

**STATUTORY INSTRUMENTS**

**SUPPLEMENT No. 34**

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**STATUTORY INSTRUMENTS SUPPLEMENT**

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**STATUTORY INSTRUMENTS**

**2004 No. 65.**

**THE MICRO FINANCE DEPOSIT-TAKING INSTITUTIONS (REPORTING)  
REGULATIONS, 2004**

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## STATUTORY INSTRUMENTS

### 2004 No. 65.

**The Micro Finance Deposit-Taking Institutions (Reporting) Regulations, 2004**  
*(Under section 89 (3)(h) of the Micro Finance Deposit-Taking Institutions Act 2003, Act No. 5 of 2003)*

IN EXERCISE of the powers conferred on the Central Bank by section 89 (3)(h) of the Micro Finance Deposit-Taking Act, 2003, these Regulations are made this 12th day of May, 2004.

### PART I—PRELIMINARY.

#### **1. Citation**

These Regulations may be cited as the Micro Finance Deposit-Taking Institutions (Reporting) Regulations, 2004.

#### **2. Application**

These Regulations apply to all micro finance deposit-taking institutions in Uganda.

### **3. Interpretation**

In these Regulations, unless the context otherwise requires—

"Act" means the Micro Finance Deposit-Taking Institutions Act, 2003;

"external auditor" means the person appointed as such by an institution and approved by the Central Bank under section 30 of the Act;

"institution" or "MDI" means a micro finance deposit-taking institution;

"inspection" means an examination of an institution conducted by the Central Bank under sections 55 and 56 of the Act;

"return" means a periodic report of financial information submitted by a micro finance deposit-taking institution to the Central Bank as required by section 57 of the Act.

### **4. Purpose**

The purpose of these Regulations is to emphasise to institutions that—

- (a) the Central Bank can only execute its functions of ensuring monetary stability and overall soundness in the financial sector when accurate and comprehensive data on the operations and activities of institutions are reported on a regular basis; and
- (b) prudential supervision requires that on-site inspections and external audit reports must be supplemented by a formalised system of comprehensive analysis of an institution's returns which will ensure that the supervisory authority has data to monitor on a regular basis, the soundness of the institutions it supervises.

### **5. Objectives**

The objectives of these Regulations are—

- (a) to enable the Central Bank to supervise institutions by means of accurate and timely financial data and other information from the institutions; and
- (b) to enable the Central Bank gather a comprehensive and accurate database of the activities of institutions to be used for policy making in promoting economic growth and stability in Uganda.

## **PART II—REGULATORY REQUIREMENTS.**

### **6. Submission of financial statements**

(1) An institution shall, as required by section 49 (1) of the Act, submit to the Central Bank an audited balance sheet and income statement prepared by each

institution and approved at the institution's annual general meeting together with the auditor's report and management letter.

(2) Before the audited balance sheet and income statement are finalised, the institution and its external auditor must ensure compliance with section 43 of the Act and the level of provisions for loan portfolio and a proper non - accrual policy must be enforced to satisfy the requirements of the Central Bank.

(3) As required by section 49(1) of the Act, the audited accounts must be submitted to the Central Bank within four months after the end of each financial year.

## **7. Required returns**

(1) Every institution shall submit to the Central Bank the following set of returns—

(a) on a weekly basis: Form MDI 110A Weekly Statement of liquidity for Micro-Finance Deposit-Taking Institutions specified in Schedule 1.

(b) on a monthly basis—

(i) FORM MDI 100–Monthly Statement of Assets and Liabilities specified in Schedule 2;

(ii) FORM MDI 100A–Monthly Computation of Capital Adequacy specified in Schedule 3;

(iii) FORM MDI 110–Monthly Statement of Income and Expense specified in Schedule 4;

(iv) FORM MDI 140–Monthly schedule for Loans extended to Insiders specified in Schedule 5;

(v) FORM MDI 120–Monthly Schedule of Provisions for Bad Debts;  
and

(vi) Form MDI 150–Monthly Report of Portfolio Quality Returns–  
Form PQR.

(2) A monthly return referred to in subsection (1) is to be submitted as printed reports, within ten days from the date of the return.

(3) A weekly return is to be submitted on Tuesday following the end of the week to which it refers.

(4) All returns are to be completed in compliance with special instructions prepared by the Central Bank.

## **8. Verification of accuracy of required returns**

(1) The Chief Executive Officer is personally responsible for ensuring compliance with these Regulations.

(2) The Chief Executive Officer of the institution is responsible for the accuracy of the returns.

### **9. Inspection by the Central Bank**

(1) The Central Bank may, in order to determine the accuracy of the data or information disclosed in a required return, inspect an institution in accordance with the Bank's powers under section 56 of the Act.

(2) An institution under inspection by the Central Bank shall produce all records, books, and documents used in the preparation of such returns, as authorised under section 56 of the Act.

### **10. Verification by external auditor**

(1) As required by section 35 of the Act, it is the duty of an external auditor to verify the accuracy of the returns submitted by an institution to the Central Bank on a quarterly basis.

(2) The external auditors and the Central Bank may, through consultation, determine the scope of review by external auditors to verify the accuracy of returns submitted by an institution to the Central Bank.

## **PART III—REMEDIAL MEASURES AND ADMINISTRATIVE SANCTIONS.**

### **11. Remedial measures**

(1) Where the Central Bank ascertains that an institution is not in compliance with these Regulations, it may determine that the institution is liable to the fine specified in section 57 (3) of the Act.

(2) The Bank may, in addition to, or in place of a fine under section 57 (3) of the Act, impose corrective action prescribed by section 58 of the Act.

(3) Where the Central Bank determines that the institution's non compliance with these Regulations, through false or misleading reporting has resulted in such severe distortion of its financial condition that its true condition is unsound, or that the funds of its depositors are in jeopardy, it may exercise its powers under section 59 of the Act.

### **12. Offences**

An institution which fails to submit a report as required by regulation 7 commits an offence and is liable, on conviction to—

- (a) a fine of two currency points for each of the first five days of delay; and
- (b) a fine of four currency points for each day after the first five days of delay.

### **13. Administrative sanctions**

The Central Bank may impose any or all of the following administrative sanctions on an institution that has failed to comply with the reporting requirements of these Regulations—

- (a) prohibition from declaring and paying dividends;
- (b) suspension of establishment of new branches or expansion into new activities;
- (c) suspension of acquisition of fixed assets;
- (d) suspension of acceptance of new deposits; and
- (e) suspension of lending facilities.

**SCHEDULES.**

SCHEDULE 1

*Regulation 7 (1)(a)*

**BANK OF UGANDA FORM MDI 110A**

WEEKLY STATEMENT OF LIQUIDITY FOR MICRO  
FINANCE DEPOSIT-TAKING INSTITUTIONS (MDIs)

NAME OF MICRO FINANCE DEPOSIT-TAKING  
INSTITUTION .....

WEEKLY STATEMENT OF LIQUIDITY AS AT .....  
(in thousands of shillings)

Amount ('000s)

1. Notes and coins
  2. Demand balances and money at call from Banks
  3. Balances with other financial institutions
  4. Government of Uganda Treasury bills
  5. Uganda Government stocks maturing in not more than 5 years.
  6. Demand balances with Head Office and branches.
  7. Demand balances with Head Office, branches and other money at call abroad in convertible currencies after off setting amount due to such institution
  8. Commercial bills and promissory notes eligible for discount at Bank of Uganda.
  9. Total liquid assets held
- DEPOSIT LIABILITIES
10. Saving liabilities
  11. Time deposits
  12. Total deposit liabilities.

LIQUIDITY RATIO REQUIREMENTS

- 13. 15% of deposit liabilities.
- 14. Total liquid assets needed to comply with the statutory requirements (surplus compare item 9 with 12).
- 15. Total advances.
- 16. Ratio: Advances/Deposits.

We certify that to the best of our knowledge, the figures in this statement are those appearing in our books and records as at close of business.

*Date:* .....

*Signature* .....

SCHEDULE 2

*Regulation 7 (1)(b)(i)*

**BANK OF UGANDA FORM MDI 100**

MONTHLY STATEMENT OF ASSETS AND LIABILITES  
FOR MICRO FINANCE DEPOSIT-TAKING INSTITUTIONS (MDIs) IN UGANDA

NAME OF MDI .....

MONTH ENDING.....

BRANCH NETWORK

Number of branches; .....

Number of agencies: .....

To be submitted not later than the 10th day of the month following that to which it refers.

To:

The Director,  
Supervision Function,  
Non-Banking Financial Institutions Department,  
Bank of Uganda,  
P.O. Box 7120,  
Kampala.

And copies to:

The Director,  
Research and Policy Function,  
Research Department, Bank of Uganda,  
P.O. BOX 7120,  
Kampala.

**FORM MDI 100**

MONTHLY STATEMENT OF ASSETS AND LIABILITIES

NAME OF MICRO FINANCE DEPOSIT-TAKING INSTITUTION.....

MONTH ENDING.....

ASSETS	Amount Shs. '000'	Sub-Total
1 Notes and coins		
2 Balance with financial institutions in Uganda		
3 Balance with financial institutions outside Uganda		
4 Investment in securities (Line items 5 and 6)		
5 Treasury Bills		
6 Others e.g. Government Bonds, etc (Specify)		
7 Loans (Line items 8,9 and 10)		
8 Current		
9 Past due		
10 Restructured		
11 Allowance for loan losses-general & specific		
12 Net loans outstanding (Line item 7 less 11)		
13 Inter branch/due from own offices		
14 Fixed assets (Gross) (Line items 16 to 17)		
15 Land		
16 Buildings		
17 Equipment		
18 (Accumulated depreciation)		



- 19 Net fixed Assets (Line items 14 less 18)
- 20 Long term investments
- 21 Other assets (specify)

**ASSETS**

Sub-Total

Amount Shs. '000'

22 Total assets (line items 1 to 4, 12 to 13 and 19, 20 to 21)

**LIABILITIES**

- 24 Deposits: (Line items 25, 26 and 27)
- 25 Savings
- 26 Time deposits
- 27 Accrued interest
- 28 Loan insurance funds/compulsory savings
- 29 Borrowings-short term (Market rate)
- 30 Borrowings-long term debt (Concessional rate)
- 31 Other liabilities (specify)
- 32 Borrowings-long term debt (Market rate)
- 33 Borrowings-long term debt (Concessional rate)
- 34 Grants/Deferred income
- 35 Inter branch
- 36 Other long-term liabilities (specify)
- 37 Total liabilities (Line Items 24,28 to 36)

**EQUITY**

- 39 Paid up capital
- 40 Share premium
- 41 Retained earnings prior years
- 42 Current year Net Profit/loss (line item 43 less 44 should agree with line item 45 from the income statement)

- 43 Revenue
- 44 Expenditure
- 45 Other reserves (specify)
- 46 Total equity (Line items 39 to 42 and 45)
- 47 Subordinated debt
- 48 Total liabilities and Equity (Line items, 37 46 and 47)

Sub-Total

Amount Shs. '000'

**OFF BALANCE SHEET ITEMS**

- 49 Contingent claims secured by cash collateral
- 50 Direct credit substitutes (guarantees and acceptances)
- 51 Transaction related (performance bonds)
- 52 Total (line items 49 to 51)

Date.....

Date .....

Title .....

Title .....

Signature .....

Signature .....

## SCHEDULES

### A. Other Assets

<i>No.</i>	<i>Item</i>	<i>Amount</i>
1.		
2.		
3.		
4.		
5.		
		Total

### B. Other Assets

<i>No.</i>	<i>Item</i>	<i>Amount</i>
1.		
2.		
3.		
4.		
5.		
		Total

### C. Minimum and maximum Interest rates on savings and time deposits

	Minimum	Maximum
Savings		
Time		

### D. Lending Rates

Sector	
	3-6.9%
	7-10.9%
	11-14.9%
	15-18.9%
	19-29.9%
	Over 30%

Agriculture  
Trade and Commerce  
Transport and Communications  
Electricity and Water  
Building and Construction.

Other Services  
Total

Key: Interest rates should refer to the reporting period only.

## BANK OF UGANDA

### INSTRUCTIONS FOR FILLING FORM MDI 100

#### BANK OF UGANDA REPORT FORM MDI 100:MONTHLY STATEMENT OF ASSETS AND LIABILITIES FOR MDIs

#### INTRODUCTION

The Form MDI 100 is one of the statutory returns designed under the supervision function of the Bank of Uganda for MDIs in Uganda. In this return, institutions reveal the volume of business and financial position as at the last day of each month. The form is composed of three major sections namely; Assets, Liabilities and Equity.

The format is also expected to capture subsequent changes in the sector as they unfold, while maintaining emphasis on having the reports manageable for the compilers and consistency across micro finance deposit-taking institutions.

#### INSTRUCTIONS FOR COMPLETING THE MONTHLY STATEMENT OF ASSETS AND LIABILITIES

The instructions and definitions to guide in the compiling of Form MDI 100 are divided into two areas; General and Specific Instructions. The general instructions refer to the regularity of reporting and the format of the return. The specific instructions on the other hand relate

to the particular items in the statement of assets and liabilities and the schedules, and the relevant definitions.

## 1. GENERAL INSTRUCTIONS

- (i) This report must be submitted ten days following the end of the month to which the data relates;
- (ii) The report should cover all of the transactions of the micro finance deposit-taking institutions for the reporting period;
- (iii) Balances in currencies other than the Uganda shillings should be converted at the mid-exchange rate ruling at the reporting date. The total in the statement of assets and liabilities is in local currency.

## SECTION 1 BRANCH NET WORK:

### Branch:

This is a full office carrying on all or most activities of the MDI. It keeps separate accounts and has accounts with the head office. A full time manager is in charge. It is independent of the other branches and reports to the head office.

### Agency:

This is a part time office. It is located in a place which supports a fully-fledged branch. The agency offers a limited range of facilities, (e.g. receiving cash and payments of depositors) on selected days and hours of the week. The agency maintains a ledger at the controlling branch office.

## ASSETS

1. Notes and coins - The amount held in cash by the MDI.
2. Balances with financial institutions in Uganda  
Balance on deposit accounts in commercial banks, credit institutions or in all regulated institutions if applicable and, the Central Bank, if prescribed, in Uganda.
3. Balances with financial institutions outside Uganda  
Balance on deposit accounts in commercial banks, credit institutions or in all regulated institutions outside Uganda. These balances are available to the MDI on a demand basis.
4. Investment in securities  
Investments that earn interest income for the MDI, e.g. treasury bills and government securities.
5. Treasury Bills  
Report the cost value of Treasury Bills issued by Bank of Uganda. Interest accrued on Treasury bills at the date of reporting should be reported under other assets as accrued interest receivable (Line item 21).

6. Government Bonds, etc  
Enter the cost of the bonds held in the appropriate line. Any premium or discount resulting from the acquisition of the bonds should be recorded as a separate entry (at the date of acquisition) and amortized over the remaining life of the bonds. Income earned on bonds but not yet received and taken into income should be entered in accrued interest receivable (Line item 21).

7. Loans (Gross Loan Portfolio)  
The total sum of all the outstanding principal balance of the MDI's loans including current (Line item 8), past due (delinquent) (Line item 9) and restructured loans (Line item 10), but not loans that have been written off.

The gross loan portfolio is frequently referred to as the loan portfolio loans outstanding.

*Note: These terms should not be used to refer to the Net loan portfolio described below. The Gross loan portfolio should not be confused with the volume of the loans disbursed.*

11. Allowance for Loan Losses-  
The portion of the Gross loan portfolio that has been expensed (provisioned for) in anticipation of losses due to default. The item represents the cumulative value of the Loan loss provision expenses (from the Income Statement) less the cumulative value of loans written off.

The allowance for loan losses is recorded as a negative asset on the balance sheet.

It should be noted that the allowance for loan loss is not a cash reserve, but rather an accounting entry to adjust for anticipated loan losses. The allowance accumulates from provision expenses related to the portfolio at risk or in some cases, general provision expenses against the entire gross loan portfolio. The value of the allowance Loan losses should not be less than the value of loans anticipated to be written off.

12. Net Loans Outstanding  
The Gross loan portfolio less the allowance for loan losses.

13. Inter Branch (Net due from own offices)  
Report the net amount receivable from the branches. However, amounts due and uncleared, which are 30 days and more, will be considered as other assets subject to classification. Examples of items that would normally be found under this item in the balance sheet are—

- (a) head office and branch clearing accounts representing nominal value of cheques deposited, transfer of funds, etc between branches or temporarily in suspense;
- (b) uncleared remittance accounts;
- (c) other similar accounts dealing with items in the course of settlement or in transit.

14. Fixed Assets (Gross)

Includes land (Line item 15), buildings (Line item 16), vehicles, office equipment (Line item 17), etc. recorded at their initial cost at time of acquisition.

18. **Accumulated Depreciation**  
Represents the sum of depreciation expenses recorded in the current and previous financial periods. It represents a decrease in the book value of fixed assets. (See depreciation on the income statement).
19. **Net Fixed Assets**  
The difference between the book value of fixed assets and accumulated depreciation.
20. **Long-Term Investments**  
The amount held in long-term investments. These are investments not intended as a ready source of cash and include stocks, bonds and promissory notes that will be held for more than one year.
21. **Other Assets**  
Other assets not listed above that will be used or that will change form within the next 12 months, such as prepaid expenses like rent and insurance, accrued interest, accounts/fees received, etc.
22. **Total Assets**  
The summation of assets.
23. **Liabilities**
24. **Deposits**  
Savings and Time deposits, and Accrued Interest on customary deposits.
25. **Savings**  
Savings, that are not an obligatory part of accessing credit services. Voluntary savings' services are provided to both borrowers and non-borrowers who can deposit and withdraw according to their needs.
26. **Time Deposits**  
Deposits repayable after a fixed period or after notice.
27. **Accrued Interest**  
Interest payable on deposit accounts.
28. **Loan Insurance Funds/Compulsory Savings**  
Also referred to as compulsory savings, forced savings, Loan Insurance Funds (LIF), or compensating balances. These represent funds that must be contributed by borrowers as a condition to receiving a loan, sometimes as a percentage of the loan, and sometimes as a nominal amount. Compulsory savings are considered part of the loan product rather than savings product since they are tied to receipt of loans.
29. **Borrowings-short-term debt (Market Rate)**  
The amount outstanding on all short-term borrowings (those that mature in less than 12 months) on which a concessional (or below market) rate of interest is charged.
30. **Borrowings-Short-Term Debt (Concessional Rate)**  
The amount outstanding on all short-term borrowings (those that mature in less than 12 months) on which a concessional (or below market) rate of interest is charged.

31. Other Liabilities (Specify)  
Any other liabilities due within 12 months such as interest payable on savings accounts or taxes due that are not listed above.
32. Borrowing Long-Term Debt (Market Rate)  
The amount outstanding on all long-term borrowings (those that mature in 12 months or more) on which a market rate of interest is paid.
33. Borrowing Long-Term Debt (Concessional Rate)  
The amount outstanding on all long term borrowing (those that mature in 12 months or more) on which a concessional (or below market) rate of interest is paid.
34. Deferred Income or Grants  
Donations provided to the MDI that are restricted in some way to a particular purpose or time frame. Theoretically, if the MDI failed in its performance, the donor could recall these funds. As the MDI provides the services agreed on and incurs expenses, the deferred revenue is reflected as grant revenue and used to cover these expenses.
35. Inter Branch  
Balance due to Head Office or branches.
36. Other Long-Term Liabilities  
Other long term liabilities that do not meet the criteria of deferred income or do not qualify as restricted funds.
37. Total Liabilities  
Summation of liabilities.
38. Equity  
Summation of equity items
39. Paid Up Capital  
Amount of paid up share capital from shareholders.
40. Share premium  
The excess (premium) of the amount received for preferred and common shares over their respective par values (net of the cost of issuing shares).
41. Retained Earnings (Loss) Prior Years  
The cumulative surplus or deficit from MFI operations that has been retained in prior years.
42. Current Year Net Profit (Loss)  
The surplus or deficit from MDI operations in the current financial year includes Net Income from Operations (After Tax) and Net Income from non-financial services.
43. Revenue  
Income for the current period.
44. Expenditure

Expenses for the current period.

45. Other Reserves  
Other forms of equity other than paid up share capital or retained earnings. They may arise from a surplus on asset revaluation or capital contributions not financially registered as paid up share capital. They could also be created out of retained profits for special purposes.
46. Total Equity  
Summation of equity items.
47. Subordinated debt  
A debt that is junior in claim on assets to other debts, repayable only after other debts with a higher claim have been satisfied.
48. Total Liabilities and Equity  
Summation of liabilities and equity (This amount equals Total Assets).

INSTRUCTIONS FOR COMPLETING THE MONTHLY STATEMENT OF INCOME  
AND EXPENSE

BANK OF UGANDA FORM MDI 110

INCOME

1. Credit Income  
This is the sum of interest income, loan, fees, service charges and late fees on loans.
2. Interest Income from Loans  
Interest received on loans granted. Some MDI's recovered interest income on an accrual basis while others record interest income only when received (cash-basis). This should be described in the notes to the financial statements. However, for uniform reporting, interest income should be reported on accrual basis. If the loan becomes non-performing, interest should be suspended and placed in a suspense-account.
- 3,4,5 Fee Income from Loans  
Fees, service charges and commissions, including penalty fees (if applicable) received on loans.
6. Total Other Income  
This is the sum of income from investments and other financial services.
7. Income from Investments  
Revenue from interest, dividends or other payments generated by financial assets other than the loan portfolio, such as interest-bearing deposits, certificates of deposits and treasury obligations. This includes not only interest received in cash, but also interest accrued but not yet received.
8. Income from other financial services



Revenue generated from other financial services, such as fees and commissions for non-credit financial services. This item may include revenues linked with lending such financial services such as payment services or insurance, membership fees.

9. Gross Financial Income  
Total Operating Income during the month or year-to-date.
10. Financial Expenses of Lending Funds  
Total financial expenses during the period or year-to-date.
11. Interest and fees expense on Debt (borrowing)  
Total amount of interest and fees paid during the period on funds borrowed at a commercial (or market) interest rate.
12. Interest expense on Deposits  
Total amount of interest and fees paid during the period on voluntary and compulsory savings or LIF.
13. Provision for Bad Debts  
A non-cash expense that creates or increases the Loan loss reserve on the balance sheet. This expense may be composed of general and specific provisions. The general provision is calculated as a percentage of the value of the gross loan portfolio that is at risk of default based on aging analysis. Specific provisions are made for identified loans. It is common to use the term "loan loss provision" and "loan loss reserve" interchangeably. To avoid confusion between this expense and the loan loss reserve, analysts prefer to use the term "reserve" for the balance sheet account, and the term "provision" for the expense account. It is helpful to include the word "expense" when referring to this latter account.  
  
The provision for loan loss expense should always be separated from other operating costs. The provision for loan loss expense increases the Loan loss reserve on the balance sheet.
14. Net Financial income  
Represents the difference between the income generated from the portfolio and other investments, and the costs directly associated with those investments during the period (Financing expenses and Provision for loan losses). This represents the amount of income available to cover operating expenses for the month or year-to-date.
15. Operating Expenses Financial Services  
Includes staff salaries, bonuses and benefits and other operational expenses during the period. It includes expenses like administrative expenses, rent and utilities, travel and transport, depreciation and other operating expenses.
16. Salaries and benefits  
Includes staff salaries, bonuses, and benefits, as well as employment taxes paid by the MDI. It is also referred to as "salaries and benefits" or "staff expense". It may also include costs of recruitment and initial orientation. It does not include on-going or specialized training costs, which are considered as other operating expenses.
17. Administrative Expenses

Expenses incurred for stationery, office supplies, postage, insurance, legal fees, etc.

18. **Rent and Utilities**  
Expenses incurred for lease of land and/or buildings during the period and utilities such as electricity, water and telephone bills.
19. **Travel and Transport**  
Expenses incurred for transportation (vehicle maintenance, fuel, etc), allowances or *per diem*, etc. of staff members while on official duties for the MDI.
20. **Depreciation**  
A non-cash expense that is determined by estimating the useful life of each asset and expensing a portion of the useful life for the period. Depreciation represents a decrease in the value of property/assets and accounts for the portion of useful lifetime that is expensed during each accounting period. (see accumulated depreciation on the balance sheet).
21. **Other Operating expenses**  
Other operating expenses (non-financial) directly related to the provision of financial services or other services that form an integral part of the financial services not included above.  
These could include advertising and consulting fees, training expenses, legal fees, insurance, etc. or direct expenses associated with accessing donor funding. Does not include taxes on employees, revenues, or profits, but may include taxes on transactions and purchase, such as value-added taxes if not included above.
22. **Net Income (Loss) from Operations**  
(Total operating income) - (Total operating expenses).
23. **Grant Income for Financial Services**  
This is the summation of all grant income to support the delivery of financial services.
24. **Grant Income for Loan Fund**  
Funds donated to the MDI to capitalise the loan fund, that is, which are restricted to use as lending funds and cannot be used for operating expenses.
25. **Grant Income for Fixed Assets**  
Funds donated to the MDI to purchase fixed assets (depreciable), which are restricted to fixed asset purchases and cannot be used for operating expenses.
26. **Grant Income for Operations**  
Funds donated to the MDI to cover operating expenses and supplement earned income.
27. **Unrestricted Grant Income**  
Unrestricted funds donated to the MDI to cover operating expenses and supplement earned income.
28. **Grant Income for Non Financial Services**

This is the summation of all grant income to support the delivery of non-financial services.

29. **Grant Income for Fixed Assets**  
Funds donated to the MDI to purchase fixed assets (depreciable), which are restricted to fixed asset purchase and cannot be used for operating expenses.
30. **Grant Income for Operations**  
Funds donated to the MDI to cover operating expenses and supplement earned income.
31. **Unrestricted Grant Income**  
Unrestricted funds donated to MDI to cover any need, including purchase of fixed assets or operating shortfalls for non-financial services.
32. **Income from Non-Financial Services**  
Income received from non-financial services, which are not an integral part of the financial services.
33. **Operating Expenses from Non-Financial Services**  
Expenses that an institution incurs for providing non-financial services. Include salaries and benefits, administrative expenses, rent and utilities, travel and transport, etc.
40. **Net Operating Profit (Loss) from Non-Financial Services**  
Represents the contribution to net profit from non-financial services.
42. **Provision for Corporation Tax**  
Includes all taxes paid on net income or other measure of profits as defined by tax authorities. This item may also include any revenue tax. It includes taxes related to employment of personnel, financial transactions, fixed-assets purchase or other value-added taxes (which should be included in operating expenses).
43. **Net Profit (Loss) after Tax**  
Profit/loss from operations less taxes.
44. **Dividends**  
Payment by the MDI to shareholders.
45. **Retained Earnings**  
Accounting net profits kept to accumulate in MDI after dividends are paid.

### SCHEDULE 3

*Regulation 7 (1) (b) (ii)*

### **BANK OF UGANDA FORM MDI 100A**

MONTHLY COMPUTATION OF CAPITAL ADEQUACY  
(To be submitted with Form MDI. 100 as at same reporting date)

NAME OF MDL.....

MONTH ENDING.....

1.0	CORE CAPITAL (Tier 1)	Ushs	
1.1	Paid-up share capital	.....	
1.2	+ Share premium	.....	
1.3	+ Retained earnings	.....	
1.4	+ Net after-tax, current year-to-date (50% only)/(Loss 100%)	.....	
1.5	(-) Less, investment in financial companies, not consolidated	.....	
1.6	(-) Less, accumulated losses	.....	
1.7	Core Capital	_____	(A)
2.0	SUPPLEMENTARY CAPITAL (Tier 2)		
2.1	General provisions up to 1.0 per cent of loan portfolio ( Limited to a maximum of 1.25% of gross risk-weighted assets).	.....	
2.2	Subordinated debt (Not to exceed 50% of core capital, subject to discount factor).	.....	
2.3	Other reserves	.....	
2.4	Total supplementary capital (Not to exceed 100% of tier 1 capital)	_____	(B)
3.0	TOTAL CAPITAL (Core + Supplementary)	=====	(C)

#### CAPITAL REQUIREMENT BASIS

(Amounts to agree to MDI 100)	Amount	Risk Weighting	Capital Requirement
1. Notes and coins		0%	Nil
2. Balance with banks in Uganda	.....	20%	.....
3. Balance with banks outside Uganda	.....	20%	.....
4. Balance with other financial institutions in Uganda		20%	.....
5. Balance with other financial institutions outside Uganda		20%	.....
6. Investments in Government Securities	.....	0%	Nil
7. Loans net of provisions	.....	100%	.....
8. Long term investments	.....	100%	.....

9. Premises and other fixed assets	.....	100%	.....
10. Inter branch/due from own office (own offices)	.....	100%	.....
11. Other assets	.....	100%	.....
Total Risk weighted Assets*	_____	_____	_____
	=====	=====	=====

\* Amount column for sum of items 1 through 11 must equal to the amount of total assets of the balance sheet.

CONTINGENT CLAIMS: \*\* (If applicable)

12. Contingent claims secured by cash collateral	0%	Nil
13. Direct credit substitutes (guarantees and acceptances)	100%	.....
14. Transaction related (performance bonds)	50%	.....

\*\* Amount column for sum of items 12 through 14 must equal to: off-balance sheet items shown on MDI 100

CAPITAL REQUIREMENT BASIS

(Risk weighted sum of items 1 through 14)	=====	(D)
Core capital required: 15 % of (D)	_____	(E)
Total capital required: 20% of (D)	_____	(F)

CAPITAL REQUIREMENT CALCULATIONS:

Minimum capital requirement

(Section 15 Micro Finance Deposit-Taking Institutions Act No5, 2003).U Shs 500 million)

Paid Up Share Capital = line 1.1 (page 1)	=====
Core capital requirement	
(Section 16(2))a minimum ratio of 15% =	
line 1.7/Risk Weighted Assets	_____ %

Surplus or (deficiency) of Core capital

=====

Total capital requirement

(Section 16(3)) (Minimum ratio of 20%) = line 3.0 /Risk Weighted Assets

\_\_\_\_\_ %

Surplus or (deficiency) of Total Capital

=====

The amounts shown on this form have been verified to be accurate as at the reporting date.

\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER

Date: \_\_\_\_\_

SCHEDULE 4

Regulation 7 (1) (b) (iii)

**BANK OF UGANDA FORM MDI 110**

MONTHLY STATEMENT OF INCOME AND EXPENSE

NAME OF MICRO FINANCE DEPOSIT-TAKING  
INSTITUTION:.....

MONTH ENDING .....

	Amount ('000s)	
	Current Month	Financial Year To-date
1.	Credit Income (Line items 2, 3, 4 and 5)	
2.	Interest Income from loans	
3.	Loan fees	
4.	Service charges	
5.	Late fees on loans	
6.	Total other income (Line items 7 and 8)	
7.	Income from investments	
8.	Income from other financial services	
9.	Gross Financial income (Add Line items 1 and 6)	
10.	Financial Expenses of lending funds (Line items 11 and 12)	
11.	Interest and fees expense on debt (borrowing)	
12.	Interest expense on deposits	
13.	Provision for bad debts	
14.	Net Financial Income (Line item 9 Less line items 10 and 13)	
	Amount ('000s)	
	Current Month	Financial Year To-date
15.	Operating Expenses Financial Services (Line items 16 to 21)	
16.	Salaries and benefits	
17.	Administrative Expenses	
18.	Rent and Utilities	
19.	Travel and Transport	
20.	Depreciation	
21.	Other operating Expenses	
22.	Net Income (Loss) from Operations (Line item 14 less line item 15)	
23.	Grant Income for financial services (Line items 24 to 27)	
24.	Grant income for the loan fund	
25.	Grant income for fixed assets	
26.	Grant income for operations	
27.	Unrestricted grant income	
28.	Grant Income for Non Financial services (Line items 29 to 31)	
29.	Grant income for fixed assets	
30.	Grant income for operations	
31.	Unrestricted grant income	
32.	Income from Non Financial Services	

- 33. Operating Expenses from Non Financial Services (Line items 34 to 39)
- 34. Salaries and benefits
- 35. Administrative Expenses

Amount ('000s)

- |  | Current Month | Financial Year To-date |
|--|---------------|------------------------|
| 36. Rent and Utilities   |               |                        |
| 37. Travel and Transport   |               |                        |
| 38. Depreciation   |               |                        |
| 39. Other  |               |                        |
| 40. Net Operating Profit/Loss from Non Financial Services (Line item 32 Less 33) |               |                        |
| 41. Net profit/Loss for the period (Line items 22, 23, 28 and 40)                |               |                        |
| 42. Corporation Tax  |               |                        |
| 43. Net profit/Loss after tax (Subtract line item 42 from line item 41)          |               |                        |
| 44. Dividends  |               |                        |
| 45. Retained Earnings (Subtract line item 44 from line item 43)                  |               |                        |

We have received the above return and certify that the figures stated therein are in accordance with the MDI records.

Date: .....

Signature: .....

SCHEDULE 5

*Regulation 7 (1) (b) (iv)*

**BANK OF UGANDA FORM MDI 140**

MONTHLY SCHEDULE FOR LOANS EXTENDED  
TO INSIDERS

NAME OF MICRO FINANCE DEPOSIT-TAKING  
INSTITUTION .....

MONTH ENDING.....

(All amounts in thousand Ug Shs.)

Name	Amount (Shs'000)	% of Core Capital
------	------------------	-------------------

TOTAL

SCHEDULE 6

*Regulation 7(1) (b) (v)*

**BANK OF UGANDA FORM MDI 120**

**MONTHLY SCHEDULE OF PROVISIONS  
FOR BAD DEBTS**

NAME OF MDI: .....

MONTH ENDING .....

Note: Complete either or both of the schedules below, depending on the type of provision(s) for bad debts used, as defined. Data in columns should be, from left to right: for the prior financial year; year-to-date in current financial year; and the month just ending (previous month). Amounts should be in thousands of Uganda shillings.

**PART I—GENERAL PROVISIONS**

A provision established against future and as yet unidentified losses (MDIs are encouraged to make at least 1.00% of the performing loans). When subsequently identified, such losses are charged off against the provisions, and any recoveries eventually made on the asset charged off are credited back to the provision.

Beginning balance

**SPECIFIC PROVISIONS:**

	Prior Year	Year-to-date	Current Month
Transfers to provisions			
Gross charge-offs (loan losses)			
Recoveries on prior charge-offs			
Other entries (describe)			
Ending balance (to agree with MDI 100)			

A provision established against a presently identified loan or probable loss. Should the loan improve in status, its provision may be eliminated or reduced. When all efforts of recovery have been exhausted, the balance of the loan should be written off against the specific provision.



	Prior Year	Year-to-date	Current Month
Beginning balance			
Provisions established in period (gross)			
Reductions due to improved status			
Write offs against the provisions			
Other entries (describe)			
Ending balance (to agree with MDI 100)			

## PART II - INTEREST IN SUSPENSE

	Prior Year End	Year-to-date	Current Month
End of period balance			

## PART III - CHARGE OFFS AND RECOVERIES BY SECTOR

Show in the schedule below gross amounts charged off and gross recoveries on such charge-offs by sector, for the year-to-date in the current financial year. If general provisions are used, totals must agree to the gross charge-offs and recoveries on prior charge off in the year-to-date column in the provision for bad debts schedule. If specific provisions are used, the totals must agree to gross provisions established in the period and reductions due to improved status, again in the year-to-date column.

Year-to-date for the current financial year (Shs. '000s)

Sector	Charge-off	Recoveries
1. Agriculture		
2. Manufacturing		
3. Trade and Commerce		
4. Transport and Utilities		
5. Building and Construction		
6. Others		
7. Total		

N.B Totals must agree to applicable amount shown in schedule for provisions as described above.

## PART IV—SUPPLEMENTARY DATA ON NON-PERFORMING ADVANCES (Shs. '000s)

	Sector	Charge-off	Recoveries
1.	Agriculture		
2.	Manufacturing		
3.	Trade and Commerce		
4.	Transport and Utilities		
5.	Building and Construction		
6.	Others		
7.	Total*		

\*Total must agree with item No. 7 i.e Loans in MDI 100)

We have reviewed the above return MDI 120 and we certify that the figures stated therein are in accordance with the MDI's books and records.

Date: .....

Signature: .....

SCHEDULE 7

*Regulation 7(1) (b) (vi)*

**BANK OF UGANDA FORM MDI 150**

**MONTHLY REPORT OF PORTFOLIO QUALITY  
RETURNS (PQR)**

NAME OF MICRO FINANCE DEPOSIT-TAKING  
INSTITUTION.....

MONTH ENDING .....

CLIENT POPULATION	Current Month	Previous Month
	1.	Number of new borrowers
	2.	Number of borrowers existing
	3.	Total number of borrowers
		DEPOSITS
		4. Savings
		5. Time
		TOTAL
		PORTFOLIO STATUS
	6.	No. of loans disbursed
7.	Value of loans disbursed (Shs. '000)	
	8.	No. of loans outstanding
9.	Value of outstanding loan portfolio (Shs. '000)	
	10.	Average loan amount
	11.	Average loan Term (in weeks)

E. TUMUSIME-MUTEBILE  
Governor, Bank Of Uganda

*Enquiries on any aspect of these Regulations should be referred to—  
The Executive Director  
Supervision Function  
Bank of Uganda  
P.o Box 7120  
KAMPALA.*