

Summary of the Financial Statements for the year ended 31 December 2016

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF FINANCE TRUST BANK LIMITED

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2016, the summary statement of comprehensive income for the year then ended, and other disclosures, are derived from the audited financial statements of Finance Trust Bank Uganda Limited for the year ended 31 December 2016.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the Financial Institutions (External Auditors) Regulations, 2010 and the Financial Institutions Act.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Financial Institutions Act and the Ugandan Companies Act. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 26 April 2017.

Directors' Responsibility for the Summary Financial Statements

The Bank's directors are responsible for the preparation of the summary financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010 and the Financial Institutions Act.

Auditor's responsibility

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

PricewaterhouseCoopers

Certified Public Accountants
Kampala, Uganda
26 April 2017

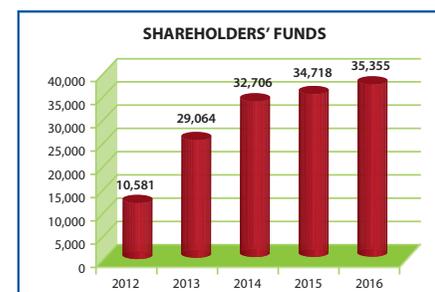
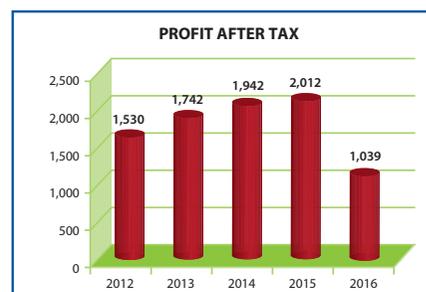
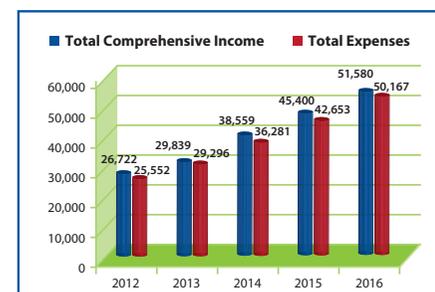
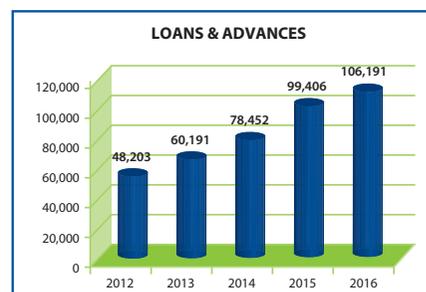
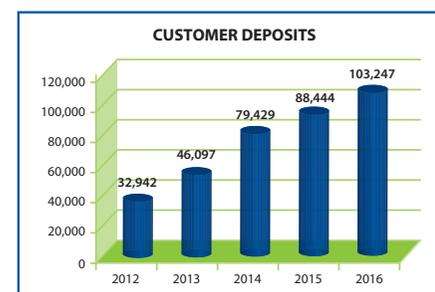
Summary Statement of Financial Position	2016 Shs '000	2015 Shs '000
Assets		
Cash and balances with Bank of Uganda	18,516,850	17,612,687
Balances with banking institutions	12,983,430	14,354,461
Loans and advances (Net)	106,190,959	99,405,575
Government securities	7,455,065	944,738
Interest receivable and other assets	7,477,276	4,957,145
Property and equipment	13,160,095	13,099,766
Current income tax recoverable	340,600	238,543
Deferred income tax asset	173,988	438,104
Total assets	166,298,263	151,051,019
Liabilities and shareholder's equity		
Customer deposits	95,001,566	78,419,204
Balances due to banking institutions	8,245,199	10,025,004
Borrowed funds	19,845,915	21,484,818
Finance leases	110,283	252,255
Interest payable and other liabilities	7,740,569	6,151,708
Dividend payable	256	-
Total liabilities	130,943,788	116,332,989
Share capital	27,785,402	27,785,402
Share premium	-	-
Retained earnings	6,340,120	5,256,842
Dividends proposed	-	402,426
Other reserves	1,228,953	1,273,360
Total Equity	35,354,475	34,718,030
Total liabilities and shareholder's equity	166,298,263	151,051,019

Summary Statement of Comprehensive Income	2016 Shs '000	2015 Shs '000
INCOME		
Interest on deposits and placements	1,455,090	469,410
Interest on loans and advances	31,064,446	27,358,701
Interest on marketable/trading securities	609,415	110,392
Foreign Exchange Income	143,427	251,683
Fees and commissions income	16,938,864	16,274,794
Other income	1,368,654	935,234
Total Income	51,579,896	45,400,214
EXPENDITURE		
Interest expense on deposits	5,748,519	5,056,613
Interest expense on borrowings	3,404,716	1,819,534
Provisions for bad and doubtful debts	2,769,781	1,744,390
Operating expenses	38,243,992	34,032,095
Total expenditure	50,167,008	42,652,632
Net profit before tax	1,412,888	2,747,582
Income tax expense	(385,999)	(735,454)
Net profits after tax	1,026,889	2,012,128
Other Comprehensive Income	11,982	-
Total Comprehensive Income	1,038,871	2,012,128

Highlights for the year 2016

Total assets grew by 10% from Ush151.06bn to Ush166.30bn	Net loans and advances increased by 7% from Ush99.41bn to Ush106.2bn	Deposits grew by 21% from Ush78.42bn to Ush95.00bn	Shareholders' equity went up by 2% from Ush34.72bn to Ush35.35bn	After tax profits reduced by 49% from Ush2.01bn to Ush1.03bn
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Other Disclosures	2016 Shs '000	2015 Shs '000
Contingent Liabilities		
Acceptances and letters of credit	-	-
Guarantee and performance bonds	375,763	108,117
Total	375,763	108,117
Commitments		
Commitments to lend	892,690	900,856
Total	892,690	900,856
Non-performing loans and other assets	5,077,978	3,978,853
Interest in suspense	753,120	526,014
Bad debts written off	2,214,223	1,909,488
Insider loan exposures	1,724,813	1,749,659
Large loan exposures	-	-
Capital Position:	30,143,946	29,775,580
Core capital	1,056,743	968,136
Supplementary Capital	31,200,689	30,743,716
Total qualifying capital	126,275,442	118,364,520
Total Risk Weighted Assets (RWA)	23.9%	25.2%
Core Capital to RWA	24.7%	26.0%



Message from the Directors

The above summary statement of financial position and summary statement of comprehensive income were audited by PricewaterhouseCoopers Certified Public Accountants and received an unqualified opinion. The financial statements were approved by the Board of Directors on 21 March 2017 and discussed with Bank of Uganda on 10 April 2017.

Irene Muloni

Hon. Eng. Irene Muloni
BOARD CHAIR

Lydia Ochieng-Obbo

Mrs Lydia Ochieng-Obbo
DIRECTOR

Anne Nakawunde Mulindwa

Anne Nakawunde Mulindwa
MANAGING DIRECTOR

Patricia Kemirembe Katende

Patricia Kemirembe Katende
COMPANY SECRETARY