



**EFC UGANDA LIMITED (MDI)**



# 2017

**ANNUAL REPORT**  
EFC UGANDA LIMITED (MDI)

## Our Vision

To be the preferred financial services partner for micro and small entrepreneurs (MSEs) in Uganda.

## Our Mission

To partner with MSEs and increase access to specialized financial services on a permanent basis while contributing to wealth creation, improvement of people's living conditions and development of Uganda's private sector.

## Our Values

- Innovation
- Integrity
- Service Excellence
- Solidarity
- Transparency

## Our Products

### Loans

Working capital replenishment, equipment purchase, investments, agricultural supplies

**Business Loan**



Efficient housing loan services structured to fit entrepreneurs home improvement needs

**Home Improvement Loan**



Quick small loans ranging from 1M to 15M specially designed for women entrepreneurs

**Women Market Trader Loans**



### Savings

Unlimited deposits and withdraws; suitable for dynamic entrepreneurs.

**Regular Savings**

No monthly charges; competitive interest; designed for target savers.

**Premium Savings**

Higher interest rates, very competitive; ideal for savers with a long-term investment horizon.

**Term Deposit**



# 2017

## Who we are

EFC Uganda Limited (MDI), which previously operated as EFC Limited, figures among the fastest growing microfinance institutions in Uganda. Licensed and supervised by the Bank of Uganda, EFC is committed to contributing to the development of the country's private sector by providing increased access to financial services for the underserved micro and small scale enterprise (MSE) market segment. EFC Uganda is driven by its mission of offering financial services to MSEs on a permanent and sustainable basis while contributing to wealth creation and poverty reduction.

EFC's shareholders consist of a group of world renowned reputable organizations including Développement international Desjardins (DID), which is a subsidiary of Desjardins Group (the leading financial cooperative group in Canada and sixth largest in the world), AfricInvest Financial Sector Limited (AFS), Bamboo Financial Inclusion Mauritius, the Belgian Investment Company for Developing Countries (BIO), ASN-Novib Microcredit Fund (managed by Triple Jump) and Uganda Gatsby Trust.

All of these shareholders have one thing in common: they are concerned with the socio-economic benefit of Uganda. EFC Uganda also acknowledges the contribution of various international partners such as Global Affairs Canada, FMO and the African Development Bank (AfDB), which all play an essential role contributing to the strength and success of the organization.

EFC Uganda offers a wide range of products and financial services that are customized to suit the Ugandan market. These include access to savings accounts using smart cards as well as commercial and housing loans. Our lending products range in scope from the Market Women Trader Loans, Home Improvement Loans and MSE Loans, while our savings products include Regular Savings Accounts, Premium Savings Accounts and Term Deposit Savings.

The company presently operates in Kampala with a Head Office, two Branches and five Business Service Centers (BSCs). All of them have shown robust growth over the past years and remain a solution to our customers' needs.



## Chairperson's Message



As EFC Uganda Limited (MDI) looks ahead to the challenges that befall any growing business, it is encouraging to report that it faces the future from a strong and solid point.

This performance reflects the strength of the institution's model and its proven ability to seize opportunities while effectively managing risk. It also speaks of our experienced leadership and dedicated employees, key drivers of our continued success.

### Corporate Governance

The EFC Uganda board is aware that a robust governance structure is necessary for both the survival and a healthy working environment within the institution.

It has therefore fostered a culture throughout the organisation that values responsive and responsible governance, honesty, integrity and accountability, excellence and transparency, efficiency and effectiveness, teamwork and customer sensitivity. Our outgoing Managing Director has with the help of our management team and staff given real leadership to the institution through an ethical code of conduct.

Our good corporate governance seeks to protect stakeholders' interests balancing entrepreneur leadership with transparency and control mechanisms, without compromising value creation and efficient decision-making. The institution endeavors to establish and maintain leading governance and risk management systems and practice. Corporate Social Responsibility (CSR) is part of our bottom-line as a microfinance institution. We are committed to improving the lives of the people who live in communities we operate in. We are proud of the success we have achieved in our CSR programs and we will continue to give back to these communities.

### Focused institution

As part of its oversight role, the Board of Directors works closely with management in reviewing objectives strategy and operating plans to ensure the institution is always positioned to grow and generate excellent returns for shareholders. The Board provides advice and counsel, ensures that the risks and opportunities are adequately weighed, and satisfies itself that both short term imperatives and long-term initiatives are properly assessed, supported and executed.

### Major Achievements

During the year under review, EFC registered significant achievements. These include;

- Five years anniversary in Uganda
- Awarded Best Employer of the Year (SME Category) by the Federation of Uganda Employers
- Opening a new Business Service Center in Mukono Strategy for increased profitable growth

EFC Uganda is strongly committed to our vision of being; the preferred financial services partner for micro and small entrepreneurs (MSEs) in Uganda. We are well placed to serve them with our products that include MSE and SME loans, home improvement loans, women market trader loan and savings products. Our strategy takes advantage of competitive strengths, including our diversified products, financial and capital depth, industry and financial markets expertise, talented workforce, customer-centric culture, and risk management expertise.

### Outlook

The economic challenges witnessed in 2017 may not completely wane in 2018. The business environment is envisaged to remain volatile. However, EFC promises to remain resilient through aggressive mobilization of voluntary savings to reduce the cost of borrowing, investing more in staff, improvement of internal business processes and systems to minimize operational leakages as well as rendering excellent customer service to our clients and growth of our loan book. I therefore expect EFC Uganda to perform even better in 2018, improve shareholder value and maintain its position as a premium MDI in Uganda.

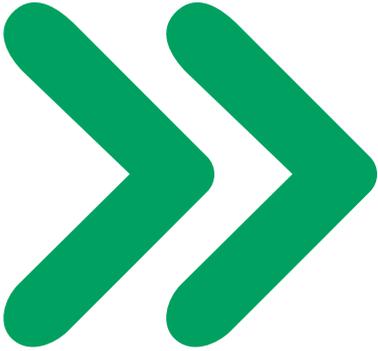
### Acknowledgement

*The Board takes this opportunity to acknowledge the continued confidence and encouragement of our shareholders; the trust and loyalty of our clients and business partners; and the commitment and professionalism of our management and staff.*

*The Board also expresses its appreciation to the Central Bank of Uganda for their continued guidance and support.*



## Managing Director's Message



I am pleased to deliver the 2017 financial year annual report. Our institution demonstrated utmost resilience enabling us to achieve a very important milestone to our business. In 2017 the Entrepreneurs Financial Center successfully made five years of operation in Uganda.

The year began on an optimistic note for EFC, we hoped to attain the most pertinent goals such as increased convenience for our customers and positive improved financial performance through branch expansion, digitization, and better relationship management.

Despite the challenges throughout the year, we were able to open a business service center (BSC) in Mukono which we hope to transform into a fully-fledged branch in the near future, we also started arrangements to relocate our City Center BSC to a more spacious and convenient location. We made very good strides with the expansion of our mobile banking operation to enable cash withdraws by customers. We started a Relationship Officer Training program to develop capacity to manage better client relationships.

### Performance

The Financial year 2017 was not the best for EFC when compared to the previous years in terms of portfolio growth. We therefore closed the year with a gross loan book of 15 billion. Total assets amounted to 28.4 billion indicating a 0.51% increase from 2016. There was a slow growth in the total assets because we did not hit our target in terms of disbursements as a result of a few shocks from the internal and external factors. Our savings portfolio increased by 19.73% compared to 2016 as the borrowings reduced by 30%.

During the year the our shareholders, Belgium Investment Company for Developing Countries (BIO) and Afric invest agreed to increase our capital by injecting more funds to a tune of 2 million Euros which will increase our capital from 15 billion to 24 billion. With this increase we have developed new exciting strategies which will give us a good start come the year 2018 for us to grow our portfolio and also meet the needs of our clients as we continue to support them grow their businesses.

In commemoration of our five years in Uganda we organized a number of customer appreciation programs. In the first quarter we recognized and rewarded 15 customers for meeting their obligations in time, in the second quarter we invited all our customers to a health camp that we organized together with our medical partners for them. We also rewarded 20 customers that consistently save with EFC.

### Outlook

The past years have provided good foundation for our business, 2017 was not an exception but as a progressive institution we believe it is time for take-off.

Our mandate remains unchanged, we are still true to our mission of partnering with micro and small entrepreneurs and increase access to specialized financial services on a permanent basis while contributing to wealth creation, improvement of their living conditions and development of Uganda's private sector.

Together with our stakeholders we made arrangements and preparations to propel EFC right from 2018. We have streamlined our operations to allow us extend the best service to our customers.

### New Management

I present to you the biggest transformation that we have possibly made since the inception of EFC Uganda. Going forward the management of EFC Uganda will be exclusively under a team of well experienced Ugandans headed by Mr. Kakembo Shem as the new Managing Director.

Shem joins EFC Uganda from a local commercial bank where he has been the Head of Personal Markets (Retail) and before then Head of Customer Channels at the same Bank where he pioneered digitization and Agent banking. Previously, he was MD at a Microfinance Bank in Rwanda and has also worked with World Vision International as Senior Financial Specialist for Africa.

As outgoing MD allow me share my gratitude with all those I closely worked with during my tenure. These include our loyal customers, partners, the EFC Board of Directors and most importantly our managers and staff. I would also like to share my heightened optimism for EFC Uganda's future especially under the new management and request you to continue supporting our business in the years to come. Thank you and regards,

**Claude Lafond** | Managing Director

# 2017 at a glance

## EFC Uganda Limited (MDI) donates to Namasagali Health Center 111

EFC Uganda Limited (MDI) through Uganda corporate league CSR calendar managed to donate six medical scales to Namasagali Health Center 111.

According to the EFC Managing Director Mr. Claude Lafond, "We are pleased to support NAMASAGALI HEALTH CENTRE III by donating 2 sets each of; adult weighing scales, hanging weighing scales for babies and height measures for babies "

We believe that these equipment will go a long to support the medical team at NAMASAGALI HEALTH CENTRE III in administering correct dose of medicines to the patients over a considerable period of time. Lafond added.

## EFC marks five years in Uganda

In celebration of its five years anniversary, EFC Uganda ran a supplementary with the Daily Monitor publication on Tuesday 28th November 2017. The publication included testimonies from various stakeholders about their experience with the institution over the previous (five) years. Isaac Ssejjombwe a senior reporter with the Daily Monitor interviewed among others; EFC's Board chairman (Mr. Naalyali), the Managing Director (Mr. Lafond), staff as well as customers. EFC's partners also shared congratulatory messages applauding the institution for achieving this major milestone. Notable among these is the Association of Microfinance Institutions of Uganda (AMFIU) and Prudential Insurance (U) Limited as seen above. The Management and staff of EFC is very pleased with this achievement and thanks all stakeholders who have played a role in the institution's growth. With your support, EFC will continue to pursue it's mission of serving growth oriented micro and small entrepreneurs on a permanent basis, while contributing to wealth creation, improvement of people's living conditions and development of Uganda's private sector.



EFC Managing Director Mr. Claude Lafond (C) and Human Resource and Administration Manager Ms. Kayaga Julianna (R) receive the SME Employer of the Year Award from the FUE Executive Director Mrs. Senabulya Rosemary (L) at the EFC Uganda Head Office

## EFC Uganda Voted Best Employer - Sme Category

After only five years of service, Entrepreneurs Financial Centre shocked everyone when it won the prestigious Employer of the year, SME category in the recently concluded Federation of Uganda Employers (FUE) Awards.

EFC is a fast paced microfinance institution that specializes in financial services for entrepreneurs. The microfinance institution offers business loans, home improvement loans, women market trader loans and savings accounts.

"We started our business five years ago with less than 10 staff and have managed to grow it to a stronger institution with two fully fledged branches, six business services centers and 120 staff members," says Claude Lafond, the Managing Director, EFC Uganda Limited (MDI).

Lafond attributes the win to the company's ability to drive innovation and competition in the SME sector. "I know that we were competing with some of the best brands in the SME category including some of the leading microfinance institutions which were rated and compared based on their employment skills, HR practices, approaches towards nurturing talented employees and provision of development opportunities," he says.

Juliana Kayaga, the EFC Human Resource and Administration manager explains that the organization takes pride in developing its staff through training and providing them the required tools and atmosphere to enhance human capital as a competitive advantage to enable us achieve our vision of being the preferred financial services partner for entrepreneurs in Uganda.

# Our Customers

## Sarah Nakabale

Despite the fears people develop over acquiring loans, the drift is quite the reverse to this 45 year old entrepreneurial woman.

Sarah Nakabale a banana vendor took advantage of EFC Uganda's credit facility to grow her micro business situated in the Kireka suburb of Kampala.

Sarah obtained her first loan of 3,000,000 Uganda shillings from EFC Uganda Limited (MDI) in November 2016. She used this to boost her banana business where she sells an average of 10 bunches a day. Each bunch costs Ugx 30,000.

With the increased proceeds from her business, Sarah managed to build rentals on her village plot in Kiyunga - Mukono district. She says she was also able to complete payment of university tuition for her daughter.

Sarah was astonished when our communications team visited her business in Kireka. She thanked EFC for extending women traders affordable credit services.

"With these loans, I have been able to grow my business and make a decent living for myself and the family. My dream is to complete my rentals and also have more capital in my Banana vending business and I'm very thankful to team EFC for their continued support". She added.

**"With these loans, I have been able to grow my business and make a decent living for myself and the family."**



## Hannington Kawagga

Hannington Kawagga, a resident of Kanyanya village, Wakiso district who runs his own transport company and also owns rentals in Bweyogerere all of which he has developed with the help of credit from EFC Uganda Limited (MDI).

Hannington is as our happy customer. The team visited him at his Nalukolongo work space where he parks his two trucks. This is what he had this say;

"I always stood in queues of other banks for hours waiting to either withdraw or bank my money which made me very uneasy. But since I joined EFC I take less than two minutes in the banking hall which gives me more time to be at my business and plan for it. I was not their customer at that time but it only took 4 days to process my loan. I have acquired more loans from them since then which have helped me to grow my business and myself.

I Joined EFC in 2015, where I accessed a loan of 16,000,000 Uganda shillings and one year later I got a top up of 35,000,000 Uganda shillings that I invested in my Transportation business."

Hannington still has plans of getting more Finance with EFC so as to see his business thrive to another level.

**I Joined EFC in 2015, where I accessed a loan of 16,000,000 Uganda shillings and one year later I got a top up of 35,000,000 Uganda shillings.**

# Our Shareholders

## Développement international Desjardins (DID)



DID is a subsidiary of Desjardins Group, the leading cooperative financial group in Canada and fifth largest in the world, with over 7 million members and clients and assets of US\$218 billion. Founded in 1900, today Desjardins Group is counted among the world's strongest banks according to The Banker magazine. For 48 years, DID has been working to develop the inclusive finance sector in developing and emerging countries. DID targets increased access to diversified and secure financial services for all and the development of individual and collective wealth.

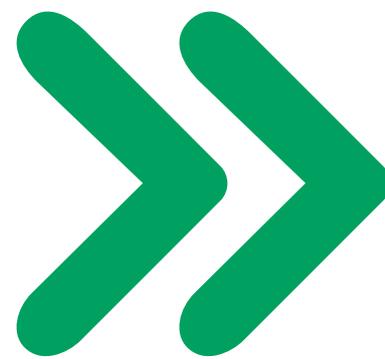
[www.did.qc.ca/en](http://www.did.qc.ca/en)

## AfricInvest Financial Sector Limited



AfricInvest is a pan African Private Equity Fund Manager founded in 1994 with currently over USD 1 billion under management. AfricInvest is uniquely positioned as one of the most experienced private equity investors on the continent. AfricInvest has dedicated investment teams focused on North Africa and Sub-Saharan Africa, and employs over 60 professionals based in seven offices. The teams benefit from strong, long-term support from both local and international investors, including leading development finance institutions worldwide. Since 1994, AfricInvest has invested in over 135 companies across 26 African countries in a variety of high growth sectors.

[www.africinvest.com](http://www.africinvest.com)





## Uganda Gatsby Trust

Uganda Gatsby Trust (UGT) was founded in 1994 through a partnership between the Gatsby Charitable Foundation (GCF) UK and the Faculty of Technology of Makerere University in Kampala. Its original idea was to support manufacturing and value adding businesses with consultancy services to small and medium enterprises (SMEs) and by linking final-year students at Makerere's Faculty of Technology with SMEs. UGT's current focus is to promote linkages with Makerere University as well as promote the academically gifted but challenged students through scholarships in disciplines that promote skills for self-employment and/or employability.

[www.gatsby.org.uk/africa/programmes/uganda-gatsby-trust](http://www.gatsby.org.uk/africa/programmes/uganda-gatsby-trust)



## Bamboo Financial Inclusion Mauritius

Bamboo Financial Inclusion Mauritius is a wholly-owned subsidiary of Bamboo Financial Inclusion Fund. Launched in 2007, the Fund manages USD 195 million in total commitments from institutional and individual investors, and invests in a range of microfinance institutions and funds worldwide. The Fund acquires minority stakes in the capital of its investees, while contributing to their development by sharing international experience, information, networks, knowledge, and by playing an active governance role at a board level. The Fund uses a market-oriented approach to deliver social and environmental value, in addition to financial returns to investors. The Fund is managed by Bamboo Finance through offices in Luxembourg, Geneva, Kenya, Bogota, and Singapore.

[www.bamboofinance.com](http://www.bamboofinance.com)



## Belgian Investment Company for Developing Countries (BIO)

BIO supports private sector growth in developing and emerging countries by funding financial institutions, enterprises and infrastructure projects that are privately held. With equity capital of around 874 million euros, BIO provides tailored long-term financial products directly or through intermediaries. For clients, BIO also provides subsidies for technical assistance programs as well as feasibility studies to enhance business performance and strengthen the impact on sustainable development. BIO supports projects with a balance between return on investment and development impact.

[www.bio-invest.be](http://www.bio-invest.be)



## ASN-Novib Microkredietpool (ANMF)



ASN-Novib Microkredietpool (ANMF) is a regulated retail fund enabling private individuals to invest in microfinance institutions. Its goal is to encourage broader participation by all types of entrepreneurs in the market economies of developing countries. At the end of 2016, the fund had assets of EUR 240 million, invested in 80 MFIs globally. ANMF's agent is Triple Jump, one of the world's leading microfinance fund managers. Triple Jump offers professional fund management services to investors and provides debt and equity funding to microfinance institutions. Its advisory services help growing MFIs move to the next level by providing cost sharing grants and technical assistance.

[www.triplejump.eu](http://www.triplejump.eu)

## Share distribution

At 31 st December, 2017

	Total Voting Shares (#)	Vote (%)
Développement international Desjardins (DID)	11,470,759,329	5.37%
AfricInvest Financial Sector Limited	64,023,626,758	29.95%
Bamboo Financial Inclusion Mauritius	1,575,000,000	0.74%
Belgian Investment Company for Developing Countries (BIO)	61,178,621,878	28.62%
ASN-Novib Microcredit Fund (ANMF)	1,125,000,000	0.53%
Uganda Gatsby Trust (UGT)	1,125,000,000	0.53%
Unallotted	73,239,716,049	34.27%
<b>Total</b>	<b>213,737,724,014</b>	<b>100%</b>

# Our Partners

## Global Affairs Canada

Global Affairs Canada manages Canada's diplomatic and consular relations, facilitates the country's international trade, and leads Canada's international development and humanitarian assistance. Global Affairs Canada believes in the potential for development innovation to drive positive change to meet 21 st century challenges.

[www.international.gc.ca](http://www.international.gc.ca)



## African Development Bank (AfDB)

The AfDB Group's overarching objective is to spur sustainable economic development and social progress in its regional member countries (RMCs), thus contributing to poverty reduction. The Bank Group achieves this objective by mobilizing and allocating resources for investment in RMCs; and providing policy advice and technical assistance to support development efforts.

[www.afdb.org](http://www.afdb.org)



## FMO

FMO is the Dutch development bank. FMO has invested in the private sector in developing countries and emerging markets for more than 45 years. Its mission is to empower entrepreneurs to build a better world. It invests in sectors where it believes its contribution can have the highest long-term impact: financial institutions, energy and agribusiness. Alongside partners, it invests in the infrastructure, manufacturing and services sectors. With an investment portfolio of EUR 8 billion spanning over 85 countries, FMO is one of the larger bilateral private sector development banks globally.

[www.fmo.nl](http://www.fmo.nl)



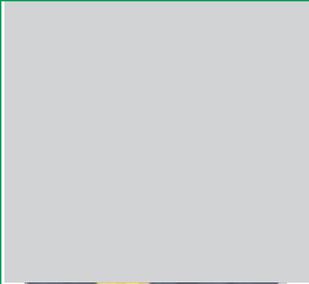
# Our Management Team



**Shem Kakembo**   
Managing Director



**Brian Jjemba**   
Executive Director



**Chief Finance Officer** 



**Jimmy Kisomba**  
Internal Audit Manager



**Samson Aeri**  
Risk Manager



**Julianna Kayaga**  
Human Resource Manager



**Anthony M. Acud**   
IT Manager



**Forb Mesach Busingye**   
Branch Network Manager



**Joanne Bagandanswa Nakabungo**  
Corporate Legal Manager



**John Nsubuga**  
Credit Risk Manager



**Carol Nyadoi**   
**Recovery Manager** 



**Tracy Bagonza**   
Assistant Manager,  
Compliance



**Sylvia Tamale**  
Savings & Other Financial  
Services Manager

# Our Board Members

EFC Uganda is governed by a Board of Directors with vast experience in the financial and private sectors.



**Charles W. Nalyaali**  
Board Chairperson



**Diana Ninsiima**



**Banya Patrick**  
Board Director,  
BAC member\*



**Julius Tichelaar**  
Board Director,  
BAC Chairperson



**Jessie Greene**  
Board Director / BAC  
member and HRCC  
member



**Orsolya Farkas**  
Board Director and  
RALCO Chairperson



**Shem Kakembo**   
Managing Director,  
Board Director and  
RALCO Member



**Alexis Losseau**  
Board Director

- \* Human Resources and Compensation Committee (**HRCC**)
- \* Risk/Asset and Liability Committee (**RALCO**)
- \* Board Audit Committee (**BAC**) During the year, EFC Uganda held four Board Meetings.

# FINANCIAL STATEMENTS

*Audited in compliance with IFRS*

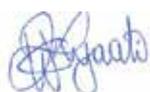
EFC Uganda Limited (MDI)

## STATEMENT OF FINANCIAL POSITION

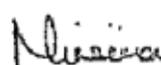
For the year ended 31st December 2017

	2017 Shs '000	2016 Shs '000
Cash and cash equivalents	960,823	4,551,432
Net loans and advances	15,091,847	21,478,726
Investments	1,000,000	519,739
Current tax recoverable	304,959	287,272
Other assets	9,758,583	494,704
Property and equipment	1,027,448	1,179,227
Intangible assets	321,534	100,659
<b>Total assets</b>	<b>28,465,194</b>	<b>28,611,759</b>
<b>Liabilities</b>		
Borrowings	10,639,571	15,277,462
Provisions and accrual	109,439	436,788
Deposits from customers	4,076,606	3,404,815
Compulsory term deposits	929,649	1,541,218
Other liabilities	500,174	783,243
Fair value of derivative instrument	-	1,330,178
<b>Total liabilities</b>	<b>16,255,439</b>	<b>22,773,704</b>
<b>Shareholders' equity</b>		
Share capital	24,263,683	15,275,000
Accumulated losses	(13,139,682)	(10,117,282)
Regulatory risk reserve	1,085,754	680,337
<b>Total equity</b>	<b>12,209,755</b>	<b>5,838,055</b>
<b>Total liabilities and shareholders' equity</b>	<b>28,465,194</b>	<b>28,611,759</b>

Charles W. Nalyaali  
Chairperson  
Board of directors



Diana Ninsiima  
Vice Chairperson  
Board of directors



EFC Uganda Limited (MDI)

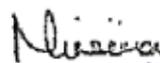
**STATEMENT OF PROFIT OR LOSS****For the year ended 31<sup>st</sup> December 2017**

	<b>2017</b> <b>Shs '000</b>	<b>2016</b> <b>Shs '000</b>
Interest income	7,406,225	7,156,300
Interest expense	(3,726,012)	(4,480,889)
<b>Net interest income</b>	<b>3,680,213</b>	<b>2,675,411</b>
Grant income	434,172	1,256,940
Net fee and commission income	1,506,738	762,425
Other operating income	155,525	235,375
<b>Total income</b>	<b>5,776,648</b>	<b>4,930,151</b>
Impairment losses on loans and advances	(813,722)	(367,789)
<b>Income after provision for loan and advance losses</b>	<b>4,962,926</b>	<b>4,562,362</b>
<b>Operating expenses</b>		
Salaries and employee benefits	(3,572,151)	(2,573,658)
Administrative expenses	(3,462,657)	(6,172,359)
Depreciation and amortization	(491,884)	(572,744)
<b>Total operating expenses</b>	<b>(7,526,692)</b>	<b>(9,318,761)</b>
<b>Loss before tax</b>	<b>(2,563,766)</b>	<b>(4,756,399)</b>
Income tax	-	-
<b>Loss for the year</b>	<b>(2,563,766)</b>	<b>(4,756,399)</b>

Charles W. Nalyaali  
Chairperson  
Board of directors



Diana Ninsiima  
Vice Chairperson  
Board of directors



EFC Uganda Limited (MDI)

## STATEMENT OF CASH FLOWS

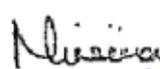
### For the year ended 31<sup>st</sup> December 2017

	2017 Shs '000	2016 Shs '000
<b>Cash flows from operating activities</b>		
Loss before tax	(2,563,766)	(4,756,399)
Adjusted for:		
Depreciation and amortisation	491,884	572,744
Loss on disposal of property and equipment	-	307
Impairment losses	183,411	(292,544)
Other provisions and accruals	(327,349)	-
Changes in fair value of the derivative instrument	(1,330,178)	-
<b>Adjusted loss</b>	<b>(3,545,998)</b>	<b>(4,183,348)</b>
<b>Operating loss before working capital changes</b>		
Issuance of loans and advances to customers	6,203,468	-
Changes in receivables	(229,733)	1,600,336
Changes in inventory	(3,472)	362
Changes in prepaid expenses	(22,674)	170,453
Changes in payables	(283,069)	-
Changes in customer deposits	60,222	-
Receivable from related party	(9,008,000)	-
Cash used in operating activities	(6,829,256)	(2,412,197)
Taxes paid	(17,687)	-
<b>Net cash used in operating activities</b>	<b>(6,846,943)</b>	<b>(2,412,197)</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property and equipment	-	7,588
Disposal of investments	(480,261)	-
Acquisition of property and equipment	8	(254,546)
Acquisition of intangible assets	9	(76,830)
<b>Net cash used in investing activities</b>	<b>(1,041,241)</b>	<b>(323,788)</b>
<b>Cash flows from financing activities</b>		
(Net settlement of)/proceeds from borrowings	13	(4,637,891)
Amounts from related parties		8,988,683
Stamp duty on issue of new shares		(91,117)
Issue of shares	16	4,700,000
<b>Net cash generated from financing activities</b>	<b>4,297,575</b>	<b>4,608,883</b>
<b>Net increase in cash and cash equivalents</b>	<b>(3,590,609)</b>	<b>1,872,898</b>
<b>Cash and cash equivalents - beginning of the year</b>	<b>4,551,432</b>	<b>2,678,534</b>
<b>Cash and cash equivalents - end of the year</b>	<b>5</b>	<b>960,823</b>

Charles W. Nalyaali  
Chairperson  
Board of directors



Diana Ninsiima  
Vice Chairperson  
Board of directors



# CONTACT INFORMATION

## **EFC Uganda Limited (MDI)**

### **Head Office**

2nd Floor, Acacia Place  
Plot 6, Acacia Avenue, Kololo  
P.O. Box 33667, Kampala - Uganda  
Tel: +256 393 202 556/557  
Website: [www.efcug.com](http://www.efcug.com)  
Email: [info@efcug.com](mailto:info@efcug.com)

### **Ndeeba Branch**

Master Wood Plaza,  
1156 Masaka Road,  
Block 7, Ndeeba,  
Tel: +256 393 202 981

### **Kololo Branch**

Ground Floor, Acacia Place,  
Plot 6, Acacia Avenue, Kololo  
P.O. Box 33667, Kampala - Uganda  
Tel: +256 393 202 556/557

## **Business Service Centres**

### **Kalerwe**

Gayaza Road,  
Tel: +256 414 697 410

### **Kireka**

Kireka Road,  
Tel: +256 414 697 412

### **Nansana**

Hoima Road,  
Tel: +256 414 663429

### **Nateete**

Masaka Road,  
Tel: +256 414 663 430

### **Mukono BSC**

Jinja Road  
Tel: +256 414 666 695



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