



Guaranty Trust Bank (Rwanda) plc

**GUARANTY TRUST BANK (RWANDA) PLC**

Audited by External Auditors (EY Rwanda Ltd)

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022**

ASSETS	31/Dec/22 Frw'000 (Audited)	31/Dec/21 Frw'000 (Audited)
<b>TREASURY OPERATIONS AND OPERATIONS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS</b>		
Cash and balances with National Bank of Rwanda	30,842,831	31,720,667
Balances with Other Banks and Financial Institutions	14,765,086	14,911,472
Sub-Total	<b>45,607,917</b>	<b>46,632,139</b>
<b>LOANS AND ADVANCES TO CUSTOMERS</b>		
Net Loans and Advances to Customers	37,253,477	48,908,518
Sub-Total	<b>37,253,477</b>	<b>48,908,518</b>
<b>FINANCIAL INSTRUMENTS</b>		
Financial Instruments At Amortized Cost	38,945,704	28,972,542
Sub-Total	<b>38,945,704</b>	<b>28,972,542</b>
<b>PROPERTY, EQUIPMENT AND OTHER ASSETS</b>		
Intangible Assets	341,119	550,967
Property and Equipment	2,492,921	2,735,414
Right of Use Assets	1,576,534	1,851,472
Deferred income tax asset	568,025	-
Other Assets	991,070	1,273,380
Sub-Total	<b>5,969,670</b>	<b>6,411,233</b>
<b>TOTAL</b>	<b>127,776,768</b>	<b>130,924,433</b>

**STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2022**

	31/Dec/22 Frw'000 (Audited)	31/Dec/21 Frw'000 (Audited)
Interest and Similar Income	10,289,195	9,325,147
Interest Expense	(903,159)	(739,134)
Net Impairment Charge	(929,107)	7,215
Impairment charge on Investment Securities	(2,681,164)	-
<b>NET INTEREST INCOME</b>	<b>5,775,766</b>	<b>8,593,228</b>
Fees and Commission Income	3,351,694	3,235,324
Fee and Commission Expense	(1,223,420)	(946,198)
Foreign Exchange Trading Income	1,875,728	1,509,785
Other Income	814,643	45,436
<b>NET INCOME FROM BANKING ACTIVITIES</b>	<b>4,818,645</b>	<b>3,844,347</b>
Personnel Costs	(2,618,083)	(2,637,241)
Other Operating Expenses	(3,392,508)	(2,654,222)
Depreciation and Amortization	(725,531)	(682,761)
<b>TOTAL OPERATING EXPENSES</b>	<b>(6,736,122)</b>	<b>(5,974,225)</b>
<b>PROFIT BEFORE TAX</b>	<b>3,858,290</b>	<b>6,463,351</b>
Taxation	(1,335,803)	(2,076,955)
<b>PROFIT AFTER TAX</b>	<b>2,522,487</b>	<b>4,386,395</b>

**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2022**

	31/Dec/22 Frw'000 (Audited)	31/Dec/21 Frw'000 (Audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit Before Income Tax	3,858,290	6,463,351
<b>Adjustments for:</b>		
Depreciation on Property and Equipment	495,218	433,486
Amortisation on Intangible Assets	230,313	249,275
Gain/loss on Disposal of Fixed Assets	(4,393)	855
Interest on lease liability	128,677	139,362
Amortization on right-of-use asset	370,511	348,493
IFRS 16- Lease cost net changes P/L Impact	918	(6,595)
<b>Cash Flows From Operating Activities Before Changes in Operating Assets and Liabilities</b>	<b>5,079,532</b>	<b>7,628,226</b>
Changes in Operating Assets and Liabilities:		
Loans and Advances	11,655,042	(285,841)
Investment Securities	(9,719,868)	(866,632)
Other Assets	282,310	(1,233,646)
Customer Deposits	(4,886,086)	12,993,500
Amounts Due to Other Banks	-	-
Provision for Litigation	12,464	(22,667)
Other Liabilities	(727,886)	983,877
Income tax paid	(2,605,836)	(2,225,891)
<b>Net Cash From/ (Used in) Operations</b>	<b>(910,328)</b>	<b>16,970,927</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(298,280)	(385,550)
Purchase of Intangible Assets	(518)	(77,128)
Proceeds from Sale of Property and Equipment	30,000	3,105
<b>Net Cash Used in Investing Activities</b>	<b>(268,797)</b>	<b>(459,573)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Other Borrowings	(266,494)	(53,768)
Repayment of lease liability	(480,639)	(457,404)
Issue of Shares	-	-
<b>Net Cash Flows From Financing Activities</b>	<b>(747,133)</b>	<b>(511,173)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(1,926,258)</b>	<b>16,000,180</b>
Cash and Cash Equivalents at Start of Year	53,953,483	37,953,302
<b>Cash and Cash Equivalents at End of Year</b>	<b>52,027,224</b>	<b>53,953,483</b>

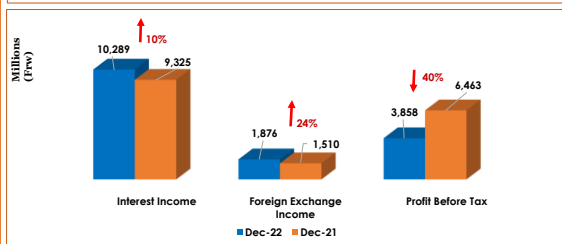
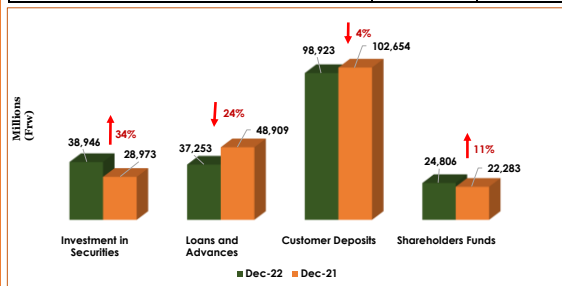
LIABILITIES	31/Dec/22	31/Dec/21
<b>TREASURY OPERATIONS AND OPERATIONS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS</b>		
Due to Banks and Other Financial Institutions	-	-
Repurchase Agreements, Borrowings and Other Credit Accounts	-	-
Sub-Total	-	-
<b>OPERATIONS WITH CLIENT</b>		
Deposits from Customers	98,873,077	102,603,683
Interest Payable	49,854	50,004
Sub-Total	<b>98,922,931</b>	<b>102,653,687</b>
<b>OTHER LIABILITIES</b>		
Other Borrowings	644,554	911,048
Other Liabilities	1,449,911	2,177,797
Lease Liability	1,808,793	2,064,264
Current Income Tax Liability	-	534,273
Deferred Income Tax Liability	-	167,735
Sub-Total	<b>3,903,257</b>	<b>5,855,117</b>
<b>PROVISIONS FOR LITIGATIONS</b>		
Provision for Contingent Liability	144,831	132,367
Sub-Total	<b>144,831</b>	<b>132,367</b>
<b>OWNERS EQUITY</b>		
Share Capital	20,000,000	10,994,882
Revaluation Reserves	368,693	368,693
Statutory Reserves	502,203	523,740
Retained Earnings	3,934,852	10,395,947
Sub-Total	<b>24,805,748</b>	<b>22,283,261</b>
<b>TOTAL</b>	<b>127,776,768</b>	<b>130,924,433</b>

OFF-BALANCE SHEET	31/Dec/22	31/Dec/21
Financing Commitments Given	7,143,079	15,606,273
Guarantees Commitments Given	10,677,569	15,345,522
<b>TOTAL</b>	<b>17,820,648</b>	<b>30,951,796</b>

Banking services,  
Closer than before!DEPOSITS  
WITHDRAWALS  
ACCOUNT OPENING  
WATER BILL PAYMENTS  
RRA / RURA PAYMENTSThe Financial Statements were approved by the Board of Directors on 29th March 2023 and signed on its behalf by:  
Chairperson of Board Audit Committee  
FRANCOISE KAGOYIREManaging Director  
EJIZU N. EMMANUEL

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022 "CONTINUED"

Other Disclosures			Other Disclosures Continued		
Item	Dec/22	Dec/21	Item	Dec/22	Dec/21
	Fw'000	Fw'000		Fw'000	Fw'000
<b>1. Capital Strength</b>			<b>5. Credit Risk</b>		
a. Core Capital (Tier 1)	24,095,935	21,403,899	a. Total Gross Credit Risk Exposures	38,421,466	51,783,573
b. Supplementary Capital (Tier 2)	640,312	967,234	<b>b. Average Gross Credit Exposures:</b>		
c. Total Capital	24,736,247	22,371,133	b i. Loans and Non-derivative Off-balance Sheet Exposures	56,242,133	82,735,388
d. Total Risk Weighted Assets	74,084,535	85,543,480	b ii. Debt Securities	41,626,868	28,972,542
e. Tier 1 Ratio	32.52%	25.25%	b iii. OTC derivatives	-	-
f. Total Capital/Total Risk Weighted Assets Ratio	33.39%	26.39%	<b>c. Regional or Geographic Distribution of Exposures:</b>		
g. Tier 2 Ratio	0.86%	1.13%	c i. Kigali City	36,936,637	50,383,962
h. Leverage Ratio	14.84%	12.88%	c ii. Northern Region	125,368	68,695
<b>2. Liquidity Risk</b>			c iii. Southern Region	578,078	687,990
a. Liquidity Coverage Ratio (LCR)	416.87%	340.17%	c iv. Western Region	492,045	433,444
a i. Liquid Assets Available (LCR***)	68,408,595	59,511,773	c v. Eastern Region	289,357	209,503
a ii. Short Term Liabilities (LCR***)	16,411,612	17,497,053	<b>d. Sector Distribution of Exposures:</b>		
a iii. Total Deposit Liabilities	98,922,931	102,653,687	d i. Government	-	-
<b>b. Net Stable Funding Ratio (NSFR)</b>	<b>162.2%</b>	<b>152.7%</b>	d ii. Financial	-	-
b i. Available Stable Funding	88,178,414	87,150,093	d iii. Manufacturing	11,057,609	13,395,294
b ii. Required Stable Funding	54,350,741	57,070,645	d iv. Infrastructure and Construction	2,892,647	4,049,263
<b>3. Market Risk</b>			d v. Services and Commerce	15,864,411	20,636,784
a. Interest Rate Risk	-	-	d vi. Others	8,606,819	13,702,252
b. Equity Position Risk	-	-	<b>e. Off-Balance Sheet Items:</b>	17,820,648	30,951,796
c. Foreign Exchange Risk	12,741	17,952	<b>f. Non-performing Loans Indicators:</b>		
<b>4. Management and Board Composition</b>			f i. Non-Performing Loans (NPL)	1,331,854	2,679,805
a. Number of Board Members	5	5	f ii. NPL Ratio	2.37%	3.24%
b. Number of Non-independent Directors	2	2	<b>g. Related Parties:</b>		
c. Number of Independent Directors	3	3	g i. Loans to Directors, Shareholders and Subsidiaries	-	1,367,654
d. Number of Female Directors	2	2	g ii. Loans to Employees	241,999	316,846
e. Number of Male Directors	3	3	<b>h. Restructured Loans</b>		
f. Number of Senior Managers	9	10	h i. Number of borrowers	113	109
g. Number of Female Senior Managers	2	11	h ii. Amount outstanding	2,941,591	4,283,893
h. Number of Male Senior Managers	7	7	h iii. Provision thereon (regulatory)	87,370	151,513
			h iv. Restructured loans as % of gross loans	7.7%	8.3%



**EXPLANATORY NOTES TO THE FINANCIALS**

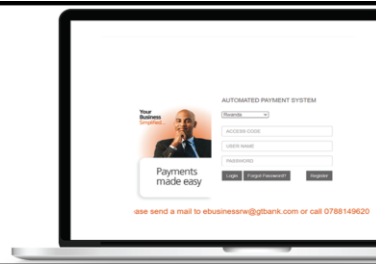
- 1. Net Loans and Advances Decreased by 24%**  
The 24% decrease in net loans and advances was mainly attributable to pay-down of loans by various customers during the period.
- 2) Customers' Deposits Decreased by 4%**  
The 4% decrease in customers' deposits was mainly attributable to the transactional deposit movements during the period.
- 3) Other Financial Instruments at Amortized Cost Increased by 34%**  
The 34% overall increase was mainly attributable to the improvement in investment in government securities and acquisition of additional Eurobond investment during the period.
- 4) Shareholders' Funds Increased by 11%**  
The 11% increase in Shareholders' Fund was mainly attributable to retention of net profit made in the business.
- 5) Interest Income Increased by 10%**  
The 10% increase was mainly attributable to enhanced interest income generated from investment in financial assets during the period.
- 6) Foreign Exchange Income Increased by 24%**  
The 24% increase was mainly attributable to enhanced foreign currency trading activities during the year
- 7) Profit Before Tax Decreased by 40%**  
The year on year reduction by 40% in profitability was mainly attributable to enhanced provisioning on investment in financial securities done during the year.

6. Operational Risk			
	Fraud Type	Fraud Number	Fraud Amount
a. Frauds	Identity Theft	2	22,540
7. Country Risk			
a. Credit Exposures Abroad			
b. Other Assets Held Abroad		14,977,967	9,436,906
c. Liabilities to Abroad			

STATEMENT OF CHANGE IN EQUITY AS AT 31 DECEMBER 2022

	Share Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Total Equity
	Fw'000	Fw'000	Fw'000	Fw'000	Fw'000
<b>As at 1 January 2022</b>	10,994,882	523,740	368,693	10,395,946	22,283,261
<b>Transferred in the year</b>	-	(21,537)	-	21,537	-
<b>Comprehensive Income:</b>					
Profit For The Year	-	-	-	2,522,487	2,522,487
Other Comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Profit For The Year</b>	-	-	-	2,522,487	2,522,487
<b>Transactions With Owners and Non-Controlling Interests</b>					
Conversion of Retained Earnings to Capital	9,005,118	-	-	(9,005,118)	-
<b>At 31 December 2022</b>	20,000,000	502,203	368,693	3,934,851	24,805,747
<b>At 1 January 2021</b>	10,994,882	58,752	368,693	6,474,538	17,896,866
<b>Transferred in the year</b>	-	464,987	-	(464,987)	-
<b>Comprehensive Income:</b>					
Profit For The Year	-	-	-	4,386,395	4,386,395
Other Comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Income For The Year</b>	-	-	-	4,386,395	4,386,395
<b>Transactions With Owners and Non-Controlling Interests:</b>					
Issue of Shares	-	-	-	-	-
<b>At 31 December 2021</b>	10,994,882	523,740	368,693	10,395,946	22,283,261

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