

COMMERCIAL BANK OF AFRICA (RWANDA) PLC
FINANCIAL STATEMENTS AND DISCLOSURES FOR THE PERIOD ENDED 30 SEPTEMBER 2019
REVIEWED BY EXTERNAL AUDITORS

I. STATEMENT OF FINANCIAL POSITION

	Reviewed 30-Sep-19 Frw'000	Audited 31-Dec-18 Frw'000
ASSETS		
Cash in hand	1,130,148	1,332,526
Balance with National Bank of Rwanda	1,332,563	697,606
Deposits and balances due from other banking institutions	1,158,857	4,858,110
Other assets	647,867	1,063,096
Financial investments –at amortized cost	7,105,089	8,442,907
Loans and advances to customers	15,631,234	7,113,221
Property and equipment	1,517,077	1,702,213
Right of use assets	1,577,137	-
Intangible assets	125,690	61,837
Total assets	30,225,662	25,271,516
LIABILITIES		
Deposits from customers	15,696,068	11,407,121
Deposits from banks and other financial Institutions	5,191,605	5,229,161
Balances due to Group companies	360,381	845,713
Other liabilities	51,446	508,548
Lease Liability	1,723,882	-
Deferred tax liability	186,911	186,911
Total liabilities	23,210,294	18,177,454
EQUITY		
Share capital	15,661,801	8,484,691
Capital contribution awaiting allotment	-	5,777,110
Retained earnings	(8,646,433)	(7,167,739)
Total Equity	7,015,368	7,094,062
Total equity and liabilities	30,225,662	25,271,516

2. STATEMENT OF COMPREHENSIVE INCOME

	Reviewed 30-Sep-19 Frw'000	Reviewed 30-Sep-18 Frw'000
Revenue		
Interest income	2,310,675	916,102
Interest expenses	(800,338)	(315,631)
Net interest income	1,510,337	600,471
Loan Impairment losses	(186,801)	(203,970)
Net interests income after impairment	1,323,536	396,501
Fee and commission income	113,635	73,125
Net foreign exchange gains	73,521	32,358
Non funded income	187,156	105,483
Income from banking activities	1,510,693	501,984
Employee benefits expenses	(820,505)	(615,039)
Finance costs	(132,003)	-
Depreciation and amortization	(262,469)	(409,599)
Operating expenses	(1,659,213)	(1,564,186)
Total operating expenses	(2,874,190)	(2,588,824)
Loss before income tax	(1,363,497)	(2,086,840)
Income tax expense	-	-
Loss for the period	(1,363,497)	(2,086,840)
Other comprehensive income	-	-
Total comprehensive loss for the period	(1,363,497)	(2,086,840)

3. STATEMENT OF OTHER DISCLOSURES

	RWF'000'
Capital Strength	
Core Capital (Tier1)	6,899,105
Supplementary Capital (Tier 2)	-
Total Capital	7,181,505
Total risk weighted assets	18,793,860
Core capital/Total risk weighted assets ratio	36.71%
Tier 1 ratio	36.71%
Total capital/total risk weighted assets ratio	38.21%
Tier 2 Ratio	-
Leverage ratio	18.71%

4. CREDIT RISK


Total gross credit risk exposures	
on-balance sheet exposure	16,047,673
Guarantees, commitments given (off balance sheet)	3,889,233
Financing commitments given (Off balance sheet)	1,560,687
Total gross credit risk exposures	21,497,592
Credit Risk Weighted Assets	17,617,873
Credit Risk Weighted Assets/RWA	93.7%
"Average gross credit Exposure (Average between December 2018 and September 2019)"	
Loans	11,745,301
Commitments	2,120,935
Guarantees	2,063,598
Debt securities	-
OTC derivatives	-
Sector Distribution of Exposures	
Infrastructure and construction	5,947,573
Manufacturing	824,041
Services and commerce	4,911,960
Others	4,364,099
Total on-balance sheet exposures	16,047,673
Off Balance sheet Items	
Guarantees, commitments given (off balance sheet)	3,889,233
Financing commitments given (Off balance sheet)	1,560,687
	5,449,919
Non-performing loan indicators	
Non-performing loans	145,812
NPL Ratio	0.92%
Related parties	
Loans to directors, shareholders and subsidiaries	-
Loans to employees	946,126
Regional Exposure	
EAST	23,797
KIGALI CITY	13,762,336
NORTH	216,912
SOUTH	769,261
MOBILE LOANS	1,275,367
Total on balance sheet credit exposure	16,047,673
Liquidity Risk	
Liquidity ratio	
Liquid assets available	9,149,265
Total deposit liabilities	20,887,673
Liquidity coverage ratio	185%
Net Stable Funding ratio	
Available stable funding	23,373,905
Required stable funding	4,751,220
NSFR	492%
Operational Risk	
Number and type of frauds and their corresponding amount	
Type: None Number: None Amount: Nil	
Market Risk	
Interest Risk	-
Foreign Exchange Risk	149,224
Equity Position	-
Market Risk/ RWA	0.79%
Country Risk	
Credit exposure Abroad	-
Other Assets Abroad	1,079,469
Liabilities due abroad	-
Management and board composition	
Number of Board members	8
Number of independent directors	6
Number of non-independent directors	2
Number of female directors	3
Number of male directors	5
Number of senior managers	10
Number of female senior managers	2
Number of male senior managers	8

MAJOR CHANGES IN FINANCIAL STATEMENTS

The bank has adopted IFRS 16 (Leases) in the financial year 2019. The adoption of this standard resulted in material impact in the income statement, Balance sheet and regulatory ratios as follows:

- On application of the new standard, a new asset (Right of use asset) and a liability (Lease liability) have been incorporated in the balance sheet
- Initial adoption led to Frw 115m increase in retained losses
- The additional asset caused an increase in risk weighted assets and subsequent reduction in total capital/ risk weighted assets ratio

The Financial statements were approved by the board of directors on 14 November 2019 and signed on its behalf by:


 Amb. Dr. Benjamin Rugangazi
 Chairman


 Ms. Lina M Higiro
 Chief Executive Officer

