

dfcu Bank Extract of Financial Statements for the year ended 31 December 2014

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 December 2014 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 2014. We expressed an unmodified audit opinion on those financial statements in our report dated 19 March 2015.

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 2014 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
19 March 2015

II. Summary Statement of Financial Position

	2014 Shs 'M	2013 Shs 'M
Assets		
Cash and balances with Bank of Uganda	178,386	223,665
Balances due from other banks	131,970	82,909
Marketable (trading) securities	57,994	16,144
Loans and advances (Net)	680,159	623,138
Amounts due from group companies	7,160	7,302
Investment securities	273,113	193,061
Other assets	22,663	23,419
Deferred income tax asset	256	1,154
Property and equipment	40,385	21,516
Intangible asset	4,163	4,412
Total assets	1,396,249	1,196,720
Liabilities and shareholders' equity		
Customer deposits	822,877	700,285
Balances due to other banks	54,021	56,050
Amounts due to group companies	4,291	3,661
Other liabilities	22,322	16,589
Current income tax payable	4,116	1,285
Borrowed funds	266,029	222,998
Subordinated debt	55,300	52,290
Total liabilities	1,228,956	1,053,158
Share capital	25,000	25,000
Share premium	3,697	3,697
Retained earnings	114,533	92,807
Proposed dividends	12,628	13,840
Reserves	11,435	8,218
Total shareholders' equity	167,293	143,562
Total liabilities and shareholders' equity	1,396,249	1,196,720

III. Summary Statement of Comprehensive Income

	2014 Shs 'M	2013 Shs 'M
Income		
Interest on deposits and placements	7,415	3,874
Interest on loans and advances	119,909	116,760
Interest on government and other securities	35,906	29,903
Foreign exchange income	10,713	7,700
Fee and commission income	20,400	19,887
Other income	10,517	-
Total income	204,860	178,124
Expenditure		
Interest expense on deposits	(37,184)	(35,076)
Interest expense on borrowings	(23,112)	(19,600)
Provision for bad and doubtful debts	(10,534)	(13,719)
Operating expenses	(78,238)	(64,364)
Total expenditure	(149,068)	(132,759)
Profit before income tax	55,792	45,365
Income tax expense	(14,221)	(10,564)
Profit after tax	41,571	34,801
Other comprehensive income	-	-
Total comprehensive income	41,571	34,801

IV. Other disclosures

	2014 Shs 'M	2013 Shs 'M
Contingent liabilities		
Acceptances and letters of credit	-	1,048
Guarantees and performance bonds	51,305	71,250
Total	51,305	72,298
Commitments		
Undrawn stand-by facilities and other commitments to lend	21,690	23,019
Total	21,690	23,019
Non performing loans and other assets	47,674	25,019
Interest in suspense	4,714	3,292
Bad debts written off	12,248	15,657
Large loans exposures	108,936	165,875
Insider loans exposures	1,720	2,408
Capital Position:		
Core capital	138,809	115,819
Supplementary capital	62,816	58,618
Total qualifying capital	201,625	174,437
Total Risk Weighted Assets (RWA)	841,923	785,233
Core capital to RWA	16%	15%
Total Qualifying capital to RWA	24%	22%

V. Message from the Directors

The financial statements were approved by the Board of Directors on 11 March 2015 and approved by Bank of Uganda on 12 March 2015.

Jimmy D. Mugerwa, Chairman, dfcu Bank

Juma Kisaame, Managing Director, dfcu Bank

Agnes Tibayeita Isharaza, Company Secretary

dfcu Bank is regulated by the Central Bank of Uganda

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...with pleasure