



ABC CAPITAL BANK LTD

EXTRACT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

I REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF ABC CAPITAL BANK LIMITED

Opinion

The summary financial statements **ABC Capital Bank Limited**, which comprise the summary statement of financial position at December 31, 2018, the summary statement of profit or loss for the year then ended and the related disclosures, are derived from the audited financial statements of ABC Capital Bank Limited for the year ended December 31, 2018.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with International Financial Reporting Standards, the Financial Institutions Act, 2004, and as amended and the Companies Act, 2012.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Financial Institutions Act, 2004, and as amended and the Companies Act, 2012.

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 may have 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 audit opinion on the audited financial statements in our report dated April 26, 2019. That report 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 year.

Directors' Responsibilities for the Summary Financial Statements

The directors are responsible for the preparation of the summary financial statements in accordance with International Financial Reporting Standards, the Companies Act, 2012 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 Standards on Auditing (ISA) 810 (Revised) "Engagements to Report on Summary Financial Statements".



Grant Thornton

Certified Public Accountants
Wing B/C, 2nd Floor, Lugogo House,
Plot 42, Lugogo Bypass, P.O. Box 7158 Kampala, Uganda
April 26, 2019

II STATEMENT OF FINANCIAL POSITION

ASSETS

	2018 USh'000	2017 USh'000
Cash and balances with Bank of Uganda	5,851,697	6,795,360
Deposits and balances due from other banking institutions	12,232,954	15,386,037
Marketable (trading) securities	931,518	2,021,423
Loans and advances	19,628,061	16,390,917
Investment securities	16,212,383	10,737,571
Other assets	614,042	888,541
Property and equipment	1,498,992	1,793,798
Intangible assets	3,175,462	2,898,490
Tax recoverable	383,518	411,675
Deferred tax Asset	1,139,043	724,081
TOTAL ASSETS	61,667,670	58,047,893

LIABILITIES AND SHAREHOLDER'S EQUITY

LIABILITIES

Customer deposits	26,973,733	26,478,638
Balances due to other banking institutions	792,600	1,096,586
Other liabilities	1,675,486	1,426,434
TOTAL LIABILITIES	29,441,819	29,001,658

Share capital	28,837,000	25,537,000
Retained earnings	3,355,403	3,329,641
Fair value reserves	33,448	153,477
Regulatory reserve	-	26,117
TOTAL SHAREHOLDERS' EQUITY	32,225,851	29,046,235

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	61,667,670	58,047,893
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III STATEMENT OF PROFIT OR LOSS

INCOME

	2018 USh'000	2017 USh'000
Interest on deposits and placements	837,640	1,352,802
Interest on loans and advances	3,845,028	3,492,876
Interest on held to maturity and marketable investments	1,476,657	1,307,461
Foreign exchange income	168,122	176,949
Fee and commission income	625,454	560,249
Other income	951,935	489,844
TOTAL INCOME	7,904,836	7,380,181

EXPENDITURE

Interest expense on deposits	(948,480)	(1,271,306)
Interest expense on borrowings	(17,945)	(60,042)
Impairment losses on loans and advances and other risk provisions	(20,144)	(297,885)
Operating expenses	(6,514,274)	(6,524,295)
TOTAL EXPENDITURE	(7,500,843)	(8,153,528)

Profit / (Loss) before tax	403,993	(773,347)
Income tax expense	(109,161)	240,165
Profit / (Loss) for the year	294,832	(533,182)

IV OTHER DISCLOSURES

CONTINGENT LIABILITIES

	2018 USh'000	2017 USh'000
Guarantees and performance bonds	8,245,781	10,256,666

COMMITMENTS

Undrawn credit lines	1,006,948	904,176
Total	9,252,729	11,160,842

Non-performing loans and other assets	6,14,954	241,910
Interest in suspense	95,475	14,179
Bad debts written off	-	244,303
Large loan exposures	3,513,229	-
Insider loan exposures	56,305	42,202

CAPITAL POSITION

Core capital	27,810,711	25,244,070
Supplementary capital	198,981	185,719
Total Qualifying Capital	28,009,692	25,429,789
Total Risk Weighted Assets (RWA)	39,959,190	38,671,918

Core capital to RWA	69.60%	65.28%
Total qualifying capital to RWA	70.10%	65.76%

V MESSAGE FROM DIRECTORS

The above statement of financial position and statement of profit or loss account were audited by Grant Thornton, Certified Public Accountants and received unqualified opinion. The financial statements were approved by the Board of Directors on **March 20, 2019** and discussed with the Bank of Uganda on April 18, 2019.



Dr. James Muvanga
CHAIRPERSON, BOARD OF DIRECTORS



Mr. Jesse Timbwa
AG. CHIEF EXECUTIVE OFFICER

Head Office and Colline House Branch: Colline House, plot 4 Pilkington Road

Luwum Street Branch: Pioneer Mansion, Plot 11 Luwum Street

Arua Park Branch: Arua Park Mall, Plot 11 Luwum Street

Kikuubo Branch: Fami Plaza, Plot 21 Nakivubo Road (Nakivubo Lane)