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CIRCULAR TO ALL CHIEF EXECUTIVE OFFICERS OF COMMERCIAL BANKS

Implementation of the revised BS100 - (Also see Section BS100 and 122-5)

As you are aware, the revised reporting forms for commercial banks (BS100) have been on a parallel run with the previous forms since October 2008. In May 2009, a workshop was conducted by Bank of Uganda for staff of commercial banks who are engaged in compiling monetary data and statutory returns. The workshop was intended to enhance the compiling staff's knowledge of reporting monetary and financial statistics, and also, to improve the quality and accuracy of the data provided in the reports. During the workshop, the compilers raised issues and made recommendations regarding the new reporting format.

Subsequently, BOU Staff visited each commercial bank to discuss observed errors in reporting over the parallel run period. The compilers proposed further changes to the revised forms and the accompanying instructions, sought clarity on a number of issues and presented the challenges faced in compilation of data and reporting.

Following those developments, BOU has made further changes to the new BS100 as outlined below.

1. Maturity analysis of assets and liabilities in the revised BS100 form will no longer be required. Therefore, the balance sheet in the BS100 form will have three columns i.e shillings, foreign currency and Total. However, the monthly Maturity Analysis of Assets and Liabilities Return in the liquid assets regulation based on the contractual and anticipated approach will continue to be submitted to BOU as per the statutory requirement.
2. Under liabilities, a line for credit risk reserve has been inserted and its definition included in the instructions.
3. In Schedule 2(a), the sectors "Building, Construction and Real Estate" and "Personal loans and Household loans" have been modified.

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4. The Schedule 2(d), "Month-to-Month changes in loans, overdrafts and discounts" has been modified to capture revaluations in loans due to movements in foreign currency exchange rates.
5. NSSF has been reclassified as "Other Financial Institution" and a line "o/w NSSF" added in Schedules 4(a) and 4(b) to capture NSSF deposits held by the reporting institution. Previously, NSSF amounts were reported under central government.
6. Balances on the Uganda Revenue Authority (URA) collection accounts must be reported under "other liabilities" in the line provided, even if "other liabilities" are below 5 percent of total liabilities.
7. Schedule 12 has been added to the form to report exchange rates at which foreign assets and liabilities have been converted into local currency.
8. Commercial Banks are required to report both the Prime Lending Rate (PLR) and Base Rate (BR) in Schedule 3 of the revised BS100 Form. The definitions of PLR and BR including other details concerning the same have been incorporated in the instructions (Schedule 3 part B).

The revised BS100 return and instructions taking into account all the above changes is attached. The electronic template for the same will be dispatched in January 2010. However, because of the need for Commercial Banks to link the template with their systems, submission of data using the revised template will be implemented starting with data for the period ending January 31, 2010. This will also mark the end of the parallel run period.

BOU will hold a workshop to launch the revised BS100 form, template and instructions at a date to be communicated to you later.

Yours faithfully



Benedict Ssekabira

Ag. Executive Director Supervision

Copy to: Executive Director Research
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