



BANK OF BARODA (UGANDA) LIMITED

Summary Consolidated and Separate Financial Statements for the year ended December 31, 2019

It is my pleasure to share our Banks' financial statements for the year ended December 31, 2019.

As we embark on Bank's 67th year in Uganda (50 years as Subsidiary of Bank of Baroda India) the bank as a whole has made a strong foothold with a solid foundation, excellent industry position and opportunities for growth. The year 2019 was a productive year for the bank and we achieved good business growth during the year. Total Deposits increased by 136.41 Bn, showing a growth of 10.48% over the previous year, Advances net of impairment increased by UGX 47.08 Bn showing a growth of 6.22% in 2019, Total Business i.e. deposit + Advances increased by UGX 184.72 Bn showing a growth of 8.94% over the previous year, Total Assets increased by 9.43%.

We aim to expand our footprints in the emerging markets by leveraging our strong position in the existing markets within the country. In order to leverage the technology further Bank is

going to replace ATMs with Cash Recycler machines in different parts of the country which will provide 24/7 cash deposit facility to our esteemed clients.

2019 was an important milestone on our path as the Bank was adjudged one of the best Brands in East Africa by Superbrands for the fourth consecutive time. This year Bank was conferred with one more award "The East Africa Best Employer Brand Award 2019" by world HRD Congress. The Bank was conferred with "Second runner up in having highest absorption rate in terms of value of loan disbursed to Agriculture Sector as at March 2019".

I take this opportunity to place my sincere thanks and gratitude to the Government of the Republic of Uganda and Bank of Uganda- the Central Bank for their valuable guidance and continued support in strengthening the operations of the Bank. I express my deepest gratitude to all our esteemed customers and shareholders for their continuous support and patronage.



ASHWINI KUMAR, Managing Director

The Corporate Social Responsibility and other Activities



Participation in Sports Gala 2019



Restoration of Forest & Planation of Trees



Inauguration of Blood Donation Camp at Railway Station Branch, Kampala



BARODA again voted as Super Brands 2019-2020



Donation of Water Tanks to Bat Valley School



Sight Saving Eye Camp organized in Jinja



Board Members during Annual General Meeting 2018



Cake cutting ceremony on the occasion of Foundation Day

SERVING THE PEOPLE OF UGANDA SINCE 1953

Our Branches with ATM: Kampala Main/Railway Station/Jinja/Mbale/Mbarara/Iganga/Kansanga/Kawempe/Lira/Mukono/Ovino Market/Kabale/Entebbe/Industrial Area/Kololo/Lugazi

Our off-Site ATM: Oasis Mall, Kampala | Susie House, Kabalagala | Njeru Industrial Area, Jinja



Head Office: Plot 18, Kampala Road, P.O. Box 7197, Kampala (Uganda). Tel: 0414-233680

Regulated By Bank of Uganda
Customer Deposits Protected by Deposit Protection fund of Uganda.



BANK OF BARODA (UGANDA) LIMITED

Summary Consolidated and Separate Financial Statements for the year ended December 31, 2019

I. INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS TO THE MEMBERS OF BANK OF BARODA (UGANDA) LIMITED

Opinion
The summary consolidated and separate financial statements of Bank of Baroda Uganda Limited and its subsidiary, which comprise the summary consolidated and separate statement of financial position as at December 31, 2019 and the summary consolidated and separate statements of profit or loss and other comprehensive income and the cash flows for the year then ended, and related notes, are derived from the audited consolidated and separate financial statements of Bank of Baroda Uganda Limited ("the Bank") for the year ended December 31, 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 of the Bank for the year ended December 31, 2019 in accordance with the Financial Institutions (External Auditors) Regulations 2010.

Summary Consolidated and Separate Financial Statements
The summary consolidated and separate financial statements do not contain all the disclosures as required by IFRS, the Companies Act, 2012 and the Financial Institutions Act, 2004, and as amended. 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 statement and the auditor's 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 March 27, 2020. 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 the consolidated and separate financial statements for the year ended December 31, 2019.

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, and as amended.

Auditor's 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.

Grant Thornton
Certified Public Accountants
March 27, 2020
Kampala, Uganda

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

	Group		Bank	
	2019	2018	2019	2018
	US\$'000	US\$'000	US\$'000	US\$'000
Interest income	162,617,677	158,741,498	162,617,677	158,741,498
Interest expense	(61,774,461)	(49,239,650)	(61,802,077)	(49,269,780)
Net interest income	100,843,216	109,501,848	100,815,600	109,471,718
Non interest income	37,319,470	36,994,343	37,218,444	36,847,532
Operating expenses	(64,765,998)	(54,757,763)	(64,707,486)	(54,669,406)
Impairment allowance on financial assets	(3,143,056)	950,170	(3,143,056)	950,170
Profit before taxation	70,253,632	92,688,598	70,183,502	92,600,014
Taxation	(24,891,793)	(19,205,139)	(24,870,754)	(19,179,189)
Profit for the year	45,361,839	73,483,459	45,312,748	73,420,825
Other comprehensive income/(loss) for the year	(1,570,658)	(18,955,486)	(1,546,633)	(18,946,539)
Total comprehensive income	43,791,181	54,527,973	43,766,115	54,474,286
Earnings per share (basic and diluted) - "US\$"	20.25	32.80	20.23	32.78

III. SUMMARY CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

	Group		Bank	
	2019	2018	2019	2018
	US\$'000	US\$'000	US\$'000	US\$'000
Cash and balances with Bank of Uganda	180,908,902	164,394,819	180,886,135	164,262,009
Investment in government securities	538,151,415	508,317,338	538,151,415	508,317,338
Amounts due from overseas branches of parent company	9,752,300	36,850,895	9,752,300	36,850,895
Deposits and balances due from other financial institutions	307,814,346	213,827,944	307,814,346	213,827,944
Loans and advances to customers (net)	804,266,970	757,188,839	804,266,970	757,188,839
Other assets	3,768,263	3,470,110	3,583,907	3,241,524
Current tax receivable	822,637	8,512,335	806,301	8,491,215
Investments in subsidiary	-	-	40,000	40,000
Deferred tax	2,761,653	3,425,452	2,757,160	3,420,987
Property, equipment and right-of-use assets	27,259,233	18,091,961	27,257,713	18,090,204
Intangible assets	129,044	121,845	129,044	121,845
Total Assets	1,875,634,763	1,714,201,538	1,875,445,291	1,713,852,800

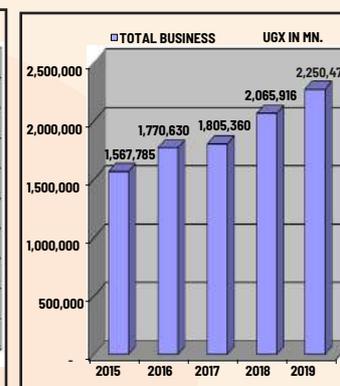
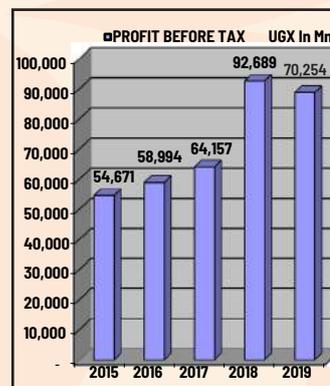
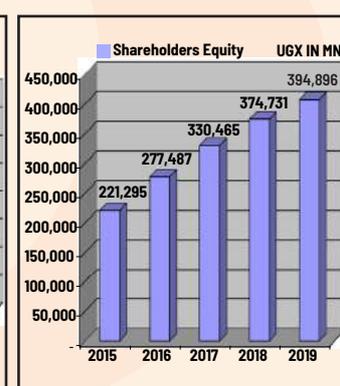
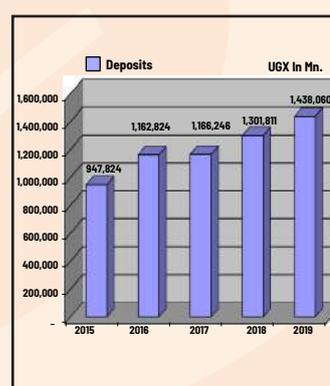
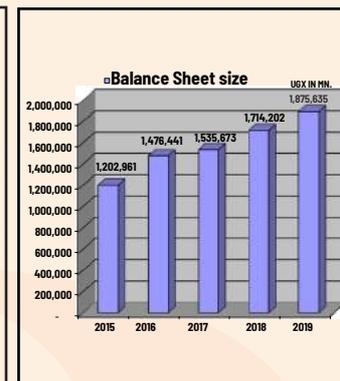
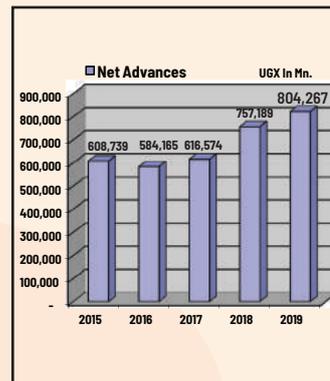
Liabilities and Shareholders' Equity				
Other financial liabilities	3,787,009	11,188,328	3,787,009	11,188,328
Customer deposits	1,438,060,145	1,301,810,777	1,438,581,061	1,302,169,378
Other liabilities	37,622,997	25,058,782	37,528,556	24,935,844
Retirement benefit obligation	1,268,764	1,413,064	1,268,764	1,413,064
Total Liabilities	1,480,738,915	1,339,470,951	1,481,165,390	1,339,706,614
Share capital	25,000,000	25,000,000	25,000,000	25,000,000
Treasury shares	(6,433)	(6,433)	-	-
Other reserves	6,149,880	25,962,840	6,174,217	25,969,632
Proposed dividend	25,000,000	25,000,000	25,000,000	25,000,000
Retained earnings	338,752,401	298,774,180	338,105,684	298,176,554
Total Shareholders' Equity	394,895,848	374,730,587	394,279,901	374,146,186
Total Liabilities and Shareholders' Equity	1,875,634,763	1,714,201,538	1,875,445,291	1,713,852,800

IV. SUMMARY CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS

	Group		Bank	
	2019	2018	2019	2018
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities				
Interest receipts	165,922,527	158,772,276	165,826,266	158,629,778
Interest payments	(62,380,664)	(47,628,554)	(62,380,664)	(47,628,554)
Net fees and commission receipts	16,504,855	13,937,740	16,504,855	13,937,740
Other income received	6,210,054	7,882,861	6,177,673	7,848,418
Recoveries on loans previously written off	13,806,461	15,292,586	13,806,461	15,292,586
Payments to employees and suppliers	(63,581,640)	(28,600,558)	(63,581,640)	(28,519,165)
Changes in working capital:				
Loans and advances to customers (net)	(48,311,854)	(124,991,182)	(48,311,854)	(124,991,182)
Cash reserve requirement	(7,630,000)	9,808,000	(7,630,000)	9,808,000
Loans and advances to banks	-	(76,717,078)	-	(76,717,078)
Other assets	(886,177)	33,445	(832,685)	55,109
Investment in Government securities	(39,923,901)	10,852,146	(39,923,901)	10,852,146
Customer deposits	135,018,111	135,408,071	135,018,111	135,482,836
Other financial liabilities	(7,401,319)	(8,060,548)	(7,401,319)	(8,060,548)
Other liabilities	(408,300)	2,760,303	(381,872)	2,645,942
	106,938,153	68,749,508	106,889,431	68,636,028
Tax paid	(16,259,594)	(23,710,441)	(16,246,844)	(23,690,441)
Net cash from operating activities	90,678,559	45,039,067	90,642,587	44,945,587
Cash flows from investing activities				
Purchase of property, equipment and right-of-use assets	(708,755)	(469,306)	(708,755)	(469,306)
Sale of property, equipment and right-of-use assets	59,631	-	59,631	-
Purchase of intangible assets	(66,620)	(159,660)	(66,620)	(159,660)
Net cash used in investing activities	(715,744)	(628,966)	(715,744)	(628,966)
Cash flows from financing activities				
Dividends paid	(25,000,000)	(18,750,000)	(25,000,000)	(18,750,000)
Net change in cash and cash equivalents for the year	64,962,815	25,660,101	64,926,843	25,566,621
Cash and cash equivalents at the beginning of the year	515,630,218	489,970,117	515,497,415	489,930,794
Total cash and cash equivalents at end of the year	580,593,033	515,630,218	580,424,258	515,497,415

V. OTHER DISCLOSURES				
	Group		Bank	
	2019	2018	2019	2018
	US\$'000	US\$'000	US\$'000	US\$'000
Contingent Liabilities				
Acceptance and letters of credit	53,410,686	50,965,186	53,410,686	50,965,186
Letters of guarantees and performance bonds	67,500,413	50,696,769	67,500,413	50,696,769
Contingents secured by cash collateral	30,497,655	28,631,405	30,497,655	28,631,405
	151,408,754	130,293,360	151,408,754	130,293,360
Commitments				
Undrawn credit lines	178,284,123	145,961,162	178,284,123	145,961,162
Total	329,692,877	276,254,522	329,692,877	276,254,522
Non-performing Loans and other Assets	10,175,535	16,397,329	10,175,535	16,397,329
Interest in Suspense	469,385	639,771	469,385	639,771
Bad debts written off	33,982,061	24,021,093	33,982,061	24,021,093
Large loan exposures	205,468,000	161,870,000	205,468,000	161,870,000
Insider loan exposures	29,566	16,914	29,566	16,914

Capital Position				
	Group		Bank	
	2019	2018	2019	2018
	US\$'000	US\$'000	US\$'000	US\$'000
Core Capital	360,116,133	319,590,069	360,116,133	319,590,069
Supplementary Capital	16,780,978	16,568,625	16,780,978	16,568,625
Total Qualifying Capital	376,897,111	336,158,694	376,897,111	336,158,694
Total Risk Weighted Assets(RWA)	1,175,697,211	1,010,066,737	1,175,697,211	1,010,066,737
Core Capital to RWA	30.63%	31.64%	30.63%	31.64%
Total Qualifying Capital to RWA	32.06%	33.28%	32.06%	33.28%



VI. BASIS OF PREPARATION

The summary consolidated and separate financial statements of Bank of Baroda (Uganda) limited ("the Bank") for the year ended December 31, 2019 were prepared in accordance with the Financial Institutions (External Auditors) Regulations, 2010. Under the criteria established by the Board, the Bank discloses the summary consolidated and separate statements of financial position, profit or loss and other comprehensive income and cash flows. The summary consolidated and separate financial statements are derived from the audited consolidated and separate financial statements of the Bank which are prepared in accordance with IFRS and in a manner required by the Companies Act, 2012 and the Financial Institutions Act, 2004, and as amended.

VII. KEY FINANCIAL HIGHLIGHTS FOR THE BANK AS AT DECEMBER 31, 2019

- Deposits increased by 10.48% in 2019 to USh 1,438,581 million from USh 1,302,169 million in 2018.
- Advances net of impairment provisions increased by 6.22% in 2019 to USh 804,267 million from USh 757,189 million in 2018.
- Total Business (Deposits and Advances) increased by 8.94% in 2019 to USh 2,250,998 million from USh 2,066,274 million 2018.
- Total assets increased by 9.43% in 2019 to USh 1,875,445 million from USh 1,713,853 million in 2018.
- Total income increased by 2.17% to USh 199,836 million in 2019 from USh 195,590 million in 2018.
- Net Profit after Tax decreased by 38.28% in 2019 to USh 45,313 million from USh 73,421 million in 2018.
- Gross NPA as a percentage to total Advances was at 1.25% as on December 2019.
- Return on Assets was at 2.54% as at 31.12.2019
- Return on Shareholders' Equity was at 11.90% as at 31.12.2019.
- Capital Adequacy Ratio as at December 31, 2019 is 30.63%- Tier I and 32.06% - Total Capital. "

VIII. DIVIDEND

The Board has resolved to recommend dividend of US\$ 25 billion for the year ended December 31, 2019. i.e. US\$ 10 per share for approval by the Shareholders at the ensuing Annual General Meeting.

IX MESSAGE FROM DIRECTORS

The above summary consolidated and separate statements of financial position, profit or loss and other comprehensive income and cash flows were audited by Grant Thornton Certified Public Accountant and received an unmodified audit opinion. The consolidated and separate financial statements were approved by the Board of Directors and Bank of Uganda on February 21, 2020 and March 26, 2020 respectively.

A copy of the audited consolidated and separate statements financial statements of the Bank can be obtained from our website at www.bankofbaroda.ug as well as from our Head Office.

Manoj Kr. Bakshi
Executive Director

Ashwini Kumar
Managing Director

Mrs. Nsanze R Vastina
Chairperson

SERVING THE PEOPLE OF UGANDA SINCE 1953

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