

I REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF BANK OF AFRICA – UGANDA LIMITED

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2020, the summary statement of comprehensive income for the year then ended and other disclosures, are derived from the audited financial statements of Bank of Africa – Uganda Limited for the year ended 31 December 2020.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the Financial Institutions Act, 2004 (as amended 2016) Laws of Uganda and the Financial Institutions (External Auditors) Regulations, 2010.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Financial Institutions Act, 2004 (as amended 2016) Laws of Uganda and the Companies Act, 2012 Laws of Uganda. 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 Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 29 April 2021. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Directors' Responsibility for the Summary Financial Statements

The directors are responsible for the preparation of the summary financial statements in accordance with the Financial Institutions Act, 2004 (as amended 2016) Laws of Uganda and the Financial Institutions (External Auditors) Regulations, 2010.

Auditor's Responsibility

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

KPMG
Certified Public Accountants
3rd Floor, Rwenzori courts, Plot 2 & 4A, Nakasero Road
P O Box 3509, Kampala, Uganda
29 April 2021

II SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	2020	2019
	Shs '000	Shs '000
ASSETS		
Cash and balances with Bank of Uganda	114,501,756	120,203,019
Deposits and balances with other banking institutions	28,276,604	16,373,548
Deposits due from group companies	21,655,000	31,572,536
Government securities	263,134,453	170,423,346
Loans and advances to customers	397,995,799	397,152,447
Other assets	8,999,429	17,197,133
Property and equipment	24,903,088	29,666,449
Intangible assets	4,396,782	4,175,428
Deferred income tax asset	16,955,889	16,306,547
Total assets	880,818,800	803,070,453
LIABILITIES AND SHAREHOLDERS' EQUITY		
Customer deposits	617,559,215	578,563,182
Deposits and balances due to other banking institutions	32,053,065	6,581,280
Deposits due to group companies	55,946,000	57,575,138
Other borrowings	460,124	608,517
Other liabilities	35,593,833	34,750,567
Current income tax liability	2,309,970	1,468,530
Total liabilities	743,922,207	679,547,214
Share capital	46,775,206	46,775,206
Share premium	23,614,439	23,614,439
Regulatory credit risk reserve	4,081,000	1,834,000
Retained earnings	62,425,948	51,299,594
Total shareholders' equity	136,896,593	123,523,239
Total liabilities and shareholders' equity	880,818,800	803,070,453

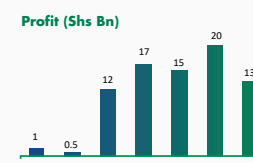
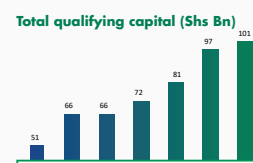
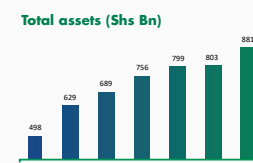
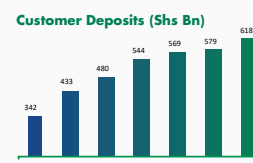
III SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	Shs '000	Shs '000
INCOME		
Interest on deposits and placements	1,887,795	2,687,868
Interest on loans and advances	55,969,903	51,771,451
Interest on investment securities	21,817,667	18,151,132
Trading income	12,567,585	10,199,393
Fees and commissions income	21,624,611	27,645,803
Other income	1,567,116	5,160,149
Total income	115,434,677	115,615,796
EXPENDITURE		
Interest expense on deposits	10,764,234	8,968,308
Interest expense on borrowings	3,301,680	3,065,737
Provisions for bad and doubtful debts	12,213,538	2,621,913
Operating expenses	65,534,092	69,448,968
Fees and commission expense	6,338,102	4,811,353
Total expenditure	98,151,646	88,916,279
Net profits before tax	17,283,031	26,699,517
Taxation	(3,911,064)	(6,545,737)
Net profits after tax	13,371,967	20,153,780

IV OTHER DISCLOSURES

	2020	2019
	Shs '000	Shs '000
CONTINGENT LIABILITIES		
Letters of credit	22,893,048	30,820,000
Guarantees and performance bonds	153,381,723	153,660,723
Total	176,274,771	184,480,723
COMMITMENTS		
Undrawn stand-by facilities	20,862,524	17,891,029
Total	20,862,524	17,891,029
Non-performing loans and other assets	25,984,484	8,289,863
Interest in suspense	2,491,387	2,417,366
Bad debts written off	4,657,000	3,667,000
Large loan exposures	286,728,625	312,429,098
Insider loan exposures	639,789	578,799
CAPITAL POSITION		
Core capital	95,560,000	92,058,000
Supplementary capital	5,318,000	4,901,000
Total qualifying capital	100,878,000	96,959,000
Total risk weighted assets (RWA)	558,534,000	558,073,000
Core capital to RWA	17.1%	16.5%
Total qualifying capital to RWA	18.1%	17.4%

V TRENDS



The financial statements were approved by the Board of Directors and discussed with Bank of Uganda on 25 March 2021 and 13 April 2021 respectively.

Chairman Managing Director Director Company Secretary