

# dfcu Bank Extract Of Financial Statements For The Year Ended 31 December 2013

## I. Report of the Independent Auditor on the Summary Financial Statements to the Members Of dfcu Bank Limited

The accompanying summary financial statements, which comprise the summary statement of financial position at 31<sup>st</sup> December 2013 and the summary statement of comprehensive income for the year then ended and related notes are derived from the audited financial statements of dfcu Bank Limited for the year ended 31 December 2013. We expressed an unmodified audit opinion on those financial statements in our report dated 17<sup>th</sup> March 2014. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Financial Institutions Act 2004 and the Ugandan Companies Act. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Bank.

### Directors' responsibility for the summary of financial statements

The directors are responsible for the preparation of the summary of the audited financial statements in accordance with the

requirements of the Financial Institutions (External Auditors) Regulations 2010 and the Financial Institutions Act 2004.

### Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements".

### Opinion

In our opinion, the summary financial statements derived from the audited financial statements of dfcu Bank Limited for the year ended 31 December 2013 are consistent, in all material respects, with those audited financial statements in accordance with the requirements of the Financial Institutions (External Auditors) Regulations 2010 and the Financial Institutions Act 2004.



Certified Public Accountants,  
Kampala, Uganda

## II. Summary Statement of Financial Position dfcu Bank

	2013 Shs 'M	2012 Shs 'M
<b>Assets</b>		
Cash and balances with Bank of Uganda	223,665	100,050
Balances due from other banks	82,909	61,528
Marketable (trading) securities	16,144	22,535
Loans and advances (Net)	623,138	554,582
Amounts due from group companies	7,302	-
Investment securities	193,061	205,903
Other assets	23,419	12,429
Deferred income tax asset	1,154	-
Property and equipment	21,516	18,181
Intangible asset	4,412	5,911
<b>Total assets</b>	<b>1,196,720</b>	<b>981,119</b>
<b>Liabilities and shareholders' equity</b>		
Customer deposits	700,285	591,280
Balances due to other banks	56,050	17,204
Amounts due to group companies	3,661	5,227
Other liabilities	16,589	10,936
Current income tax payable	1,285	1,504
Deferred income tax liability	-	453
Borrowed funds	222,998	200,616
Subordinated debt	52,290	32,891
<b>Total liabilities</b>	<b>1,053,158</b>	<b>860,111</b>
Share capital	25,000	25,000
Share premium	3,697	3,697
Retained earnings	92,807	70,438
Proposed dividends	13,840	12,247
Reserves	8,218	9,626
<b>Total shareholders' equity</b>	<b>143,562</b>	<b>121,008</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,196,720</b>	<b>981,119</b>

## V. Message from the Directors

The financial statements were approved by the Board of Directors on 14<sup>th</sup> March 2014 and approved by Bank of Uganda on 24<sup>th</sup> February 2014.



Bill Irwin, Chairman, dfcu Bank



Juma Kisaame, Managing Director, dfcu Bank



Jimmy D. Mugerwa, Director



Agnes T. Isharaza, Corporation Secretary

## III. Summary Statement of Comprehensive Income dfcu Bank

	2013 Shs 'M	2012 Shs 'M
<b>Income</b>		
Interest on deposits and placements	3,874	7,021
Interest on loans and advances	116,760	104,933
Interest on government and other securities	29,903	27,963
Foreign exchange income	7,700	5,622
Fee and commission income	19,887	13,691
Other income	-	1,862
<b>Total income</b>	<b>178,124</b>	<b>161,092</b>
<b>Expenditure</b>		
Interest expense on deposits	(35,076)	(33,024)
Interest expense on borrowings	(19,600)	(23,634)
Provision for bad and doubtful debts	(13,719)	(11,788)
Operating expenses	(64,364)	(53,347)
<b>Total expenditure</b>	<b>(132,759)</b>	<b>(121,793)</b>
<b>Profit before income tax</b>	<b>45,365</b>	<b>39,299</b>
Income tax expense	(10,564)	(9,401)
<b>Profit after tax</b>	<b>34,801</b>	<b>29,898</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>34,801</b>	<b>29,898</b>

## IV. Other Disclosures dfcu Bank

	2013 Shs 'M	2012 Shs 'M
<b>Contingent liabilities</b>		
Acceptances and letters of credit	1,048	484
Guarantees and performance bonds	71,250	29,965
<b>Total</b>	<b>72,298</b>	<b>30,449</b>
<b>Commitments</b>		
Undrawn stand-by facilities and other commitments to lend	23,019	27,747
<b>Total</b>	<b>23,019</b>	<b>27,747</b>
Non performing loans and other assets	25,019	28,722
Interest in suspense	3,292	6,227
Bad debts written off	15,657	8,737
Large loans exposures	165,875	144,375
Insider loans exposures	2,408	4,654
<b>Capital Position:</b>		
Core capital	115,819	105,263
Supplementary capital	58,619	39,698
<b>Total qualifying capital</b>	<b>174,438</b>	<b>144,961</b>
Total Risk Weighted Assets (RWA)	785,233	677,651
Core capital to RWA	15%	14%
Total Qualifying capital to RWA	22%	20%