-	-	-	-	-	1,818	1,818
Balance as at the End of the Previous Period	60,000	-	5,277	-	-	1,818	67,095

SELECTED EXPLANATORY NOTES FOR THE YEAR ENDED 31ST DECEMBER 2019

In preparation of the yearly financial statements, consistent accounting policies have been used as those applied to the previous years audited financial statements, except for the introduction of IFRS 9.

The above extracts are from the Financial Statements of the Bank for the year ended 31st Dec 2019 which have been prepared in accordance to the International Financial Reporting Standard (IFRS). The financial Statement were audited by HLB Mekonsult on behalf of the Controller Auditor General and received an unqualified Audit Report.

The financial Statements were approved by Board of Directors and signed on its behalf by:-

Doto M. James	Board Chairperson	
Japhet Justine	Managing Director	

Pefomance Highlights

TZS 154.6 Billion
Total agricultural loans disbursed

1,700,300+
Smallholder farmers benefited

141% - Asset growth

43% - Normal customer loans growth

128Bn - New long term funding

59% - PAT growth



2018/19
Coffee season performance

Karagwe District Cooperative Union (KDCU) is TADB's largest borrower with smallscale coffee growers dealing with purchase, processing and marketing of coffee on behalf of farmers. These AMCOS have received a number of benefits such as loans, capacity training including commercial cultivation, investment and post-harvest management techniques.

TZS 40 Billion
Loans for crop financing

TZS 90.36 Billion
Total Coffee sales

TZS 58.1 Million
Collected Cherry Coffee

205
Total AMCOS paid

148,000
Direct farmers paid

TZS 2.5 Billion
(TZS1.2 Bn council CESS)

TADB's intervention in Irrigation Sector

50+ Tractors
3 Large-scale Irrigation projects
2 Storage facilities

TZS 15.5Bn

Large Mombo Irrigation Scheme in Tanga | Paddy fields

is one of good example of projects owned by smallholder farmers supported by TADB for transfer of technology, financial liquidity and capital in order increase productivity, as part of its mission to implement Agricultural Sector Development Programme Phase Two (ASDP II).

550+
Acres in a season
increased productivity from 250 acres

4,000
Metric Tones
Storage facility

4,000+
Farmers
54% Smallholder farmers in Mombasa area
benefitting from the scheme

Smallholder Farmers Credit Guarantee Scheme (SCGS)

SCGS is to catalyze financial sector lending to the Agriculture sector especially to smallholder farmers in the rural areas. The scheme aims at transforming smallholder farmers from subsistence farming to commercial farming by encouraging the adaptation of modern technology/techniques, which ultimately create employments and promote food security.



Partners

5 Commercial banks,
3 Community/Microfinance banks



TZS 40.82 Billion
Disbursed loans under SCGS

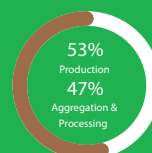


TZS 6.4 million
Average loan size per SHF



6,259
Direct beneficiaries
1,011 - Women
5,136 - Men (mostly ≤ 35years)

100,000+ - Indirect beneficiaries



29
Regions
benefited



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