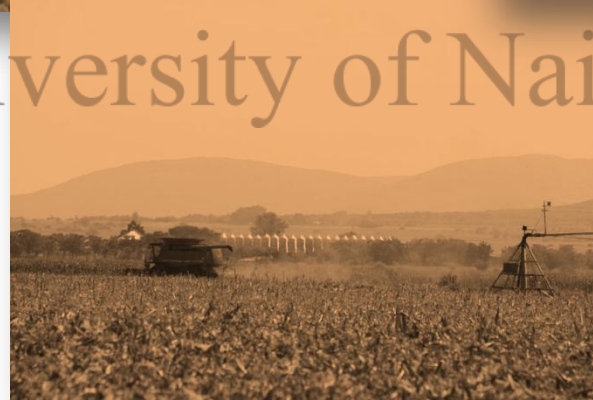


Agricultural Banking Services

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ILS
Business Management Institute
University of Nairobi

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Who are we?

“Standard Bank Africa is a division of Standard Bank South Africa

and has banks in 17 African countries, excluding South Africa,

making it the largest banking operation in the continent.

We have 21 branches countrywide.



CfC Stanbic Bank

A member of Standard Bank Group



Facilitating adoption of new technology



Banking Services

- Advisory Services
- Credit facilities
- Foreign Exchange services
- Transactional services
- Trade Services



Advisory Services

- Economic advisory services (Local & Global)

Market Information

Technical services

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Crop Loans



- Repayable at the end of the season
- Suitable for maize, wheat, barley

▪ Perennial crops

Revolving facility that is renewed annually

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- Available in KES and hard currency to

match income

- Security – can be crop proceed



Overdrafts

- Renewable annually

Charged interest based on the usage

Based on the customer cash flow

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- Mainly used to finance working capital

Term Loan

- Repayable over longer period of time depending on the pay back period of the enterprise and cash flow

▪ Suitable to financing capital investments

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- Available in currency to match the income
- Cheaper interest rates when taken in hard currency.



Vehicle & Asset Finance

- Finance: Farm machinery, motor vehicles, pumps etc
- The specific asset financed becomes the security

Quick and easy to turn around



Foreign Exchange Services

- Spot Exchange Transactions

Forward Exchange Transactions

- SWAPs



Transactional Services

- Money transfers
- Payments and collection solutions

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Trade Services

- Letters of Credit (Import and Export)
- Invoice discounting
- Guarantees
- Pre-shipment finance
- Bill avalisation



Historical

- Audited Accounts 3 years
- Management Accounts

Farm records 3 years (sole Proprietor)

✓ Balance Sheet

✓ Profit and loss

✓ Cash flow

	06/30/14	06/30/13
Cash Flow From Operations, Investments & Financial Activities		
Net Income (Loss)	8,168	9,993
Depreciation/Amortization & Depletion	1,186	1,439
Net Change from Assets/Liabilities	0	1,046
Net Cash from Discontinued Operations	0	0
Other Operating Activities	5,272	3,319
Net Cash From Operating Activities	14,626	15,797
Property & Equipment	-1,109	-891
Acquisition/ Disposition of Subsidiaries	-4	-1,063
Investments	-1,632	-5,259
Other Investing Activities	0	0
Net Cash from Investing Activities	-2,745	-7,213
Uses of Funds		
Issuance (Repurchase) of Capital Stock	-635	-4,366
Issuance (Repayment) of Debt	0	0
Increase (Decrease) Short-Term Debt	0	0
Payment of Dividends & Other Distributions	-1,729	-857
Other Financing Activities	0	0
Net Cash from Financing Activities	-2,364	-5,223
Effect of Exchange Rate Changes	27	61
Net Change In Cash & Equivalents	9,544	3,422
Cash at Beginning of Period	6,438	3,016
Cash at End of Period	15,982	6,438

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Projections

- Balance sheet 3 years

Profit and Loss 3 years

Cash flow forecast 3 years

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✓ Monthly cash flow projections for the first 1 year
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Cash Flow Projection

- Income
 - ✓ Assumptions
- Expenditure
 - ✓ Direct Costs
 - ✓ Fixed costs (overheads)
 - ✓ Capital investments
 - ✓ Finance costs

- Surplus

CfC Stanbic Bank Strengths

- A specialized agriculture team
- Matching repayment with income
- Availability of foreign currency lending
- Advisory services on forex, economic & market developments
- etc
- Crop loans
- Support from Head Office on agricultural deals
- Crop Insurance in partnership with Heritage

Questions

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