



SUMMARY KEY DISCLOSURE STATEMENT

For the Financial Year Ended 30 June 2020

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. Our Mission is to be committed to promoting Tonga's economic and social advancement by providing quality banking products and responsive professional services, while operating profitably as a financially sound banking institution.

Directors

The Directors of TDB during the Financial Year end 30th June 2020 are:

Lord Matoto, Paula Taumoepeau, Rev. Obey Samate, Meleseini Lomu and Kaho O'fa.

Statement of Profit or Loss and Comprehensive Statement	Year ended 30 June 2020	Year ended 30 June 2019	Balance Sheet	Year ended 30 June 2020	Year ended 30 June 2019
		\$	Cash on hand and at Bank	50,155,677	63,997,670
Interest income	7,520,442	6,349,041	Due from other financial institutions	-	625,262
Interest and other borrowing expenses	(2,137,079)	(2,353,783)	Investment securities – held to maturity	15,457,110	9,366,541
Net interest income	5,383,363	3,995,258	Loans and advances	71,727,110	69,241,124
Fees and commission income	2,922,598	2,905,691	Other assets	1,217,220	510,072
Other operating income	2,978,756	2,356,902	Amounts receivable from shareholder	-	724,921
Fair value gains on investment property	10,000	(5,000)	Statutory reserve deposit	10,379,000	10,929,000
Net operating income	11,294,717	9,252,851	Property, plant and equipment	8,848,718	9,460,721
Losses on loans and advances	(1,517,166)	(264,773)	Investment property	162,246	149,167
Bad debts written off	(29,987)	(80,891)	Intangible assets	315,658	-
Bad debts recovered/reversed	49,446	59,110	Right of use asset	115,618	-
Other operating expenses	(6,414,865)	(6,327,963)	Investment in equity	49,858	-
Profit before income tax	3,382,145	2,638,334	Deferred tax asset	780,791	605,421
Income tax expense	(767,437)	(605,346)	Total Assets	159,209,006	\$165,609,899
Profit for the year from continuing operations	2,614,708	\$2,032,988	LIABILITIES		
Other comprehensive income	-	-	Savings deposits	35,767,968	43,805,818
Total comprehensive income for the year	2,614,708	\$2,032,988	Other liabilities	2,503,963	2,307,477
Earnings per share	\$ 0.71	\$0.55	Amount payable to NRBT	337,000	776,000
Profitability			Borrowings and deposits	68,469,756	67,171,005
Net operating profit after tax	2,614,708	2,032,988	Current tax liability	932,030	643,899
Return on Equity	5.83%	4.56%	Lease liabilities	112,359	-
Return on Asset	1.64%	1.23%	Managed funds	5,365,966	6,282,281
Size as at end of financial year			Due to other financial institutions	804,263	-
Total Assets	159,209,006	\$165,609,899	Amount payable to shareholders	33,825	-
Capital Adequacy			Total Liabilities	114,327,130	120,986,480
Total Tier 1 Capital	42,395,341	42,136,884	SHAREHOLDERS' EQUITY		
Capital Adequacy Ratio	59.11%	60.86%	Share capital	37,000,000	37,000,000
			Retained earnings	5,395,341	5,136,884
			Asset Revaluation Reserve	2,486,535	2,486,535
			Total Shareholders' Equity	44,881,876	44,623,419
			Total Equity and Liabilities	159,209,006	\$165,609,899

Auditors: PricewaterhouseCoopers, Fiji