



THE PEOPLE'S BANK OF ZANZIBAR LTD
(Incorporated in Zanzibar – Tanzania)

AUDITED FINANCIAL STATEMENTS

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

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31,2022

	31.12.2022 TZS' Million	31.12.2021 TZS' Million
ASSETS		
Cash	66,768	58,598
Balances with Bank Of Tanzania	162,869	134,739
Balances with Other Banks	40,577	8,548
Inter-bank placements	180,362	75,550
Cheques & Items for Clearing	580	-
Investment in Debt Security	65,977	39,427
Loans, Advances and Financing (net of allowance for probable losses)	801,706	600,246
Equity Investment	5,703	6,982
Other Assets (net of allowance for probable losses)	17,021	11,831
Deferred tax asset	9,861	8,525
Property and Equipment (less depreciation)	37,491	37,793
Intangible Assets	13,810	14,130
Total Assets	1,402,725	996,369
LIABILITIES		
Due to Customers	1,046,212	756,309
Due to banks	1,561	1,405
Letter of credit & Guarantees Cash Cover	12,432	1,919
Other Liabilities	20,950	14,175
Debt Security in issue	20,418	15,679
Banker's Cheques & Drafts Issued	285	330
Inter-bank borrowing	153,109	83,861
Corporate tax payable	865	825
Total Liabilities	1,255,832	874,503
SHAREHOLDER'S EQUITY		
PAID-UP SHARE CAPITAL	31,000	31,000
CAPITAL GRANT	3,293	3,311
RETAINED EARNINGS	107,236	76,809
REGULATORY RISK RESERVE	3,484	8,704
OTHER RESERVES	1,880	2,042
Total shareholder's equity	146,893	121,866
Total Equity and Liabilities	1,402,725	996,369
PERFORMANCE INDICATORS	%	%
(i) Total Capital to total assets	10.47	12.23
(ii) Non performing loans & advances to total loans & advances	2.77	4.20
(iii) Gross loans and advances to total deposits	76.78	81.00
(iv) Loans and advances to total assets	57.15	60.24

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2022

	2022 TZS' Million	2021 TZS' Million
Interest income	89,312	71,701
Interest expenses	(18,016)	(13,866)
Net interest income	71,296	57,835
Fees and commission income (Net)	12,162	8,002
Net Foreign Exchange gain	5,452	3,455
Other operating income	10,751	8,984
Total Non interest income	28,365	20,441
Total operating income	99,661	78,276
Impairment loss for loan and advances	(4,670)	2,111
Impairment loss for other assets	(1,683)	(13,570)
Assets write off	(1,795)	(26)
Operating Expenses	(47,254)	(44,100)
Total operating expenses	(55,402)	(55,585)
Operating Profit Before Tax	44,259	22,691
Provision for tax	(13,411)	(5,354)
Profit for the year	30,848	17,337
Other comprehensive income:		
Fair Value change on equity investment at FVOCI	14	(269)
Total other comprehensive income	14	(269)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	30,862	17,068
EARNING AND DIVIDEND PER SHARE		
(Reported in Tanzania Shillings)		
Basic and diluted earning per share	99.51	55.06
Dividend per share	-	-
PERFORMANCE INDICATORS	%	%
(i) Return on average total assets	3.69	2.59
(ii) Return on ordinary shareholders' funds	22.96	15.29
(iii) Interest Expenses to Interest Income	20.17	19.34
(iv) Interest margin to average earning assets	6.65	7.02

STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2022

	2022 TZS' Million	2021 TZS' Million
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	44,259	22,691
Adjustments for:		
Depreciation of Property and Equipment	4,947	3,741
Amortization of software costs	704	687
Amortization of grants	(17)	(22)
Interest on lease payable	675	591
Interest accrued on borrowing	-	-
Effect of foreign exchange on equity investments	-	-
Loss on disposal and valuation of assets	(1)	-
Adjustments		(33)
Operating Profit/(Loss) Before Change in Working Capital Items	6,308	4,964
Increase in SMR	8,226	11,014
(Increase)/Decrease in invetment in debt securities	(28,362)	1,746
Increase in Loans and Advances	(187,404)	(128,798)
Decrease/decrease in Bills Receivable	(13,544)	-
Increase in Other Assets	(1,882)	1,870
Increase in Customer's Deposits	305,004	182,361
Increase in interest payable	156	-
Increase in Other Liabilities	13,936	(767)
Cash generated fom operations	96,130	67,426
Income tax paid	(14,695)	(9,608)
Net Cash Flows from Operating Activities (A)	132,002	85,473
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property and equipments	(4,003)	(3,052)
Proceeds from Sale of Property and equipments	-	-
Acquisition of Intangible Assets	(106)	(453)
Investment in share	-	-
Additional Capital WIP	(1,172)	(2,082)
Net Cash Flows from Investing Activities (B)	(5,281)	(5,587)
CASH FLOW FROM FINANCING ACTIVITIES		
(Decrease)/increase in interbank borrowings	69,759	49,355
(Decrease)/increase in other borrowings	(1,661)	(1,705)
Dividend received/(paid)	(5,818)	33
Net Cash Flows from Financing Activities (C)	62,281	47,683
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	189,002	127,569
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	268,964	141,395
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	457,966	268,964

The above extracts are from the Financial Statements of the PBZ bank for the year ended December 31, 2022 which have been prepared in accordance with International Financial Reporting Standards (IFRSs). The Financial Statements were audited by Controller and Auditor General Zanzibar and received a clean report. The Financial Statements were approved by the Board of Directors and signed on its behalf by:

DR. ESTELLA N. HASSAN

CHAIRPERSON

DATE: APRIL 11, 2023

MR. SAID M. SAID

A.G MANAGING DIRECTOR

DATE: APRIL 11, 2023

