

United Bank for Africa Uganda Limited Summary Financial Statements for the year ended 31 December 2019.

I. INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF UNITED BANK FOR AFRICA UGANDA LIMITED

Opinion

The summary financial statements of United Bank for Africa Uganda Limited, which comprise the summary statement of financial position as at 31 December 2019, the summary statement of profit or loss and other comprehensive income for the year then ended, and related notes, are derived from the audited financial statements of United Bank for Africa Uganda Limited for the year ended 31 December 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material aspects with the audited financial statements, in accordance with the measurement and recognition requirements of International Financial Reporting Standards, the requirements of Section 12(1) of the Financial Institutions Act, 2004 (amended in 2016) and the Companies Act of Uganda as applicable to summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the Ugandan Companies Act, 2012, as well as the Financial Institutions Act, 2004 (amended in 2016) as applicable to the annual financial statements.

Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and our Report thereon

We expressed an unmodified opinion on the audited financial statements in our report dated 21st April 2020. That report includes the communication of key audit matters as reported in the auditor's report of the audited financial statements. Key audit matters are those matters that in our professional judgement were of most significance during our audit of the financial statements of the current period.

Directors' responsibilities for the Summary Financial Statements

The Directors are responsible for the preparation of the summary financial statements in accordance with the requirements of the Financial Institutions (External Auditors) Regulations 2010 and the Financial Institutions Act, 2004 (amended in 2016) and for such internal control as the directors determine necessary to enable the preparation of the summary financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material aspects, with the audited financial statements based on our procedures which were conducted in accordance with the International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.



Certified Public Accountant of Uganda
3rd Floor, Rwenzori House Plot 1, Lumumba Avenue
P.O Box 10314, Kampala, Uganda

21st April 2020
Kampala.

SUMMARY FINANCIAL STATEMENTS OF UNITED BANK FOR AFRICA UGANDA LIMITED

II. STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

| | 2019 Ushs'000 | 2018 Ushs'000 |
|---|--------------------|--------------------|
| ASSETS | | |
| Cash and balances with Bank of Uganda | 92,874,378 | 28,692,221 |
| Balances with banking institutions | 72,831,064 | 87,165,244 |
| Due from parent/group companies | 94,709,635 | 81,307,756 |
| Investment securities | 117,537,461 | 75,686,555 |
| Loans and advances (net) | 41,926,123 | 32,967,998 |
| Interest receivable and other assets | 8,829,727 | 6,228,524 |
| Property, equipment and Right of Use Assets | 20,312,256 | 4,708,346 |
| Intangible assets | 243,424 | 350,667 |
| Total Assets | 449,264,068 | 317,107,311 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Customers' deposits | 325,265,128 | 244,674,520 |
| Balances due to banking institutions | 40,279,582 | 7,667,427 |
| Interest payable and other liabilities | 28,424,707 | 18,002,680 |
| TOTAL LIABILITIES | 393,969,417 | 270,344,627 |
| Share capital | 96,428,378 | 96,428,378 |
| Accumulated losses | (40,616,488) | (48,658,609) |
| Regulatory credit reserve | 12,080 | - |
| Fair value reserve | (529,319) | (1,007,085) |
| TOTAL SHAREHOLDER'S EQUITY | 55,294,651 | 46,762,684 |
| TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY | 449,264,068 | 317,107,311 |

III. STATEMENT OF COMPREHENSIVE INCOME

| | 2019 Ushs'000 | 2018 Ushs'000 |
|---|---------------------|---------------------|
| INCOME | | |
| Interest on deposits and placements | 5,712,449 | 5,120,236 |
| Interest on loans and advances | 4,918,097 | 4,331,844 |
| Interest on investment securities | 25,089,369 | 17,486,138 |
| Foreign exchange income | 2,821,999 | 5,319,099 |
| Fees and commission income | 11,086,585 | 10,587,996 |
| Other income | 1,104,895 | 4,725,200 |
| Total Income | 50,733,394 | 47,570,513 |
| EXPENDITURE | | |
| Interest expense on deposits | (6,214,063) | (3,390,904) |
| Interest expense on borrowings | (855,744) | (1,234,581) |
| Other interest expense | (594,261) | - |
| Provisions for bad and doubtful debts | (139,839) | (1,133,696) |
| Operating expenses | (33,838,113) | (34,570,631) |
| Total expenditure | (41,642,020) | (40,329,812) |
| Profit before tax | 9,091,374 | 7,240,701 |
| Taxation | (1,037,173) | (2,332,247) |
| Profit after tax | 8,054,201 | 4,908,454 |
| OTHER COMPREHENSIVE INCOME | | |
| Unrealized fair value changes on Debt securities at FVOCI | 477,766 | (1,140,504) |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | 8,531,967 | 3,767,950 |

IV. OTHER DISCLOSURES

| | 2019 Ushs'000 | 2018 Ushs'000 |
|---------------------------------------|-------------------|-------------------|
| CONTINGENT LIABILITIES | | |
| Letters of credit | - | - |
| Guarantees and performance bonds | 45,519,490 | 21,338,705 |
| TOTAL | 45,519,490 | 21,338,705 |
| COMMITMENTS | | |
| Undrawn credit lines | 23,602,249 | 6,622,914 |
| TOTAL | 23,602,249 | 6,622,914 |
| CREDIT EXPOSURE | | |
| Non-performing loans and other assets | 24,763 | 60,556 |
| Interest in suspense | 7,265 | 111,290 |
| Bad debts written off | 1,750,028 | 1,277,529 |
| Large loan exposures | 19,811,464 | 27,986,875 |
| Insider loan exposures | 222,475 | 26,892 |
| CAPITAL POSITION | | |
| Core capital | 54,841,736 | 46,342,907 |
| Supplementary capital | 422,382 | 331,140 |
| Total qualifying capital | 55,264,119 | 46,674,047 |
| Total Risk Weighted Assets (RWA) | 252,065,397 | 191,070,549 |
| Core capital to RWA | 21.76% | 24.25% |
| Total qualifying capital to RWA | 21.92% | 24.43% |

V. MESSAGE FROM DIRECTORS

The summary financial statements are prepared in accordance with the requirements of the Financial Institutions (External Auditors) Regulations 2010 and the Financial Institutions Act, 2004 (amended in 2016).

The above statement of financial position and statement of comprehensive income were audited by Deloitte & Touche Certified Public Accountant of Uganda and received an unqualified audit opinion.

The financial statements were approved by the Board of Directors on 20th March 2020 and discussed with Bank of Uganda on 14th April 2020.



Mrs. Maria Kiwanuka
Chairperson



Mr. Johnson Agoreyo
Managing Director