



Summarised Financial Statements for the period ended December 31, 2020

I. REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF NCBA BANK UGANDA LIMITED

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2020 the summary statement of comprehensive income for the year then ended, and other disclosures are derived from the audited financial statements of NCBA Bank Uganda Limited for the year ended December 31, 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 April 28, 2021. The 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
Date: **April 28, 2021**

II. SUMMARY STATEMENT OF FINANCIAL POSITION

	December 31 2020 US\$ '000	December 31 2019 US\$ '000 Restated
ASSETS		
Cash and Balances with BOU	60,405,572	65,748,566
Investment Securities	122,362,614	81,447,290
Pledged Assets	3,880,373	3,986,606
Balances with Banking Institutions	38,774,816	43,296,794
Due from Parent/Group Companies	8,624,951	11,533,632
Loans and Advances (net)	268,085,433	281,727,280
Other Assets	24,984,728	22,395,216
Property & Equipment	2,110,680	2,609,994
Intangible Assets	3,751,336	4,498,417
Deferred Tax Asset	15,527,845	9,186,333
Right of Use Asset	10,632,084	11,358,546
Total Assets	559,140,432	537,788,674
LIABILITIES AND SHAREHOLDERS' EQUITY		
Customers' Deposits	396,753,404	369,292,537
Balances Due to Banking Institutions	920,431	4,134,452
Due to Parent/Group Companies	13,915,142	5,892,096
Other Liabilities	13,365,572	21,292,483
Lease Liability	11,351,149	11,686,016
Tax Payable	250,186	154,534
Borrowed Funds	23,804,869	36,657,788
Total Liabilities	460,360,753	449,109,906
Share Capital	103,500,000	50,000,000
Amalgamation Reserve	-	35,943,771
Fair Value Through OCI Reserve	(607,294)	(224,078)
(Accumulated Losses) / Retained Earnings	(4,113,027)	2,959,075
Total Shareholders' Equity	98,779,679	88,678,768
Total Liabilities and Shareholders' Equity	559,140,432	537,788,674

Head Office: Rwenzori Towers, Nakasero Road, P O Box 28707, Kampala, Uganda
Telephone: +256312188400; www.ncbagroup.com
Licence Number A1.026

NCBA Bank Uganda Limited is Regulated by Bank of Uganda
Customer deposits are protected by the Deposit Protection Fund of Uganda

III. SUMMARY STATEMENT OF COMPREHENSIVE INCOME

	December 31 2020 US\$ '000	December 31 2019 US\$ '000 Restated
INCOME		
Interest on Deposits and Placements	4,222,273	2,632,894
Interest on Loans and Advances	57,948,877	31,484,372
Interest on Investment Securities	10,697,243	6,654,273
Foreign Exchange Income	5,508,442	2,590,385
Fees and Commissions Income	4,772,474	4,671,115
Other Income	190,398	273,796
Total Income	83,339,707	48,306,835
EXPENDITURE		
Interest Expense on Deposits	(26,062,169)	(13,213,953)
Interest Expense on Borrowings	(598,495)	(1,382,338)
Other Interest Expense - Lease Liability	(634,463)	(406,404)
Provisions for Bad and Doubtful Debts	(24,975,926)	(7,577,498)
Operating Expenses	(38,846,124)	(22,678,440)
Total Expenditure	(91,117,177)	(45,258,633)
(Loss)/Profit Before Tax	(7,777,470)	3,048,202
Tax Credit	3,622,077	2,574,264
Net (Loss)/Profit After Tax	(4,155,393)	5,622,466
Other Comprehensive Income for the Year After Tax:		
Net Fair Value Loss Through OCI Reserve	(383,216)	(414,978)
Total Comprehensive Income for the Year	(4,538,609)	5,207,488

IV. OTHER DISCLOSURES

CONTINGENT LIABILITIES

Letters of Credit	15,719,635	5,277,384
Guarantees and Performance Bonds	102,632,551	87,353,109
Total	118,352,186	92,630,493

COMMITMENTS

Undrawn Credit Lines	55,803,942	50,144,518
Total	55,803,942	50,144,518

CREDIT EXPOSURE

Non-performing Loans	52,505,539	23,231,351
Interest in Suspense	4,720,018	3,763,354
Bad Debts Written Off	13,330,200	19,909,967
Large Loan Exposures	110,321,827	58,182,180
Insider Loan Exposures	2,147,181	1,978,054

CAPITAL POSITION

Core Capital	78,207,027	74,812,751
Supplementary Capital	2,750,654	2,790,260
Total Qualifying Capital	80,957,681	77,603,011
Total Risk Weighted Assets (RWA)	479,074,193	468,737,403
Core Capital to RWA	16.32%	15.96%
Total Qualifying Capital to RWA	16.90%	16.56%

V. MESSAGE FROM DIRECTORS

The above summary statement of financial position and summary income statement were audited by KPMG and received an unqualified audit opinion. The financial statements were approved by the Board of Directors on March 26, 2021 and discussed with the Bank of Uganda on April 19, 2021.

BUSINESS AMALGAMATION

NIC Group Plc (renamed NCBA Group Plc) and Commercial Bank of Africa Limited (renamed NCBA Bank Kenya Plc) merged operations effective October 1, 2019 in Kenya, following receipt of approvals from the Central Bank of Kenya and the Cabinet Secretary of National Treasury on September 30, 2019,

On May 27, 2020, the Bank received a no objection from Bank of Uganda for the business amalgamation resulting in the transfer of Commercial Bank of Africa Uganda Limited's banking business (Assets and Liabilities) to NC Bank Uganda Limited (the continuing entity).

On June 2, 2020, NC Bank Uganda Limited changed its name to NCBA Bank Uganda Limited and on June 15, 2020, Bank of Uganda issued a commercial banking license (Class1) to NCBA Bank Uganda Limited.

The summary statement of financial position, summary statement of comprehensive income and other disclosures relate to NCBA Bank Uganda Limited as at December 31, 2020. The Bank accounted for the business combination as a Common Control transaction where NCBA Bank Uganda Limited received the net asset value of Commercial Bank of Africa Uganda Limited ("the transferring entity") under common control.

The transfer of net assets is reflected retrospectively i.e. the financial statements of the Bank are presented as though the assets and liabilities had been transferred at the beginning of the reporting period. The comparatives have been retrospectively adjusted by combining the financial statements of the two entities from the date when the Banks shared common control (October 01, 2019).

Grace Kavuma
Chairman

Anthony Ndegwa
Managing Director