

I REPORT OF THE INDEPENDENT AUDITOR ON THE PUBLISHED SUMMARY FINANCIAL STATEMENTS OF BANK OF AFRICA - UGANDA LTD.

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2021, the summary statement of comprehensive income, for the year then ended, and related notes, are derived from the audited financial statements of Bank of Africa - Uganda Ltd. for the year ended 31 December 2021.

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 (External Auditors) Regulations, 2010.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the requirements of the Companies Act, 2012, the Financial Institutions Act, 2004 (as amended) and Financial Institutions Regulations 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 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 audit opinion on the audited financial statements in our report dated 29 April 2022. 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 (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.

Ernst & Young

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Date: 29 April 2022

II SUMMARY STATEMENT OF FINANCIAL POSITION

	2021	2020
	Shs M	Shs M
Assets		
Cash and balances with Bank of Uganda	157,052	114,502
Deposits and balances with other banking institutions	69,095	28,277
Deposits due from group companies	29,399	21,655
Government securities	271,124	263,134
Loans and advances to customers (net)	410,001	397,996
Other assets	12,534	8,999
Property and equipment	25,541	24,903
Intangible assets	3,636	4,397
Deferred tax asset	13,880	16,956
Total assets	992,262	880,819
Liabilities and Shareholders' equity		
Customer deposits	607,543	617,559
Deposits and balances due to other banking institutions	37,418	32,053
Deposits due to group companies	126,536	55,946
Other borrowings	269	460
Other liabilities	54,102	35,594
Current income tax liability	1,757	2,310
Total liabilities	827,625	743,922
Share capital	46,775	46,775
Share premium	23,614	23,614
Proposed dividends	15,903	15,903
Regulatory credit risk reserve	-	4,081
Retained earnings	78,345	46,524
Total shareholders' equity	164,637	136,897
Total liabilities and shareholders' equity	992,262	880,819

III SUMMARY STATEMENT OF COMPREHENSIVE INCOME

	2021	2020
	Shs M	Shs M
Income		
Interest on deposits and placements	3,653	1,860
Interest on loans and advances	55,304	55,970
Interest on investment securities	27,637	21,846
Foreign exchange income	6,812	9,115
Gain on financial assets at fair value through profit or loss	9,692	3,453
Fees and commissions income	23,938	21,624
Other income	1,023	1,567
Total income	128,059	115,435
Expenditure		
Interest expense on deposits	12,781	10,764
Interest expense on borrowings	2,565	3,302
Other interest expense	908	-
Provisions for bad and doubtful debts	1,221	9,845
Modification loss on restructured loans and advances	3,676	2,368
Operating expenses	61,782	65,533
Fees and commission expense	7,947	6,338
Total expenditure	90,880	98,150
Net profit before tax	37,179	17,285
Taxation	(9,439)	(3,911)
Net profit after tax	27,740	13,374

IV OTHER DISCLOSURES

	2021	2020
	Shs M	Shs M
Contingent liabilities		
Letters of credit	21,069	22,893
Guarantees and performance bonds	159,955	153,382
Total	181,024	176,275
Commitments		
Undrawn stand-by facilities	11,981	20,863
Non-performing loans and other assets	17,850	25,985
Interest in suspense	90	2,491
Bad debts written off	1,733	4,657
Large loan exposures	301,799	286,729
Insider loan exposures	546	640
Capital position		
Core capital	131,218	95,560
Supplementary capital	4,339	5,318
Total qualifying capital	135,557	100,878
Total risk weighted assets (RWA)	594,025	565,147
Core capital to RWA	22.09%	16.91%
Total qualifying capital to RWA	22.82%	17.85%

Notes to the summary financial statements of Bank of Africa - Uganda Ltd.

The summary financial statements are extracted from the audited financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010.

V MESSAGE FROM THE DIRECTORS

The statement of financial position and statement of comprehensive income were audited by Ernst & Young and received an unmodified opinion. The financial statements were approved by the Board of Directors on 25 March 2022 and discussed with Bank of Uganda on 6 April 2022.

Chairman Managing Director Executive Director Company Secretary

VI TRENDS

