

Unaudited Financial Statements

As at
30 September 2019



WARWYCK

PRIVATE BANK

WARWYCK PRIVATE BANK LTD

COMMENTS ON RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019

Warwyck Private Bank Ltd delivered a sound performance and reported a net profit of USD 0.89m for the period ended 30 September 2019.

Net interest Income:

Interest income comprised primarily of interest earned on loans and advances. Net interest income stood at USD 2.58m, higher than that of last year 2018, where we reported net interest income of USD 1.11m. This increase is mainly due to daily money market placement which started from February 2019.

Non-Interest Income:

Non-interest income amounted to USD 3.75m. The major components are set up fees, investment advisory and accounts service fee.

Non-Interest Expense:

Non-interest expenses were USD 5.42m and included personnel expenses of USD 1.36m. The other main operating expenses included retrocession fees of USD 0.94m, licence fees of USD 0.23m, IT expenses of USD 0.22m.

Assets:

Total assets as at 30 September 2019 were at USD 254m. This represents a 15% decrease over the December 2018 figures. The main contributors for this decline were due to a drop-in cash and cash equivalent and in our loan book. The Balance sheet remains sound with a total capital adequacy ratio of 18.25%.

The loan to deposit ratio was 50% at 30 September 2019 (December 2018: 50%).

Liabilities:

Total liabilities amounted to USD 239m as at 30 September 2019 representing 16% decrease as compared to 31 December 2018. This decrease is due to a drop in our deposit base from USD275m as at December 2018 to USD 235m as at September 2019.

Shareholders' Funds:

The share capital was USD 11.7m, statutory reserves were USD 2.0m and accumulated profits stood at USD 1.83m. As required by Section 102 of the Banking Act 2004, WPBL has increased its share capital from USD 10m to USD 11.7m, by way of a bonus issue of USD 1.05m and USD 650k as new capital injection.

Capital Adequacy Ratio:

The capital adequacy ratio was well above the required minimum limit of 11.875% and stood at 18.25% as at 30 September 2019. (Dec 2018: 21.16%).

Credit Quality

The bank's credit portfolio comprises of cash covered loans and overdrafts with no significant credit exposures outstanding and no significant impaired credits. All credit transactions are undertaken in accordance to the bank credit risk management policy and credit facilities granted to related parties are tabled at the Conduct Review Committee.

Liquidity

The bank's is in a good liquidity position which is demonstrated by the Liquidity Coverage Ratio (LCR) of above 100%. The bank's current High-Quality Liquid Assets (HQLA) portfolio comprises of foreign currency deposits at the Central Bank. We also rely on a strong liquidity management policy to maintain a strong liquidity position.

By order of the Board:

The abridged quarterly unaudited financial statements have been prepared in accordance with the same accounting policies as those set out in the audited financial statements for the year ended 31 December 2018 which are the International Financial Reporting Standards, the Mauritius Companies Act 2001, the Banking Act 2004 and guidelines issued by the Bank of Mauritius.

Warwyck Private Bank Ltd


Abridged Unaudited Interim Financial Statements

Statement of financial position as at 30 September 2019

	September 2019 USD	September 2018 USD	December 2018 USD
ASSETS			
Cash and cash equivalents	97,268,931	143,732,246	122,118,345
Financial assets at fair value through profit or loss	-	136,380	707,415
Property, plant and equipment	5,695,341	5,796,163	5,658,655
Intangible assets	372,835	75,296	516,954
Loans and advances	116,872,335	134,654,222	137,981,497
Placements with an overseas bank	2,059,867	-	2,936,928
Deferred tax assets	18,310	55,808	18,310
Other assets	31,876,891	39,138,476	26,697,694
Derivative financial assets	214,832	-	902,280
Total assets	254,379,342	323,588,591	297,538,078
LIABILITIES			
Deposits from customers	234,882,536	291,832,761	275,466,988
Derivative financial liabilities	111,555	-	562,641
Current tax liabilities	18,883	102,495	32,966
Other liabilities	965,049	7,642,615	937,843
Borrowings	2,878,818	11,411,033	6,559,524
Total liabilities	238,856,841	310,988,904	283,559,962
SHAREHOLDERS' EQUITY			
Stated capital	11,700,000	10,000,010	10,000,000
Statutory reserve	1,992,078	1,646,943	1,992,078
Retained earnings	1,830,423	952,734	1,986,038
Total equity	15,522,501	12,599,687	13,978,116
Total liabilities and equity	254,379,342	323,588,591	297,538,078



Mr Karl Aeschbacher
Chief Executive Officer



Mr Deenaraj Sooben
Executive director

Warwyck Private Bank Ltd

Statement of comprehensive income for the 9 months period ended 30 September 2019

	Quarter ended September 2019 USD	Quarter ended September 2018 USD	9 months ended Sept 2019 USD	9 months ended Sept 2018 USD	Year ended December 2018 USD
Interest income	1,434,252	1,047,086	4,154,161	2,640,509	3,965,680
Interest expense	(510,966)	(552,770)	(1,569,978)	(1,527,863)	(2,136,104)
Net interest income	923,286	494,316	2,584,183	1,112,646	1,829,576
Fee and commission income	1,119,014	1,610,490	3,078,229	4,989,049	5,815,133
Other income	199,685	282,977	673,258	1,144,127	4,623,168
Operating income	2,241,985	2,387,783	6,335,670	7,245,822	12,267,877
Personnel expenses	(388,139)	(373,817)	(1,363,752)	(1,347,571)	(1,907,867)
Operating lease expenses	(5,880)	(17,648)	(17,638)	(55,335)	(73,349)
Other expenses	(846,811)	(1,780,914)	(2,548,177)	(4,360,012)	(5,832,876)
Depreciation and amortisation	(143,899)	(141,631)	(412,009)	(457,952)	(782,987)
Net impairment losses on financial assets	-	-	-	-	(13,461)
Net foreign exchange gains/(losses)	139,105	-	(1,080,827)	-	(1,285,977)
Profit before tax	996,361	73,773	913,267	1,024,952	2,371,360
Tax (expense)/ credit	(18,882)	(7,377)	(18,882)	(102,495)	(70,463)
Profit for the period/year	977,479	66,396	894,385	922,457	2,300,897

Warwyck Private Bank Ltd

Statement of changes in shareholder's equity for the period ended 30 September 2019

	Stated capital USD	Statutory reserve USD	Retained earnings USD	Total USD
At 01 January 2018	10,000,010	1,646,943	4,030,276	15,677,229
Shares bought back	(10)	-	-	(10)
Dividends paid	-	-	(4,000,000)	(4,000,000)
Transaction with the shareholder	(10)	-	(4,000,000)	(4,000,010)
Profit for the year	-	-	2,300,897	2,300,897
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	2,300,897	2,300,897
Transfers to statutory reserve during the year	-	345,135	(345,135)	-
At 31 December 2018	10,000,000	1,992,078	1,986,038	13,978,116
At 01 January 2019	10,000,000	1,992,078	1,986,038	13,978,116
Profit for the period	-	-	894,385	894,385
Capital injection	650,000	-	-	650,000
Bonus issue	1,050,000	-	(1,050,000)	-
At 30 September 2019	11,700,000	1,992,078	1,830,423	15,522,501

Warwyck Private Bank Ltd

Statement of cash flows for the nine months ended 30 September 2019

	September 2019 USD	September 2018 USD	Year-end December 2018 USD
Operating activities			
Profit before tax for the period / year	913,267	1,024,953	2,371,360
Adjustments for:			
Depreciation	267,890	289,215	429,850
Amortisation	144,119	168,737	353,137
Gain on disposal of subsidiaries	-	-	(3,847,548)
Gain on sale of assets	(7,858)	-	-
Loss on sale of assets	2,193	-	-
Fair value (gain)/loss	-	-	59,478
Interest expense	1,569,978	1,527,863	2,136,104
Interest income	(4,154,161)	(2,640,509)	(3,965,680)
Intangible assets written off	-	-	33,197
Total adjustments	(2,177,839)	(654,694)	(4,801,462)
Changes in working capital			
Changes in placements	877,061	1,768,550	(632,330)
Changes in loans and advances	22,996,452	2,320,368	621,966
Changes in other assets	(5,179,197)	(8,387,869)	(404,720)
Changes in deposits from customers	(41,933,584)	39,245,095	22,012,796
Changes in other liabilities	27,206	(2,685,178)	(5,597,053)
Changes in derivatives financial instrument	236,362	-	-
Tax paid	(32,965)	-	(51,984)
Net cash (used in) / from operating activities	(24,273,237)	32,631,225	13,518,573
Investing activities			
Investment in shares	-	-	(766,893)
Acquisition of intangible assets	-	-	(659,255)
Acquisition of property, plant and equipment	(371,531)	(28,290)	(32,844)
Derivative financial instruments	-	-	(339,639)
Acquisition of bonds	-	-	-
Proceeds from sale of bonds	707,415	-	-
Disposal of assets	72,621	-	-
Interest received	2,266,871	2,484,060	3,157,414
Proceeds from sale of subsidiaries	-	-	3,682,025
Net cash from investing activities	2,675,376	2,455,770	5,040,808
Financing activities			
Dividends paid	-	(4,000,000)	(4,000,000)
Increase in share capital	650,000	-	-
Interest paid	(220,847)	(1,608,175)	(1,857,002)
Net cash from /(used in) financing activities	429,153	(5,608,175)	(5,857,002)
Net change in cash and cash equivalents	(21,168,708)	29,478,820	12,702,379
Cash and cash equivalents at the beginning of period/year	115,558,821	102,842,393	102,856,442
Cash and cash equivalents at the end of period/year	94,390,113	132,321,213	115,558,821
Cash and cash equivalents are made up of:			
Cash in hand and at bank	97,268,931	143,732,246	122,118,345
Overdrawn bank balances	(2,878,818)	(11,411,033)	(6,559,524)
Cash and cash equivalents, end of period/year	94,390,113	132,321,213	115,558,821