

NCBA BANK (RWANDA) PLC AUDITED FINANCIAL STATEMENTS AND DISCLOSURES FOR THE PERIOD ENDED 31ST DECEMBER 2024
I. STATEMENT OF FINANCIAL POSITION

	Audited 31 Dec 24 Frw'000	Audited 31 Dec 23 Frw'000
ASSETS		
Cash in hand	4,446,052	3,759,659
Balance with National Bank of Rwanda	9,246,392	5,616,567
Deposits and balances due from other banking institutions	53,491,356	42,445,053
Financial instruments -Held to maturity	41,412,640	34,232,544
Loans and advances to customers	94,731,015	103,420,331
Other assets	13,935,370	8,808,642
Deferred tax asset	482,534	899,803
Current tax asset	928,113	-
Right of use assets	4,362,158	1,870,298
Property and equipment	3,649,139	2,915,438
Intangible assets	559,126	782,216
Total assets	227,243,895	204,750,551
LIABILITIES		
Deposits from customers	125,910,611	100,987,220
Deposits from banks	38,453,711	38,804,233
Overnight interbank and treasury borrowings	-	13,160,380
Balances due to Group companies	629,537	643,053
Other liabilities	7,032,789	2,387,220
Current tax liabilities	-	431,008
Borrowed funds	15,416,036	16,210,718
Lease Liability	3,979,200	1,514,993
Total liabilities	191,421,884	174,138,825
EQUITY		
Share capital	30,399,604	30,399,604
Revenue Reserve	5,422,407	212,122
Total Equity	35,822,011	30,611,726
Total equity and liabilities	227,243,895	204,750,551

II. STATEMENT OF COMPREHENSIVE INCOME

Revenue		
Interest income	31,454,624	25,909,625
Interest expenses	(8,671,787)	(6,727,901)
Net interest income	22,782,837	19,181,724
Loan Impairment losses	(4,670,777)	(3,388,385)
Net interest income after impairment	18,112,060	15,793,339
Fee and commission income	1,046,395	1,061,028
Net foreign exchange gains	2,796,130	2,206,748
Other income	5,426	243,293
Non funded income	3,847,951	3,511,069
Income from banking activities	21,960,011	19,304,408
Employee benefits expenses	(4,822,941)	(3,980,849)
Depreciation and amortization	(1,441,872)	(1,317,437)
Operating expenses	(8,357,322)	(5,364,511)
Total operating expenses	(14,622,135)	(10,662,797)
Profit before income tax	7,337,876	8,641,611
Income tax expense	(2,127,591)	(2,688,900)
Profit for the year	5,210,285	5,952,711
Other comprehensive income	-	-
Total comprehensive income for the period	5,210,285	5,952,711

III. STATEMENT OF CASH FLOWS

Cash flows from operating activities		
Profit before income tax	7,337,876	8,641,611
Amortisation of software	308,321	385,234
Depreciation of right of use asset	564,841	429,848
Net gains/(losses) from foreign exchange translation	(7,938)	(4,593)
Depreciation charge of property and equipment	568,711	502,355
Interest on lease liability	390,853	295,166
Finance costs on borrowings	479,918	577,264
Credit loss provision	4,670,777	3,388,385
Other adjustments	144,875	-
Cash flows generated from operating activities before changes in operating assets and liabilities	14,458,234	14,215,270
Changes in operating assets and liabilities		
(Increase)/Decrease in balances held with commercial banks	(24,206,683)	6,609,652
Decrease / (increase) in loans and advances	15,064,840	(19,709,393)
Decrease / (increase) in other assets	(5,126,728)	(3,676,353)
Increase in customer deposits	24,572,869	43,502,409
(Decrease) / increase in other liabilities	4,645,569	(917,674)
Increase in balances due to group companies	(13,516)	(325,541)
Cash generated from operations after changes in operating assets and liabilities	29,394,585	39,698,370
Income tax paid	(3,069,442)	(2,488,387)
Net cash generated from operating activities	26,325,143	37,209,983
Cash flows from Investing activities		
Purchase of government securities	(29,140,021)	(66,667,977)
Proceeds from matured government securities	21,973,102	59,176,080
Purchase of software	-	-
Purchase of property and equipment	(1,532,517)	(788,635)
Net cash used in Investing activities	(8,699,436)	(8,280,532)
Cash flows from financing activities		
Proceeds from Borrowings	1,000,000	700,000
Principle paid on Borrowings	(1,854,170)	-
Interest paid on borrowings	(420,430)	(566,884)
Lease payments	(983,347)	(855,239)
Net cash (used in) / generated from financing activities	(2,257,947)	(722,123)
Increase in cash and cash equivalents		
Effects of exchange rate fluctuations on cash and cash equivalents held	7,938	4,593
Increase in cash and cash equivalents during the year	15,354,583	26,534,800
Cash and cash equivalents at start of year	51,821,279	25,281,886
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	67,183,800	51,821,279

IV. STATEMENT OF CHANGES IN EQUITY

	Share capital Frw 000	Accumulated Profit/Losses Frw 000	Total equity Frw 000
Year ended 31 December 2024			
At start of year	30,399,604	212,122	30,611,726
Profit for the year	-	5,210,285	5,210,285
	30,399,604	5,422,407	35,822,011
Transaction with owners			
Additional capital during the year	-	-	-
As at end of year	30,399,604	5,422,407	35,822,011
Year ended 31 December 2023			
At start of year	30,399,604	(5,740,589)	24,659,015
Profit for the year	-	5,952,711	5,952,711
	30,399,604	212,122	30,611,726
Transaction with owners			
Additional capital during the year	-	-	-
At end of the year	30,399,604	212,122	30,611,726

V. OTHER DISCLOSURES

	Audited 31 Dec 24 Frw'000	Audited 31 Dec 23 Frw'000
A CAPITAL STRENGTH		
a. Core Capital (Tier1)	34,780,351	28,929,707
b. Supplementary Capital (Tier 2)	1,429,632	1,636,353
c. Total Capital	36,209,983	30,566,060
d. Total risk weighted assets	169,651,942	162,222,018
e. Core capital/Total risk weighted assets ratio	20.5%	17.8%
f. Tier 1 ratio	20.5%	17.8%
g. Total capital/total risk weighted assets ratio	21.3%	18.8%
e. Tier 2 Ratio	-	-
i. Leverage ratio	12.6%	12.4%
B CREDIT RISK		
1. Total gross credit risk exposures		
a. On-balance sheet exposure	97,927,970	109,220,600
b. Guarantees, commitments given (off balance sheet)	18,232,073	27,183,575
c. Financing commitments given (Off balance sheet)	-	-
d. Letter of credits	4,520,613	5,534,814
e. Total gross credit risk exposures	120,680,656	141,938,989
f. Credit Risk Weighted Assets	134,280,098	132,015,085
g. Credit Risk Weighted Assets/RWA	79.2%	81.4%
2. Average gross credit Exposure (Avarege between December 2023 and December 2024)		
a. Loans	103,574,285	109,220,600
b. Financial Commitments	-	-
c. Guarantees	22,707,824	27,183,575
d. Letters of credit	5,027,714	5,534,814
e. Debt securities	37,822,592	34,232,544
f. OTC derivatives	-	-
3. Regional Exposure		
East Province	2,768,089	6,591,202
Kigali City	72,933,225	85,292,803
North Province	1,614,890	890,167
South Province	861,368	663,231
Western Province	1,512,459	2,024,443
Mobile and Credit Cards Loans	18,237,939	13,758,754
Total on balance sheet credit exposure	97,927,970	109,220,600
4. Sector Distribution of Exposures		
a. Public	17,049,926	18,011,915
b. Infrastructure and construction	4,304,807	2,252,461
c. Manufacturing	16,167,445	20,786,156
d. Services and commerce	18,631,040	29,316,685
e. Transport and Telecommunication	5,961,628	6,801,980
f. Others	35,813,125	32,051,402
Total on-balance sheet exposures	97,927,970	109,220,600
5. Off Balance sheet Items		
a. Guarantees, commitments given (off balance sheet)	18,232,075	27,183,575
b. Financing commitments given (Off balance sheet)	-	-
c. Letters of credit	4,520,614	5,534,814
	22,752,688	32,718,389
6. Non-performing loan indicators		
a. Non-performing loans	3,313,300	7,304,254
b. NPL Ratio	3.38%	6.69%
7. Related parties		
a. Loans to directors, shareholders and subsidiaries	245,747	328,566
b. Loans to employees	1,396,628	1,326,261
8. Restructured loans		
a. No. of borrowers	17	43
b. Amount outstanding	1,489,551	7,399,030
c. Provision thereon (regulatory):	23,691	136,971
d. Restructured loans as % of gross loans	1.5%	6.8%

V. OTHER DISCLOSURES

	Audited 31 Dec 24 Frw'000	Audited 31 Dec 23 Frw'000
C LIQUIDITY RISK		
1 Liquidity ratio		
Liquid assets available	108,596,440	86,053,823
Total deposit liabilities	164,364,322	139,791,453
Liquidity coverage ratio	285%	278%
2 Net Stable Funding ratio		
Available stable funding	138,319,043	135,716,233
Required stable funding	47,360,169	53,653,822
NSFR	292%	253%
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	3,200,453	4,328,561
c. Equity Position	-	-
d. Market Risk/ RWA	1.89%	2.67%
F COUNTRY RISK		
a. Credit exposure Abroad	-	-
b. Other Assets Abroad	48,370,659	7,821,656
c. Liabilities due abroad	-	-

VI. MANAGEMENT AND BOARD COMPOSITION

a. Number of Board members	9	10
b. Number of independent directors	6	7
c. Number of non-independent directors	3	3
d. Number of female directors	3	3
e. Number of male directors	6	7
f. Number of senior managers	13	13
g. Number of female senior managers	1	2
h. Number of male senior managers	12	11

VII. EXPLANATORY NOTES TO THE FINANCIALS
1 Net Interest and similar income

The bank recorded an increase in interest and similar income of 21% mainly driven by the growth of consumer loan disbursements. Interest expense increased by 29% as a result of the increase in deposits from RWF 101billion to RWF 126billion in December 2023 and December 2024 respectively. There was a decrease in loan book mainly due to significant write-off of loans which are currently under recovery process.

2 Foreign exchange income increased following the appreciation of US dollars vis a vis to Rwandan francs; and an increase in deals with our corporate customers..

3 Impairment charges

There was an increase in Expected credit loss as some corporate loans were written-off. However, the remaining book credit risk is stable as non-performing loan ratio was contained at 3.38%..

4 Personnel expenses

Staff cost increased by 21% year on year, mainly due to a rise in staff numbers following the bank's growth. Most of the key positions in the bank have now been filled.

5 Depreciation and amortization

Depreciation and amortization increased by 9% year on year due to depreciation on new capital assets acquired during the year 2024; as part of the bank's expansion through opening new branches.

6 Operating expenses

Operating expenses increased by 56% year on year, following the business growth which includes continued branch expansion and additional IT infrastructures. However, there was optimisation of the investments to create efficiency.

7 Loans and advances to customers

The decrease of 8% in the loan book is attributed to repayments and write offs occurred during the period.

8 Financial investments –at amortized cost

Investment securities at amortized cost are debt securities issued by the Government of the Republic of Rwanda. The growth is attributed to continuous investment in treasury bills during the period.

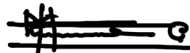
9 Deposits from customers

The increase of 7% on overall deposit in 2024 is mainly attributed to a broaden client base during the year. This is a combination of growth in digital banking deposits and the outcome of new savings products offered by the bank.

10 Borrowed funds

The bank has maintained a long-term borrowing of Rwf 15.4 billion to finance the business growth in the housing and manufacturing businesses.

The financial statements were approved by the board of directors on 12 March 2025 and signed on its behalf by:



Mr. Maurice Toroitich
Managing Director



Amb. Dr. Benjamin Rugangazi
Chairman

The accounts can be accessed from our website: www.ncbagroup.com

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