

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	31 December 2020 Group	31 December 2019 Group	31 December 2020 Bank	31 December 2019 Bank
	N'000	N'000	N'000	N'000
ASSETS				
Cash and bank balances with the Central Bank	25,630,878	5,370,569	25,630,878	5,370,569
Investment securities at fair value through profit or loss	26,991,825	15,680,221	26,991,825	15,680,221
Derivative financial assets	24,679,907	14,263,150	24,679,907	14,263,150
Loans and advances to banks	2,053,381	5,796,233	2,053,381	5,796,233
Loans and advances to customers	53,999,474	50,012,027	53,999,474	50,012,027
Investment securities				
- Amortised cost	58,590,276	32,837,957	58,590,276	32,837,957
Equity investments	151,151	19,500	151,151	19,500
Pledged assets	7,482,959	6,165,461	7,482,959	6,165,461
Investments in subsidiary	-	-	1,000	1,000.00
Other assets	4,771,836	2,805,779	4,770,196	2,805,687
Property and equipment	428,671	1,019,347	428,671	1,019,347
Intangible assets	55,897	119,319	55,897	119,319
TOTAL ASSETS	204,836,255	134,089,563	204,835,615	134,090,471
LIABILITIES				
Derivative financial liabilities	24,269,906	1,640,068	24,269,906	1,640,068
Deposits from banks	11,706,945	1,816,506	11,706,945	1,816,506
Deposits from customers	40,078,183	35,047,739	40,079,190	35,048,739
Borrowings	38,392,871	33,288,076	38,392,871	33,288,076
Current income tax liabilities	269,638	455,231	269,638	455,231
Other liabilities	33,419,705	7,861,678	33,417,931	7,861,591
TOTAL LIABILITIES	148,137,248	80,109,298	148,136,481	80,110,211
EQUITY				
Share capital	18,000,000	18,000,000	18,000,000	18,000,000
Retained earnings	22,353,442	24,188,923	22,353,524	24,188,919
Other components of equity	16,345,565	11,791,342	16,345,610	11,791,341
TOTAL EQUITY	56,699,007	53,980,265	56,699,134	53,980,260
TOTAL LIABILITIES AND EQUITY	204,836,255	134,089,563	204,835,615	134,090,471

The financial statements were authorised for issue by the Board of Directors on 11 March 2021 and signed on its behalf by:



Michael Larbie
Chief Executive Officer
FRC/2014/IODN/0000006793



Dalu Ajene
Executive Director
FRC/2019/003/00000020128



Bayo Ajayi
Chief Financial Officer
FRC/2013/ICAN/00000001242

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

	31 December 2020 Group	31 December 2019 Group	31 December 2020 Bank	31 December 2019 Bank
	N'000	N'000	N'000	N'000
Interest income on amortised cost financial assets	10,448,217	11,626,584	10,448,217	11,626,584
Interest income on FVTPL financial assets	1,571,221	6,073,492	1,571,221	6,073,492
Interest expense and similar charges	(4,122,061)	(10,862,108)	(4,122,061)	(10,862,108)
Net interest income	7,897,377	6,837,968	7,897,377	6,837,968
Impairment loss on amortised cost financial assets	(337,123)	(61,445)	(337,123)	(61,445)
Net interest income after impairment on loans and receivables	7,560,254	6,776,523	7,560,254	6,776,523
Fee and commission income	2,425,217	1,917,402	2,425,217	1,917,311
Fee and commission expense	(296,678)	(434,585)	(294,905)	(434,585)
Net fee and commission income	2,128,539	1,482,817	2,130,312	1,482,726
Net gains on financial instruments	4,496,602	12,588,869	4,496,602	12,588,869
Net trading and foreign exchange gain	3,653,599	3,024,196	3,653,599	3,024,196
Employee benefit expenses	(4,339,713)	(4,444,673)	(4,339,713)	(4,444,673)
Depreciation	(812,172)	(715,940)	(812,172)	(715,940)
Amortisation of intangible assets	(79,546)	(79,546)	(79,546)	(79,546)
General and administrative expenses	(1,767,814)	(2,164,652)	(1,769,455)	(2,164,567)
Profit before income tax	10,839,749	16,467,594	10,839,881	16,467,588
Income tax expense	(114,828)	(455,231)	(114,828)	(455,231)
Profit for the year	10,724,921	16,012,363	10,725,053	16,012,357
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Unrealised net gains arising during the year before tax	-	-	-	-
Net reclassification adjustments for realised net losses before tax	-	-	-	-
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	10,724,921	16,012,363	10,725,053	16,012,357
Earnings per share				
Basic and diluted (kobo)	60	89	60	89

Customers Complaint Resolution

In line with CBN circular ref FPR/DIR/CIR/GEN/01/020, there was eleven (11) customer complaint reported during the year which were resolved accordingly; (2019:2).

Compliance with banking regulations

During the year ended 31 December 2020, the bank paid and accrued penalties in respect of contraventions of relevant circulars issued by the Central Bank of Nigeria. Details of the penalties, amount and status are provided below ;
(i) Contravention of BOFIA 1991 Section 20(2)f as amended on failure to seek CBN approval before executing lease agreement for branch opening (Amount: N2 million; Status: Paid).
(ii) Contravention of BOFIA 2004 Section 51 requirement for allowing external law firm to act as company secretary and sign the audited financials, (Amount: N50,000; Status: Paid).
(iii) Contravention of CBN Code of Corporate Governance on use of external auditors to provide non-audit service (Amount: N2 million; Status: Appealed).
(iv) Contravention of CBN Circular on NSBP on no Environmental and Social Risk Governance Structure in the Bank and no audit review of same (Amount: N2 million; Status: Appealed).

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

To the members of Rand Merchant Bank Nigeria Limited

Report on the summary consolidated and separate financial statements

Opinion

The summary consolidated and separate financial statements (the "summary financial statements"), which comprise the summary consolidated and separate statements of financial position as at 31 December 2020 and the summary consolidated and separate statements of profit or loss and other comprehensive income for the year then ended are derived from the audited consolidated and separate financial statements (the "audited financial statements") of Rand Merchant Bank Nigeria Limited ("the Bank") and its subsidiary company (together the "Group") for the year ended 31 December 2020.

In our opinion, the accompanying summary financial statements are consistent in all material respects, with the audited financial statements, in accordance with the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

Summary financial statements

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards, the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act, the Banks and Other Financial Institution Act and other relevant Central Bank of Nigeria circulars applied in the preparation of the audited financial statements of the Group and Bank. Therefore, reading the summary financial statements and the auditor's report thereon, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 19 April 2021. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary financial statements in accordance with the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

Report on other legal and regulatory requirements

In accordance with our full audit report, we confirm that:

- We did not report any exceptions under the sixth schedule of the Companies and Allied Matters Act;
- The Bank has disclosed the information required by the Central Bank of Nigeria circular on insider related credits;
- The Bank paid penalties in respect of contraventions of relevant circulars issued by the Central Bank of Nigeria during the year ended 31 December 2020.



For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria



Engagement Partner: Obioma Ubah

FRC/2013/ICAN/00000002002

19 April 2021

The summary financial statements disclosed were derived from the full financial statements of Rand Merchant Bank Nigeria Limited for the year ended 31 December 2020 and cannot be expected to provide a full understanding of the financial performance, financial position and cash flows of the Bank. The Bank's auditor issued an unqualified opinion on the full financial statements for the year ended 31 December 2020 from which these summary financial statements were derived. The Bank's auditor made a report under the Companies and Allied Matters Act. The summarised statement of financial position, statement of profit or loss and other comprehensive income and report of the independent auditor are published in accordance with the requirements of Banks and Other Financial Institutions Act (BOFIA). The full financial statements from which these summary financial statements were derived would be delivered to the Corporate Affairs Commission. Copies of the full financial statements can be obtained from the secretary of the Bank.

Directors: J Formby (South African) M Larbie (Ghanaian) D Ajene A Ajayi A Cornelissen (South African) E Motala (South African) R Odunlami S Ogbu B Savage K Segun P Spangenberg (South African) T Thomas (South African)