



## SUMMARY KEY DISCLOSURE STATEMENT

For the Financial Year Ended 30 June 2021

**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 2021 are:

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

<b>Consolidated Statement of Profit or Loss and other Comprehensive Statement</b>	<b>Year ended 30 June 2021</b>	<b>Year ended 30 June 2020</b>	<b>Balance Sheet</b>	<b>Year ended 30 June 2021</b>	<b>Year ended 30 June 2020</b>
		\$	Cash on hand and at Bank	97,932,035	50,155,677
Interest income	7,147,703	7,520,442	Due from other financial institutions	1,066,434	-
Interest and other borrowing expenses	(2,683,081)	(2,137,079)	Investment securities – held to maturity	17,515,354	15,457,110
<b>Net interest income</b>	<b>4,464,622</b>	<b>5,383,363</b>	Loans and advances	75,570,887	71,727,110
Fees and commission income	3,558,487	2,922,598	Other assets	1,238,814	1,217,220
Other operating income	2,607,752	2,978,756	Amounts receivable from shareholder	-	-
Fair value gains on investment property	5,000	10,000	Statutory reserve deposit	15,929,000	10,379,000
<b>Net operating income</b>	<b>10,635,861</b>	<b>11,294,717</b>	Property, plant and equipment	8,480,087	8,848,718
Losses on loans and advances	(1,010,418)	(1,517,166)	Investment property	156,642	162,246
Bad debts written off	-	(29,987)	Intangible assets	199,479	315,658
Bad debts recovered/reversed	55,425	49,446	Right of use asset	111,600	115,618
Other operating expenses	(6,988,832)	(6,414,865)	Investment in equity	-	49,858
<b>Profit before income tax</b>	<b>2,692,036</b>	<b>3,382,145</b>	Deferred tax asset	1,203,415	780,791
<b>Income tax expense</b>	<b>(558,535)</b>	<b>(767,437)</b>	<b>Total Assets</b>	<b>219,403,747</b>	<b>\$159,209,006</b>
<b>Profit for the year from continuing operations</b>	<b>2,133,501</b>	<b>\$2,614,708</b>	<b>LIABILITIES</b>		
Other comprehensive income	-	-	Savings deposits	69,436,377	35,767,968
<b>Total comprehensive income for the year</b>	<b>2,133,501</b>	<b>\$2,614,708</b>	Other liabilities	2,018,156	2,503,963
<b>Earnings per share</b>	<b>\$ 0.58</b>	<b>\$0.71</b>	Amount payable to NRBT	1,458,000	337,000
<b>Profitability</b>			Borrowings and deposits	89,510,806	68,469,756
Net operating profit after tax	2,133,501	2,614,708	Current tax liability	916,488	932,030
Return on Equity	4.71%	5.83%	Lease liabilities	108,952	112,359
Return on Asset	0.97%	1.64%	Managed funds	10,464,219	5,365,966
<b>Size as at end of financial year</b>			Due to other financial institutions	-	804,263
Total Assets	219,403,747	\$159,209,006	PFIP Grant	117,013	-
<b>Capital Adequacy</b>			Amount payable to shareholders	57,919	33,825
Total Tier 1 Capital	42,829,282	42,395,341	<b>Total Liabilities</b>	<b>174,087,930</b>	114,327,130
Capital Adequacy Ratio	56.67%	59.11%	<b>SHAREHOLDERS' EQUITY</b>		
			Share capital	37,000,000	37,000,000
			Retained earnings	5,829,282	5,395,341
			Asset Revaluation Reserve	2,486,535	2,486,535
			<b>Total Shareholders' Equity</b>	<b>45,315,817</b>	44,881,876
			<b>Total Equity and Liabilities</b>	<b>219,403,747</b>	<b>\$159,209,006</b>

Auditors: PricewaterhouseCoopers, Fiji