

NCBA BANK (RWANDA) PLC UNAUDITED FINANCIAL STATEMENTS AND DISCLOSURES FOR THE PERIOD ENDED 30TH SEPTEMBER 2022
I. STATEMENT OF FINANCIAL POSITION

	Unaudited 30-Sep-22 Frw'000	Audited 31-Dec-21 Frw'000
ASSETS		
Cash in hand	2,214,945	1,010,670
Balance with National Bank of Rwanda	3,918,563	6,387,360
Deposits and balances due from other banking institutions	11,046,095	6,348,295
Financial instruments -Held to maturity	27,299,605	23,907,905
Loans and advances to customers	78,659,169	52,124,448
Other assets	4,056,097	3,870,455
Deferred tax asset	79,412	79,412
Intangible assets	259,150	318,443
Property and equipment	3,330,969	2,914,144
Right of use assets	1,862,125	1,206,438
Total assets	132,726,130	98,167,570
LIABILITIES		
Deposits from customers	50,166,443	56,936,601
Deposits from banks and other financial institutions	25,747,948	13,551,407
Overnight treasury borrowings	11,015,791	7,252,422
Balances due to Group companies	512,127	852,798
Long Term Borrowings	15,500,000	-
Other liabilities	4,921,228	1,254,249
Lease Liability	1,628,062	1,055,922
Total liabilities	109,491,599	80,903,399
EQUITY		
Share capital	30,399,604	26,499,604
Retained earnings	(7,165,073)	(9,235,433)
Total Equity	23,234,531	17,264,171
Total equity and liabilities	132,726,130	98,167,570

II. STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 30-Sep-22 Frw'000	Reviewed 30-Sep-21 Frw'000
Revenue		
Interest income	11,662,610	6,584,917
Interest expenses	(3,428,461)	(2,221,902)
Net interest income	8,234,149	4,363,015
Loan Impairment losses	(1,304,363)	(1,200,579)
Net interest income after impairment	6,929,786	3,162,436
Fee and commission income	876,349	514,831
Net foreign exchange gains	1,425,114	697,040
Non funded income	2,301,463	1,211,871
Income from banking activities	9,231,249	4,374,307
Employee benefits expenses	(2,202,213)	(1,423,564)
Finance costs	(137,530)	(99,627)
Depreciation and amortization	(777,927)	(570,254)
Operating expenses	(3,155,922)	(1,888,860)
Total operating expenses	(6,273,592)	(3,982,305)
Profit before income tax	2,957,657	392,002
Income tax expense	(887,297)	-
Income for the period	2,070,360	392,002
Other comprehensive income	-	-
Total Comprehensive income for the period	2,070,360	392,002

III. OTHER DISCLOSURES

	Unaudited 30-Sep-22 Frw'000	Reviewed 30-Dec-21 Frw'000
A CAPITAL STRENGTH		
a. Core Capital (Tier1)	21,940,201	16,645,410
b. Supplementary Capital (Tier 2)	1,412,427	794,598
c. Total Capital	23,352,628	17,440,009
d. Total risk weighted assets	112,994,134	63,567,878
e. Core capital/Total risk weighted assets ratio	19.42%	26.19%
f. Tier 1 ratio	20.67%	26.19%
g. Total capital/total risk weighted assets ratio	20.67%	27.44%
e. Tier 2 Ratio	1.25%	1.25%
i. Leverage ratio	15.17%	17.54%
B CREDIT RISK		
1. Total gross credit risk exposures		
a. On-balance sheet exposure	81,514,980	53,580,771
b. Guarantees, commitments given	7,509,136	4,081,134
c. Financing commitments given	4,030,004	1,282,005
d. Letters of credit	6,122,775	-
e. Total gross credit risk exposures	99,176,895	58,943,909
f. Credit Risk Weighted Assets	90,216,633	58,151,530
g. Credit Risk Weighted Assets/RWA	79.84%	91.48%
2. Average gross credit Exposure (Average between December 2021 and September 2022)		
a. Loans	67,547,876	47,869,729
b. Commitments	2,656,004	2,004,106
c. Guarantees	5,795,135	4,277,387
d. Letters of credit	3,061,388	174,070
e. Debt securities	25,603,755	10,587,594
3. Sector Distribution of Exposures		
a. Government	17,110,618	7,800,755
b. Infrastructure and construction	14,893,433	8,755,444
c. Manufacturing	16,257,694	11,830,176
d. Services and commerce	23,061,324	19,213,084
e. Others	10,191,911	5,981,312
	81,514,980	53,580,771
4. Off Balance sheet Items		
a. Guarantees, commitments given	7,509,136	4,081,134
b. Financing commitments given	4,030,004	1,282,005
c. Letters of credit	6,122,775	-
	17,661,915	5,363,139

III. OTHER DISCLOSURES (CONTINUED)

	Unaudited 30-Sep-22 Frw'000	Audited 31-Dec-21 Frw'000
5. Non-performing loan indicators		
a. Non-performing loans	1,525,781	631,417
b. NPL Ratio	1.87%	1.18%
6. Related parties		
a. Loans to directors, shareholders and subsidiaries	197,834	185,718
b. Loans to employees	1,120,999	1,194,582
7. Regional Exposure		
East Province	1,526,075	202,720
Kigali City	71,507,252	47,725,422
North Province	140,754	28,153
South Province	2,157,996	1,861,744
Western Province	28,342	110,309
Digital Loans	6,154,561	3,652,423
	81,514,980	53,580,771
8. Restructured Loans		
a. Number of borrowers	33	62
b. Amount outstanding	9,430,560	8,437,614
c. Regulatory provision thereon	162,190	110,376
d. Restructured loans as a % of gross loans	11.57%	15.75%
C LIQUIDITY RISK		
1 Liquidity ratio		
Liquid assets available	44,479,208	37,654,230
Total deposit liabilities	75,914,437	70,488,008
Liquidity coverage ratio	221%	187%
2 Net Stable Funding ratio		
Available stable funding	66,700,915	26,534,006
Required stable funding	27,863,259	7,516,189
NSFR	239.39%	353.02%
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	785,882	333,539
c. Equity Position	-	-
d. Market Risk/ RWA	0.73%	7.10%
F COUNTRY RISK		
a. Credit exposure Abroad	-	-
b. Other Assets Abroad	10,862,704	6,104,161
c. Liabilities due abroad	-	-
IV. MANAGEMENT AND BOARD COMPOSITION		
a. Number of Board members	9	9
b. Number of independent directors	6	6
c. Number of non-independent directors	3	3
d. Number of female directors	3	3
e. Number of male directors	6	6
f. Number of senior managers	11	11
g. Number of female senior managers	2	2
h. Number of male senior managers	9	9
V. EXPLANATORY NOTES TO THE FINANCIALS		
1 Net Interest and similar income		
The bank recorded a significant increase in interest and similar income by 77% mainly driven by the growth of the loan book Which moved from Rwf 49 billion to Rwf 79 billion between September 2021 and September 2022. as well as additional investment in government securities		
2 Foreign exchange income increased significantly due to increased deals with our corporate customers		
3 Impairment charges		
Loan impairment charge increased as result of increase in loan book. We have in place necessary measures to avoid deterioration of the loan book quality.		
4 Personnel expenses		
Staff cost has increased by 55% mainly due to new staff recruitment following the bank growth.		
5 Operating expenses		
There was an increase in operating expense following the business growth which includes two new branches, New digital system and additional IT infrastructures.		
6 Loans and advances		
The growth in loan book is attributed to new business booked during the period; mainly driven by the corporate segment. The SME and personal banking segments also recorded significant growth during the period.		
7 Deposits from customers		
The decrease of 7% on the overall deposit book is mainly attributed to some term deposits matured during quarter 3.		
8 Long term borrowing		
The bank entered into a long-term borrowing to finance the business growth.		

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The Financial statements were approved by the board of directors on 7th November 2022 and signed on its behalf by:



Ms. Lina M Higiro
Chief Executive Officer



Amb. Dr. Benjamin Rugangazi
Chairman

The accounts can be accessed from our website: www.ncbagroup.com
Head office: Kigali Heights 8th floor Plot No. 772, KG7 AVE
Email: contact@ncbagroup.com