

DIAMOND TRUST BANK UGANDA LIMITED

Extract of the Financial Statements for the year ended 31 December 2019

I REPORT OF THE INDEPENDENT AUDITOR 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 which comprise the summary consolidated and separate statement of financial position as at 31 December 2019, 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 2019.

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 International Financial Reporting Standards, the Financial Institutions (External Auditors) Regulations 2010, the Financial Institutions Act, 2004 (as amended 2016) and the Companies Act of Uganda.

Summary Consolidated and Separate Financial Statements

The summary consolidated and separate financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Financial Institutions Act, 2004 (as amended 2016) and the Companies Act of Uganda

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 consolidated and separate financial statements in our report dated 09 April 2020. 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 for the current year.

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 Financial Institutions (External Auditors) Regulations 2010 and the Financial Institutions Act, 2004 (as amended 2016).

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 2020.
Kampala

II SUMMARY CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

	CONSOLIDATED		SEPARATE	
	2019 Shs'000	2018 Shs'000	2019 Shs'000	2018 Shs'000
Assets				
Cash and balances with BOU	147,450,860	153,367,785	147,450,860	153,367,785
Balances with banking institutions	106,185,345	179,385,977	106,185,345	179,385,977
Due from parent\group companies	63,592,671	58,230,240	63,592,671	58,230,240
Loans and advances (net)	582,348,830	534,187,470	582,348,830	534,187,470
Investment in government securities	708,674,283	599,132,176	708,674,283	599,132,176
Other assets	18,462,134	16,932,801	18,446,001	16,917,250
Property and equipment	46,962,375	35,091,438	46,954,533	35,080,329
Tax recoverable	6,533,598	5,753,086	6,537,467	5,750,612
Deferred income tax asset	37,252,338	23,651,754	36,804,949	23,294,952
Investment in subsidiary	-	-	1,538,083	1,237,860
Total assets	1,717,462,434	1,605,732,727	1,718,533,022	1,606,584,651
Liabilities and shareholders' equity				
Customer deposits	1,319,507,449	1,148,822,265	1,321,220,087	1,150,201,751
Balances due to banking institutions	35,105,014	43,339,122	35,105,014	43,339,122
Due to parent\group companies	79,534	97,266	79,534	97,266
Borrowed funds	19,027,436	69,560,929	19,027,436	69,560,929
Other liabilities	55,489,446	35,967,537	55,294,024	35,796,537
Subordinated debt	-	38,037,452	-	38,037,452
Total liabilities	1,429,208,879	1,335,824,571	1,430,726,095	1,337,033,057
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	116,324,076	115,620,809	114,835,790	114,432,745
Regulatory reserve	37,307,942	19,555,018	37,307,942	19,555,018
Fair value reserve on Securities	680,507	791,299	1,722,165	1,622,801
Total shareholders' equity	288,253,555	269,908,156	287,806,927	269,551,594
Total liabilities and shareholders' equity	1,717,462,434	1,605,732,727	1,718,533,022	1,606,584,651

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


	CONSOLIDATED		SEPARATE	
	2019 Shs'000	2018 Shs'000	2019 Shs'000	2018 Shs'000
Income				
Interest on deposits and placements	6,106,176	3,939,487	6,106,176	3,939,487
Interest on loans and advances	59,487,041	69,045,809	59,487,041	69,045,809
Interest on investment securities	70,539,648	58,241,015	70,539,648	58,241,015
Foreign exchange income	8,023,998	7,261,399	8,023,998	7,261,399
Fees and commissions income	26,981,301	25,060,567	26,981,487	25,060,750
Other income	71,232	45,817	(328,019)	(299,463)
Total income	171,209,396	163,594,094	170,810,331	163,248,997
Expenditure				
Interest expense on deposits	37,788,712	32,515,334	37,952,152	32,636,891
Interest expense on borrowings	1,596,305	2,531,014	1,596,305	2,531,014
Other interest expense	5,815,803	5,822,007	5,815,803	5,822,007
Impairment losses on loans and advances	16,075,686	19,272,571	16,075,686	19,272,571
Impairment (credit) / loss on other investments	(323,861)	1,018,650	(323,861)	1,018,650
Operating expenses	88,869,788	83,981,893	88,735,295	83,852,512
Total expenditure	149,822,433	145,141,469	149,851,380	145,133,645
Profit before income tax	21,386,963	18,452,625	20,958,951	18,115,352
Income tax expense	(1,538,940)	(284,143)	(1,411,150)	(186,951)
Net profit after tax	19,848,023	18,168,482	19,547,801	17,928,401
Other comprehensive income				
Net fair value (loss) / gain	(110,792)	(502,825)	99,364	328,677
Total comprehensive income	19,737,231	17,665,657	19,647,165	18,257,078
IV OTHER DISCLOSURES				
Contingent liabilities				
Letters of credit	35,522,394	33,098,978	35,522,394	33,098,978
Guarantees and performance bonds	36,011,837	21,456,465	36,011,837	21,456,465
Total	71,534,231	54,555,443	71,534,231	54,555,443
Commitments				
Undrawn credit lines	50,457,092	66,155,980	50,457,092	66,155,980
Total	50,457,092	66,155,980	50,457,092	66,155,980
Non-performing loans and other assets	46,617,534	27,035,828	46,617,534	27,035,828
Interest in suspense	1,296,485	123,947	1,296,485	123,947
Bad debts written off	23,829,354	26,278,676	23,829,354	26,278,676
Large loan exposures	129,061,837	81,445,114	129,061,837	81,445,114
Insider loan exposures	15,837,067	16,613,996	15,837,067	16,613,996
Capital Position:				
Core Capital	201,604,541	217,297,143	201,604,541	217,297,143
Supplementary Capital	5,505,463	5,198,308	5,505,463	5,198,308
Total Qualifying Capital	207,110,004	222,495,451	207,110,004	222,495,451
Total Risk Weighted Assets (RWA)	830,921,035	786,588,374	830,921,035	786,588,374
Core Capital to RWA	24.3%	27.6%	24.3%	27.6%
Total Qualifying Capital to RWA	24.9%	28.3%	24.9%	28.3%

V BASIS OF PREPARATION

The summary consolidated and separate financial statements for the year ended 31 December 2019 were prepared in accordance with the requirements of Section 12 (1) of the Financial Institutions (External Auditors) Regulations, 2010. The rules require that a financial institution shall, within four months after the end of its financial year, publish its audited annual financial statements and the external auditor's report, in a newspaper circulating in the whole of Uganda in the format prescribed in the schedule of the regulations. These summary consolidated and separate financial statements have been reviewed by Deloitte & Touche Certified Public Accountants of Uganda who expressed an unmodified review conclusion. The directors take full responsibility for the preparation of this report.

VI MESSAGE FROM DIRECTORS

The above summary consolidated and separate statement of financial position and summary consolidated and separate statement of profit or loss and other comprehensive income were audited by Deloitte & Touche and received an unmodified opinion. The financial statements were approved by the Board of Directors on 27 February 2020 and discussed with Bank of Uganda on 24 March 2020.


Azim H.A. Kassam
Chairman


Jane F.A. Kabbale
Director


Varghese Thambi
Managing Director