



DBN
Development
Bank of Nigeria

MANAGEMENT ACCOUNTS

September 30, 2020



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For the period ended 30 September, 2020

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED SEPTEMBER 30, 2020

		2020 3months (Jul-Sept)	2020 9months (Jan-Sept)	2019 3months (Jul-Sept)	2019 9months (Jan-Sept)
	Notes	N'000	N'000	N'000	N'000
Interest income	1	8,365,164	27,489,358	12,216,680	32,369,625
Interest expense	2	(2,814,144)	(8,467,622)	(2,337,514)	(5,351,926)
Net interest income		5,551,020	19,021,736	9,879,167	27,017,699
Impairment (charge)/write-back	3	(1,178,687)	(1,242,641)	(40,938)	(369,649)
Net Interest income after impairment		4,372,333	17,779,095	9,838,229	26,648,050
Other income	4	74,567	75,913	-	-
Fee and commission expense	5	(20,884)	(94,552)	(34,425)	(94,956)
Operating expenses	6	(727,793)	(2,325,644)	(1,008,011)	(2,587,202)
Profit before tax		3,698,223	15,434,813	8,795,793	23,965,892



STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2020		30-Sep-20	30-Sep-19
Assets	Notes	N'000	N'000
Cash and bank balances	7	7,107,188	720,891
Due from financial institutions	8	218,972,878	78,775,631
Loans and advances	9	153,044,693	84,852,455
Investment securities	10	89,070,469	238,370,280
Investment in subsidiary	11	11,375,000	11,375,000
Other assets	12	585,089	639,897
Intangible assets	13	95,803	43,414
Property, plant and equipment	14	1,527,534	596,004
Deferred tax	15	1,546,819	-
Total assets		483,325,472	415,373,573
Liabilities			
PFI Deposits for loan repayments	16	203,264	-
Long term debt	17	306,984,523	261,608,641
Income tax payable	18	1,631	76,370
Other liabilities	19	1,060,304	3,678,603
Total liabilities		308,249,721	265,363,614
Equity			
Share Capital		100,000	100,000
Share premium		99,762,570	99,762,570
Statutory reserve		18,102,257	8,023,196
Credit risk reserve		1,315,400	467,915
Retained earnings		55,795,523	41,656,277
Shareholders' Fund		175,075,751	150,009,959
Total liabilities and Equity		483,325,472	415,373,573



**STATEMENT OF CHANGES IN EQUITY
AS AT SEPTEMBER 30, 2020**

BANK	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Statutory Reserves N'000	Credit Risk Reserve N'000	Total N'000
Balance at 1 January 2020	100,000	99,762,570	40,360,711	18,102,257	1,315,400	159,640,938
Profit before tax for the year			15,434,813			15,434,813
Transfer between reserves:						
Transfer to regulatory risk reserve					-	-
Transfer to statutory reserve				-		-
Total comprehensive income	-	-	15,434,813	-	-	15,434,813
Transactions with equity holders, recorded directly in equity:						
Issued shares paid up during the year	-	-				-
Share issue cost		-				-
	-	-	-	-	-	-
Balance as at 30 September, 2020	100,000	99,762,570	55,795,523	18,102,257	1,315,400	175,075,751
	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Statutory Reserves N'000	Credit Risk Reserve N'000	Total N'000
Balance at 1 January 2019	100,000	99,762,570	17,690,385	8,023,196	467,915	126,044,067
Profit after tax for the year			23,965,892			23,965,892
Re-measurement of prior year loan loss provision						-
Transfer between reserves:						
Transfer to regulatory risk reserve						-
Transfer to statutory reserve						-
Total comprehensive income	-	-	23,965,892	-	-	23,965,892
Transactions with equity holders, recorded directly in equity:						
Issued shares paid up during the year						-
Share issue cost						-
	-	-	-	-	-	-
At 30 September 2019	100,000	99,762,570	41,656,277	8,023,196	467,915	150,009,959



**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

	30-Sep-20 N'000	30-Sep-19 N'000
Cash flows from operating activities		
Profit for the period before tax	15,434,813	23,965,892
Company Income Tax paid	(369,636)	(152,740)
Adjust for non-cash items		
Depreciation of plant and equipment	234,528	176,700
Amortization of Intangibles	29,801	21,038
Profit on disposal of PPE	(372)	-
Interest income on treasury bills	(14,900,070)	(23,500,561)
Impairment on financial assets	1,242,641	369,649
Interest expense accrual for the period	8,467,622	5,351,926
Changes in:		
Net decrease in Accruals and other payables	(442,663)	2,847,077
WHT Credit notes set off against Income Tax liability	(228,776)	-
Net (increase)/decrease in Other assets	(57,207)	(241,795)
Net decrease in loans and advances	(55,744,956)	(56,867,355)
Net increase in other financial assets ECL	(373,046)	(315,393)
Net cash flows from operating activities	(46,707,320)	(48,345,563)
Investment income received on treasury bills	18,588,233	10,835,607
Cash flows from investing activities		
Purchase of treasury bills	(31,033,707)	(156,888,765)
Proceeds from matured investment in treasury bills	166,296,316	117,351,070
Acquisition of property and equipment	(1,077,319)	(198,122)
Investment in subsidiaries	-	(11,375,000)
Purchase/(Reclass/Disposal) of intangible assets	(19,132)	-
Net cash flows used in investing activities	152,754,391	(40,275,210)
Cash flows from financing activities		
Inflows/(principal repayment) on long term borrowing	(5,519,219)	106,538,900
Interest expense on long term borrowing paid during the period	(4,448,574)	(1,986,248)
Net cash flows from financing activities	(9,967,793)	104,552,653
Net increase/(decrease) in cash and cash equivalents	96,079,278	15,931,880
Cash and cash equivalents, beginning of year	130,000,788	63,564,642
Cash and cash equivalents, end of period	226,080,066	79,496,522



NOTES TO THE MANAGEMENT ACCOUNTS				
FOR THE PERIOD ENDED SEPTEMBER 30, 2020				
	2020 3months (Jul-Sept)	2020 9months (Jan-Sept)	2019 3months (Jul-Sept)	2019 9months (Jan-Sept)
	N'000	N'000	N'000	N'000
1 Interest and discount income				
Placements	2,105,573	5,835,628	1,814,203	4,795,287
Treasury bills	3,589,666	14,900,070	8,651,685	23,500,561
Loans and advances	2,669,926	6,753,659	1,750,792	4,073,778
Total interest income	8,365,164	27,489,358	12,216,680	32,369,625
2 Interest and similar expense				
Borrowed funds	2,814,144	8,467,622	2,337,514	5,351,926
Interest expense	2,814,144	8,467,622	2,337,514	5,351,926
3 Net Impairment charge				
ECL - Financial assets	(1,178,687)	(1,242,641)	(40,938)	(369,649)
	(1,178,687)	(1,242,641)	(40,938)	(369,649)
4 Other incomes				
Profit/(loss) on disposal of fixed assets	98	372	-	-
Other income	1	1,072	-	-
PIU Income	55,047	55,047	-	-
Recovered Shared Service Cost	19,421	19,421	-	-
	74,567	75,913	-	-
5 Fee and commission income/Expense				
Fees	(20,884)	(94,552)	(34,425)	(94,956)
	(20,884)	(94,552)	(34,425)	(94,956)
6 Operating expenses				
Staff cost (6a)	331,405	1,016,046	489,816	1,464,299
Administration and general expenses (6b)	198,963	706,058	329,112	630,447
Depreciation of property plant and equipment	70,100	234,528	73,172	176,700
Amortization of intangible assets	9,834	29,801	7,013	21,038
Auditor's remuneration	3,938	11,813	2,625	7,875
Directors emolument	58,175	174,525	18,850	56,550
Legal, consultancy and other professional fees	55,378	152,873	87,424	230,292
Operating expenses	727,793	2,325,644	1,008,011	2,587,202



	2020 3months (Jul-Sept)	2020 9months (Jan-Sept)	2019 3months (Jul-Sept)	2019 9months (Jan-Sept)
	N'000	N'000	N'000	N'000
6a Staff Cost				
Salaries	289,883	860,082	250,310	710,376
ITF Level & NSITF	4,545	13,489	3,877	13,471
Staff training	16,607	38,364	72,884	102,352
Recruitment expenses	1,030	1,905	3,258	4,531
Other staff expense	19,339	102,205	159,487	633,569
Staff cost	331,405	1,016,046	489,816	1,464,299
6b Administrative and General expenses				
Stationery	2,016	5,089	5,278	5,278
Outsourcing	4,939	16,280	16,205	24,701
Office rent and rates	24,421	70,514	32,477	52,816
Marketing, advertising and Sponsorship	46,963	290,063	152,510	230,251
Subscriptions, publications, and communications	3,941	22,449	4,440	18,028
Insurance and licences	3,977	13,499	7,486	22,183
Repairs and maintenance	3,959	13,269	9,118	17,709
Other administration and general expenses	17,897	50,425	15,992	34,170
Bank charges	1,013	2,203	4,187	5,041
Travels and accommodation	4,679	37,302	23,545	73,177
IT and Communications expenses	44,177	109,456	36,962	82,854
Board expenses	4,193	27,279	20,912	64,239
PIU Expense	36,788	48,228	-	-
Administration and General Expenses	198,963	706,058	329,112	630,447
7 Cash and bank balances				
With Local Banks:				
- Guaranty Trust Bank	32,302	32,302	31,176	31,176
- United Bank for Africa	44,315	44,315	84,800	84,800
- First Bank of Nigeria	64	64	2,834	2,834
- Eco Bank	3,930,758	3,930,758	73,785	73,785
- Stanbic IBTC	1,364	1,364	1,445	1,445
- Access Bank	3,692	3,692	4,271	4,271
- Zenith bank	4,580	4,580	4,406	4,406
- Fidelity bank	348	348	-	-
- FCMB	2,740,174	2,740,174	-	-
- Union bank	18,804	18,804	-	-
	6,776,401	6,776,401	202,717	202,717



	2020 3months (Jul-Sept)	2020 9months (Jan-Sept)	2019 3months (Jul-Sept)	2019 9months (Jan-Sept)
	N'000	N'000	N'000	N'000
Current account with CBN:				
- DBN-CBN Operations account	192,713	192,713	515,656	515,656
- DBN-PIU CBN Operations account - NGN	82,312	82,312	-	-
- DBN-PIU CBN Operations account - USD	51,386	51,386	-	-
- DBN-IBRD account with CBN	953	953	958	958
- DBN-AFD account with CBN	484	484	484	484
- DBN-KfW account with CBN	981	981	981	981
- DBN-AfDB account with CBN	1,423	1,423	91	91
- DBN-ADF account with CBN	535	535	4	4
	330,787	330,787	518,174	518,174
Total Cash and Bank balances	7,107,188	7,107,188	720,891	720,891
8 Due from financial institutions				
Fixed placements	217,507,000	217,507,000	73,748,000	73,748,000
Call placements	2,238,000	2,238,000	5,113,172	5,113,172
	219,745,000	219,745,000	78,861,172	78,861,172
Interest receivable - Bank placements	281,830	281,830	227,696	227,696
Interest receivable - Call placements	58	58	2,157	2,157
	281,888	281,888	229,853	229,853
Other asset ECL	(1,054,010)	(1,054,010)	(315,393)	(315,393)
	218,972,878	218,972,878	78,775,631	78,775,631
9 Loans and advances to customers				
PFI Loans	154,651,627	154,651,627	85,257,103	85,257,103
	154,651,627	154,651,627	85,257,103	85,257,103
Term loan ECL	(1,606,934)	(1,606,934)	(404,648)	(404,648)
	153,044,693	153,044,693	84,852,455	84,852,455
10 Investment securities				
Investment securities at amortized cost				
FGN Treasury securities				
Treasury bills at amortized cost	90,075,807	90,075,807	251,606,915	251,606,915
	90,075,807	90,075,807	251,606,915	251,606,915
Unearned discount income - Treasury bills	(1,005,338)	(1,005,338)	(13,236,635)	(13,236,635)
	(1,005,338)	(1,005,338)	(13,236,635)	(13,236,635)
Total investment securities @ amortized cost	89,070,469	89,070,469	238,370,280	238,370,280



	2020 3months (Jul-Sept)	2020 9months (Jan-Sept)	2019 3months (Jul-Sept)	2019 9months (Jan-Sept)
	N'000	N'000	N'000	N'000
I 1 Investment in subsidiaries				
Investment in subsidiary	11,375,000	11,375,000	11,375,000	11,375,000
	11,375,000	11,375,000	11,375,000	11,375,000
I 2 Other assets				
Other receivables	33,890	33,890	52,446	52,446
WHT Receivable	338,541	338,541	290,317	290,317
	372,431	372,431	342,763	342,763
Allowance for receivables (b)	-	-	-	-
Net Financial Asset	372,431	372,431	342,763	342,763
Prepayments	212,658	212,658	297,134	297,134
Non Financial Asset	212,658	212,658	297,134	297,134
Total other assets	585,089	585,089	639,897	639,897
I 3 Intangible assets				
Computer software	172,531	172,531	79,832	79,832
Amortisation-computer software	(76,728)	(76,728)	(36,418)	(36,418)
	95,803	95,803	43,414	43,414
I 4 Property Plant and equipment				
Accumulated Depreciation on PPE	2,215,496	2,215,496	964,666.15	964,666.15
	(687,962)	(687,962)	(368,662)	(368,662)
Net Book Value of PPE	1,527,534	1,527,534	596,004	596,004
I 5 Deferred Tax				
Deferred Tax Asset	1,546,819	1,546,819	-	-
	1,546,819	1,546,819	-	-
I 6 PFI Deposits for loan repayments				
Deposit for loan repayments	203,264	203,264	-	-
	203,264	203,264	-	-



	2020 3months (Jul-Sept)	2020 9months (Jan-Sept)	2019 3months (Jul-Sept)	2019 9months (Jan-Sept)
	N'000	N'000	N'000	N'000
17 Long term debt				
Long term debt - IBRD	138,265,951	138,265,951	133,109,231	133,109,231
Long term debt - AFD	30,124,383	30,124,383	29,138,702	29,138,702
Long term debt - KfW	55,776,894	55,776,894	61,649,823	61,649,823
Long term debt - ADF	14,139,595	14,139,595	9,677,425	9,677,425
Long term debt - AfDB	68,677,699	68,677,699	28,033,461	28,033,461
	306,984,523	306,984,523	261,608,641	261,608,641
18 Current income tax liabilities				
Income tax payable	-	-	76,370	76,370
Police Trust Fund Levy	1,631	1,631	-	-
	1,631	1,631	76,370	76,370
19 Other liabilities				
Accrued expenses	858,017	858,017	1,119,806	1,119,806
Other liabilities	202,287	202,287	2,558,797	2,558,797
	1,060,304	1,060,304	3,678,603	3,678,603



**UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2020**

	2020 3months (Jul-Sept)	2020 9months (Jan-Sept)	2019 3months (Jul-Sept)	2019 9months (Jan-Sept)
	N'000	N'000	N'000	N'000
Revenue	8,365,164	27,489,358	12,216,680	32,369,625
Gross Profit	5,551,020	19,021,736	9,879,167	27,017,699
Profit before tax	3,698,223	15,434,813	8,795,793	23,965,892