



# ABC CAPITAL BANK LIMITED

## SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### I REPORT OF THE INDEPENDENT AUDITOR

#### Opinion

The summary financial statements of ABC Capital Bank Limited ("the Bank"), which comprise the summary statement of financial position at 31 December 2020, and the summary statement of profit and 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 31 December 2020.

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 31 December 2020, 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 opinion on the audited financial statements in our report dated April 27, 2021. 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 financial statements for the year ended 31 December 2020.

#### Directors' responsibility 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, and as amended.

#### 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 International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

*Grant Thornton*

Grant Thornton  
Certified Public Accountants  
Kampala, Uganda

April 28, 2021

### II SUMMARY STATEMENT OF FINANCIAL POSITION

	2020 USh'000	2019 USh'000
<b>ASSETS</b>		
Cash and balances with Bank of Uganda	5,440,747	4,000,680
Investment in government securities	15,473,022	13,595,138
Deposits and balances due from other financial institutions	11,072,891	15,663,836
Loans and advances to customers (net)	24,535,313	18,596,473
Other assets	309,031	387,408
Prepaid tax	383,518	383,518
Right of use assets	1,713,330	2,533,815
Property, plant & equipment	837,158	962,251
Intangible assets	2,375,280	2,800,258
<b>TOTAL ASSETS</b>	<b>62,140,290</b>	<b>58,923,377</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>LIABILITIES</b>		
Customer deposits	24,098,792	24,303,865
Deposit and balances due to other financial institutions	3,657,731	-
Lease liability	1,671,238	2,288,674
Other liabilities	1,337,907	1,263,448
<b>TOTAL LIABILITIES</b>	<b>30,765,668</b>	<b>27,855,987</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	28,837,000	28,837,000
Retained earnings	2,537,622	2,230,390
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>31,374,622</b>	<b>31,067,390</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>62,140,290</b>	<b>58,923,377</b>

### III SUMMARY STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

	2020 USh'000	2019 USh'000
<b>INCOME</b>		
Interest on deposits and placements	531,204	742,526
Interest on loans and advances	4,070,913	4,020,838
Interest on investment securities	1,671,431	1,415,994
Foreign exchange income	354,302	442,682
Fees and commissions income	783,108	700,464
Other operating income	274,022	407,552
<b>TOTAL INCOME</b>	<b>7,684,980</b>	<b>7,730,056</b>
<b>EXPENDITURE</b>		
Interest expense on deposits	(539,928)	(620,261)
Interest expense on borrowings and lease liabilities	(260,143)	(185,187)
Impairment allowance on financial assets	(177,128)	166,214
Operating expenses	(3,450,705)	(4,008,252)
Other expenses	(2,614,089)	(2,754,017)
<b>TOTAL EXPENDITURE</b>	<b>(7,041,993)</b>	<b>(7,401,503)</b>

	2020 USh'000	2019 USh'000
<b>PROFIT BEFORE TAX</b>	<b>642,987</b>	<b>328,553</b>
Tax expense	(335,755)	(1,453,566)
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>307,232</b>	<b>(1,125,013)</b>
<b>OTHER COMPREHENSIVE INCOME</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>	<b>307,232</b>	<b>(1,125,013)</b>
<b>IV OTHER DISCLOSURES</b>		
<b>CONTINGENT LIABILITIES</b>		
Guarantees and performance bonds	1,529,262	4,969,940
<b>TOTAL</b>	<b>1,529,262</b>	<b>8,264,239</b>
<b>COMMITMENTS</b>		
Undrawn credit lines	178,504	1,496,250
<b>TOTAL</b>	<b>178,504</b>	<b>1,006,948</b>
Non-performing loans and other assets	1,475,758	1,726,116
Interest in suspense	393,458	145,152
Bad debts written off	-	-
Insider loan exposures	40,032	89,335
<b>CAPITAL POSITION</b>		
Core capital	28,916,658	28,050,834
Supplementary capital	239,149	187,888
<b>TOTAL QUALIFYING CAPITAL</b>	<b>29,155,807</b>	<b>28,238,722</b>
<b>Total Risk Weighted Assets (RWA)</b>	<b>39,793,641</b>	<b>36,251,253</b>
Core capital to RWA	72.67%	77.38%
Total qualifying capital to RWA	73.27%	77.90%

### V BASIS OF PREPARATION

The summary financial statements of the Bank for the year ended 31 December 2020 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 Board of Directors on March 31, 2021 and discussed with Bank of Uganda on April 14, 2021.

*James Muwanga*  
Dr. James Muwanga  
CHAIRPERSON, BOARD OF DIRECTORS

*Jesse Timbwa*  
Mr. Jesse Timbwa  
CHIEF EXECUTIVE OFFICER