



GOSHEN FINANCE PLC

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2023

| STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME | 31 Dec 2023 Frw | 31 Dec 2022 Frw |
|---|----------------------|----------------------|
| Interest income | 2,367,248,900 | 1,656,632,558 |
| Interest expenses | (611,755,652) | (362,453,351) |
| Net interest income | 1,755,493,248 | 1,294,179,207 |
| Fees and commissions income | 211,111,128 | 150,536,629 |
| Fees and commissions expense | (7,007,345) | (440,397) |
| Net fees and commissions income | 204,103,783 | 150,096,232 |
| Other operating income | 306,967,107 | 319,084,924 |
| | 511,070,890 | 469,191,161 |
| Total Operating Income | 2,266,564,139 | 1,763,370,368 |
| Net provision for bad and doubtful loans | (21,650,979) | (160,760,510) |
| Net Operating Income | 2,244,913,159 | 1,602,599,853 |
| Operating expenses | (1,517,109,109) | (1,147,840,925) |
| Profit before income tax | 727,804,050 | 454,758,928 |
| Taxation charge | (219,715,912) | (138,125,527) |
| Profit after taxation | 508,088,138 | 316,333,401 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | 508,088,138 | 316,633,401 |



GOSHEN FINANCE PLC

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2023

| STATEMENT OF FINANCIAL POSITION | 31 Dec 2023 Frw | 31 Dec 2022 Frw |
|---|-----------------------|-----------------------|
| Cash on hand and balances with the Central Bank of Rwanda | 1,070,484,428 | 957,149,691 |
| Balances due from other banks | 3,011,163,612 | 2,012,787,812 |
| Loans and Advances to customers | 12,623,471,611 | 8,962,887,113 |
| Receivables & Other assets | 150,926,454 | 141,794,349 |
| Property and equipment | 116,210,261 | 101,640,678 |
| Intangible assets | 137,093,070 | 130,046,175 |
| Total assets | 17,109,349,437 | 12,306,305,818 |
| Equity and liabilities | | |
| Liabilities | | |
| Customer deposits | 12,330,234,487 | 9,434,866,252 |
| Long term borrowings | 2,282,034,626 | 995,736,102 |
| Deferred tax liability | 17,982,229 | 15,761,147 |
| Trade and other payables | 193,946,889 | 145,707,014 |
| Dividends payable | 187,439,127 | - |
| Current tax payable | 112,944,026 | 56,392,294 |
| | 15,124,581,383 | 10,648,462,809 |
| Equity | | |
| Share capital | 967,977,000 | 956,975,000 |
| Reserves | 54,409,973 | 54,409,973 |
| Share premium | 5,508,800 | 5,328,800 |
| Regulatory Reserves | 138,825,136 | - |
| Retained earnings | 309,959,007 | 324,495,835 |
| Profit for the period | 508,088,138 | 316,633,401 |
| Total equity | 1,984,768,054 | 1,657,843,009 |
| Total Equity and liabilities | 17,109,349,437 | 12,306,305,818 |

The financial statements of Goshen Finance Plc were approved by the board of directors and signed on its behalf by:


MUSANGAMFURA Ignace
Managing Director

By Order of the Board


Director 

Date: 28 March 2024



GOSHEN FINANCE PLC

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2023

| STATEMENT OF CASH FLOWS | 31 Dec 2023 Frw | 31 Dec 2022 Frw |
|---|------------------------|------------------------|
| Cash flows from operating activities | | |
| Profit before taxation | 727,804,050 | 454,758,928 |
| Adjustments for: | | |
| Depreciation and amortization | 84,142,876 | 77,722,862 |
| | 811,946,926 | 532,481,790 |
| Changes in working capital: | | |
| Changes in loans and advances | (3,660,584,497) | (1,714,970,422) |
| Changes in other receivables | (9,132,106) | (24,891,674) |
| Changes in payables | 292,093,472 | 80,630,488 |
| Cash generated from operations | (2,565,676,204) | (1,126,749,820) |
| Tax Paid | (401,702,662) | (138,857,120) |
| Net cash from operating activities | (2,967,378,866) | (1,265,606,940) |
| Cash flows from investing activities | | |
| Purchase of property and equipment | (82,152,301) | (42,790,293) |
| Purchase of other intangible assets | (31,607,053) | (14,291,927) |
| Net cash from investing activities | (113,759,355) | (57,082,220) |
| Cash flows from financing activities | | |
| Proceeds on share issue | 11,182,000 | 287,861,000 |
| Proceeds from borrowings | 1,286,298,524 | 171,974,887 |
| Changes in customer deposit | 2,895,368,234 | 1,486,133,345 |
| Net cash from financing activities | 4,192,848,758 | 1,945,969,232 |
| Total cash movement for the year | 1,111,710,537 | 600,674,649 |
| Cash at the beginning of the year | 2,469,937,503 | 1,869,262,854 |
| Total cash at end of the year | 3,581,648,040 | 2,469,937,503 |



GOSHEN FINANCE PLC

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2023

| STATEMENT OF CHANGES IN EQUITY | Share capital Frw | Preference capital Frw | Share premium Frw | Total share capital Frw | Revaluation reserve Frw | Regulatory reserve Frw | Retained income Frw | Total equity Frw |
|---|----------------------------------|---------------------------------------|----------------------------------|--|--|---------------------------------------|------------------------------------|-----------------------------|
| Balance at January 1, 2022 | 669,150,000 | - | 5,292,800 | 674,442,800 | 54,409,973 | - | 324,473,021 | 1,053,145,794 |
| Adjustment | - | - | - | - | - | - | 22,814 | 22,814 |
| Profit for the year | - | - | - | - | - | - | 316,633,401 | 316,633,401 |
| Issue of shares | 27,825,000 | 260,000,000 | 36,000 | 287,861,000 | - | - | - | 287,861,000 |
| Balance at December 31, 2022 | <u>696,975,000</u> | <u>260,000,000</u> | <u>5,328,800</u> | <u>962,303,800</u> | <u>54,409,973</u> | <u>-</u> | <u>641,129,236</u> | <u>1,657,843,009</u> |
| Balance at January 1, 2023 | 696,975,000 | 260,000,000 | 5,328,800 | 962,303,800 | 54,409,973 | - | 641,129,236 | 1,657,843,009 |
| Adjustment | - | - | - | - | - | - | (4,905,966) | (4,725,966) |
| Profit for the year | - | - | - | - | - | - | 508,088,138 | 508,088,138 |
| Issue of shares | 11,002,000 | - | 180,000 | 11,182,000 | - | - | - | 11,182,000 |
| Regulatory reserve | - | - | - | - | - | 138,825,136 | (138,825,136) | - |
| Proposed preference dividends | - | - | - | - | - | - | (35,012,686) | (35,012,686) |
| Proposed ordinary dividends | - | - | - | - | - | - | (152,426,441) | (152,426,441) |
| Balance at December 31, 2023 | <u>707,977,000</u> | <u>260,000,000</u> | <u>5,508,800</u> | <u>973,485,800</u> | <u>54,409,973</u> | <u>138,825,136</u> | <u>818,047,145</u> | <u>1,984,768,054</u> |



GOSHEN FINANCE PLC

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2023

| | 31 December 2023 Frw'000 | | | | | | |
|---|--|--------|--------|--------|---|---|---|
| APPENDIX: OTHER INFORMATION | Amount/Ratio/Number | | | | | | |
| I. CAPITAL STRENGTH | | | | | | | |
| 1. Core capital (tier 1) | 1,587,674,983 | | | | | | |
| 2. Supplementary Capital (Tier 2) | 260,000,000 | | | | | | |
| 3. Total Capital | 1,847,674,983 | | | | | | |
| 4. Total Risk Weighted Assets | 13,002,347,324 | | | | | | |
| 5. Core capital/Total risk weighted assets ratio (Tier 1 ratio) | 12.21% | | | | | | |
| 6. Total capital/total risk weighted assets ratio | 14.2% | | | | | | |
| II. CREDIT RISK | | | | | | | |
| 1. Sector distribution of exposure, broken down by major types of credit exposure and aggregate in the following areas: | | | | | | | |
| a) Agriculture, Forestry and Fishing | 933,213,109 | | | | | | |
| b) Wholesale and Retail Trade (Commerce) | 3,639,801,261 | | | | | | |
| c) Construction | 6,617,619,358 | | | | | | |
| d) Transportation | 983,701,080 | | | | | | |
| e) Accommodation and Food Service Activities | - | | | | | | |
| f) Manufacturing | - | | | | | | |
| g) Financial and Insurance Activities | - | | | | | | |
| h) Others | 449,136,803 | | | | | | |
| 2. Off-balance sheet items | | | | | | | |
| 3. Non-Performing loans indicators: | | | | | | | |
| a) Non-performing loans (NPL) | 114,050,159 | | | | | | |
| b) NPL ratio | 0.90% | | | | | | |
| 4. Related parties: | | | | | | | |
| a) Loans to directors | 31,196,917 | | | | | | |
| b) Loans to employees | 183,836,725 | | | | | | |
| III. LIQUIDITY RISK | | | | | | | |
| Liquidity ratio | 31.8% | | | | | | |
| IV. OPERATIONAL RISK | | | | | | | |
| Number and types of frauds and their corresponding amount | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Type</th> <th style="width: 30%;">Number</th> <th style="width: 30%;">Amount</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> </tbody> </table> | Type | Number | Amount | - | - | - |
| Type | Number | Amount | | | | | |
| - | - | - | | | | | |



GOSHEN FINANCE PLC

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2023

V. MANAGEMENT AND BOARD COMPOSITION

| | |
|--|---|
| 1. Number of Board members | 7 |
| 2. Number of independent directors | 2 |
| 3. Number of non-independent directors | 5 |
| 4. Number of female directors | 2 |
| 5. Number of male directors | 5 |
| 6. Number of Senior Managers | 9 |
| 7. Number of females senior managers | 1 |
| 8. Number of males senior managers | 8 |

EXPLANATORY NOTES

1. The interest income increased by 42.6% year to year as result of growth in loan portfolio by 38.6% and placements with banks.
2. The interests expense increased by 68.8% due to growth in deposits by 30% and change in their structure.
3. Fees and commission income increased by 40.2% mainly linked to growth of loan portfolio.
4. Net loans and advances to customers increased by 38.6%, which was mainly attributed to new disbursements booked during the year.
5. Customers' deposits increased by 30% supported the growth of deposits that was mobilized to fund the loans portfolio and maintain adequate liquidity for operations.
6. Long term borrowings by 129.2%. These are funds necessarily borrowed for financing agriculture and education projects.

These financial statements and other disclosures can be accessed on the institution's website www.goshenfinance.rw. They may also be accessed at the institution's head office located at YYUSSA Plaza, 2nd Floor, Kisimenti, KG 11 Avenue, Kigali, Rwanda.
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