

Triodos  Bank

Annual Report 2020

Consolidated balance sheet as at 31 December 2020

Before appropriation of profit in thousands of EUR	Note*	2020	2019
ASSETS			
Cash and cash equivalents	1	2,955,787	2,269,983
Loans and advances to banks	2	150,563	227,591
Loans and advances to customers	3	9,156,710	8,209,014
Debt securities at amortised cost	4	1,317,301	1,034,291
Investment securities	5	31,214	24,299
Intangible assets	6	45,763	41,543
Property and equipment	7	101,490	120,696
Investment property	8	10,914	11,012
Right-of-use assets	9	19,346	21,355
Non-trading derivatives	10	1,795	8,722
Deferred Tax Assets	30	14,864	16,098
Current tax receivable	30	1,764	-
Other assets	11	61,914	86,787
Non-current Assets Held for Sale	12	18,972	10,197
Total assets		13,888,397	12,081,588
LIABILITIES			
Deposits from banks	13	815,140	70,720
Deposits from customers	14	11,747,207	10,693,699
Lease liabilities	9	19,963	22,078
Non-trading derivatives	10	10,452	15,063
Deferred Tax Liabilities	30	4,337	9,065
Current tax liabilities	30	16,540	14,815
Other liabilities	15	55,794	49,744
Debt issued and other borrowed funds	16	6,368	-
Provisions	17	4,384	5,477
Total liabilities		12,680,185	10,880,661

Before appropriation of profit in thousands of EUR	Note*	2020	2019
Share Capital	18	723,353	720,088
Share premium reserve	18	200,811	198,626
Translation reserve	18	-4,385	-3,354
Cost of hedging reserve	18	-55	123
Fair value reserve	18	-2,025	1,938
Other reserve	18	43,806	38,914
Retained earnings	18	219,504	205,587
Result for the period	18	27,203	39,005
Equity		1,208,212	1,200,927
Total equity and liabilities		13,888,397	12,081,588
Contingent liabilities	19	73,104	107,495
Irrevocable facilities	20	1,936,333	1,402,450
		2,009,437	1,509,945

* Reference to the notes to the consolidated financial statements. These form an integral part of the consolidated financial statements.

Consolidated profit and loss account for 2020

in thousands of EUR	Note	2020	2019
Income			
Interest income calculated using the effective interest method	21	220,741	213,375
Interest expense	22	-22,588	-28,372
Net interest income		198,153	185,003
Investment income	23	449	679
Fee and Commission income	24	114,191	112,703
Fee and Commission expense	24	-8,066	-7,363
Net fee and commission income		106,125	105,340
Net result from other financial instruments at FVTPL	25	-361	430
Other income	26	733	740
Other income		372	1,170
Total income		305,099	292,192
EXPENSES			
Personnel expenses	27	134,636	133,887
Other administrative expenses	27	82,072	79,920
Amortisation and value adjustments of intangible assets	28	10,646	10,319
Depreciation and value adjustments of property and equipment	28	18,056	10,293
Operating expenses		245,410	234,419
Impairment losses on financial instruments	29	24,213	3,682
Total expenses		269,623	238,101
Operating result before taxation		35,476	54,091
Taxation on operating result	30	-8,273	-15,086
Net profit		27,203	39,005

in thousands of EUR	Note	2020	2019
Profit attributable to:			
Owners of Triodos Bank		27,203	39,005
Average number of issued shares in circulation		14,260,146	13,952,803
Amounts in EUR			
Earnings per share for profit attributable to the equity holders of the parent entity ¹		1.91	2.80
Dividend per share		0.65	-

¹The net profit per share is calculated by dividing the Net Profit by the average number of issued shares in circulation during the financial year.

Consolidated statement of comprehensive income for 2020

in thousands of EUR	Note	2020	2019
Net result		27,203	39,005
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation gains/(losses) on equity instruments at fair value through other comprehensive income	5	-4,821	174
Related tax		1,161	-123
Total items that will not be reclassified to profit or loss		-3,660	51
<i>Other comprehensive income that will be reclassified to profit or loss</i>			
Foreign operations – foreign currency translation differences		-1,031	120
Foreign operations – Cost of hedging		-178	123
Total items that will be reclassified to profit or loss		-1,209	243
Total comprehensive income		22,334	39,299
Total comprehensive income attributable to:			
Owners of Triodos Bank		22,334	39,299

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Consolidated statement of changes in equity for 2020

in thousands of EUR	Share capital
Equity as at	
1 January 2019	674,734
Result for the period	
Foreign operations – foreign currency translation differences	
Net gain (loss) on hedges of net investments in foreign operations	
Equity investments at FVOCI – net change in fair value	
Total comprehensive income	-
Increase of share capital	32,148
Stock dividend	13,206
Profit appropriation for previous financial year, addition to the other reserves	
Profit appropriation for previous financial year, dividend	
Dividend not distributed in cash	
Transfer to other reserve for development costs	
Purchasing or sale of own depository receipts	
Equity as at	
31 December 2019	720,088

Consolidated statement of changes in equity for 2020

Share premium	Translation reserve	Cost of hedging reserve	Fair value reserve	Other reserve	Retained earnings	Result for the period	Total equity
190,324	-3,474	-	1,887	34,715	179,760	35,187	1,113,133
						39,005	39,005
	120	123					-
			51			-	243
							51
-	120	123	51	-	-	39,005	39,299
21,508							53,656
-13,206							-
					8,231	-8,231	-
						-26,956	-26,956
					21,921		21,921
				4,199	-4,199		-
					-126		-126
198,626	-3,354	123	1,938	38,914	205,587	39,005	1,200,927

in thousands of EUR	Share capital
Equity as at	
1 January 2020	720,088
Result for the period	
Foreign operations – foreign currency translation differences	
Net gain (loss) on hedges of net investments in foreign operations	
Conversion Visa shares	
Equity investments at FVOCI – net change in fair value	
Total comprehensive income	-
Increase of share capital	3,265
Stock dividend	
Profit appropriation for previous financial year, addition to the other reserves	
Profit appropriation for previous financial year, dividend	
Dividend not distributed in cash	
Reverted dividend	
Transfer to other reserve for development costs	
Purchasing or sale of own depository receipts	
Equity as at	
31 December 2020	723,353

Share premium	Translation reserve	Cost of hedging reserve	Fair value reserve	Other reserve	Retained earnings	Result for the period	Total equity
198,626	-3,354	123	1,938	38,914	205,587	39,005	1,200,927
						27,203	27,203
							-
	-1,031	-178					-1,209
			-303		303		-
			-3,660				-3,660
-	-1,031	-178	-3,963	-	303	27,203	22,334
2,185							5,450
							-
					39,005	-39,005	-
							-
							-
				4,892	-4,892		-
					-20,499		-20,499
200,811	-4,385	-55	-2,025	43,806	219,504	27,203	1,208,212

Consolidated cash flow statement for 2020

in thousands of EUR	Note	2020	2019
Operating activities			
Net profit		27,203	39,005
Net profit adjustments for:			
Depreciation	28	12,812	10,116
Amortisation	28	10,646	10,319
Amortisation premium and discount debt securities	4	10,752	9,512
Impairment losses on financial instruments	29	24,213	3,682
Interest expense on lease liabilities	9	216	465
Revaluation participating debt (investment securities)	5	568	-430
Value adjustments property and equipment (incl. leases)		5,244	312
Movements in provisions	17	-2,623	-560
Taxation on operating result		8,273	15,086
Tax paid	30	-10,961	-8,352
Net cash flows from business operations		86,343	79,155
Changes in:			
Loans and advances to banks	2	-1,378	47,837
Loans and advances to customers	3	-970,326	-946,353
Debt securities at amortised cost	4	-301,760	229,238
Deposits from banks	13	744,420	2,686
Deposits from customers	14	1,053,508	1,129,966
Other operating activities		37,842	-33,368
Net cash flows from operational activities		648,649	509,161
Investment activities			
Investment in investment securities	5	-12,369	-1,226
Investment in intangible assets	6	-14,977	-13,415
Investment in property and equipment	7	-3,008	-25,362
Divestment in property and equipment	7	1,226	4
Cash flows from investment activities		-29,128	-39,999

in thousands of EUR	Note	2020	2019
Financing activities			
Movements in Debt issued and other borrowed funds	16	6,368	-
Payments of lease liabilities	9	-3,578	-4,297
Increase share capital	18	5,450	53,656
Payment of cash dividend	18	-	-5,035
Purchase of depository receipts of own shares	18	-20,499	-126
Cash flows from financing activities		-12,259	44,198
Net change in cash and cash equivalents		607,262	513,360
Cash and cash equivalents at the beginning of the year		2,475,031	1,961,935
<i>Effect of exchange rate fluctuations on cash and cash equivalents held</i>		112	-264
Cash and cash equivalents at the end of the year		3,082,405	2,475,031
On demand deposits with central banks		2,955,787	2,269,983
On demand deposits with banks		126,618	205,048
Cash and cash equivalents at the end of the year		3,082,405	2,475,031
Additional information on operational cash flows from interest and dividends			
Interest paid		-24,257	-29,622
Interest received		216,686	215,533
Dividend received		449	679