

DIAMOND TRUST BANK UGANDA LIMITED

Extract of the Financial Statements for the year ended 31 December 2018

I REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS TO THE MEMBERS OF DIAMOND TRUST BANK UGANDA LIMITED

Opinion

The summary consolidated and separate financial statements of Diamond Trust Bank Uganda Limited, which comprise the summary consolidated and separate statement of financial position as at 31 December 2018, and the summary consolidated and separate statement of profit or loss and other comprehensive income for the year then ended, and related notes, are derived from the audited consolidated and separate financial statements of Diamond Trust Bank Uganda Limited for the year ended 31 December 2018.

In our opinion, the accompanying summary consolidated and separate financial statements are consistent, in all material respects with the audited consolidated and separate financial statements, in accordance with the measurement and recognition requirements of International Financial Reporting Standards and the requirements of Section 12 (1) of the Financial Institutions (External Auditors) Regulations 2010 as well as Section 50 (1) of the Financial Institutions Act, 2004 as amended by the financial institutions (Amendment) Act 2016 as applicable to summary consolidated and separate financial statements.

Summary Consolidated and Separate Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Uganda Companies Act, 2012 as well as the Financial Institutions Act, 2004 as amended by the Financial Institutions (Amendment) Act 2016 as applicable to the annual financial statements.

Reading the summary consolidated and separate financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditors' report thereon.

The Audited Consolidated and Separate Financial Statements and our Report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 09 April 2019. That report includes the communication of key audit matters as reported in the auditor's report of the audited consolidated and separate financial statements.

Directors' responsibility of the Summary Consolidated and Separate Financial Statements

The Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the requirements of the Financial Institutions (External Auditors) Regulations 2010 and the Financial Institutions Act, 2004 as amended by the Financial Institutions (Amendment) Act 2016 and for such internal control as the Directors determine is necessary to enable the preparation of the summary consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are consistent in all material aspects, with the audited consolidated and separate 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.



Certified Public Accountant of Uganda
09 April 2019
Kampala

II CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

	CONSOLIDATED		SEPARATE	
	2018 Shs'000	2017 Shs'000	2018 Shs'000	2017 Shs'000
Assets				
Cash and balances with BOU	153,367,785	138,395,449	153,367,785	138,395,449
Balances with banking institutions	237,616,217	154,253,199	237,616,217	154,253,199
Loans and advances (net)	534,187,470	623,007,482	534,187,470	623,007,482
Investment securities	599,132,176	558,329,341	599,132,176	558,329,341
Other assets	16,932,801	16,425,338	16,917,250	16,402,661
Property and equipment	35,091,438	34,486,798	35,080,329	34,483,146
Tax recoverable	5,753,086	4,072,539	5,750,612	4,060,045
Deferred income tax asset	23,651,754	11,818,765	23,294,952	11,819,215
Investment in subsidiary	-	-	1,237,860	50,000
Total Assets	1,605,732,727	1,540,788,911	1,606,584,651	1,540,800,538
Liabilities and shareholders' equity				
Customer deposits	1,148,822,265	1,167,517,585	1,150,201,751	1,168,609,249
Balances due to banking institutions	43,436,388	4,535,546	43,436,388	4,535,546
Borrowed funds	69,560,929	43,764,886	69,560,929	43,764,886
Other liabilities	35,967,537	35,437,061	35,796,537	35,305,007
Tax payable	-	-	-	-
Subordinated debt	38,037,452	37,059,966	38,037,452	37,059,966
Total liabilities	1,335,824,571	1,288,315,044	1,337,033,057	1,289,274,654
Share capital	45,281,250	45,281,250	45,281,250	45,281,250
Share premium	88,659,780	88,659,780	88,659,780	88,659,780
Retained earnings	115,620,809	79,677,383	114,432,745	78,729,400
Regulatory reserve	19,555,018	37,561,330	19,555,018	37,561,330
Revaluation reserves	791,299	1,294,124	1,622,801	1,294,124
Total shareholders' equity	269,908,156	252,473,867	269,551,594	251,525,884
Total liabilities and shareholders' equity	1,605,732,727	1,540,788,911	1,606,584,651	1,540,800,538

III CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	CONSOLIDATED		SEPARATE	
	2018 Shs'000	2017 Shs'000	2018 Shs'000	2017 Shs'000
Income				
Interest on deposits and placements	3,939,487	2,724,993	3,939,487	2,724,993
Interest on loans and advances	69,045,809	90,584,808	69,045,809	90,584,808
Interest on investment securities	58,241,015	48,433,921	58,241,015	48,433,921
Foreign exchange income	7,261,399	7,456,111	7,261,399	7,456,111
Fees and commissions income	25,060,567	22,617,046	25,060,750	22,617,046
Other income	45,817	404,576	(299,463)	88,707
Total income	163,594,094	172,221,455	163,248,997	171,905,586
Expenditure				
Interest expense on deposits	32,515,334	48,960,650	32,636,891	49,081,081
Interest expense on borrowings	2,531,014	433,109	2,531,014	433,109
Other interest expense	5,822,007	4,183,633	5,822,007	4,183,633
Impairment losses on loans and advances	19,272,571	30,958,735	19,272,571	30,958,735
Impairment loss on other investments	1,018,650	-	1,018,650	-
Operating expenses	83,981,893	72,559,805	83,852,512	72,451,612
Total expenditure	145,141,469	157,095,932	145,133,645	157,108,170
Profit before income tax	18,452,625	15,125,523	18,115,352	14,797,416
Income tax (expense) / credit	(284,143)	(60,532)	(186,951)	38,545
Net profit after tax	18,168,482	15,064,991	17,928,401	14,835,961
Other comprehensive income				
Net fair value (loss) / gain	(502,825)	(133,178)	328,677	(133,178)
Total comprehensive income	17,665,657	14,931,813	18,257,078	14,702,783
IV OTHER DISCLOSURES				
Contingent liabilities				
Letters of credit	33,098,978	41,858,263	33,098,978	41,858,263
Guarantees and performance bonds	21,456,465	30,261,292	21,456,465	30,261,292
Total	54,555,443	72,119,555	54,555,443	72,119,555
Commitments				
Undrawn credit lines	66,155,980	46,306,536	66,155,980	46,306,536
Total	66,155,980	46,306,536	66,155,980	46,306,536
Non-performing loans and other assets	27,035,828	40,093,651	27,035,828	40,093,651
Interest in suspense	123,947	1,958,888	123,947	1,958,888
Bad debts written off	26,278,676	35,700,690	26,278,676	35,700,690
Large loan exposures	81,445,114	89,297,559	81,445,114	89,297,559
Insider loan exposures	16,613,996	17,488,975	16,613,996	17,488,975
Capital Position:				
Core Capital	217,297,143	198,024,236	217,297,143	198,024,236
Supplementary Capital	5,198,308	37,738,881	5,198,308	37,738,881
Total Qualifying Capital	222,495,451	235,763,117	222,495,451	235,763,117
Total Risk Weighted Assets (RWA)	786,588,374	775,073,406	786,588,374	775,073,406
Core Capital to RWA	27.6%	25.5%	27.6%	25.5%
Total Qualifying Capital to RWA	28.3%	30.4%	28.3%	30.4%

V MESSAGE FROM DIRECTORS

The above consolidated and separate statement of financial position and consolidated and separate statement of profit or loss and other comprehensive income were audited by Deloitte & Touche and issued an unmodified opinion. The financial statements were approved by the Board of Directors on 07 March 2019 and discussed with Bank of Uganda on 28 March 2019.



Azim H.A. Kassam
Chairman



Jane F.A. Kabbale
Director



Varghese Thambi
Chief Executive Officer