

SUMMARISED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020



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INDEPENDENT EXTERNAL AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF EFC UGANDA LIMITED (MDI)

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2020, 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 EFC Uganda Limited (MDI) (the "Company") for the year ended 31 December 2020.

In our opinion, the accompanying summary financial statements of the Company are consistent in all material respects with the audited financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010 and the Micro Finance Deposit-Taking Institutions 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 Micro Finance Deposit-Taking Institutions Act, 2003 and the requirements of 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 28 April 2020. That report also includes the 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.

Responsibilities of management for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010 and the Micro Finance Deposit-Taking Institutions Act, 2003.

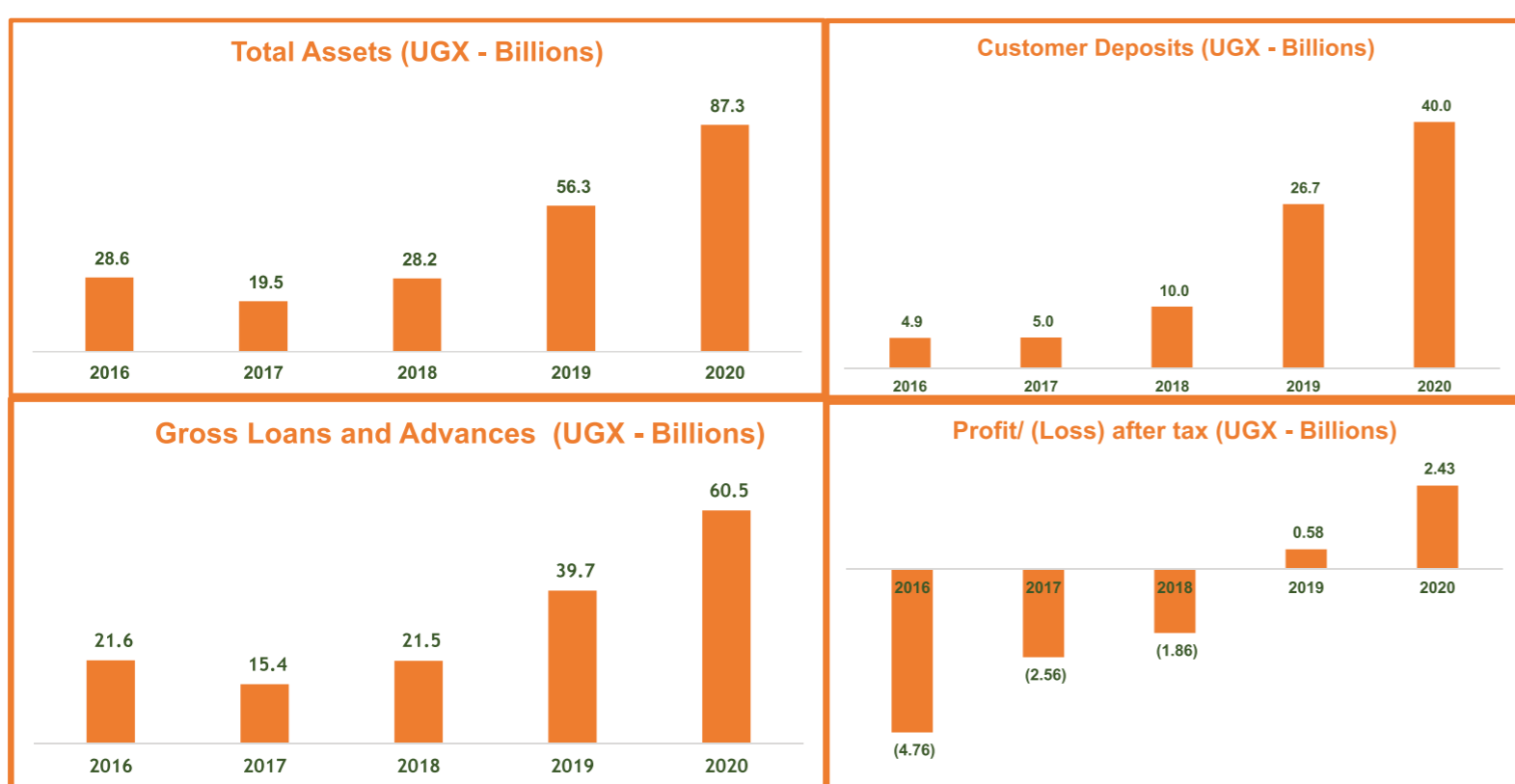
Auditor's responsibility

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.

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: 28th April 2021



MESSAGE FROM DIRECTORS:

The Directors have the pleasure to share with you the summarised audited Financial Statements for EFC Uganda Limited (MDI) for the year ended 31 December 2020. The above summarised Statement of Financial Position and summarised Statement of Profit or Loss and Other Comprehensive Income were audited by BDO East Africa, Certified Public Accountants of Uganda and received an unmodified opinion.

The Financial Statements were approved by the Board Of Directors on 08 April 2021

SUMMARY STATEMENT OF FINANCIAL POSITION

	2020	2019
	Ushs '000	Ushs '000
ASSETS		
Cash and cash equivalents	10,266,416	2,174,811
INVESTMENTS		
Net loans and advances	57,981,861	37,924,793
OTHER ASSETS	1,333,327	2,076,626
Current tax recoverable	472,660	459,266
Property, plant and equipment	1,039,052	1,051,219
Right-of use assets	2,405,583	3,125,194
Intangible assets	3,942,101	57,217
TOTAL ASSETS	87,277,740	56,273,273

LIABILITIES

DEPOSITS FROM CUSTOMERS	40,005,200	26,688,073
Other liabilities	2,373,982	754,158
Borrowings	29,996,945	15,815,590
Provision	40,000	20,000
Lease liability	2,459,406	3,022,786
TOTAL LIABILITIES	74,875,533	46,300,607

SHAREHOLDERS' EQUITY

Share capital	24,263,683	24,263,683
Accumulated losses	(11,861,476)	(14,340,263)
Regulatory credit risk reserve		49,246
TOTAL SHAREHOLDERS' EQUITY	12,402,207	9,972,666
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	87,277,740	56,273,273

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2020	2019
	Ushs '000	Ushs '000
Interest income	17,787,861	10,388,218
Interest expense	(6,821,990)	(4,341,698)
Net interest income	10,965,871	6,046,520
Investment Income	726,117	734,383
Other income	152,978	789,207
Total Operating income	13,704,530	9,585,123

OPERATING EXPENSES

Staff costs	(4,517,412)	(4,632,962)
Administrative costs	(2,548,797)	(1,567,864)
Operational costs	(2,263,654)	(1,311,156)
Finance cost	(215,062)	(211,364)
Impairment losses on loans and advances	(1,730,064)	(1,286,868)
Total operating expenses	(11,274,989)	(9,010,214)
Profit before Tax	2,429,541	574,909
Income tax expenses		
Net profit for the year	2,429,541	574,909

OTHER DISCLOSURES

	2020	2019
	Ushs '000	Ushs '000
Capital Position		
Core Capital	12,402,207	9,923,420
Supplementary Capital	553,360	363,753
Total Qualifying Capital	12,955,567	10,287,173
Total Risk Weighted Assets	71,056,725	44,583,352
Core Capital to Risk Weighted Assets	17%	22%
Total Capital to Risk Weighted Assets	18%	23%
Net Liquid Assets to Deposits	32%	43%
Non performing loans and other assets	3,015,772	2,310,781
Interest in suspense	242,268	127,840
Bad debts written off	377,993	447,927
Insider loans	133,317	38,327

CHARLES W. NALYAALI
CHAIRPERSON

SHEM E. KAKEMBO
MANAGING DIRECTOR