

I. STATEMENT OF FINANCIAL POSITION

	Audited 31st Dec-20 Frw'000	Audited 31st Dec-19 Restated Frw'000	Audited 31st Dec-18 Restated Frw'000
ASSETS			
Cash in hand	941,492	1,619,482	1,030,000
Balance with National Bank of Rwanda	2,179,813	2,888,470	1,000,132
Deposits and balances due from other banking institutions	3,397,818	751,118	4,858,110
Other assets	1,774,323	1,376,178	1,063,096
Financial investments –at amortized cost	13,922,171	7,253,016	8,442,907
Loans and advances to customers	32,795,838	18,539,935	7,113,221
Property and equipment	1,865,762	1,427,367	1,702,213
Right of use assets	1,286,617	1,474,647	-
Intangible assets	382,038	134,116	61,837
Derivative financial instrument (currency swap)	55,773	1,856	-
Total assets	58,601,645	35,466,185	25,271,516
LIABILITIES			
Deposits from customers	35,867,128	20,590,148	16,636,282
Deposits from banks	5,344,031	4,814,202	-
Overnight treasury borrowings	650,080	-	-
Balances due to Group companies	831,488	608,716	845,713
Other liabilities	2,791,298	571,791	432,055
Lease Liability	1,264,650	1,518,191	-
Deferred tax liability	190,288	199,437	186,911
Total liabilities	46,938,963	28,302,485	18,100,961
EQUITY			
Share capital	21,399,604	15,399,604	8,484,691
Capital contribution awaiting allotment	-	-	5,514,913
Retained earnings	(9,736,922)	(8,235,904)	(6,829,049)
Total Equity	11,662,682	7,163,700	7,170,555
Total equity and liabilities	58,601,645	35,466,185	25,271,516

II. STATEMENT OF COMPREHENSIVE INCOME

	Audited 31st Dec-20 Frw'000	Audited 31-Dec-19 Frw'000
Revenue		
Interest income	5,145,595	3,551,220
Interest expenses	(2,280,069)	(1,323,254)
Net interest income	2,865,526	2,227,966
Loan Impairment losses	(772,034)	(449,999)
Net interests income after impairment	2,093,492	1,777,967
Fee and commission income	510,072	389,064
Net foreign exchange gains	423,821	78,478
Non funded income	933,893	467,542
Income from banking activities	3,027,385	2,245,509
Employee benefits expenses	(1,451,247)	(1,044,804)
Depreciation and amortization	(664,901)	(640,565)
Operating expenses	(2,421,404)	(2,295,462)
Total operating expenses	(4,537,552)	(3,980,831)
Loss before income tax	(1,510,167)	(1,735,322)
Income tax expense	9,149	(12,526)
Loss for the period	(1,501,018)	(1,747,848)
Other comprehensive income	-	-
Total comprehensive loss for the period	(1,501,018)	(1,747,848)

III. OTHER DISCLOSURES

A CAPITAL STRENGTH		
a. Core Capital (Tier1)	11,309,296	6,306,961
b. Supplementary Capital (Tier 2)	-	-
c. Total Capital	11,849,866	6,628,395
d. Total risk weighted assets	43,245,596	25,714,683
e. Core capital/Total risk weighted assets ratio	26.15%	24.53%
f. Tier 1 ratio	26.15%	25.78%
g. Total capital/total risk weighted assets ratio	27.40%	25.78%
e. Tier 2 Ratio	-	-
i. Leverage ratio	17.00%	16.79%
B CREDIT RISK		
1. Total gross credit risk exposures		
a. On-balance sheet exposure	34,635,765	19,237,503
b. Guarantees, commitments given (off balance sheet)	4,473,641	4,443,933
c. Financing commitments given (Off balance sheet)	2,726,207	1,157,544
d. Letters of credit	348,140	117,842
e. Total gross credit risk exposures	42,183,753	24,956,822
f. Credit Risk Weighted Assets	37,587,928	23,494,482
g. Credit Risk Weighted Assets/RWA	87%	91%
2. Average gross credit Exposure (Average between December 2019 and June 2020)		
a. Loans	19,266,710	12,826,578
b. Commitments	1,941,876	-
c. Guarantees	4,458,787	4,166,583
d. Letters of credit	232,991	-
e. Debt securities	-	-
f. OTC derivatives	28,815	1,856
3. Regional Exposure		
East Province	95,176	148,012
Kigali City	31,240,824	16,848,542
North Province	-	201,587
South Province	1,858,582	3,281
Mobile Loans	1,439,459	1,338,513
Total on balance sheet credit exposure	34,634,042	18,539,934
4. Sector Distribution of Exposures		
a. Infrastructure and construction	7,433,739	5,859,158
b. Manufacturing	7,881,475	2,556,609
c. Services and commerce	11,099,685	4,432,228
d. Others	8,220,866	5,691,940
e. Total on-balance sheet exposures	34,635,765	18,539,935

III. OTHER DISCLOSURES (CONTINUED)

	Audited 31-Dec-20 Frw'000'	Audited 31-Dec-19 Frw'000'
5. Off Balance sheet Items		
a. Guarantees, commitments given (off balance sheet)	4,473,641	4,443,933
b. Financing commitments given (Off balance sheet)	2,726,207	1,157,544
c. Letters of credit	348,140	117,842
	7,547,988	5,719,319
6. Non-performing loan indicators		
a. Non-performing loans	2,448,358	241,922
b. NPL Ratio	7.07%	1.26%
7. Related parties		
a. Loans to directors, shareholders and subsidiaries	-	-
b. Loans to employees	992,955	993,597
8. Restructured loans		
a. No. of borrowers	29	3
b. Amount outstanding	12,123,160	2,272,964
c. Provision thereon (regulatory):	104,039	68,188
d. Restructured loans as % of gross loans	35%	11.82%
C LIQUIDITY RISK		
1 Liquidity ratio		
Liquid assets available	20,441,294	12,512,086
Total deposit liabilities	41,211,159	25,404,350
Liquidity coverage ratio	122%	216%
2 Net Stable Funding ratio		
Available stable funding	25,163,086	12,018,962
Required stable funding	7,062,278	3,375,244
NSFR	356%	356%
D OPERATIONAL RISK		
Number and type of frauds and their corresponding amount		
Type: None Number: None Amount: Nil		
E MARKET RISK		
a. Interest Risk	-	-
b. Foreign Exchange Risk	3,069,975	101,242
c. Equity Position	-	-
d. Market Risk/ RWA	7.10%	0.39%
F COUNTRY RISK		
a. Credit exposure Abroad	-	-
b. Other Assets Abroad	3,248,240	1,079,469
c. Liabilities due abroad	-	-
IV. MANAGEMENT AND BOARD COMPOSITION		
a. Number of Board members	8	8
b. Number of independent directors	6	6
c. Number of non-independent directors	2	2
d. Number of female directors	3	3
e. Number of male directors	5	5
f. Number of senior managers	11	10
g. Number of female senior managers	1	2
h. Number of male senior managers	11	8
V. EXPLANATORY NOTES TO THE FINANCIALS		
1 Net Interest and similar income		
The bank recorded Increase in interest and similar income driven by the growth of the loan book by 77% between 2019 and 2020. Interest expense increase was driven by the growth in customer deposits which doubled from the same period in 2019.		
2 Impairment charges		
Loan impairment charge increased as result of changes in the IFRS 9 model which were aimed at incorporating the Covid 19 impact. This included change in the collateral realisation period from two to three years and adjustment of macroeconomic variables. There was also slight migration of loans from stage 2 to stage 3. We have in place necessary measures to mitigate the risk of loss.		
3 Personnel expenses		
Staff cost has increased by 39% due to new staff recruitment following the bank growth.		
4 Operating expenses		
Operating expenses increased by 5% compared to the same period last year due to business growth and implementation of key projects to support the business.		
5 Loans and advances to customers		
YoY loan book grew by 77% between Dec-2019 and Dec-2020 The increase was supported by new deals booked during the period.		
6 Deposits from customers		
The increase of 100% on the overall deposit book in 2020 is mainly attributed to new clients acquired during the period, which was from the corporate book and the Mobile savings (Mokash) deposits.		
7 Share capital		
Bank shareholders increased the capital by Rwf 6 billion during the period. Share capital was however reduced by Rwf 262, the cost of IT equipment and ATMs Which have been in use for business operations reallocated from capital. The treatments of those assets have led to a restatement of 2019 and 2018 financials respectively.		



Ms. Lina M Higiho
Chief Executive Officer



Amb. Dr. Benjamin Rugangazi
Chairman

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