



SUMMARISED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

I. REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31st December 2018 and the summary statement of comprehensive income for the year then ended, and related notes, are derived from the audited consolidated and bank financial statements of Orient Bank Limited for the year ended 31st December 2018.

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, 2004 as amended by the Financial Institutions (Amendment) Act, 2016.

Summary Consolidated and Separate Financial Statements

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards, the Companies Act of Uganda, 2012 and the Financial Institutions Act, 2004 as amended by the Financial Institutions (Amendment) Act, 2016. 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 summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 26th April 2019.

Directors' responsibility of the Summary Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the summary financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010 and the Financial Institutions Act, 2004 as amended by the Financial Institutions (Amendment) Act, 2016

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.

Deloitte & Touche

Certified Public Accountant of Uganda
3rd Floor Rwenzori House 1 Lumumba Avenue
P. O. Box 10314, Kampala, Uganda
26th April 2019

II. CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION ("BALANCE SHEET")

	2018 Shs' 000 Consolidated	2017 Shs' 000 Consolidated	2018 Shs' 000 Separate	2017 Shs' 000 Separate
Assets				
Cash and balances with Central Bank	163,256,415	93,832,065	163,256,415	93,832,065
Deposits and balances due from banking institutions	100,824,140	177,248,124	100,814,159	177,236,485
Derivative financial assets	558,500	1,551,136	558,500	1,551,136
Government securities	93,567,945	48,334,440	93,191,471	48,334,440
Investment in subsidiary	-	-	487,422	80,000
Loans and advances to customers	334,103,271	310,780,076	334,103,271	310,780,076
Other assets	12,873,816	5,023,610	12,722,029	4,898,168
Current income tax recoverable	-	5,742	-	-
Property and equipment	13,423,459	16,896,456	13,421,651	16,895,324
Intangible assets	5,379,898	3,275,227	5,379,898	3,275,227
Deferred income tax asset	25,869,200	23,990,548	25,746,973	23,990,548
Total assets	749,856,644	680,937,424	749,681,789	680,873,469
Liabilities				
Customer deposits	618,019,250	554,792,435	618,079,011	555,213,730
Balances due to banking institutions	1,434,289	155,060	1,434,289	155,060
Derivative financial instruments	1,250	4,769	1,250	4,769
Current income tax payable	1,245,759	-	1,250,799	-
Other liabilities	14,277,859	12,818,688	14,195,957	12,736,999
Refinance loans	63,116	83,949	63,116	83,949
Deferred income tax liability	542	340	-	-
Total liabilities	635,042,065	567,855,241	635,024,422	568,194,507
Capital and Reserves				
Issued capital	96,750,000	96,750,000	96,750,000	96,750,000
Revaluation reserve	1,831,836	2,434,811	1,831,836	2,434,811
Credit risk reserve	-	-	-	-
Fair value reserve	-	-	285,196	-
Retained earnings	16,129,514	13,801,980	15,790,335	13,494,151
Equity attributable to owners of the Bank	114,711,350	112,986,791	114,657,367	112,678,962
Non-controlling interests	103,229	95,392	-	-
Total equity	114,814,579	113,082,183	114,657,367	112,678,962
Total equity and liabilities	749,856,644	680,937,424	749,681,789	680,873,469

III. CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ("INCOME STATEMENT")

	2018 Shs' 000 Consolidated	2017 Shs' 000 Consolidated	2018 Shs' 000 Separate	2017 Shs' 000 Separate
Income				
Interest on deposits and placements	7,902,192	5,627,374	7,902,192	5,627,374
Interest on loans and advances	48,338,449	41,561,892	48,338,449	41,561,892
Interest on marketable /trading securities	123,379	12,910	123,379	12,910
Interest on investment securities	8,445,684	9,260,775	8,445,684	9,260,775
Foreign exchange income	3,195,908	3,762,848	3,195,908	3,762,848
Fees and commissions income	17,960,027	16,725,489	17,731,228	16,608,938
Other income	3,511,490	3,373,791	3,475,337	3,302,506
Total Income	89,477,129	80,325,079	89,212,177	80,137,243
Expenditure				
Interest expense on deposits	20,055,887	21,235,030	20,055,887	21,235,030
Interest expense on borrowings	238,611	368,445	238,611	368,445
Other interest expense	-	4,745	-	4,745
Provisions for bad and doubtful debts	6,579,569	6,253,779	6,579,569	6,253,779
Operating expenses	38,852,730	35,058,466	38,709,513	34,939,856
Other expenses	15,850,537	10,429,840	15,777,532	10,370,540
Total expenditure	81,577,334	73,350,305	81,361,112	73,172,395
Net profit before tax	7,899,795	6,974,774	7,851,065	6,964,848
Taxation	(2,344,546)	(2,156,609)	(2,335,003)	(2,153,997)
Net profit after tax	5,555,249	4,818,165	5,516,062	4,810,851
Other comprehensive income				
Equity stock brokers at fair value	-	-	407,422	-
Deferred income tax on fair value	-	-	(122,226)	-
Other comprehensive income for the year, net of tax	-	-	285,196	-
Total comprehensive income for the year	5,555,249	4,818,165	5,801,258	4,810,851

IV. OTHER DISCLOSURES

	2018 Shs' 000 Consolidated	2017 Shs' 000 Consolidated	2018 Shs' 000 Separate	2017 Shs' 000 Separate
Contingent liabilities				
Letters of credit	27,456,821	40,118,122	27,456,821	40,118,122
Guarantees and performance bonds	41,091,217	29,133,023	41,091,217	29,133,023
Other contingent liabilities	558,500	1,551,136	558,500	1,551,136
Total	69,106,538	70,802,281	69,106,538	70,802,281
Commitments				
Undrawn credit lines	33,593,375	30,118,938	33,593,375	30,118,938
Total	33,593,375	30,118,938	33,593,375	30,118,938
Capital Position				
Core Capital	80,368,793	81,352,009	80,368,793	81,352,009
Supplementary Capital	5,803,638	6,107,500	5,803,638	6,107,500
Total Qualifying Capital	86,172,431	87,459,509	86,172,431	87,459,509
Total Risk Weighted Assets (RWA)	501,258,234	445,193,972	501,258,234	445,193,972
Core Capital to RWA	16.03%	18.27%	16.03%	18.27%
Total Qualifying Capital to RWA	17.19%	19.94%	17.19%	19.94%

Basis of preparation

The summary financial statements for the year ended 31st December 2018 were prepared in accordance with the requirements of section 12(1) of the financial institutions(External Auditors) Regulations, 2010. The rules require that a financial institution shall, within four months after the end of its financial year, publish its audited annual financial statements and the External Auditors Report in a newspaper circulating in the whole of Uganda in the format prescribed in the schedule of the regulations. These summary financial statements have been reviewed by Deloitte and Touche Certified Public Accountants of Ugandans who expressed an unmodified review conclusion. The Directors take full responsibility for the preparation of this report.

V. MESSAGE FROM DIRECTORS

The financial statements were approved by the Board of Directors on 18th March 2019 and discussed with Bank of Uganda on 29th March 2019.

Richard Cook
Board Chairman

KD Morgan
Board Vice Chairman

Abel
MD/ CEO