

Note 13. NON-CURRENT ASSETS HELD FOR SALE

This caption is analysed as follows:

(Thousands of AOA)

	31-12-2019	31-12-2020
Non-current assets held for sale		
Real estate	92,303,461	7,900,879
Impairment losses	(3,674,682)	(621,239)
	88,628,779	7,279,640

As at 31 December 2020 and 2019, the amounts disclosed relate to properties and similar received in kind in the amount of AOA 7,684,150 thousand and AOA 90,427,328 thousand, respectively, and facilities not in use by the Bank in the amount of AOA 216,729 thousand and AOA 1,876,133 thousand, respectively, available for immediate sale, and the Bank has recorded impairment for these assets in the total amount of AOA 621,239 thousand and AOA 3,674,682 thousand, respectively.

The caption Non-current assets held for sale includes buildings whose legalisation procedures are still ongoing with the relevant entities, and no adjustments are expected as a result of the completion of those procedures.

As at 31 December 2020 and 2019, changes in Non-current assets held for sale and in associated impairment losses were as follows:

(Thousands of AOA)

31-12-2020	Balance as at 31-12-2019			Increases	Disposals	Impairment		Balance as at 31-12-2020		
	Gross amount	Impairment losses	Net amount			Charges	Reversals, charge-offs and transfers	Gross amount	Impairment losses	Net amount
Properties received in lieu of payment	90,427,327	(3,600,676)	86,826,651	1,125,474	(83,955,993)	(547,234)	3,600,676	7,684,150	(547,234)	7,136,916
Other real estate	1,876,133	(74,006)	1,802,127	-	(1,659,404)	(74,006)	74,006	216,729	(74,006)	142,724
	92,303,461	(3,674,682)	88,628,779	1,125,474	(85,615,397)	(621,239)	3,674,682	7,900,879	(621,239)	7,279,640

(Thousands of AOA)

31-12-2019	Balance as at 31-12-2018			Increases	Disposals	Impairment		Balance as at 31-12-2019		
	Gross amount	Impairment losses	Net amount			Charges	Reversals, charge-offs and transfers	Gross amount	Impairment losses	Net amount
Properties received in lieu of payment	65,193,336	(1,675,341)	63,517,995	37,669,875	(12,435,883)	(3,217,665)	1,292,329	90,427,327	(3,600,676)	86,826,651
Other real estate	2,574,727	(302,061)	2,272,666	-	(698,594)	-	228,055	1,876,133	(74,006)	1,802,127
	67,768,063	(1,977,402)	65,790,661	37,669,875	(13,134,477)	(3,217,665)	1,520,384	92,303,461	(3,674,682)	88,628,779

The amounts disclosed relate to properties and similar received in kind, as well as facilities not in use by the Bank, available for immediate sale.

In 2020 and 2019, Increases relate to real estate received as payment in kind, as part of the recovery of a set of loans granted to Customers.

During 2020 and 2019, the Bank disposed of properties by (i) contributions in kind to the Atlântico Property Fund (Note 6); (ii) entering into promissory contracts of sale and purchase (Note 15); and (iii) direct sales to third parties.

As at 31 December 2020, disposals by bidders, purchasers, types of contract and number of properties, is summarised as follows:

(Thousands of AOA)

Type of operation	Number of properties	Book value	Value of the rent	Cost of sale	Gains/(Losses) (Note 27)
Subscription of shares	74	86,388,215	139,768,128	(4,727,962)	48,103,356
Promissory contracts of sale and purchase	17	32,148,562	45,724,767	(1,488,744)	12,087,461
Direct sale	3	313,869	401,411	(13,069)	74,472
	94	118,850,646	185,894,305	(6,229,775)	60,265,290

The disposals related to the subscription of shares in the Atlântico Property Fund (Note 6), are detailed as follows:

- On 31 December 2020, a contribution in kind was made through the transfer to the Fund of properties for the total amount of AOA 98,141,184 thousand;
- On 29 June 2020, a contribution in kind was made through the transfer to the Fund of properties, for the total amount of AOA 41,626,944 thousand; and
- On 27 December 2019, a contribution in kind was made through the transfer to the Fund of properties for the total amount of AOA 36,431,520 thousand.

Gains and losses resulting from the difference between the amount recorded in the balance sheet and the sale value charged on the promissory contracts of purchase and sale (Note 15) and direct sales to third parties, were recorded in the income statement, under Net gains/(losses) arising from the sale of other assets (Note 27).

Where the asset is not disposed of within two years, the Bank assesses whether the requirements continue to be met, in particular if the sale has not taken place for reasons other than the Bank. The Bank shall ensure that all necessary actions have been taken to enable the sale and that the asset continues to be actively marketed and at reasonable selling prices given the market circumstances (Note 2.10).

As at 31 December 2020 and 2019, the fair value of properties received as a recovery of loans is presented in Note 9.

Note 14. TAXES

At 31 December 2020 and 2019, the caption current taxes, by nature, is presented as follows:

(Thousands of AOA)

	31-12-2019	31-12-2020
Current tax assets		
Other taxes receivable	2,056,239	2,418,635
	2,056,239	2,418,635

As at 31 December 2020 and 2019, the caption Current tax assets includes mainly taxes recoverable through the provisional settlement of Industrial Tax for the 2017 and 2018 periods, in the amount of AOA 694,824 thousand and AOA 543,364 thousand, respectively, and a tax credit duly authorised by the Angolan Tax Authorities (AGT) in the amount of AOA 580,295 thousand.

Additionally, for the 2019 and 2020 periods, the Bank was exempted, by means of letters from AGT, from the settlement and payment of the provisional Industrial Tax, in accordance with the provisions of Article 66(10) of the Industrial Tax Code, as amended by Law 26/20 of 20 July.

Deferred tax assets and liabilities as at 31 December 2020 and 2019 are analysed as follows:

(Thousands of AOA)

	Assets		Liabilities		Net	
	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020
Deferred tax assets/(liabilities)						
Loans to Customers (direct and indirect)	418,349	1,577,220	-	-	418,349	1,577,220
Securities portfolio	152,159	152,159	68,602	111,483	83,557	40,676
Other provisions for risks and charges	1,718,482	1,710,795	-	-	1,718,482	1,710,795
Potential exchange rate changes	-	-	-	20,747,663	-	(20,747,663)
Unaccepted impairment for the period	-	-	-	(12,316,891)	-	12,316,891
Tax losses carried forward	-	-	-	(8,430,772)	-	8,430,772
	2,288,990	3,440,174	68,602	111,483	2,220,388	3,328,691