



ABC CAPITAL BANK LIMITED

Summary financial statements for the year ended December 31, 2019

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

Opinion

The summary financial statements of ABC Capital Bank Limited ("the Bank"), which comprise the summary statement of financial position as at December 31, 2019 and 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 the Bank for the year ended December 31, 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements of the Bank for the year ended December 31, 2019 in accordance with the Financial Institutions (External Auditors) Regulations 2010.

Summary financial statements

The summary financial statements do not contain all the disclosures as required by International Financial Reporting Standards, the Companies Act, 2012 and the Financial Institutions Act, 2004, and as amended. 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 April 22, 2020. That report also includes the communication of Key Audit Matters. Key Audit Matters are those matters, in our professional judgment were of most significance in our audit of the financial statements for the year ended December 31, 2019.

Directors' responsibilities of the summary financial statements

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

Auditor's responsibility

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

Grant Thornton

Grant Thornton
Certified Public Accountants

April 27, 2020
Kampala, Uganda

II SUMMARY STATEMENT OF FINANCIAL POSITION

	2019 USh'000	2018 USh'000
ASSETS		
Cash and balances with Bank of Uganda	4,000,680	5,851,697
Balances with financial institutions	11,589,120	7,298,655
Due from parent/group companies	4,074,716	4,934,299
Investment in government securities	985,902	931,518
Loans and advances (net)	18,596,473	19,646,520
Investment securities	12,609,236	16,212,383
Interest receivable and other assets	387,408	614,042
Property, equipment and right of use assets	3,496,066	1,498,993
Intangible assets	2,800,258	3,175,462
Tax recoverable	383,518	383,518
Deferred tax asset	-	1,139,043
TOTAL ASSETS	58,923,377	61,686,130
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Customer deposits	24,303,865	26,973,733
Balances due to financial institutions	-	792,600
Interest payable and other liabilities	3,552,122	1,693,946
TOTAL LIABILITIES	27,855,987	29,460,279
SHAREHOLDER'S EQUITY		
Share capital	28,837,000	28,837,000
Retained earnings	2,230,390	3,355,403
Fair valuation reserve	-	33,448
TOTAL SHAREHOLDERS' EQUITY	31,067,390	32,225,851
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	58,923,377	61,686,130

III SUMMARY STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

	2019 USh'000	2018 USh'000
INCOME		
Interest on deposits and placements	742,526	837,640
Interest on loans and advances	4,020,838	3,845,028
Interest on investment securities	1,415,994	1,476,657
Foreign exchange income	442,682	321,599
Fees and commissions income	700,464	625,454
Other operating income	407,552	798,458
TOTAL INCOME	7,730,056	7,904,836
EXPENDITURE		
Interest expense on deposits	(620,261)	(948,480)
Interest expense on borrowings and lease liabilities	(185,187)	(17,945)
Impairment allowance on financial assets	166,214	(20,144)
Operating expenses	(4,008,252)	(3,821,708)
Other expenses	(2,754,017)	(2,692,566)
TOTAL EXPENDITURE	(7,401,503)	(7,500,843)

	2019 USh'000	2018 USh'000
PROFIT BEFORE TAX	328,553	403,993
Taxation	(1,453,566)	(109,161)
(LOSS)/PROFIT FOR THE YEAR	(1,125,013)	294,832
OTHER COMPREHENSIVE INCOME		
Gain on fair valuation of government securities	-	33,448
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	(1,125,013)	328,280
IV OTHER DISCLOSURES		
	2019 USh'000	2018 USh'000
CONTINGENT LIABILITIES		
Guarantees and performance bonds	4,969,940	8,264,239
Total	4,969,940	8,264,239
COMMITMENTS		
Undrawn credit lines	1,496,250	1,006,948
Total	1,496,250	1,006,948
Non-performing loans and other assets	1,726,116	614,954
Interest in suspense	145,152	95,475
Bad debts written-off	-	-
Insider loan exposures	89,335	56,305
CAPITAL POSITION		
Core capital	28,050,834	27,810,711
Supplementary capital	187,888	198,981
Total qualifying capital	28,238,722	28,009,693
Total Risk Weighted Assets (RWA)	36,251,253	39,959,192
Core capital to RWA	77.38%	69.60%
Total qualifying capital to RWA	77.90%	70.10%

V BASIS OF PREPARATION

The summary financial statements of the Bank for the year ended December 31, 2019 were prepared in accordance with the Financial Institutions (External Auditors) Regulations, 2010. Under the criteria established by the Board, the Bank discloses the summary statements of financial position and profit or loss and other comprehensive income.

VI MESSAGE FROM DIRECTORS

The above summary statements of financial position and profit or loss and other comprehensive income were audited by Grant Thornton Certified Public Accountants and received an unqualified audit opinion. The financial statements were approved by the Board of Directors on March 18, 2020 and discussed with Bank of Uganda on April 20, 2020.

James Muwanga
Dr. James Muwanga
CHAIRPERSON, BOARD OF DIRECTORS

Jesse Timbwa
Mr. Jesse Timbwa
CHIEF EXECUTIVE OFFICER