

AUDITED BY EXTERNAL AUDITORS (Figures in Rwf '000)

Code	ASSETS	31/12/16	31/12/15
1	Treasury operations and operations with banks and other financial institutions	51,096,575	28,504,383
10	Cash in Hand	5,048,664	3,632,003
11	Cash and balances with National Bank of Rwanda	14,202,956	8,054,234
12	Placements and balances with other banks and Financial Institutions	22,810,255	11,603,320
13	Value given in pension and other debtor accounts	8,996,549	5,098,228
1	Accrual receivable interests	38,150	116,597
	Sub-total	51,096,575	28,504,383
2	Operations with Clients	111,083,056	94,028,874
20	Overdrawn Accounts (Overdrafts)	27,997,058	21,558,502
21	Treasury loans	2,425,381	2,603,988
22	Equipment Loans	19,181,241	21,143,256
23	Consumer Loans	21,623,395	16,737,597
24	Mortgage Loans	36,394,999	27,573,747
25	Leased Assets	0	24,228
27	Other Loans	752,405	2,110,139
28	Receivables in Transit	164,455	269,793
29	Non Performing Loans	1,649,713	1,625,015
2	Accrued income	894,408	382,610
	Sub total	111,083,056	94,028,874
3	Financial Instruments	33,409,810	43,487,485
30	Financial Instruments held for Trading	16,294,681	7,596,882
33	Financial instruments held to Maturity	16,464,234	35,780,598
34	Equity Investments	826	16,688
35	Derivatives	284,782	72,027
3	Accrual receivable interests	365,287	21,290
	Sub total	33,409,810	43,487,485
4	Fixed Assets and other Assets	10,861,835	5,806,026
41	Intangible Assets	139,126	152,117
42	Property and Equipment	9,192,370	3,982,220
44	Receivable Accounts	606,976	390,518
46	Other Assets	2,100	2,100
47	Suspense Accounts	921,263	1,279,071
	Sub total	10,861,835	5,806,026
	Grand total	206,451,275	171,826,768

CODE	LIABILITIES (Continued)	31/12/16	31/12/15
4	Other liabilities	6,246,726	4,562,866
45	Payable Accounts/Other Creditors	3,046,216	1,618,707
47	Suspense Accounts	3,200,510	2,944,159
	Sub total	6,246,726	4,562,866
5	Provision for contingent liabilities and equity	31,226,371	25,076,842
51	Provisions for contingent liabilities	803,247	616,166
	Sub total	803,247	616,166
	Owners Equity	30,423,124	24,460,676
56	Profit or Loss allocated to equity/ Revaluation Reserves	693	11,796
57	Reserves and Share Premium	19,619,281	14,524,581
58	Ordinary Share Capital	5,000,000	5,000,000
59	Net Profit or Loss (+/-)	5,803,151	4,924,299
	Sub total	30,423,125	24,460,676
	Grand total	206,451,275	171,826,768

	OFF STATEMENT OF FINANCIAL POSITION ITEMS	31/12/16	31/12/15
90	Acceptances and Letters of Credit Issued	9,254,203	3,654,295
91	Acceptances and Letters of Credit Received	-	-
92	Guarantees commitments given	9,482,099	9,621,771
93	Guarantees commitments received	-	-
98	Other Off Statement of Financial position items	883,453	3,169,007



Chairman of the Board of Directors
Date: 06/02/2017



Managing Director
Date: 06/02/2017

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2016

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(Figures in Rwf '000)

CODE	LIABILITIES	31/12/16	31/12/15
1	Treasury operations and operations with banks and other financial institutions	32,694,308	19,966,325
12	Due to banks and other Financial Institutions	4,778,825	5,761,723
14	Repurchase agreement, Borrowings and other Credit Accounts	27,720,730	14,179,764
1	Accrual payable interests	194,753	24,838
	Sub total	32,694,308	19,966,325
2	Operations with Clients	135,969,958	121,697,547
20	Deposits from customers	132,304,343	119,048,891
28	Payables in Transit	1,838,158	1,813,451
2	Accrual payable interests	1,827,456	835,205
	Sub total	135,969,958	121,697,547
3	Financial Instruments	313,913	523,188
35	Derivatives	-	-
36	Issued debt securities/Corporate Bond	300,000	500,000
3	Accrual payable interests	13,913	23,188
	Sub total	313,913	523,188

	FOR THE YEAR ENDED	
	31/12/16	31/12/15
- Interest and Similar Income	20,341,263	15,762,012
- Interest Expense	(5,836,180)	(4,491,131)
- (Loan Loss provision)/Write back of provision	(554,373)	(1,476,314)
NET INTEREST INCOME	13,950,710	9,794,567
+ Fees and Commissions received	3,519,831	3,483,970
- Fees and Commission paid	(384,439)	(198,357)
+/- Exchange gains and losses	3,664,936	4,829,660
+/- Other income and operating expenses	90,958	412,337
NET INCOME FROM BANKING ACTIVITIES	20,841,996	18,322,178
- Staff costs	(6,769,300)	(5,978,969)
- Other operating expenses	(4,913,760)	(4,498,343)
- Depreciation and amortisation charges	(735,925)	(789,054)
OPERATING PROFIT	8,423,010	7,055,812
+/- Gain or loss on disposal of fixed assets	(7,806)	68,274
- Corporation tax	(2,612,054)	(2,199,787)
NET INCOME	5,803,151	4,924,299

I&M Bank (Rwanda) Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st DECEMBER 2016

	Share capital Rwf'000	Retained earnings Rwf'000	Available for sale reserve Rwf'000	Revaluation reserve Rwf'000	Other reserves Rwf'000	Proposed dividends Rwf'000	Total equity Rwf'000
As at 01 January 2015	5,000,000	14,530,653	233,924	-	-	1,850,000	21,614,577
Total comprehensive income:							
Profit for the year	-	4,924,299	-	-	-	-	4,924,299
Other comprehensive income	-	-	(222,128)	-	-	-	(222,128)
Cancellation of shares	(1,536)	(4,536)	-	-	-	-	(6,072)
Issue of bonus shares	1,536	(1,536)	-	-	-	-	-
Dividends:							
Final for 2014 paid	-	-	-	-	-	(1,850,000)	(1,850,000)
Proposed for 2015	-	(1,970,000)	-	-	-	1,970,000	-
At 31 December 2015	5,000,000	17,478,880	11,796	-	-	1,970,000	24,460,676
As at 01 January 2016	5,000,000	17,478,880	11,796	-	-	1,970,000	24,460,676
Total comprehensive income:							
Profit for the year	-	5,803,151	-	-	-	-	5,803,151
Other comprehensive income	-	-	(11,103)	2,140,401	-	-	2,129,298
Transfer to other reserves	-	(709,229)	-	-	709,229	-	-
Dividends:							
Final for 2015 paid	-	-	-	-	-	(1,970,000)	(1,970,000)
Proposed Dividend for 2016	-	(2,322,000)	-	-	-	2,322,000	-
At 31 December 2016	5,000,000	20,250,802	693	2,140,401	709,229	2,322,000	30,423,125

I&M BANK (RWANDA) LIMITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st DECEMBER 2016

	2016 Rwf'000	2015 Rwf'000
Cash flows from operating activities:		
Profit before tax	8,415,205	7,124,086
Adjustments for:		
Depreciation on property and equipment	632,441	694,215
Net change in financial assets designated at fair value through profit or loss	(821,898)	42,888
Amortisation of intangible assets	103,485	94,839
Gain/(loss) on disposal of property and equipment	7,805	(68,274)
Finance cost	308,213	252,538
Gain on disposal of financial investments - available for sale	-	(202,462)
Operating profit before changes in operating working capital	8,645,251	7,937,830
Changes in working capital :		
Increase in loans and advances	(17,054,182)	(11,279,742)
Increase in other assets	236,424	(516,655)
Increase in deposits from customers	14,268,268	5,416,570
Increase in deposits from banks	9,379,780	11,342,090
Financial investments - held to maturity	27,264,282	(23,826,090)
Financial investments - held for trading	(8,411,178)	(5,898,518)
Derivative financial instruments	(14,495)	(47,028)
Provisions for litigations	187,081	20,908
Restricted balances with the Central Bank	(1,242,124)	(986,624)
Increase in other payables	227,148	1,071,776
Cash generated from operations	33,486,255	(16,765,483)
Income taxes paid	(2,158,829)	(1,826,118)
Net cash from / (used in) operating activities	31,327,426	(18,591,601)
Cash flows from investing activities:		
Purchase of property and equipment	(1,668,638)	(582,686)
Purchase of intangibles	(47,491)	(105,905)
Purchase of a Non-Current Asset held for sale	(1,200,000)	-
Proceeds from sale of property and equipment	32,954	68,738
Proceeds from sale of shares	-	263,098
Net cash used in investing activities	(2,883,175)	(356,755)
Cash flows from financing activities:		
Dividend paid	(1,970,000)	(1,850,000)
Proceeds from long term borrowings	3,348,203	750,372
Repayment of long term borrowings	(209,275)	(209,274)
Interest paid on term borrowings	(269,538)	(192,571)
Interest paid on corporate bond borrowings	(38,675)	(59,967)
Cancellation of shares	-	(6,072)
Net cash used in financing activities	860,715	(1,567,512)
Net increase / (decrease) in cash and cash equivalents	29,304,966	(20,515,868)
Net foreign exchange difference on cash and cash equivalents	(407,327)	(541,302)
Cash and cash equivalents at 01 January	21,733,275	42,790,445
Cash and cash equivalents	50,630,914	21,733,275
Operational cash flows from interest:		
Interest income	18,940,277	15,586,482
Interest expense	4,683,290	4,810,692

OTHER DISCLOSURES FOR THE YEAR ENDED 31st DECEMBER 2016

AUDITED BY EXTERNAL AUDITORS (Figures in Rwf '000)

	FOR THE YEAR ENDED 31/12/16
1. Off Balance sheet items	19,619,755
2. Non performing Loans	
(a) Non performing Loans	3,563,964
(b) Non performing Loans	2.7%
3. Capital Strength	
a. Core Capital (Tier 1)	25,950,558
b. Supplementary Capital (Tier 2)	535,100
c. Total Capital	26,485,658
d. Total Risk weighted assets	119,300,838
e. Core Capital/Total risk weighted assets ratio	21.8%
f. Tier 1 ratio	21.8%
g. Total Capital/Total risk weighted assets ratio	22.2%
h. Tier 2 Ratio	22.2%
4. Liquidity	
a. Liquidity ratio	54.50%
5. Insider Lending	
a. Loans to Directors, shareholders and subsidiaries	28,927
b. Loans to Employees	2,229,357
6. Management and Board Composition	
a. Number of board members	8
b. Number of executive directors	2
c. Number of non-executive Directors	6
d. Number of female directors	-
e. Number of male directors	8
f. Number of executive committee	13
g. Number of females in the executive committee	3
h. Number of males in the executive committee	10

EXPLANATORY NOTES TO THE FINANCIALS

- 1) Net Loans and Advances increased by 18%**
The increase is mainly attributable to new deals booked during the period in line with the market opportunities.
- 2) Exchange Gain and losses decreased by 24%**
The decrease is attributable to competition leading to competitive pricing.
- 3) Loan Loss provision / Write back of provisions**
The significant decrease in loan loss provisions was a result of the fact that the bank during the period no major non performing loan compared to the same period last year.
- 4) Interest income increased by 29.1%**
The increase is mainly attributable to the increase in loan portfolio of the bank and investment in government securities of the bank like Treasury bonds compared to the previous year.

The financial statements and other disclosures are available on our website at www.imbank.com/rwanda