

Summarised Audited Financial Statements for the year ended 31 December 2021

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF FINCA UGANDA LIMITED (MDI)

Opinion: The summary financial statements, which comprise the summary statement of financial position as at 31 December 2021, the summary statement of profit or loss and other comprehensive income for the year then ended and other disclosures are derived from the audited financial statements of FINCA Uganda Limited (MDI) for the year ended 31 December 2021.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the Financial Institution (External Auditors) Regulations, 2010 and the Microfinance Deposit-Taking Institution (MDI) Act, 2003

Supplementary Information: Our audit of the summary financial statements was conducted for the purpose of forming an opinion on those summary financial statements. The supplementary information presented with the summary financial statements is presented for purposes of additional analysis, is not a required part of those financial statements. Such information is the responsibility of management and that information is not covered by our report.

Summary Financial Statements: The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Microfinance Deposit-Taking Institution (MDI) Act, 2003 and

the Companies Act, 2012 of Uganda.

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 2022. The report also includes 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 financial statements of the current period.

Directors' Responsibility for the Summary Financial Statements: The directors are responsible for the preparation of the summary financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010 and the Microfinance Deposit-Taking Institution (MDI) Act, 2003.

Auditors' 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".

BDO East Africa

BDO East Africa
Certified Public Accountants of Uganda
6th Floor, Nakawa Business Park
Plot 3-5, New Portbell Road
P.O. Box 9113, Kampala - Uganda

Date: 26 April 2022

SUMMARY STATEMENT OF FINANCIAL POSITION

	2021	2020
	Ushs' 000	Ushs' 000
ASSETS		
Cash on hand	13,931,477	18,056,236
Deposits and balances due from other financial institutions	27,098,618	36,624,396
Loans and advances to customers	122,380,200	110,303,524
Tax recoverable	279,604	212,840
Other assets	7,743,576	2,336,000
Deposit with Bank of Uganda	159,856	134,261
Government securities	1,602,658	1,955,019
Property and equipment	19,827,383	20,079,004
Intangible assets	4,681,641	3,668,779
Total Assets	197,705,013	193,370,056
LIABILITIES		
Customer deposits	113,091,833	102,356,666
Other liabilities	15,491,160	15,864,745
Deferred grants	971,283	1,404,685
Notes payable	21,709,799	29,838,354
Provisions	110,000	110,000
Deferred tax liability	447,842	355,361
Total liabilities	151,821,917	149,929,811
RESERVES		
Share capital	13,893,324	13,893,324
Share premium	6,795,620	6,795,620
Capital fund	3,449,905	3,449,905
Proposed dividend	1,133,135	1,078,476
Regulatory reserve	3,462,635	2,731,730
Retained earnings	17,148,477	15,491,190
Total shareholders equity	45,883,096	43,440,245
Total liabilities and shareholders equity	197,705,013	193,370,056

OTHER DISCLOSURES - CAPITAL ADEQUACY

	2021	2020
	Ushs' 000	Ushs' 000
Capital Position		
Core Capital	37,837,420	36,180,134
Supplementary capital	4,554,555	4,427,385
Total qualifying capital	42,391,975	40,607,519
Total Risk Weighted Assets (RWA)	160,364,096	143,712,186
Core Capital to RWA	23.60%	25.18%
Total Qualifying Capital to RWA	26.44%	26.63%

OTHER DISCLOSURES - CREDIT EXPOSURES

	2021	2020
	Ushs' 000	Ushs' 000
Credit Exposures		
Non-performing loans and other assets	12,153,145	12,097,879
Interest in suspense	1,382,605	2,192,579
Bad debts written off	7,698,982	2,526,516
Insider loan exposures	124,754	98,861

Message from Directors:

The directors have the pleasure to share with you the summarized audited financial statements for FINCA Uganda Limited (MDI) for the year ended 31 December 2021. The above summarised statement of financial position, summarised statement of profit or loss and other comprehensive income and other disclosures were audited by BDO East Africa, Certified Public Accountant of Uganda and received an unqualified opinion.

The financial statements were approved by the Board of Directors on 21st March, 2022 and discussed with Bank of Uganda on 11th April 2022.

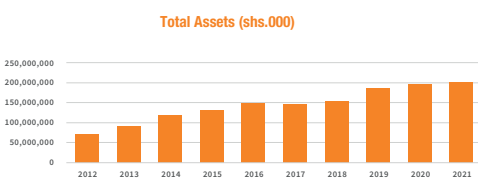
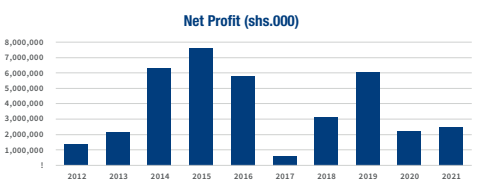
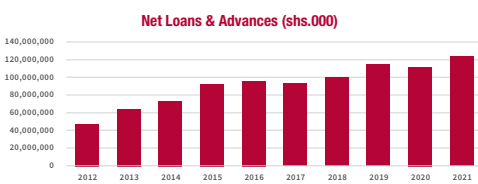
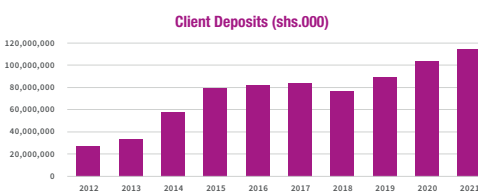
Olive Lumonya Birungi
Olive Lumonya Birungi
Board Chairperson

James Onyutta
James Onyutta
Managing Director

Claire Akapulira Ochienghs
Claire Akapulira Ochienghs
Head Legal & Company Secretary

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2021	2020
	Ushs' 000	Ushs' 000
Loan interest income	40,928,358	41,391,725
Interest expense	(12,228,577)	(13,305,007)
Net interest income	28,699,781	28,086,718
Fees and commission income	8,012,390	6,761,148
Fees and commission expense	(128,340)	(90)
Net fee and commission income	7,884,050	6,761,058
Investment income	3,399,326	3,709,264
Grant income	932,004	752,714
Other income	1,926,428	1,520,204
Net operating income	42,841,589	40,829,958
Employee benefit expense	(17,176,929)	(16,355,803)
Other operating expenses	(15,126,743)	(15,322,017)
Grant expenses	(125,986)	(376,816)
Impairment losses on loans and advances	(6,516,376)	(5,328,356)
Finance costs	(454,083)	(522,599)
Profit before tax	3,441,472	2,924,367
Tax charge	(998,621)	(759,428)
Profit for the year	2,442,851	2,164,939
Other comprehensive income	-	-
Total comprehensive income	2,442,851	2,164,939



Total Assets
UGX **197.7 billion**
2020: Ugx 193.4 billion

Loans & Advances
UGX **122.3 billion**
2020: Ugx 110.3 billion

Client Deposits
UGX **113.1 billion**
2020: Ugx 102.4 billion