

BANK OF INDIA (UGANDA) LTD



SUMMARISED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017

I. REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF BANK OF INDIA (UGANDA) LIMITED

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2017, the summary statement of profit or loss and other comprehensive income for the year ended and related disclosures, are derived from the audited financial statements of Bank of India(Uganda) Limited for the year ended December 31, 2017.

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 in the manner required by companies Act 2012 and the Financial Institutions Act, 2004 (as amended in 2016)

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 in 2016) 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 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 27, 2018. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of financial statements for 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 in the manner required by the Companies Act, 2012 and the Financial Institutions (External Auditors) Regulations, 2010 and the Financial Institutions Act 2004 (as amended in 2016) and for such internal control as the directors determine necessary to enable the preparation of the summary financial statements that are free from material misstatement, whether due to fraud or error.

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
Kampala, Uganda
April 27, 2018

II. SUMMARY STATEMENT OF FINANCIAL POSITION

	2017 Shs'000	2016 Shs'000
Assets		
Cash and Balances with Bank Of Uganda	15,328,985	16,396,751
Government Securities and Placements	47,703,036	50,984,031
Deposits and Balances due from Other Financial Institutions	13,046,684	11,432,563
Loans and Advances to Customers (net)	85,641,808	71,943,639
Amounts due from Branches of Parent Company	1,274,886	1,606,394
Property and Equipment	2,078,253	1,393,726
Deferred Tax Asset	1,705,416	1,746,004
Other Assets	2,123,315	498,201
Total Assets	168,902,383	156,001,309
Liabilities and Shareholder's Equity		
Customer Deposits	114,046,880	99,154,148
Other Financial Liabilities	18,175,000	-
Amounts due to Group Companies	-	23,432,500
Other Liabilities	1,515,395	1,259,672
Total Liabilities	133,737,275	123,846,320
Capital and Reserves Attributable to Company's Equity Holders		
Share Capital	27,000,000	27,000,000
Regulatory Credit Risk Reserve	429,904	364,351
Proposed Dividend	1,080,000	540,000
Retained Earnings	6,655,204	4,250,638
Total Shareholders' Equity	35,165,108	32,154,989
Total Liabilities and Shareholder's Equity	168,902,383	156,001,309

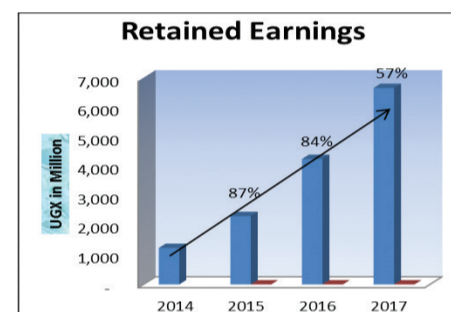
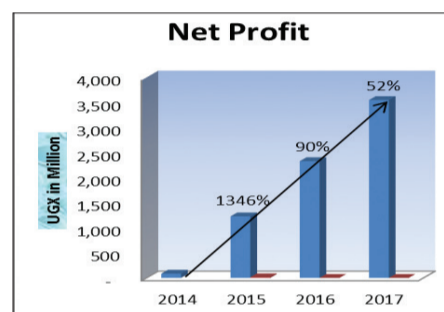
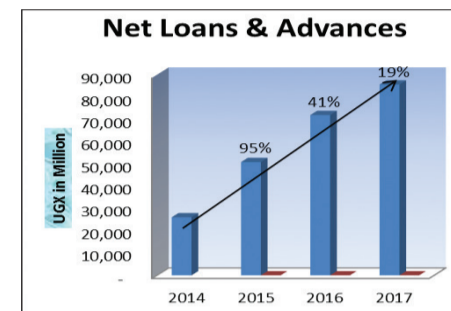
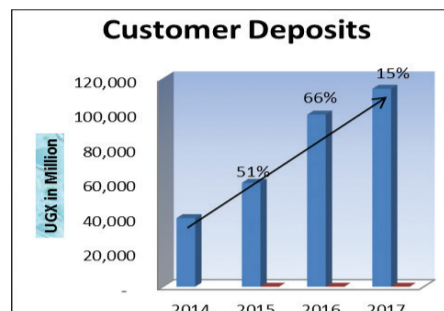
III. SUMMARY STATEMENT OF COMPREHENSIVE INCOME

	2017 Shs'000	2016 Shs'000
Income		
Interest on Deposits and Placement	1,331,493	1,999,007
Interest on Loans and Advances	8,989,139	6,958,088
Interest on Investment Securities	4,824,256	4,607,601
Fee and Commission Income	1,053,015	883,871
Foreign Exchange Income	297,348	151,340
Other Income	98,531	66,948
Total Income	16,593,782	14,666,855
Expenditure		
Interest Expense on Deposits	(5,853,380)	(4,923,217)
Interest Expense on Borrowings	(16,318)	(361,753)
Provision for Bad & Doubtful Debts	15,793	(546,530)
Operating Expenses	(5,978,575)	(5,908,276)
Total Expenditure	(11,832,480)	(11,739,776)
Net Profit before Tax	4,761,302	2,927,079
Income Tax Charge	(1,211,183)	(596,496)
Net Profit after Tax	3,550,119	2,330,583

Key Performance Highlights

- Customer Deposits grew by 15% to Ugx 114 Bn
- Loans & Advances grew by 19% to 86 Bn
- Net Profits grew by 52% to 3.55 Bn
- Retained Earnings grew by 57% to 6.65 Bn
- NPL maintained at 0.5% of Total Loan & Advances

Graphical Representation of Key Business Parameters

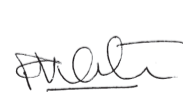


IV. OTHER DISCLOSURES

	2017 Shs'000	2016 Shs'000
Contingent Liabilities		
Guarantees	11,220,390	16,070,462
Letters of Credit	3,190,275	931,967
Total	14,410,665	17,002,429
Commitments		
Undrawn Credit Lines & Other Commitments to Lend	12,549,196	6,853,634
Documents Sent for Collection	1,861,817	-
Total	14,411,013	6,853,634
Capital Position		
Core Capital	31,949,790	29,504,310
Supplementary Capital	417,798	723,023
Total Qualifying Capital	32,367,588	30,227,333
Total Risk Weighted Assets (RWA)	107,723,069	96,188,659
Core Capital to RWA	29.66%	30.67%
Total Qualifying Capital to RWA	30.05%	31.43%

V. MESSAGE FROM THE DIRECTORS

The above Summary Statement of Financial Position and Statement of Comprehensive Income were audited by Grant Thornton and received an unqualified opinion. The financial statements were approved by the Board of Directors on 27th March 2018 and discussed with Bank of Uganda on 18th April 2018.



Peter C R Kabatsi
Chairman



Ajay Kumar Panth
Managing Director



Dr. Fred Muhumuza
Non-Executive Director

Address: Head Office, Plot No. 37, Jinja Road,
P.O.Box 7332, Kampala, Uganda

Bank of India (U) Ltd is regulated by Bank of Uganda

HIGHLIGHTS OF CSR AND OTHER ACTIVITIES IN THE BANK



Ajay Kumar Panth
MANAGING DIRECTOR

“ I express my sincere appreciation for our Board of Directors for their continued guidance and the shareholders Bank of India for their trust & confidence in Bank of India Uganda in keeping it operations running as usual. ”

It is my pleasure to present the financial statements of Bank of India (U) Ltd for the year ended December 31, 2017.

2017 was a challenging year for the Bank, comparatively, in terms of the growth in business. The Bank had a moderate growth in its topline but posted a higher than expected profit as it maintained a high quality of assets, keeping Non Performing Loans at bare minimum. The bank adopted an aggressive customer acquisition approach that helped in enhancing its CASA (Current and Savings Accounts) thus bringing down the cost of deposits. The Bank also maintained its operating expenses during the year as at the last year. There has been a significant increase in all the performance indicators of the bank. The bank undertook various CSR activities in the areas of health & education in improvement towards uplifting the society.

On behalf of the entire team of Bank of India Uganda, I take this opportunity in extending our gratitude to all our esteemed customers and stakeholders for their support & patronage, as always. I also express my sincere appreciation for our Board of Directors for their continued guidance and the shareholders Bank of India for their trust & confidence in Bank of India Uganda in keeping it operations running as usual. We request all our Customers and public at large to stay away from any rumours in the market about the Bank closing down. BOIUL will be there with rejuvenated enthusiasm to stay for long and create a better tomorrow.

For 2018, we have set our strategic priorities in the areas of alternate delivery channels. I assure you that forthcoming year would be much better and therefore we have kept our goals ambitiously high.



Received the Award from Indian Business Forum for Company Keeping Image High.



Sharing Award 'Bank of the Year 2017' received from Visionaries of Uganda Board of Directors.



Blood Donation Camp in Conjunction with Indian Association and Uganda Blood Transfusion Service



Bank Staff Taking Vigilance Awareness Oath

REGIONAL NEWS

NEW VISION, Thursday, February 15, 2018

THE BANK WILL ALSO CATER FOR ALL HER SCHOOL NEEDS TO ENSURE SHE DOES NOT LACK ANYTHING

Bank of India gives Kagadi PLE star scholarship

By Ismael Kasooha

WHAT RESIDENTS SAY

Valentina Nqabirano, Keti Turyamureba, This is a golden opportunity she has been given because we will now have more educated people in our area.

BETWEEN THE LINES:

■ Ajay Panth, the managing director of Bank of India Uganda, said they were concerned that such a bright girl was dropping out of school.

He said every year, the bank helps needy people not only in education but in health and other social needs.

Other students around secondary school on February 12, but Namara was still stranded at home.

Reporting to school

"As our corporate social responsibility, we deemed it necessary to come to the aid of this young girl to help her studies and achieve her vision," Panth said.



(Left to right) Ismael Panth and Namara with officials from Bank of India. Photos by Ismael Kasooha



The article that was run by New Vision on February 12

Namara could not hide her joy as well. "I am optimistic that I will be able to become a surgeon now that people of good will came to my rescue," Namara said. Geoffrey Busingye, the LC3 chairman of Kagadi town council, thanked New Vision for having published Namara's story. "As local leaders we are grateful to New Vision for being people-oriented because if they had not published her story she would not have got the sponsor's financial assistance. Busingye thanked Bank of India for helping Namara at the time when she actually needed financial assistance. Sister Rose Bwambuka, the headteacher of St Francis Xavier Modern Secondary School, promised to nurture Namara into a responsible citizen. Bwambuka also thanked Bank of India for supporting a needy student and supporting a needy school. "The young God has answered my prayers and I am grateful to Bank of India and the New Vision for this compassionate offer. May the Almighty God bless them abundantly," Bwambuk said.