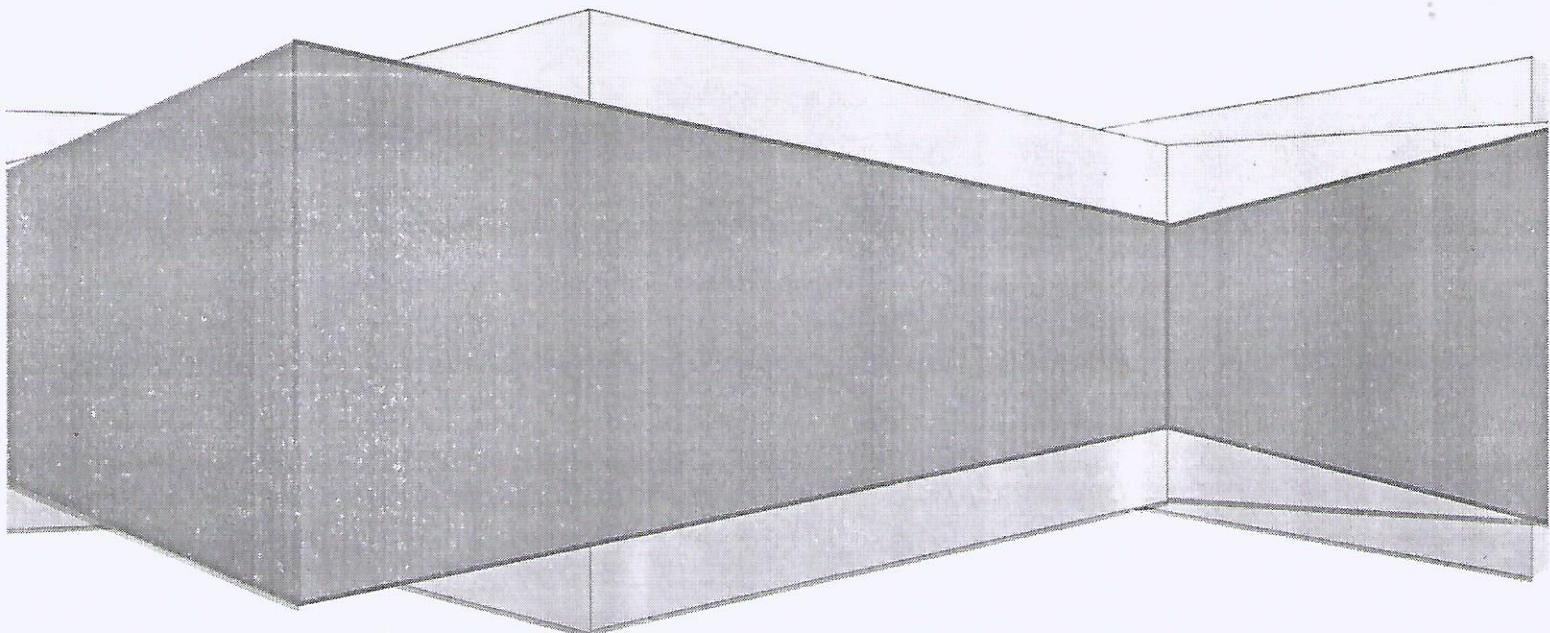




COOPERATIVE OF PROGRESS AND FINANCING (CPF INEZA)

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

FOR THE YEAR ENDED 31-DECEMBER-2024



FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA

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**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA**

PART I: ACCOUNTS' REPORT

1.1. GENERAL PRESENTATION OF THE INSTITUTION

1.1.1 INSTITUTION ADDRESS

Legal status: SACCO

License date: 8/16/2010

LOCATION OF THE MAIN OFFICE

Province: SOUTHERN

District : MUHANGA

Sector : NYAMABUYE

Branches :Muhanga , Rutobwe , Runda , Mugina , Nyabugogo

E-mail : cpfineza@gmail.com

Phone: (+250) : 0782553128 / 0788743637

Name of the Managing Director / Manager: UWAMARIYA Chantal

1.1.2. BOARD OF DIRECTORS

Name	Position
MUTAKWASUKU YVONNE	CHAIRPERSON
NIKWIGIZE REMY	VICE CHAIRPERSON
NYIRAMINANI BEATRICE	SECRETARY
NTIRENGANYA FREDERIC	ADVISOR
RUGEMA CHARLES	ADVISOR
MUKESHIMANA EMERTHE	ADVISOR
KAGINA EGIDE	ADVISOR
MANIBAHO DENYS FILS	ADVISOR
HARELIMANA BONIFACE	ADVISOR



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA**

1.1.3. AUDIT COMMITTEE

NAME	POSITION
MUKARANGWA MARIE THERESE	CHAIRPERSON
MUCYO JEAN CLAUDE BERNARD	VICE CHAIRPERSON
NSINGIZUMUKIZA Albert	SECRETARY

1.1.4 MANAGEMENT/STAFF

SN	NAME	FONCTION
1	UWAMARIYA Chantal	Chief Executive Officer
2	MPAYIMANA Jean Pierre	Head of Finance and Administration
3	RWASANGABO Innocent	Internal Auditor
4	MUJYAKERA Martin	Head of Operations
5	KUBWIMANA Viateur	Risk and Compliance
6	SINDIKUBWABO Paul	IT Officer

1.1.5. BANKERS

BANK OF KIGALI
BANQUE POPULAIRE DU RWANDA
COGEBANQUE

1.1.6. EXTERNAL AUDITOR

RSK Associates ltd
Certified Public Accountants
P.O. Box:6556 Kigali



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA**

1.2. REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED ON 31ST December 2024.

The Board of Directors have a pleasure to submit the report with the audited financial statements for the financial year ended on 31ST December 2024.

1.2.1 INTRODUCTION

CPF INEZA is a Savings and Credit Cooperative located at Nyamabuye Sector, Muhanga District, and South Province. It was licensed by the Rwanda Cooperative Agency (RCA) as Cooperative regulator since 16/8/2010 and by the National Bank of Rwanda to operate microfinance operations since 13/12/ 2010

1.2.2 FINANCIAL STATEMENTS

The financial statements are presented on pages 8 to 11 of this report.

1.2.3 DIVIDENDS

CPF INEZA doesn't distribute any dividend to its members from its accumulated benefits since its creation.

1.2.4 DIRECTORS

A list of Directors who served during the financial year 2024 is presented on page 3 above

1.2.5 EXTERNAL AUDITORS

RKS Associate was appointed as External Auditor in 2023 for a three years' term. He is BNR licensed external auditor for MFIs.

1.2.6 APPROVAL OF THE FINANCIAL STATEMENTS

The audited financial statements were approved during the BoD meeting held on 28 /02/2025.

By Order of the Board of Directors

MUTAKWASUKU YVONNE
Chairman of BoD

Date: 30/3.../2025



FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 - CPF INEZA

1.3. REPORT OF THE AUDITOR TO THE MEMBERS OF CPF INEZA.

We have audited the accompanying financial statements of CPF INEZA for the year ended December 31, 2024, which comprise the income statement and the balance sheet as at December 31, 2024.

Our audit work has been undertaken so that we might state to the members of CPF INEZA the matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law and regulations, we do not accept or assume responsibility to anyone other than the CPF INEZA and the SACCO's members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

- The directors of CPF INEZA are responsible for the preparation of financial statements that give a true and fair view in accordance with the Microfinance institutions' Law in Rwanda, other microfinance regulations from BNR and with Generally Accepted Accounting Principles including International Financial Reporting Standards (IFRSs).

Our responsibility is to express an opinion on these financial statements based on our audit in accordance with relevant legal and regulatory requirements and International Standards on Auditing (ISAs).

BASIS OF AUDIT OPINION

We conducted our audit in accordance with laws, regulations, and audit standards and practices generally accepted in Rwanda, together with ISAs. An audit comprises examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of accounting principles used as well as evaluating the overall financial statement presentation.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a reasonable basis for our opinion.





**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 - CPF INEZA**

OPINION

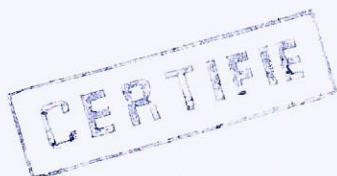
In our opinion, apart from observations set out in comments of the Management letter, the financial statements on pages 8 to 11 present fairly, in all material respects, the financial position of CPF INEZA as at 31 December 2024, and its income statement for the year then ended in accordance with the Microfinance institutions' Law in Rwanda, other microfinance regulations from BNR and with Generally Accepted Accounting Principles.

Done at Muhanga on 27.3.2025

RSK Associate Ltd

External Auditor

NYAKENYWA Bernard Obiri
NoPC/CPA 0678/0159



FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 CPF INEZA

1.4. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST December 2024

**1.4.1. STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST
December 2024**

	Notes	31-DEC-2024	31-DEC-2023
		Frw	Frw
Interest Income	2	635,598,046	482,094,655
Interest expense	3	(44,702,162)	(30,865,532)
NET INTEREST INCOME		590,895,884	451,229,123
Provision for loan losses (PPL)	4	(111,720,672)	(89,539,526)
Provision on loans written off	4	(14,910,237)	(567,287)
Recovery on loans	5	110,171,323	96,655,495
Other operating revenue	6	-	-
Operating expenses	7	(447,733,682)	(296,666,507)
OPERATING INCOME		126,702,616	161,111,298
Operating profit		126,702,616	161,111,298
Grant Income	8	-	-
Non-operating income	9	4,429,891	6,419,222
Non-operating expenses	10	-	-
PROFIT BEFORE TAXATION		131,132,507	167,530,520
TAXATION CHARGE	11	(37,604,681)	(50,526,847)
PROFIT AFTER TAXATION		93,527,826	117,003,673

Signed on behalf of CPF INEZA by:

MUTAKWASUKU Yvonne

Chairman of the BOARD

UWAMARIYA Chantal

Chief Executive Officer



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA**

1.4.2. STATEMENT OF FINANCIAL POSITION AS AT 31st December 2024

	Notes	31-Dec-24 Frw	31-Dec-23 Frw
ASSETS			
Cash in Vaults	12	142,091,027	62,895,437
Cash held in Banks and Other Financial Institutions	13	1,016,248,734	653,351,410
Loans and advances to customers	14.1	3,084,263,426	2,024,644,134
Provision for loan losses	14.2	(18,215,139)	(11,358,289)
Equity Investment	16	85,000,000	85,000,000
Other Assets	17	110,036,433	96,346,080
Property and equipment	18	168,840,352	154,543,359
Depreciation of fixed assets		(105,900,101)	(69,978,822)
Intangible Assets	19	50,172,436	26,949,694
Depreciation of Intangible asset		(33,463,781)	(19,139,918)
Total Assets		4,499,073,387	3,003,253,085
LIABILITIES			
Customer deposits	20	2,786,322,327	1,884,449,271
Borrowings	21	860,157,721	389,991,656
Other liabilities	22	71,639,184	76,774,582
Total liabilities		3,718,119,232	2,351,215,509
EQUITY			
Share capital	23	199,427,100	164,039,000
Capital grant	24	38,683,810	38,683,810
Legal Reserves	25		
Other reserves	26		
Revaluation reserves	27		
Retained earnings	28	449,315,419	332,311,093
Profit/loss for the year		93,527,826	117,003,673
Total equity		780,954,155	652,037,576
Total Liabilities and equity		4,499,073,387	3,003,253,085

Signed on behalf of CPF INEZA by:

MUTAKWASUKU Yvonne

Chairman of the BOARD

UWAMARIYA Chantal

Chief Executive Officer



FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA

1.4.3. STATEMENT OF CHANGE IN EQUITY AS at 31ST DECEMBER 2024

Description	Share capital	Retained earnings	Subsidies	Total
	Frw	Frw		
At 31 DECEMBER 2022	140,661,500	332,311,093	483,100	473,455,693
At 01 January 2023	140,661,500	332,311,093	483,100	473,455,693
Issue of shares	24,119,000	-	-	24,119,000
Uncompleted shares to be received	(741,500)			(741,500)
Grant capital	-	-	-	-
Grant receives	-	-	38,200,710	38,200,710
Comprehensive income for the year		117,003,673		117,003,673
At 31 DECEMBER 2023	164,039,000	449,314,766	38,683,810	652,037,576
At 01 January 2024	164,039,000	449,314,766	38,683,810	652,037,576
Issue of shares	35,388,100	-	-	35,388,100
Grant capital	-	-	-	-
Adjustment of retained earnings		653		653
Comprehensive income for the year		93,527,826		93,527,826
At 31 DECEMBER 2024	<u>199,427,100</u>	<u>542,843,245</u>	<u>38,683,810</u>	<u>780,954,155</u>

During the year 2024, CPF INEZA received additional share capital amounting to 35,388,100 Rwf

Signed on behalf of CPF INEZA by:

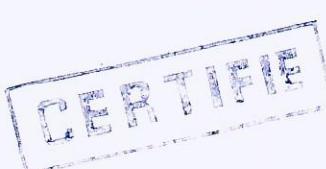
MUTAKWASUKU Yvonne

Chairman of the BOARD



UWAMARIYA Chantal

Chief Executive Officer



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA**

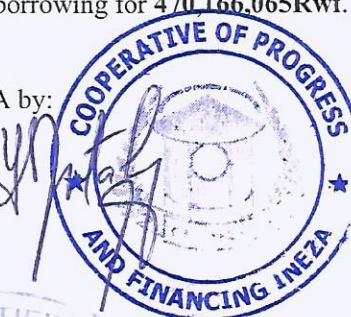
1.4.4. STATEMENT OF CASH FLOW

	31-Dec-24 Frw	31-Dec-23 Frw
Profit before taxation	131,132,507	167,530,520
Adjustments for:		
Depreciation	50,245,136	27,911,213
Working Capital changes:	(169,715,137)	(75,566,212)
Loans and Advances to customers	1,052,762,442	244,566,985
Other Assets	13,727,593	48,036,393
Customer deposits	901,870,296	204,163,466
Other Liabilities	(5,095,398)	12,873,700
Cash generated(used) From operations	11,662,506	119,875,521
CASH FLOWS FROM OPERATING ACTIVITIES	11,662,506	119,875,521
Tax paid	(37,604,681)	(50,526,847)
Net cash used in operating activities	(25,942,176)	69,348,674
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment	34,959,790	79,112,898
Prior year adjustment of non-current assets	2,559,938	-
Proceeds from disposal of equipment	-	-66,350
Net cash Used in investing activities	37,519,728	79,046,548
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	470,166,065	126,221,364
Grant received	-	38,200,710
Adjustment of retained earnings	653	-
Proceeds from issuance of share capital	35,388,100	23,377,500
Donated loan fund	-	-
Net cash generated from financing activities	505,554,818	187,799,574
Net Increase/decrease in cash and cash equivalents	442,092,914	178,101,700
Cash and cash equivalents at the beginning of the year	716,246,847	538,145,147
Cash and cash equivalents at end of the year	1,158,339,761	716,246,847

During the year 2024, CPF INEZA increased in share capital for 35,388,100 Rwf. On the other hand, CPF INEZA increased the financial borrowing for 470,166,065 Rwf.

Signed on behalf of CPF INEZA by:

MUTAKWASUKU Yvonne
Chairman of the BOARD



UWAMARIYA Chantal
Chief Executive Officer



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 - CPF INEZA**

**1.5. NOTES ON THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31ST DECEMBER 2024**

NOTE 1: Main Accounting Policies

(a) Base of preparation

The financial statements are prepared and established following the principle of the historical cost.

(b) Recording of Income & Expenses

All income is recorded at the time of receipt, while the expenses are recorded as soon as they are initiated, during the accounting year.

(c) Provisions for loan losses

According to the National Bank of Rwanda regulation, the Non-performing loans are provided for according to the risk category (class) and following the rates are applied to the loans in the stated class:

- Risk categories and provision rate applied for loans and overdrafts:

Provision on NPL Loans:

- Class B (30-89 days) of delay: 25%
- Class C (90-179 days) of delay: 50%
- Class D (180-365 days) of delay: 100%;

On 31st December 2024, CPF Ineza didn't constitute general provision on loans in class 1 and 2.

On the same period, the collateral taken to cover the credit risk was not offset from the loan provision.

(d) Fixed Assets and Depreciation

Fixed assets are recorded at their historical cost, i.e. at their acquisition cost. The depreciation is calculated to amortize the fixed asset on a linear basis over their estimated duration. The linear rates of depreciation used for this purpose are as follows:

✓ Buildings:	5%
✓ Intangible assets:	10%
✓ Vehicles:	25%
✓ Office equipment & furniture:	25%
✓ IT equipment:	50%



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA**

(e) Loans

Loans are generally shown on the balance Sheet at their current balance in principal less the accumulated provisions for loss on loans. The provision for loss on loans is increased by the provision made, and decreased by the recoveries realized, during the accounting year. The rates are set up by the National Bank of Rwanda.

SPECIFIC NOTES ON FINANCIAL STATEMENTS

2. FINANCIAL INCOME

The balance of financial income is made of interest from operations with banks and other financial institutions, interest from loan portfolio, commissions on loans and other financial revenue from different investment and operating income. On 31st December 2024, the breakdown of that income is as follows:

Description	31-DEC-2024	31-DEC-2023
	Frw	Frw
Income on ops with banks & other Financial Inst.	27,063,115	22,602,845
Interest on loan portfolio	502,758,604	400,690,297
Fees & commissions on loan portfolio	89,815,759	40,606,747
Financial revenue from Investment	-	5,680,947
Other operating income (transaction fees, passbooks, etc.)	15,960,568	12,513,819
TOTAL	635,598,046	482,094,655

3. FINANCIAL EXPENSES

In CPF INEZA, the financial expenses are made of interest and fees paid on different deposits and savings, interest paid on borrowings, and other financial expenses and commissions paid.

Following are the financial expenses of CPF INEZA at 31st December 2024.

DESCRIPTION	31-DEC-2024	31-DEC-2023
	Frw	Frw
Interest and fees expenses on deposits/savings	24,453,775	2,607,254
interest and fees expenses on borrowings	17,867,960	25,404,743
Other financial expenses and Commission paid	2,380,427	2,853,535



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 - CPF INEZA**

Total	44,702,162	30,865,532
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4. LOSS ON LOANS

The loss on loans are essentially those resulting from the provision for non-performing loans and provisions related to written off loans. Those provisions were as follows on 31st December 2024.

DESCRIPTION	31-DEC-2024	31-DEC-2023
	Frw	Frw
Provision expense for the period	111,720,672	89,539,526
Loan Written off expenses	14,910,237	567,287
TOTAL	126,630,909	90,106,813

5. RECOVERIES ON LOANS

The recovery on loans are made of amounts written back especially from the specific provision early constituted on the non-performing loans. They come also from the amounts recovered on the written off loans. As at 31st December 2024 those amounts were as follows:

DESCRIPTION	31-DEC-2024	31-DEC-2023
	Frw	Frw
Provisions written back	104,868,022	88,402,874
Recovery from loans written off	5,303,301	8,252,621
Total	110,171,323	96,655,495

6. OTHER OPERATING INCOME

No other operating income was realized by CPF Ineza during the year 2024.

7. OPERATIONAL EXPENSES

Those are expenses incurred by the institution in order to run smoothly its operations. On 31st December 2024, CPF INEZA had spent 447,733,682 Rwf in operating expenses against 296,666,507 Rwf on 31st December 2023.

DESCRIPTION	31-DEC-2024	31-DEC-2023
	Frw	Frw
Personnel expenses*	215,553,476	149,193,453
Taxes (other than taxes on profit)	1,290,000	1,026,050
Office rent	22,580,813	9,336,000



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 - CPF INEZA**

Security charges	24,761,860	-
Electricity and water fees	5,493,659	-
Fuel and maintenance of generator	1,946,804	-
External services (consultancies)	16,805,574	5,499,307
Other charges	2,171,726	-
Other Administrative expenses*	106,869,628	103,700,484
Depreciation and Amortization expenses	50,260,142	27,911,213
Total	447,733,682	296,666,507

7.1 PERSONNEL EXPENSES

The personnel expenses are composed of following items:

Description	31-DEC-2024	31-DEC-2023
	Frw	Frw
Salaries and wages (gross amount)	173,447,802	128,924,839
Social Security, Employer Contribution	8,578,752	6,161,453
COOPEC Contributions to health insurance (RSSB 7.5%)	9,408,478	6,494,619
Primes et gratifications	6,315,045	7,612,542
Other staff cost/ CASH INDEMNITY	691,322	-
Frais et autres charges de formation	14,152,802	-
Fees and Charges on Dual System apprenticeship	2,459,275	-
Frais funéraires et autres cas sociaux pour le personnel	500,000	-
	215,553,476	149,193,453

7.2. OTHER ADMINISTRATIVE EXPENSES

The composition of other administrative expenses is as follows:

DESCRIPTION	31-DEC-2024	31-DEC-2024
	Frw	Frw
Transport costs	11,210,625	11,210,625
Mission & reception	2,260,045	2,260,045
Printing and stationary	11,478,975	11,478,975
Communication expenses	10,355,969	10,355,969
Repair, renovation and maintenance	9,085,682	3,716,710
Marketing et publicity	11,522,180	11,522,180
Electricity, Water and Fuel	1,323,368	5,493,659
Other expenses research and training	5,259,285	5,259,285
Contribution to professional organizations	16,773,183	0



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA**

Security offices	-	24,761,860
Frais de transport pour les organs	7,590,220	1,941,545
Insurance	2,580,633	2,580,633
General Assembly	4,310,026	15,056,164
Other administrative expenses	13,119,437	1,231,978
Total	106,869,628	106,869,628

8. GRANT INCOME

During the year 2024, no amount was received by CPF INEZA as grant income (donations or subsidies).

9. NON-OPERATING INCOME

DESCRIPTION	31-Dec-24	31-Dec-23
	FRW	FRW
Other exceptional income	4,429,891	6,419,222
TOTAL	4,429,891	6,419,222

10. NON OPERATING EXPENSES

During the year 2024, no exceptional expense like fines and penalties was incurred by CPF INEZA.



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA**

11. TAXATION CHARGE

DESCRIPTION	31-Dec-24	31-DEC-2023
		Frw
Loss 2023 (a)	-	-
Profit 2022 before tax(b)	131,132,507	167,530,520
Profit/Loss after 2022 (b - a)	131,132,507	167,530,520
Subsides received	-	-
Profit net of subsides	131,132,507	167,530,520
Non-admissible expenses		
Water, electricity and fuel	1,098,732	861,953
Communication	2,071,194	3,451,537
Fines and penalties	-	-
Total expenses to add back	3,169,926	4,313,490
Tax basis	134,302,433	171,844,010
Tax for the period	37,604,681	50,526,847
Advance payment on CIT 2024	34,767,976	-
Withholding tax 2024 to be recovered	3,009,565	-
Tax payable/(claimable)	(172,860)	50,526,847

On 31st December 2024, CPF INEZA was required to pay tax charge amounting to **37,604,681** Rwf. However, as they had in their books the prepaid income tax of 2024 for 34,767,976 Rwf not yet recovered and paid withholding taxes amounting to 3,009,565Rwf; **the total pre-paid amounts exceeded the tax payable by 172,860 Rwf to be recovered on the next fiscal year.**

12. CASH IN VAULT

On 31st December 2024, the cash amount in vault was **142,091,027** Rwf, whilst on 31st December 2023, it was **62,895,437** Rwf .

	31-DEC-2024	31-DEC-2023
		Frw
VAULT	142,091,027	62,895,437
	142,091,027	62,895,437



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 -CPF INEZA**

13. CASH HELD IN BANKS AND OTHER FINANCIAL INSTITUTIONS

13.1. Cash on current accounts with banks and other financial institutions

The respective bank balances of CPF INEZA were respectively as follows: on 31st December 2024 and 31st December 2023.

BANK NAME	31-DEC-2024	31-DEC-2023
	Frw	Frw
BANQUE DE KIGALI	259,908,232	90,860,072
PANQUE DE KIGALI RUYENZI	-	40,987,795
BANQUE POPULAIRE DU RWANDA	234,829,673	107,722,535
BANQUE POPULAIRE KUNDA	-	29,428,797
BANQUE POPULAIRE MUGINA	-	17,303,636
KCB	-	11,713,354
Mobile Money MTN	72,162,066	54,285,912
COGEBANQUE	36,536,900	1,013,200
EQUITY (USD)	1,207,064	-
	604,643,935	353,315,301
2. Term deposits and saving accounts		
BANQUE DE KIGALI	400,000,000	300,000,000
COGEBANQUE	38,708	36,109
TOTAL PLACEMENT A TERME	400,038,708	300,036,109
TOTAL CASH IN BANK	1,004,682,643	653,351,410
Accrued receivable interest on bank placements	11,566,091	-
TOTAL CASH IN BANK	1,016,248,734	653,351,410

14. LOANS AND ADVANCES TO CUSTOMERS/MEMBERS

14.1. LOAN PORTFOLIO

	31-DEC-2024	31-DEC-2023
	Frw	Frw
a) Gross loans and advances	3,084,263,426	2,024,644,134
Accumulated impairment losses	(18,215,139)	(11,358,289)
Net loans and advances	3,066,048,287	2,013,285,845



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
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14.2. ANALYSIS OF GROSS LOANS PER RELATIONSHIP

	31-DEC-2024	31-DEC-2023
	Frw	Frw
External customers	2,954,736,426	1,937,169,134
Directors	7,994,000	15,400,000
Staff	121,533,000	72,075,000
Total	3,084,263,426	2,024,644,134

14.3. LOAN ANALYSIS PER OBJECT

	31-DEC-2024	31-DEC-2023
	Frw	Frw
Overdraft & Treasury	2,171,167,936	1,445,097,753
Equipment loans	3,360,754	10,873,886
Consumer Loan	136,768,833	100,286,407
Mortgage Loan	716,782,254	425,745,733
Non-Performing Loan	56,183,649	42,640,355
Total	3,084,263,426	2,024,644,134

14.4. PROVISIONS FOR LOAN LOSSES

	31-DEC-2024	31-DEC-2023
	Frw	Frw
At the start of the period	11,358,289	11,026,037
Increase (Decrease) during the year	6,856,850	332,252
At 31 December	18,215,139	11,358,289

14.5. LOAN ACCORDING TO DAYS OVERDUE

	31-DEC-2024	31-DEC-2023
	Frw	Frw
Current Loans & Renegotiated Loans current	2,656,354,362	1,626,217,648
Portfolio at risk 1-29 days	368,044,973	342,920,337
Renegotiated loans (current)	3,680,442	12,865,794
Portfolio at risk 30 to 89 days	22,642,878	19,932,866
Portfolio at risk 90 to 179 days	23,593,120	14,890,348
Overdraft (31-90 days) 75%	-	-
Overdraft at risk >=90 <180days	-	-
Portfolio at risk 180 to 364 days	9,947,651	7,817,141



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**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
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LOANS OUTSTANDING	3,084,263,426	2,024,644,134
Portfolio At Risk >29 days (NPL)	56,183,649	42,640,355

15. FINANCIAL INVESTMENT

No financial investment was made by CPF INEZA on 31st December 2024.

16. EQUITY INVESTMENT

	31-DEC-2024	31-DEC-2023
	Frw	Frw
Treasury Bills	-	-
Other Sécurities	-	-
Equity Investments	85,000,000	85,000,000
Non Performing Securities	-	-
Total	85,000,000	85,000,000

17. OTHER ASSETS

The other assets were made of receivables and stock of office furniture. The respective amounts for each of those items is displayed in the below table.

17.1. Receivables accounts

	31-DEC-2024	31-DEC-2023
	Frw	Frw
CIT recoverable	34,767,976	38,912,669
Other amounts due by Government	3,009,565	3,009,565
VAT recoverable	4,662,143	4,867,654
Loan protection insurance - SORAS	1,476,876	1,675,845
Other various debtors	8,186,960	148,362
Total	52,103,520	48,614,095



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 - CPF INEZA**

17.2. Other assets

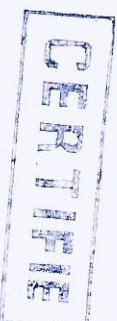
	31-DEC-2024	31-DEC-2023
	Frw	Frw
Transfers in transit	2,444,829	0
Other debit transit accounts	4,112,570	19,580,695
Cash deficit UMUGWANEZA Christiane	-	60,000
Accrued receivable interest on loans	51,375,514	28,091,290
Total	57,932,913	47,731,985



FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST DECEMBER 2024 -CPF INEZA

18. NON-CURRENT ASSETS -PPE

	Safe Motor vehicles	Equipment (Generator)	Installation and Fixture	Office Equipment	IT equipment	Software	Total
Rwf	Rwf	Rwf	Rwf	Rwf	Rwf	Rwf	Rwf
Cost							
At 01st January 2024	1,241,467	12,589,442	5,001,312	75,130,627	11,340,702	46,509,511	29,109,992
Prior year adjustment	1,660,000	-	-	(39,501,453)	11,543,000	22,455,000	5,463,398
Restated balance on	2,841,467	12,589,442	5,001,312	36,199,174	22,883,702	68,964,511	35,573,390
1st Jan 2024							
Additions	-	-	822,034	16,928,710	980,000	1,630,000	14,599,046
Disposal	-	-	-	-	-	-	-
At 31st December	2,841,467	12,589,442	5,823,346	53,127,884	23,863,702	70,594,511	50,172,436
2024							
Cost							
At 1st January 2023	1,241,467	4,236,900	5,001,312	15,566,464	10,491,369	36,799,001	29,109,992
Additions	8,352,542	60,150,513	849,333	9,760,510	9,760,510	79,112,898	102,446,505
Disposal	(16,350)	(50,000)	(16,350)	(50,000)	(50,000)	(66,350)	(66,350)
At 31st December	1,241,467	12,589,442	5,001,312	75,700,627	11,340,702	46,509,511	29,109,992
2023							
Depreciation							
At 01st January 2024	(547,444)	(6,325,036)	(4,515,027)	(23,846,879)	(6,375,933)	(39,012,792)	(8,495,631)
Prior year adjustment	(186,220)	870,056	(173,032)	10,905,334	(671,010)	(100,847)	(10,644,287)
	(6)						(6)



FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST DECEMBER 2024 -CPF INEZA

Restated balance on	(735,864)	(5,454,980)	(4,688,059)	(1,2,941,545)	(7,646,943)	(39,1,3,539)	(19,139,918)	(89,118,746)
1st Jan 2024								
Charge for the year	(659,699)	(2,088,136)	(484,510)	(9,870,962)	(5,177,304)	(17,640,662)	(14,323,863)	(50,245,136)
Disposal								
At 31st December	(1,395,363)	(7,545,116)	(5,172,569)	(22,612,507)	(12,224,147)	(56,754,301)	(33,465,781)	(139,363,882)
2024								

Depreciation

At 01st January 2023	(423,297)	(4,236,900)	(4,352,932)	(9,752,169)	(4,721,010)	(31,516,073)	(6,205,146)	(61,207,527)
Charge for the year	(124,147)	(2,088,136)	(162,095)	(14,094,710)	(1,654,923)	(7,496,719)	(2,290,485)	(27,911,213)
Disposal								
At 31st December	(547,444)	(6,325,036)	(4,515,027)	(25,846,879)	(6,375,933)	(39,012,792)	(8,495,631)	(89,118,740)
2023								

NET BOOK VALUE

At 31st December	1,448,104	5,046,327	650,777	30,315,377	11,639,455	13,840,210	16,708,655	79,648,906
2024								
At 31st December	2,107,803	7,134,462	1,135,287	40,186,339	16,816,759	31,480,872	31,032,518	129,894,042
2023								



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED
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19. INTANGIBLE ASSETS

The intangible assets are made of operating software and related application that were acquired for **50,172,436 Rwf**. On 31st December 2024, the accumulated depreciations were amounting to **33,463,781 Rwf**.

20. CUSTOMER/MEMBERS' DEPOSITS

	31-DEC-2024	31-DEC-2023
	Frw	Frw
Demand Deposits	2,218,573,074	1,298,086,266
security saving	235,381,478	236,287,653
Term deposits	321,329,442	328,478,600
Saving accounts	11,035,573	21,596,752
Total	2,786,319,567	1,884,449,271

21. BORROWINGS

	31-DEC-2024	31-DEC-2023
	Frw	Frw
Financial Borrowing	288,129,664	144,709,560
Refinancement -CDAT PROJECT/ BRD	250,000,000	-
AGRI FUNDS FROM PURE AFRICA-	322,028,057	245,282,096
Total borrowings	860,157,721	389,991,656

22. OTHER LIABILITIES

The other liabilities are essentially the amounts to be paid to different creditors of CPF INEZA. Their respective balances as at 31st December 2024 are displayed in the following tables:

22.1. TAX PAYABLE

	31-DEC-2024	31-DEC-2023
	Frw	Frw
TAXES		
PAYE Payable	3,728,145	5,295,980
VAT payables	3,289,740	676,465
RSSB Payable	1,380,690	2,871,212
Other amount due to Government	528,459	669,907
CIT Payable	37,931,295	50,526,847
	46,858,329	60,040,411



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
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22.2. OTHER PAYABLES

	31-DEC-2024	31-DEC-2023
	Frw	Frw
Other payables		
Staff contribution to medical insurance	1,585,385	24,000
Incomplete share capital	1,519,592	1,978,592
Accrued int. on Term Deposits	-	6,797,242
Accrued expenses	7,875,000	896,800
Comptes transitoires ou d'attente Créditeurs	6,943,685	3,756,846
Medical insurance/CBHI	51,682	69,538
Cash surplus	3,689,860	1,578,278
Other payables	3,155,651	1,632,875
Total	24,820,855	16,734,171

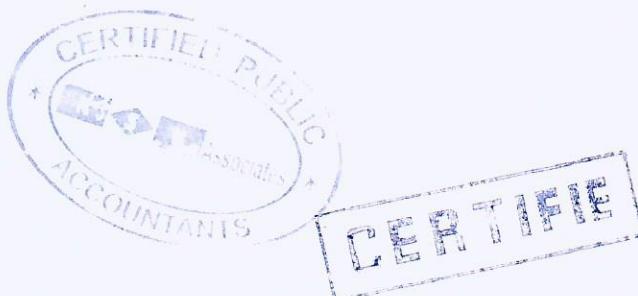
23. SHARE CAPITAL

During the year ended 31st December 2024, only new members were enrolled in CPF INEZA for **35,388,100** Frw.

CAPITAL PAID UP	31-DEC-2024	31-DEC-2023
	Frw	Frw
Previous year	164,039,000	140,661,500
Uncompleted shares to be received	-	-741,500
Sale of new share	35,388,100	24,119,000
Value at the end of the year	199,427,100	164,039,000

24. GRANT CAPITAL

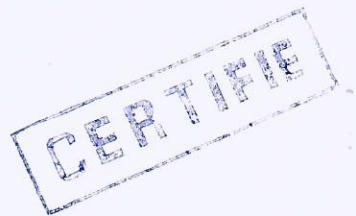
SUBSIDY	31-DEC-2024	31-DEC-2023
	Frw	Frw
Subsidies on 1 st January	38,683,810	483,100
CURRENT YEAR /MEMBERS CONTRIBUTION	-	38,200,710
Value at the end of the year	38,683,810	38,683,810



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
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25. RETAINED EARNINGS

DESCRIPTION	31-Dec-24	31-DEC-2023
		Frw
RETAINED PROFIT 1 ST JANUARY	449,314,766	332,311,093
PRIOR YEAR ADJUSTMENT	653	
CURRENT YEAR MOVEMENTS	-	117,003,673
RETAINED PROFIT 31 ST DECEMBER	449,315,419	449,314,766



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
DECEMBER 2024 – CPF INEZA**

II: COMPLIANCE WITH THE LAW AND REGULATIONS

2.1 LAWS AND REGULATIONS ON MICROFINANCE INSTITUTION

2.1.1 GOVERNANCE

In accordance with the REGULATION No 58/2023 OF 27/03/2023 establishing requirements on corporate governance for deposit-taking microfinance institutions, CPF INEZA has a Board of Directors composed of 9 members; 7 were elected among its members and 2 are independent.

2.1.2 PRUDENTIAL RATIOS

2.1.2.1 LIQUIDITY RATIO

The article 3 of REGULATION No 60/2023 OF 27/03/2023 determining prudential norms for deposit-taking microfinance institutions stipulates that at all times the deposit-taking microfinance cooperatives shall maintain a liquidity ratio of at least thirty per cent (30%) of its total deposits and current /contingent liabilities.

For CPF INEZA we notice that at 31st December 2024 that ratio was at 41.57% against 38.01% as at 31st December 2023. CPF INEZA had no current contingent liability on 31st December 2024.

Description of item	31-Dec-24	31-Dec-23
Cash and cash equivalent	1,158,339,761	716,246,847
Current account and Term deposits up to 3 months	2,786,319,567	1,884,449,271
Percentage	41.57%	38.01%

2.1.2.2 SOLVENCY RATIO

The article 6, paragraph (2) of REGULATION No 60/2023 OF 27/03/2023 determining prudential norms for deposit-taking microfinance institutions stipulates that the Deposit-taking microfinance cooperatives shall at all times maintain a capital adequacy ratio of 15%. This ratio is defined as the ratio between equity and total assets.



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
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Description of item	31-Dec-24	31-Dec-23
Net equity	780,954,155	652,037,576
Total assets	4,499,073,387	3,003,337,395
Percentage	17.36%	21.71%

The level of solvency ratio of CPF INEZA decreased in 2024 due to huge increase recorded on customer deposits and financial borrowings.

2.1.2.3. NON-PERFORMING LOANS' RATIO

CPF INEZA manages to keep the Non-performing loan ratio at an understandable level as it was respectively at 1.82% and 2.11% on 31st December 2024 and 31st December 2023.

According to National Bank of Rwanda, the NPL ratio should not exceed 5% of the total loan portfolio; which means that CPF INEZA is in comfortable situation.

Description	31-Dec-24	31-Dec-23
	Frw	Frw
Total Non-performing loans	56,183,649	42,640,355
Gross loans	3,084,263,426	2,024,644,134
Non-performing loan ratio	1.82%	2.11%

2.1.2.4. LOANS TO RESOURCES RATIO

According to the Article 14 of the REGULATION No 60/2023 OF 27/03/2023 determining prudential norms for deposit-taking microfinance institutions, the total amount of outstanding loans made by a deposit-taking microfinance institution shall not exceed the maximum of 80% of the volume of its total resources.

For CPF INEZA, that ratio was as follows on 31st December 2024:

Description	31-Dec-24	31-Dec-23
	Frw	Frw
1. Gross loans	3,084,263,426	2,024,644,134
2. Resources		
Customer deposits	2,786,319,567	1,884,449,271
Borrowings	860,157,721	389,991,656
Share capital	199,427,100	164,039,000
Capital grant	38,683,810	38,683,810
Legal Reserves	-	-
Other reserves	-	-
Retained earnings	449,315,419	332,311,093
Profit/loss for the year	93,527,826	117,003,673
Total resources	4,427,431,443	2,926,478,503
Percentage	69.66%	69.18%



**FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31ST
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From the ratio mentioned in the above table, we notice that CPF INEZA was complying with the regulation stated above.

2.2 OTHER LAWS AND REGULATIONS

CPF INEZA complies with laws concerning the tax payment and social security funds contribution for its employees. The payment of those taxes and contributions is made on time and adequately.

III. BRANCHES' PERFORMANCES

On 31st December 2024, the total loans and deposits, and related ratios per branch of CPF Ineza were followings:

	Mugina	Muhanga	Nyabugogo	Runda	Rutobwe	Total
Deposits	335,728,605	1,526,873,648	241,855,606	326,413,173	355,451,295	2,786,322,327
Loans	448,171,734	1,402,204,035	352,309,358	564,444,276	317,134,023	3,084,263,426
NPL	8,326,087	28,073,879	381,8675	7,758,905	8,206,103	56,183,649
Provision	2,613,327	9,776,890	165,5326	2,008,671	2,160,925	18,215,139
NPL ratio	2.48%	1.84%	1.58%	2.38%	2.31%	2.02%
Loans/Deposits	133.49%	91.83%	145.67%	172.92%	89.22%	110.69%

On 31st December 2024, each branch of CPF Ineza was complying with NPL ratio as all branches NPLs were falling under 5%.

At the same time, we notice that their total deposits were not sufficient to cover the loans granted to their members.

