



FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30th SEPTEMBER 2020

STATEMENT OF FINANCIAL POSITION AS AT 30th SEPTEMBER 2020

UNAUDITED (FIGURES IN FRW '000)

ASSETS	30/09/20	31/12/19
Cash and balances with National Bank of Rwanda	23,766,677	30,691,946
Due from other banking institutions	37,088,559	32,876,637
Derivative financial instruments	314,281	429,065
Financial investments at fair value through other comprehensive income	32,280,114	16,444,933
Loans and advances to customers	208,069,127	171,887,690
Financial investments – at amortized cost	41,393,489	31,665,173
Other assets	3,533,211	2,470,613
Intangible assets	5,413,307	5,747,279
Property and equipment	28,147,241	23,620,659
Right of use asset	1,784,682	2,065,031
TOTAL ASSETS	381,790,688	317,899,026
LIABILITIES	30/09/20	31/12/19
Deposits from customers	237,503,545	191,804,341
Deposits from banks and other financial Institutions	49,718,874	51,567,393
Current income tax	469,132	245,479
Other payables	5,739,179	5,315,020
Subordinated debt	9,568,099	9,259,073
Borrowed funds	30,403,020	13,336,947
Deferred income tax	1,578,408	1,642,339
Lease liability	1,668,407	1,941,552
TOTAL LIABILITIES	336,648,664	275,112,144
EQUITY	30/09/20	31/12/19
Share capital	10,100,000	5,050,000
Share premium	400,000	400,000
Retained earnings	32,606,651	33,437,216
Fair value through OCI reserve	212,269	173,454
Revaluation reserve	1,823,104	2,011,095
Statutory credit risk reserve	-	200,117
Proposed dividend	-	1,515,000
TOTAL EQUITY	45,142,024	42,786,882
TOTAL LIABILITIES AND EQUITY	381,790,688	317,899,026
OFF STATEMENT OF FINANCIAL POSITION ITEMS	30/09/20	31/12/19
Acceptances and Letters of Credit Issued	12,169,486	13,224,224
Guarantees commitments given	41,452,297	40,385,462

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30th SEPTEMBER 2020

UNAUDITED (FIGURES IN FRW '000)

	30/09/20	30/09/19
Interest and similar income	28,369,227	25,937,851
Interest and similar expense	(11,974,246)	(9,659,691)
Net interest income	16,394,981	16,278,160
Fees and commission income	2,516,981	2,404,247
Fees and commission expense	(1,127,016)	(691,712)
Net fees and commission income	1,389,966	1,712,535
Net foreign exchange income	3,455,966	2,325,924
Other operating income	66,127	378,360
Operating income before impairment	21,307,040	20,694,979
Net impairment charge on loans and advances	(1,838,845)	(356,055)
Operating Income after impairment losses	19,468,195	20,338,925
Employee benefits	(7,145,370)	(7,676,507)
General administrative expenses	(4,105,383)	(4,077,699)
Depreciation and amortisation	(1,853,767)	(1,585,632)
Lease depreciation charge	(131,935)	(106,466)
Lease interest expense	(461,337)	(348,980)
Total operating expenses	(13,697,793)	(13,795,283)
Profit before income tax	5,770,402	6,543,642
Income tax expense	(2,019,641)	(2,290,275)
Profit for the period	3,750,761	4,253,367

OTHER DISCLOSURES

UNAUDITED (FIGURES IN FRW '000)

FOR THE PERIOD ENDED 30 th JUNE 2020	
I. Capital Strength	
a. Core Capital (Tier 1)	37,363,486
b. Supplementary Capital (Tier 2)	8,241,561
c. Total Capital	45,605,047
d. Total Risk weighted assets	279,368,917
e. Core Capital / Total risk weighted assets ratio	13.3 %
f. Tier 2 ratio	2.95 %
g. Total Capital/Total risk weighted assets ratio	16.32 %
h. Leverage Ratio	9.1 %
II. Credit Risk	
1. Total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation	266,854,182
2. Average gross credit exposures, broken down by major types of credit exposure:	
a) loans, commitments and other non-derivative off-balance sheet exposures :	266,854,182
b) debt securities:	73,673,603
c) OTC derivatives :	314,281

Chairman of the Board of Directors:
Date: 16th November 2020

Managing Director:
Date: 16th November 2020

3. Regional or geographic distribution of exposures, broken down in significant areas by major types of credit exposure:	
Northern	4,359,183
Southern	2,252,943
Eastern	1,838,032
Western	4,033,596
Kigali City	254,370,428
4. Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas:	
a) Government;	7,216,239
b) financial;	2,400
c) manufacturing;	39,940,712
d) infrastructure and construction;	96,614,193
e) services and commerce.	104,271,130
f) others	18,809,508
5. Off Balance sheet items	53,621,783
6. Non-Performing Loans	
(a) Non performing Loans	5,468,822
(b) NPL Ratio	2.05 %
7. Related Parties	
a. Loans to Directors, shareholders and subsidiaries	29,112
b. Loans to Employees	4,883,736
III. Liquidity	
a. Liquidity Coverage ratio (LCR)	499 %
b. Net Stable Funding ratio (NSFR)	132 %
IV. Operational Risk	
Number and types of frauds and their corresponding amount	

Type	Number	Amount Frw000
External - Use of forged payment order		-
Internal - Use of forged payment order		-
Internal - Theft		-
V. Market Risk		
1. Interest rate risk		1,166,331
2. Equity position risk		-
3. Foreign exchange risk		520,168
VI. COUNTRY RISK		
1. Credit exposures abroad		28,350,209
2. Other assets held abroad		-
3. Liabilities to abroad		35,784,413
VII. Management and Board Composition		
a. Number of Board members		10
b. Number of independent directors		6
c. Number of non-independent directors		4
d. Number of female directors		2
e. Number of male directors		8
f. Number of Senior Managers		12
g. Number of female senior managers		5
h. Number of male senior managers		7

Chairman of the Board of Directors:
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EXPLANATORY NOTES TO THE FINANCIALS

- Interest and similar income: 9% increment**
The increase in interest income is attributable to the growth of the loan book portfolio and other treasury investments made during the period
- Interest and similar expense: 24% increment**
The increase is in line with the growth of our sources of funds: Deposits and Long term borrowings to support the business growth
- Non interest income: 11% decrease**
Net fees and commissions decreased by 18% as result of a slow down in the business environment (due to the current pandemic), and an increase in channels and digital products expenses.
- Total operating expenses: 1% decrease**
Employee Expenses decreased by 7% . Last year, the Bank has paid as a benefit to its long serving employees a voluntary service scheme (VSS) resulting in an increment in cost in the FY 2019.
- Impairment losses on loans and advances: 416% increment**
In order to reflect the uncertainties brought about by Covid-19 the Management and the Board have taken the decision to make substantial additional provisions against potential future loan losses that may result from this event.
- Loans and advances to customers: 21% Increase**
The loan book portfolio registered resilient growth during the year both in Corporate and Retail segment.
- Customer Deposits: 24% increase**
The growth in Customers deposits is a reflection of covid-19 related precautionary savings behaviour as well as postponement in implemetation of projects.
- Borrowed Funds :128% Increased**
The Bank received a long term fund facility of Usd 15 mios from one of the DFIs, FMO in the month of July in order to support the growth in the SME sector.
- Share capital: 100% Increment**
The share capital increase is a result of additional one bonus issue to shareholders effected during the period