



# Bank of Baroda (Uganda) Limited

## STATEMENT FROM THE MANAGING DIRECTOR



**SHASHI DHAR, MANAGING DIRECTOR**

It is my pleasure to share the Bank's financial statements for the year ended December 31, 2023. The Bank performance for year 2023 is an exemplification of prudent leadership, consistence, customer centrisim and sustained focus on leveraging technology for customized banking experience and enhanced reach.

Overall, 2023 was a good year for the Bank in terms of performance & growth as the Bank witnessed growth in almost all major financial parameters. The total business (total deposits plus gross loans and advances) of the Bank grew by 13.63% from US\$ 2,889.10 Billion in 2022 to US\$ 3,282.95 Billion in 2023. The total interest income earned by the Bank during the year 2023 grew by 15.54% as compared to 2022 driven by strong performance in lending and investment activities. The gross advances increased by US\$ 146.21 Billion showing a growth of 13.15% over the previous year i.e. increase from US\$ 1,111.80 Billion to US\$ 1,258.01 Billion. The Bank's profit before tax stood at US\$ 153.75 Billion and profit after tax stood at US\$ 116.37 Billion in 2023. The Bank's financial results reflect prudent management and a commitment to the country economic growth.

During the year 2023, the Bank issued bonus shares to the existing shareholders and successfully met the new capital requirement of US\$ 150 billion as stipulated by The Financial Institutions (Revision of Minimum

Capital Requirements) Instrument, 2022.

The Bank is regularly updating its IT platforms to ensure convenient, efficient and fast services to its esteemed customers. The Bank further upgraded its risk, compliance and asset management systems through technological innovations and enhanced its core banking system provisions.

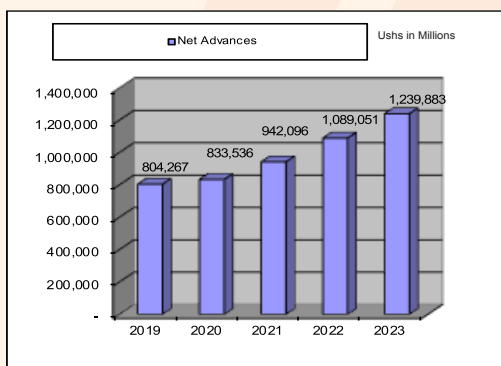
During the year 2023, the Bank was conferred with the 2nd runner up award in excel category for FY 2022-2023 as the most compliant Bank by the Uganda Revenue Authority during the Tax Payers appreciation awards.

The Bank has introduced new asset products like Invoice Financing, Collateral Management, and Advance against treasury bills & bonds for diversification of credit portfolio, risk mitigation and growth.

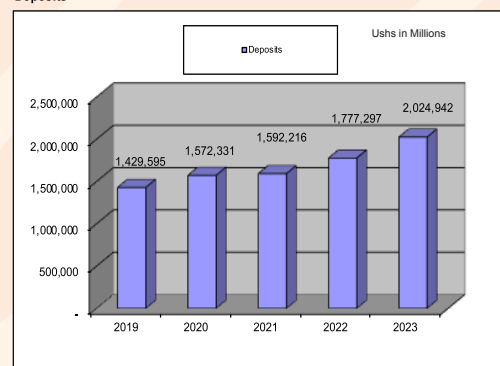
I take this opportunity to extend my sincere thanks and gratitude to the Government of the Republic of Uganda and the Bank of Uganda, Capital Markets Authority, Deposit Protection Fund (DPF) and Uganda Securities Exchange for their valuable guidance and continued support in strengthening the operations of the Bank. I express my deepest gratitude to all employees, esteemed customers and shareholders of the Bank for their continuous support and patronage.

## CONSOLIDATED PERFORMANCE AT A GLANCE

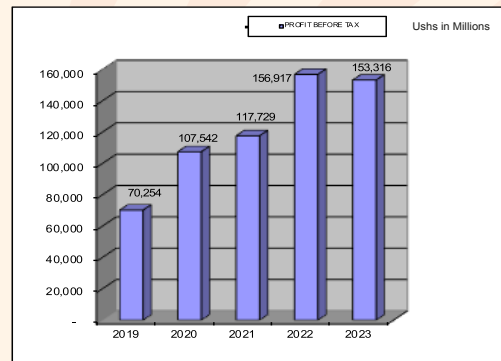
**Net Advances**



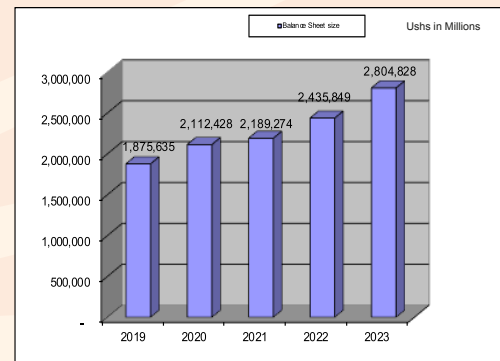
**Deposits**



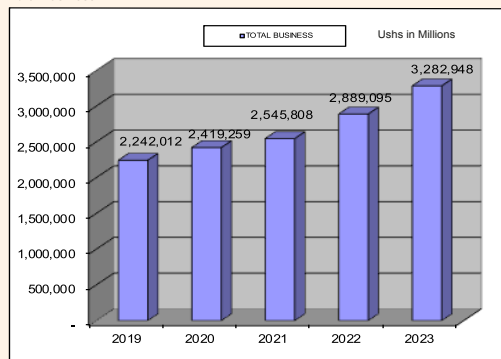
**Profit Before Tax**



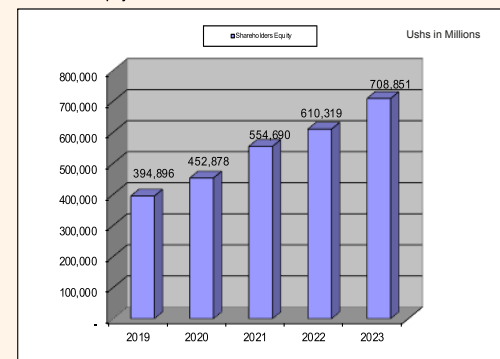
**Balance Sheet size (Total assets)**



**Total Business**



**Shareholders Equity**



## COPORATE SOCIAL RESPONSIBILITY



The reflector Jackets and Whistles were donated to traffic police department in presence of Mr Godwin Arinaitwe SSP Traffic Police & Mr Justin Opus SP Traffic Police by Mr Michael Atingi-Ego Deputy Governor, Bank of Uganda & Mr Shashi Dhar Managing Director Bank of Baroda (Uganda) Limited.



Bank of Baroda (Uganda) Limited handing over donation materials to children suffering from Cerebral Palsy during the World Cerebral Palsy awareness day on 06.10.2023.



Bank of Baroda (Uganda) Limited organized six blood donation camps at Kampala, Arua, Lira and Mbale Districts and collected 456 units of blood.

## SERVING THE PEOPLE OF UGANDA SINCE 1953

**Bank's Branches:** Kampala Main/Railway Station/Jinja/Mbale/Mbarara/Iganga/Kansanga/Kawempe/Lira/Mukono/Ovino Market/Kabale/Entebbe/Industrial Area/Kololo/Lugazi/Arua

**Off-Site ATM** Namanve-Mukono | Njeru Industrial Area, Jinja



Bank of Baroda (Uganda) Limited

Head Office: Plot 18, Kampala Road, P.O.Box 7197, Kampala, Uganda. Tel: 0414-233680

Bank of Baroda (Uganda) Limited is regulated By Bank of Uganda, Customer Deposits are protected by the Deposit Protection Fund of Uganda up to UGX 10 Million.Terms and Condition Apply



SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

I. REPORT OF THE INDEPENDENT AUDITOR ON THE PUBLISHED SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS OF BANK OF BARODA (UGANDA) LIMITED

**Opinion**  
The summary consolidated and separate financial statements, which comprise the summary consolidated and separate statement of financial position as at 31 December 2023, the summary consolidated and separate statement of comprehensive income for the year then ended, and related notes, are derived from the audited consolidated and separate financial statements of Bank of Baroda (Uganda) Limited for the year ended 31 December 2023.

In our opinion, the accompanying summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010.

**Summary consolidated and separate financial statements**  
The summary consolidated and separate financial statements do not contain all the disclosures required by the IFRS Accounting Standards as issued by the International Accounting Standards Board, and the requirements of the Companies Act, 2012, the Financial Institutions Act, 2004 (as amended) and Financial Institutions Regulations of Uganda. Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon. The summary consolidated and separate financial statements and the audited consolidated and separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

**The audited consolidated and separate financial statements and our report thereon**  
We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 24 April 2024. 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 consolidated and separate financial statements of the current period.

**Directors' responsibility for the summary consolidated and separate financial statements**  
The directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010.

**Auditor's responsibility**  
Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Ernst & Young

**Ernst & Young**  
**Certified Public Accountants**  
EY House Plot 18, Clement Hill Road  
Shimoni Office Village  
P.O. Box 7215, Kampala, Uganda  
Date: 24 April 2024

II SUMMARY CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023				
	Group		Bank	
	2023 USh '000	2022 USh '000	2023 USh '000	2022 USh '000
<b>Assets</b>				
Cash and balances with Bank of Uganda	215,775,055	228,514,586	215,775,055	228,514,586
Balances with bank-ing institutions	424,676,491	282,869,624	424,676,491	282,869,624
Due from group companies	2,626,525	6,292,990	2,626,525	6,292,990
Marketable (trading) securities	713,315,127	602,780,921	713,315,127	602,780,921
Loans and advances (Net)	1,239,882,695	1,089,050,974	1,239,882,695	1,089,050,974
Investment securities	160,790,350	185,211,786	160,790,350	185,211,786
Other assets	6,539,911	5,235,400	6,539,911	5,235,400
Property, equipment and right-of-use assets	36,438,472	27,053,210	36,438,472	27,053,210
Intangible assets	39,489	76,955	39,489	76,955
Current income tax recoverable	1,766,456	364,885	1,766,456	364,885
Deferred tax asset	2,937,775	7,681,070	2,937,775	7,681,070
Disposal group assets	40,000	716,765	40,000	40,000
<b>Total assets</b>	<b>2,804,828,346</b>	<b>2,435,849,166</b>	<b>2,804,828,346</b>	<b>2,435,172,401</b>

	Group		Bank	
	2023 USh '000	2022 USh '000	2023 USh '000	2022 USh '000
<b>Liabilities</b>				
Customers' deposits	2,024,941,979	1,777,297,079	2,024,941,979	1,777,297,080
Borrowed funds	14,322,590	8,725,514	14,322,590	8,725,514
Other liabilities	55,670,027	38,311,297	55,670,028	38,311,297
Dividends payable	1,042,736	919,628	1,042,736	919,628
Disposal group liabilities	-	276,674	-	-
<b>Total liabilities</b>	<b>2,095,977,332</b>	<b>1,825,530,192</b>	<b>2,095,977,333</b>	<b>1,825,253,519</b>
<b>Shareholders' equity</b>				
Share capital	150,000,000	25,000,000	150,000,000	25,000,000
Retained earnings	520,078,699	565,302,349	520,078,698	564,902,257
Proposed dividends	30,000,000	25,000,000	30,000,000	25,000,000
FVTOCI reserves	(5,005,843)	(12,451,075)	(5,005,843)	(12,451,075)
Revaluation reserves	13,778,158	7,467,700	13,778,158	7,467,700
<b>Total shareholders' equity</b>	<b>708,851,014</b>	<b>610,318,974</b>	<b>708,851,013</b>	<b>609,918,882</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,804,828,346</b>	<b>2,435,849,166</b>	<b>2,804,828,346</b>	<b>2,435,172,401</b>
<b>III SUMMARY CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2023</b>				
	Group		Bank	
	2023 USh '000	2022 USh '000	2023 USh '000	2022 USh '000
<b>Income</b>				
Interest on deposits and placements	17,517,790	9,068,218	17,517,790	9,068,218
Interest on loans and advances	135,911,082	114,415,065	135,911,082	114,415,065
Interest on Govern-ment securities	109,613,472	104,183,198	109,613,472	104,183,198
Foreign exchange income	3,795,957	4,719,059	3,795,957	4,719,059
Fees and commission income	10,417,615	18,259,970	10,417,615	18,259,970
Other income	17,773,941	11,092,648	18,206,497	11,092,648
<b>Total income</b>	<b>295,029,857</b>	<b>261,738,158</b>	<b>295,462,413</b>	<b>261,738,158</b>
<b>Expenditure</b>				
Interest expense on deposits	(84,776,386)	(55,904,043)	(84,776,386)	(55,904,043)
Interest expense on borrowings	(400,413)	(400,656)	(400,413)	(400,656)
Other interest expense	(403,346)	(442,020)	(403,346)	(442,020)
Provision for bad and doubtful debts	(9,553,02)	(11,065,014)	(9,553,025)	(11,065,014)
Administrative and service level agree-ment fees	(1,333,608)	(2,299,021)	(1,333,608)	(2,299,021)
Operating expenses	(45,247,481)	(34,710,667 )	(45,247,481)	(34,710,667)
<b>Total expenditure</b>	<b>(141,714,259)</b>	<b>(104,821,421)</b>	<b>(141,714,259)</b>	<b>(104,821,421)</b>
<b>Profit before tax</b>	<b>153,315,598</b>	<b>156,916,737</b>	<b>153,748,154</b>	<b>156,916,737</b>
Income tax charge	(37,381,989)	(34,731,723)	(37,381,989)	(34,731,723)
<b>Profit from continu-ing operations</b>	<b>115,933,609</b>	<b>122,185,014</b>	<b>116,366,165</b>	<b>122,185,014</b>
<b>Profit from discon-tinued operations (net of tax)</b>	<b>32,465</b>	<b>10,952</b>	<b>-</b>	<b>-</b>
<b>Profit for the year</b>	<b>115,966,074</b>	<b>122,195,966</b>	<b>116,366,165</b>	<b>122,185,014</b>

	Group		Bank	
	2023 USh '000	2022 USh '000	2023 USh '000	2022 USh '000
<b>Other comprehen-sive income/ (loss) for the year, net of tax</b>	<b>14,389,484</b>	<b>(16,566,982)</b>	<b>14,389,484</b>	<b>(16,566,982)</b>
<b>Total comprehensive income</b>	<b>130,355,558</b>	<b>105,628,984</b>	<b>130,755,649</b>	<b>105,618,032</b>
<b>IV OTHER DISCLOSURES</b>				
	Group		Bank	
	2023 USh '000	2022 USh '000	2023 USh '000	2022 USh '000
<b>Contingent liabilities</b>				
Letter of credit	56,601,517	74,834,197	56,601,517	74,834,197
Guarantees and performance bonds	91,074,294	97,366,443	91,074,294	97,366,443
<b>Total</b>	<b>147,675,811</b>	<b>172,200,640</b>	<b>147,675,811</b>	<b>172,200,640</b>
<b>Commitments</b>				
Undrawn credit lines	315,965,270	322,331,730	315,965,270	322,331,730
<b>Total</b>	<b>315,965,270</b>	<b>322,331,730</b>	<b>315,965,270</b>	<b>322,331,730</b>
Non-performing loans and other assets	414,946	14,954,653	414,946	14,954,653
Interest in suspense	40,361	770,987	40,361	770,987
Bad debts written off	18,409,512	7,984	18,409,512	7,984
Large loan exposures	358,971,896	390,203,806	358,971,896	390,203,806
Insider loan expo-sures	167,655	95,965	167,655	95,965
<b>Capital position</b>				
Core capital		651,419,545		569,653,157
Supplementary capital		26,356,512		18,540,680
<b>Total qualifying capital</b>		<b>677,776,057</b>		<b>588,193,837</b>
<b>Total Risk Weighted Assets (RWA)</b>		<b>1,866,935,706</b>		<b>1,601,021,656</b>
<b>Core capital to RWA</b>		<b>34.89%</b>		<b>35.58%</b>
<b>Total qualifying capital to RWA</b>		<b>36.30%</b>		<b>36.74%</b>

**VI. BASIS OF PREPARATION**  
The summary consolidated and separate financial statements for the year ended December 31, 2023 were prepared in accordance with the requirements of section 12(1) of the Financial Institutions (External Auditors) Regulations, 2010 and section 50(1) of the Financial Institutions Act, 2004 and as amended. The regulations 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 auditor's report, in a newspaper circulating in the whole of Uganda in the format prescribed in the schedule to the regulations.

**VII. DIVIDENDS**  
The Board of the Bank has resolved to recommend a dividend of USh 30 Billion for the year ended December 31, 2023 i.e. USh 2 per share. The proposal for paying the dividend at USh 2 per share will be subject to approval from Bank of Uganda and by the shareholders at the ensuing Annual General Meeting. The book closure date will be announced subpsquent to receipt of the said Bank of Uganda approval.

**VIII. MESSAGE FROM DIRECTORS**  
The above summary consolidated and separate financial statements were audited by Ernst & Young, Certified Public Accountant of Uganda and received an unmodified audit opinion. The consolidated and separate financial statements were approved by the Board of Directors on March 23, 2024 and discussed with Bank of Uganda on April 05, 2024. A copy of the audited consolidated and separate financial statements of the Bank can be obtained from the Bank's website at www.bankofbaroda.ug as well as from the Bank's Head Office.

 <b>Prithvi Singh Bhati</b> Executive Director	 <b>Shashi Dhar</b> Managing Director	 <b>Vastina Rukimirana Nsanze</b> Chairperson
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SERVING THE PEOPLE OF UGANDA SINCE 1953

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