


**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 DECEMBER 2019**
AUDITED BY EXTERNAL AUDITORS

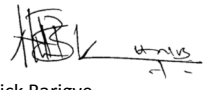
in '000 Frw	2019	2018
Interest income accounted for using effective interest rate	4,599,717	3,621,355
Interest expense	(1,825,812)	(1,239,996)
Net interest income before allowance for impairment losses on interest-bearing assets	2,773,905	2,381,359
Impairment charge for loan losses	(1,260,064)	(646,220)
Net interest income	1,513,841	1,735,140
Fee and commission income	168,051	126,361
Fee and commission expense	(8,715)	(12,372)
Net fee and commission income	159,336	113,989
Net result from foreign exchange operations	(19,114)	50,835
Net other operating income	1,749,797	(2,364)
Net non-interest income	1,890,020	162,460
Net operating income	3,403,861	1,897,600
Personnel expenses	(1,768,765)	(1,234,874)
Operating lease expenses	(61,052)	(313,727)
Depreciation and amortization expenses	(392,507)	(166,169)
Other administrative expenses	(1,484,429)	(1,755,235)
Total operating expenses	(3,706,753)	(3,470,006)
Loss before tax	(302,893)	(1,572,406)
Deferred tax income	14,587	395,767
Income tax expense	14,587	395,767
Loss for the year	(288,306)	(1,176,639)
Other comprehensive income	-	-
Total comprehensive income	(288,306)	(1,176,639)

**STATEMENT OF FINANCIAL POSITION AS AT
31 DECEMBER 2019**
AUDITED BY EXTERNAL AUDITORS

in '000 Frw	2019	2018
ASSETS		
Cash and cash equivalents	2,046,726	418,868
Loans and advances to banks	5,007,605	2,113,934
Loans and advances to customers	10,469,771	11,529,118
Other financial assets	69,584	119,485
Other non-financial assets	185,753	282,887
Assets held for sale	44,000	139,200
Intangible assets	85,995	167,159
Property and equipment	712,035	785,687
Rights-of-use assets	1,331,468	-
Deferred income tax asset	1,212,283	1,197,695
Total assets	21,165,220	16,754,033
LIABILITIES		
Loans from banks and other financial institutions	4,163,306	7,149,761
Customer accounts	11,161,310	6,480,931
Provisions	46,466	37,048
Lease Liability	1,294,415	-
Other financial liabilities	90,313	49,436
Other non-financial liabilities	79,017	104,859
Subordinate debt	209,227	247,526
Total liabilities	17,044,054	14,069,561
EQUITY		
Share capital	11,336,300	9,611,300
Retained earnings	(7,215,134)	(6,926,828)
Total equity	4,121,166	2,684,472
Total liabilities and equity	21,165,220	16,754,033

The financial statements were approved by the Board of Directors on March 26th 2020 and were signed on its behalf by:


Mrs. Sadava Nurhayrah Limpao Osop
Chief Executive Officer


Mr. Nick Barigye
Chairman of the Board of Directors

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019
AUDITED BY EXTERNAL AUDITORS

For the year ended 31 December 2019 In '000 Frw	Share capital	Retained Earnings	Total equity
Carry Forward as at 01 January 2019	9,611,300	(6,926,828)	2,684,472
Loss for the period	-	(288,306)	(288,306)
Total comprehensive income	-	(288,306)	(288,306)
Transactions with owners			
Issue of share capital	1,725,000		1,725,000
Balance as at 31 December 2019	11,336,300	(7,215,134)	4,121,166

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018
AUDITED BY EXTERNAL AUDITORS

For the year ended 31 December 2018 In '000 Frw	Share capital	Retained Earnings	Total equity
Carry Forward as at 01 January 2018	7,954,000	(5,709,166)	2,244,834
Changes on initial application of IFRS9		(41,023)	(41,023)
Restated balance at 1 January 2018	7,954,000	(5,750,189)	2,203,811
Loss for the period	-	(1,176,639)	(1,176,639)
Total comprehensive income	-	(1,176,639)	(1,176,639)
Transactions with owners			
Issue of share capital	1,657,300	-	1,657,300
Balance as at 31 December 2018	9,611,300	(6,926,828)	2,684,472

AB BANK RWANDA PLC. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019. AUDITED BY EXTERNAL AUDITORS.

in `000 Frw	2019	2018
Profit		
Loss before tax	(302,893)	(1,572,406)
Adjustments for non cash items:		
Impairment charge for loan losses	1,319,749	700,370
Unrealised (gain)/loss from currency revaluation	5,715	2,967
Depreciation and amortisation expense	392,507	166,169
Losses and (gains) from sale of property and equipment and intangible assets	(53)	(521)
Interest income	(4,599,717)	(3,621,355)
Interest expense	1,825,813	1,239,996
Cash flows from operating activities before changes in operating assets and liabilities	(1,358,879)	(3,084,780)
Changes in operating assets and liabilities (Increase)/decrease in operating assets:		
Loans and advances to customers	(345,224)	(4,108,198)
Other assets	242,234	(296,756)
Interest received	4,684,539	3,528,214
Increase/(decrease) in operating liabilities		
Loans from banks and other financial institutions	(2,981,727)	2,212,345
Customer accounts	4,481,558	2,042,321
Other liabilities	(25,842)	(39,037)
Provisions	9,419	8,675
Interest paid	(1,631,719)	(1,195,050)
Cash inflow/(outflow) from operating activities before taxation	3,074,359	(932,266)
Income tax paid	-	-
Net cash inflow/(outflow) from operating activities	3,074,359	(932,266)
Cash flow from investment activities		
Purchase of property and equipment and intangible assets	(38,508)	(234,419)
Sale of property and equipment	528	580
Net cash inflow/(outflow) from investing activities	(37,980)	(233,839)
Cash flow from financing activities		
Proceeds from issuance of ordinary shares	1,725,000	1,657,300
Payment of lease liabilities (principal portion)	(268,954)	-
Net proceeds from issuance/(net repayments) of subordinated debt	(38,300)	247,526
Net cash inflow/(outflow) from financing activities	1,417,746	1,904,826
Effect of changes in foreign exchange rate on cash and cash equivalents	67,404	(2,967)
Total Cash flow	4,521,529	735,754
Cash and cash equivalents, beginning of year/period	2,532,802	1,797,048
Cash and cash equivalents, end of year/period	7,054,331	2,532,802

OTHER DISCLOSURES

I. Capital strength	Amount /ratio/number
1. Core capital (Tier 1)	2,822,888
2. Supplementary Capital (Tier 2)	351,597
3. Total capital	3,174,485
4. Total Risk Weighted Assets	12,048,691
5. Core capital /Total Risk Weighted Assets (Tier 1)	23.43%
6. Tier 2 ratio	2.92%
7. Total Capital /Total Risk Weighted Assets	26.35%
8. Leverage Ratio	14%
II. Credit Risk	Amount /ratio/number
1. Total Gross Credit risk exposures: After accounting offsets and without taking into account credit risk mitigation	11,880,566
2. Average gross credit exposure, broken down by major types of credit exposure	11,880,566
Loans	11,880,566

Regional or geographic distribution of exposures, broken down in significant areas by major types of credit exposures

	CITY OF KIGALI	NORTHERN PROVINCE	EASTERN PROVINCE	WESTERN PROVINCE	SOUTHERN PROVINCE	TOTAL
Loans	10,171,752	550,728	666,798	-	491,288	11,880,566

Sector distribution of exposures, broken down by Major types of credit exposure and aggregated in the following areas

	Loans	Total
a) Government	-	-
b) Financial	-	-
c) Manufacturing	808,708	808,708
d) Infrastructure and construction	1,102,877	1,102,877
e) Service and commerce	8,579,454	8,579,454
f) Others	1,389,528	1,389,528
	11,880,566	11,880,566

5. Off-balance sheet items

6. Non-performing loans indicators

a) Non-performing Loans (NPL)	1,184,083
b) NPL Ratio	9.98%

7. Related Parties

a) Loans to directors, Shareholders and subsidiaries	-
b) Loans to employees	123,766

OTHER RISKS

II. Liquidity risk

High Quality liquid assets	2,046,726
Total net cash outflows	513,740
a) Liquidity Coverage Ratio (LCR)	127%
Available stable funding	15,257,139
Required stable funding	11,411,363
b) Net Stable Funding Ratio (NSFR)	134%

IV. Operational Risk

Type	Number	Amount
Number and Types of Frauds and Their corresponding amount	1	17,895
Forged collateral documents		

V. Market Risk

1. Interest rate risk	-
2. Equity position risk	-
3. Foreign exchange risk	21,000

VI. Country Risk

1. Credit exposures abroad	-
2. Other assets held Abroad	61,476
3. Liabilities to Abroad	4,376,338

VII. Management and Board composition

a. Number of Board members	5
b. Number of independent directors	3
c. Number of non-independent directors	3
d. Number of female directors	-
e. Number of male directors	5
f. Number of senior managers	3
g. Number of females senior managers	1
h. Number of males senior managers	2

This financial report is available to all for consultation at:

⇒ www.abbankrwanda/Quick Links/Download Center

⇒ AB BANK RWANDA Head Office: KN 78 Street #15, Nyarugenge, Kiyovu (BCK Building)

