



SUMMARY KEY DISCLOSURE STATEMENT

For the Financial Year Ended 30 June 2019

Principal Activities

Tonga Development Bank (TDB) is 100% owned by Tongans. The major shareholders are Government of Tonga, National Retirement Benefit Fund Board and the Retirement Fund Board. The principal activities are to promote Tonga's economic and social advancement of the people while operating profitability as a financial banking institutions.

Directors

The Directors of TDB during the Financial Year end 30th June 2019 are:

Lord Matoto, Paula Taumoepeau, Obey Samate, Leta Kami (*resigned on October 2018*), Dr Leimoni Taufu'I (*resigned on June 2019*), Meleseini Lomu and Kaho 'Ofa.

Statement of Profit or Loss and Comprehensive Statement	Year ended 30 June 2019	Year ended 30 June 2018	Balance Sheet	Year ended 30 June 2019	Year ended 30 June 2018
		\$			
Interest income	6,349,041	5,621,896	Cash on hand and at Bank	63,997,670	50,847,142
Interest and other borrowing expenses	(2,353,783)	(2,710,349)	Due from other financial institutions	625,262	347,862
Net interest income	3,995,258	2,911,547	Investment securities – held to maturity	9,366,541	9,230,609
Fees and commission income	2,905,691	2,653,777	Loans and advances	69,241,124	62,624,356
Other operating income	2,356,902	1,857,912	Other assets	510,072	768,791
Fair value gains on investment property	(5,000)	(45,000)	Amounts receivable from shareholder	724,921	452,994
Net operating income	9,252,851	7,378,236	Statutory reserve deposit	10,929,000	10,645,000
Losses on loans and advances	(264,773)	360,389	Property, plant and equipment	9,460,721	9,395,378
Bad debts written off	(80,891)	(16,478)	Investment property	149,167	155,000
Bad debts recovered/reversed	59,110	87,957	Intangible Assets	-	-
Other operating expenses	(6,327,963)	(5,607,361)	Deferred tax asset	605,421	596,770
Profit before income tax	2,638,334	2,202,743	Total Assets	165,609,899	\$145,063,902
Income tax expense	(605,346)	203,628	LIABILITIES		
Profit for the year from continuing operations	2,032,988	\$2,406,371	Savings deposits	43,805,818	41,530,313
Other comprehensive income	-	-	Other liabilities	2,307,477	2,186,061
Total comprehensive income for the year	2,032,988	\$2,406,371	Amount payable to NRBT	776,000	843,000
Earnings per share	\$ 0.55	\$1.72	Borrowings and deposits	67,171,005	68,042,219
Profitability			Current tax liability	643,899	423,047
Net operating profit after tax	2,032,988	2,406,371	Managed funds	6,282,281	4,789,299
Return on Equity	4.56%	8.83%	Deferred tax liability	-	-
Return on Asset	1.23%	1.66%	Dividend payable	-	-
Size as at end of financial year			Total Liabilities	120,986,480	117,813,939
Total Assets	165,609,899	\$145,063,902	SHAREHOLDERS' EQUITY		
Capital Adequacy			Share capital	37,000,000	14,000,000
Total Tier 1 Capital	42,136,884	24,763,428	Retained earnings	5,136,884	10,763,428
Capital Adequacy Ratio	60.86%	39.54%	Asset Revaluation Reserve	2,486,535	2,486,535
			Total Shareholders' Equity	44,623,419	27,249,963
			Total Equity and Liabilities	165,609,899	\$145,063,902

Auditors: PricewaterhouseCoopers, Fiji