



## Independent External Auditor's Report

The accompanying summary financial statements, which comprise of the summary statement of financial position as at 31st December 2013 and the summary statement of comprehensive income, for the year then ended are derived from the audited financial statements of Finance Trust Bank Limited for the year ended 31st December 2013.

We expressed an unqualified audit opinion on those financial statements in our report dated 24th April 2014. Those financial statements and the summary financial statements do not reflect the effects of the 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 the International Financial Reporting Standards and in the manner required by the Ugandan Companies Act. Reading the summary financial statements therefore is not a substitute for reading the audited financial statements of Finance Trust Bank Limited.

## Directors' responsibilities for the Summary Financial Statements

The Directors are responsible for the preparation and fair presentation of a summary of the audited financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010.

## Auditor's responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standards 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 Finance Trust Bank Limited for the year ended 31 December 2013 are consistent, in all material respects, with those audited financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010.

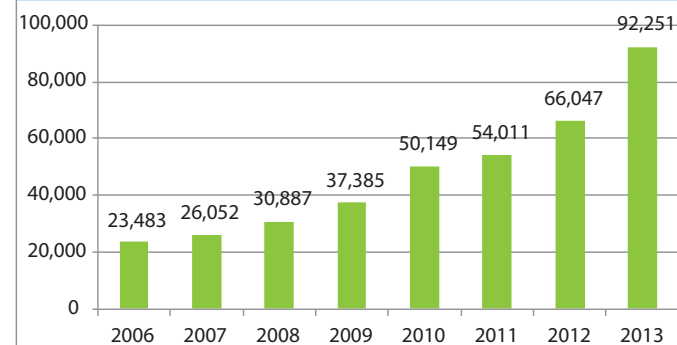
KPMG  
Certified Public Accountants  
P. O. Box 3509  
Kampala, Uganda  
Date: 24th April 2014

| Statement of Financial Position                   | 2013<br>Shs '000  | 2012<br>Shs '000  |
|---|-------------------|-------------------|
| <b>ASSETS</b>                                     |                   |                   |
| Cash and balances with BOU                        | 50,000            | 50,000            |
| Balances with banking institutions                | 13,218,092        | 8,008,757         |
| Loans and advances (Net)                          | 60,191,453        | 48,202,973        |
| Interest receivable and other assets              | 9,330,429         | 3,924,960         |
| Property and equipment                            | 7,751,386         | 5,349,661         |
| Tax recoverable                                   | 212,379           | 212,379           |
| Deferred tax asset                                | 1,497,146         | 297,828           |
| <b>Total assets</b>                               | <b>92,250,885</b> | <b>66,046,558</b> |
| <b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>       |                   |                   |
| Customer deposits                                 | 46,096,512        | 32,941,692        |
| Borrowed funds                                    | 12,774,419        | 14,909,185        |
| Interest payable and other liabilities            | 4,315,575         | 4,609,611         |
| Deferred tax liability                            | -                 | -                 |
| Subordinated debt                                 | -                 | 3,005,570         |
| <b>Total liabilities</b>                          | <b>63,186,506</b> | <b>55,466,058</b> |
| Share capital                                     | 26,085,402        | 8,585,402         |
| Retained earnings                                 | 2,581,111         | 1,414,646         |
| Credit Risk Reserves                              | 397,876           | 580,452           |
| <b>Total Equity</b>                               | <b>29,064,379</b> | <b>10,580,500</b> |
| <b>Total liabilities and shareholder's equity</b> | <b>92,250,885</b> | <b>66,046,558</b> |
| <b>Statement of Comprehensive Income</b>          |                   |                   |
| <b>INCOME</b>                                     |                   |                   |
| Interest on deposits and placements               | 535,993           | 98,717            |
| Interest on loans and advances                    | 19,148,516        | 16,695,381        |
| Interest on marketable/trading securities         | 36,608            | -                 |
| Fees and commissions income                       | 8,906,539         | 8,047,132         |
| Other income                                      | 1,211,323         | 1,880,312         |
| <b>Total Income</b>                               | <b>29,838,979</b> | <b>26,721,542</b> |
| <b>EXPENDITURE</b>                                |                   |                   |
| Interest expense on deposits                      | 1,652,097         | 1,119,194         |
| Interest expense on borrowings                    | 2,695,478         | 3,200,428         |
| Provisions for bad and doubtful debts             | 1,049,171         | 969,071           |
| Operating expenses                                | 14,465,977        | 11,594,024        |
| Other expenses                                    | 9,433,139         | 8,669,614         |
| <b>Total expenditure</b>                          | <b>29,295,862</b> | <b>25,552,331</b> |
| Net profit before tax                             | 543,117           | 1,169,211         |
| Income tax expense/credit                         | 1,199,318         | 361,073           |
| <b>Net profits after tax</b>                      | <b>1,742,435</b>  | <b>1,530,284</b>  |
| <b>Other Disclosures</b>                          |                   |                   |
| Non-performing loans and other assets             | 3,201,659         | 2,427,300         |
| Interest in suspense                              | 162,137           | 192,489           |
| Bad debts written off                             | 1,048,683         | 688,312           |
| Insider loan exposures                            | 545,193           | 292,627           |
| <b>CAPITAL POSITION</b>                           |                   |                   |
| Core capital                                      | 25,183,885        | 9,197,129         |
| Supplementary Capital                             | 2,581,845         | 3,466,405         |
| Total qualifying capital                          | 27,765,730        | 12,663,534        |
| Total Risk Weighted Assets (RWA)                  | 72,512,999        | 58,131,014        |
| Core Capital to RWA                               | 34.73%            | 15.82%            |
| Total Qualifying Capital to RWA                   | 38.29%            | 21.78%            |

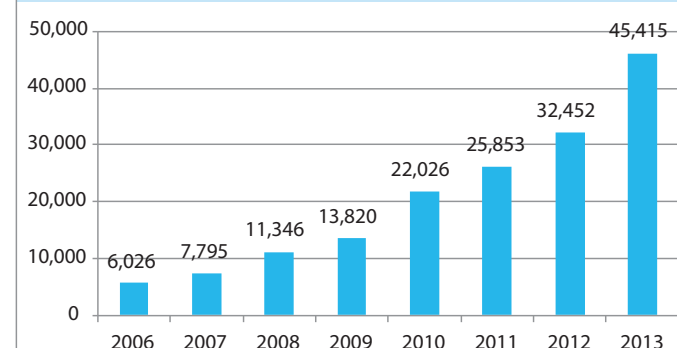
## Highlights for the year 2013

- Total assets grew by 39.7% from 66.0bn to shs 92.3bn
- Net loans and advances increased by 24.9% from shs 48.2bn to shs 60.2bn
- Deposits grew by 39.9% from shs 32.9bn to shs 46.1bn
- Shareholders' equity went up by 174.7% from shs 10.6bn to shs 29.1bn
- After tax profits grew by 13.9% from shs 1.530bn to Shs 1.742bn

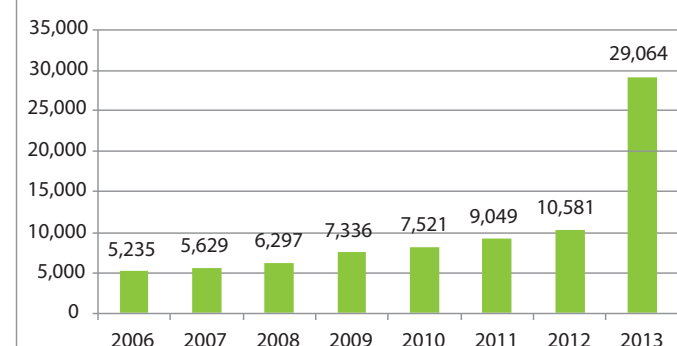
## Total Assets



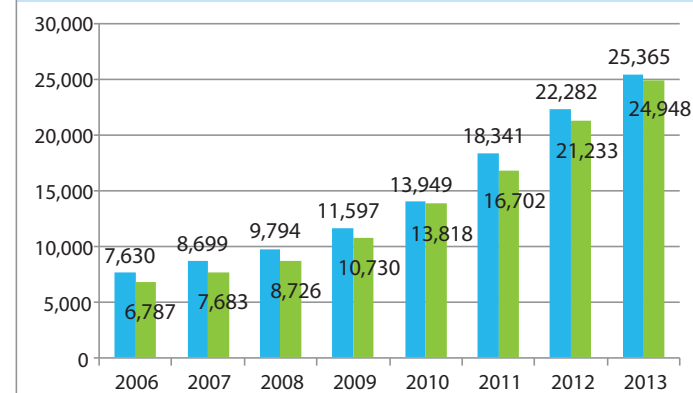
## Customer Deposits



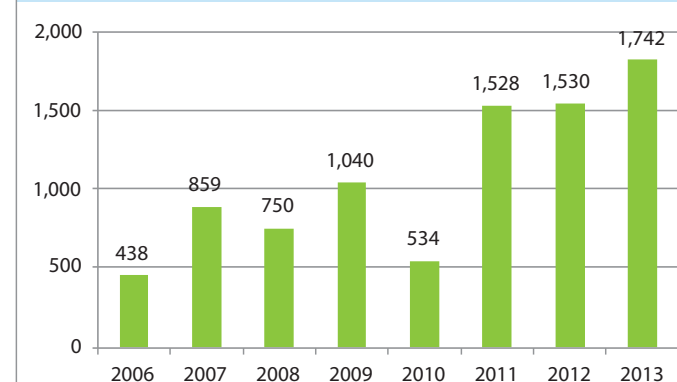
## Shareholders Funds



## Total Income vs Total Expenses



## Profit after Tax



## Message from the Directors

The above statement of financial position and statement of comprehensive income were audited by KPMG and received an unqualified opinion. The financial statements were approved for issue by the Board of Directors on 19th March 2014 and discussed with the Bank of Uganda on 9th April 2014.

Board Chairperson

Managing Director

Company Secretary