

UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH SEPTEMBER 2018

I STATEMENT OF FINANCIAL POSITION

	September 2018	June 2018	March 2018	December 2017	September 2017
	Shs 000	Shs 000	Shs 000	Shs 000	Shs 000
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
A ASSETS					
1 Cash (both Local & Foreign)	54,589	101,161	69,582	46,213	52,721
2 Balances due from Central Bank of Kenya	303,779	365,141	175,289	430,471	276,663
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	-	-	-	-	-
5 Investment Securities:					
a) Held to Maturity:	6,464,271	7,661,365	2,589,201	2,013,501	2,013,878
a. Kenya Government securities	2,625,723	2,470,752	2,555,076	2,002,958	2,013,878
b. Other securities	3,838,548	5,190,613	34,125	10,543	-
b) Available for sale:					
a. Kenya Government securities	-	-	-	-	-
b. Other securities	-	-	-	-	-
6 Deposits and balances due from local banking institutions	1,257,626	3,948	456	10,149	7,506
7 Deposits and balances due from banking institutions abroad	3,458,225	1,551,203	169,508	221,631	467,060
8 Tax recoverable	2,598	3,086	3,573	3,898	3,898
9 Loans and advances to customers (net)	3,643,448	3,500,301	3,450,524	3,270,289	3,547,537
10 Balances due from banking institutions in the group	-	-	-	-	-
11 Investments in associates	-	-	-	-	-
12 Investments in subsidiary companies	-	-	-	-	-
13 Investments in joint ventures	-	-	-	-	-
14 Investment properties	-	-	-	-	-
15 Property and equipment	55,042	58,050	54,375	54,397	55,620
16 Prepaid lease rentals	-	-	-	-	-
17 Intangible assets	10,522	10,611	10,430	11,500	12,032
18 Deferred tax asset	305,067	305,067	305,067	305,067	300,328
19 Retirement benefit asset	-	-	-	-	-
20 Other assets	238,129	252,042	258,910	137,616	200,142
21 TOTAL ASSETS	15,793,296	13,811,975	7,086,915	6,504,732	6,937,385
B LIABILITIES					
22 Balances due to Central Bank of Kenya	-	-	-	-	-
23 Customer deposits	5,961,356	5,071,543	3,685,797	2,993,365	4,166,447
24 Deposits and balances due to local banking institutions	202,717	-	250,189	300,226	409,814
25 Deposits and balances due to foreign banking institutions	7,339,643	6,430,150	876,199	900,419	51,639
26 Other money market deposits	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-
28 Balances due to banking institutions in the group	-	-	-	-	-
29 Tax payable	-	-	-	-	-
30 Dividends payable	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-
33 Other liabilities	157,782	183,280	151,138	148,727	149,638
34 TOTAL LIABILITIES	13,661,498	11,684,973	4,963,323	4,342,737	4,777,538
C SHAREHOLDERS' FUNDS					
35 Paid up /Assigned capital	1,261,713	1,261,713	1,261,713	1,261,713	1,261,713
36 Share premium/(discount)	2,384,754	2,384,754	2,384,754	2,384,754	2,384,754
37 Revaluation reserves	-	-	-	-	-
38 Retained earnings/Accumulated losses	(1,514,669)	(1,519,465)	(1,522,875)	(1,484,472)	(1,498,898)
39 Statutory loan loss reserves	-	-	-	-	12,278
40 Other Reserves	-	-	-	-	-
41 Proposed dividends	-	-	-	-	-
42 Capital grants	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	2,131,778	2,127,002	2,123,592	2,161,995	2,159,847
44 Minority Interest	-	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	15,793,296	13,811,975	7,086,915	6,504,732	6,937,385

II STATEMENT OF COMPREHENSIVE INCOME

	September 2018	June 2018	March 2018	December 2017	September 2017
	Shs 000	Shs 000	Shs 000	Shs 000	Shs 000
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
1.0 INTEREST INCOME					
1.1 Loans and advances	298,085	193,622	93,859	377,333	261,496
1.2 Government securities	450,259	242,874	49,718	156,310	113,127
1.3 Deposits and placements with banking institutions	23,012	8,639	648	32,447	28,311
1.4 Other Interest Income	-	-	-	-	-
1.5 Total interest income	771,356	445,135	144,225	566,090	402,934
2.0 INTEREST EXPENSE					
2.1 Customer deposits	228,405	134,317	56,255	180,463	129,053
2.2 Deposits and placement from banking institutions	208,458	99,250	14,654	66,161	48,558
2.3 Other interest expenses	479	479	-	4,043	2,313
2.4 Total interest expenses	437,342	234,046	70,909	250,667	179,924
3.0 NET INTEREST INCOME/(LOSS)	334,014	211,089	73,316	315,423	223,010
4.0 NON-INTEREST INCOME					
4.1 Fees and commissions on loans and advances	40,606	27,882	9,381	53,502	43,687
4.2 Other fees and commissions	25,842	11,389	6,361	29,847	21,126
4.3 Foreign exchange trading income/(loss)	54,442	29,458	22,865	59,797	47,258
4.4 Dividend Income	-	-	-	-	-
4.5 Other income	82,428	62,209	41,999	144,330	117,090
4.6 Total Non-interest income	203,318	130,938	80,606	287,476	229,161
5.0 TOTAL OPERATING INCOME	537,332	342,027	153,922	602,899	452,171
6.0 OTHER OPERATING EXPENSES					
6.1 Loan loss provision	16,190	26,732	6,617	27,259	26,429
6.2 Staff costs	244,513	149,833	70,012	263,931	195,161
6.3 Directors' emoluments	32,948	19,691	8,251	32,696	24,423
6.4 Rental charges	36,057	23,590	11,028	48,565	35,303
6.5 Depreciation charge on property and equipment	14,579	9,453	3,705	17,023	12,471
6.6 Amortisation charges	4,057	2,648	2,340	5,240	3,900
6.7 Other operating expenses	136,781	89,549	44,910	194,316	140,073
6.8 Total Other Operating Expenses	485,125	321,496	146,863	589,030	437,760
7.0 Profit/(Loss) before tax and exceptional items	52,207	20,531	7,059	13,869	14,411
8.0 Exceptional items	-	-	-	-	-
9.0 Profit/(Loss) after exceptional items	52,207	20,531	7,059	13,869	14,411
10.0 Current tax	-	-	-	-	-
11.0 Deferred tax	-	-	-	(4,740)	-
12.0 Profit/(Loss) after tax and exceptional items	52,207	20,531	7,059	18,609	14,411
13.0 Minority Interest	-	-	-	-	-
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	52,207	20,531	7,059	18,609	14,411
15.0 Other Comprehensive Income					
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-
15.2 Fair value changes in available for sale financial assets	-	-	-	-	-
15.3 Revaluation surplus on Property, plant and equipment	-	-	-	-	-
15.4 Share of other comprehensive income of associates	-	-	-	-	-
15.5 Income tax relating to components of other comprehensive income	-	-	-	-	-
16.0 Other Comprehensive Income for the year net of tax	-	-	-	-	-
17.0 Total comprehensive income for the year	52,207	20,531	7,059	18,609	14,411
EARNINGS PER SHARE- BASIC & DILUTED					

III OTHER DISCLOSURES

	September 2018	June 2018	March 2018	December 2017	September 2017
	Shs 000	Shs 000	Shs 000	Shs 000	Shs 000
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
1.0 NON-PERFORMING LOANS AND ADVANCES					
(a) Gross Non-performing loans and advances	282,876	269,413	126,428	151,811	87,160
(b) Less Interest in Suspense	1,603	1,591	8,233	9,330	14,248
(c) Total Non-Performing Loans and Advances (a-b)	281,272	267,822	118,196	142,481	72,912
(d) Less Loan Loss Provision	12,626	12,429	30,664	29,669	70,899
(e) Net Non-Performing Loans and Advances (c-d)	268,646	255,393	87,532	112,812	2,013
(f) Discounted Value of Securities	268,580	255,393	87,173	112,812	-
(g) Net NPLs Exposure (e-f)	66	-	359	-	2,013
2.0 INSIDER LOANS AND ADVANCES					
(a) Directors, Shareholders and Associates	197,272	227,286	234,863	237,438	239,165
(b) Employees	130,251	154,300	154,926	158,128	151,312
(c) Total Insider Loans and Advances and other facilities	327,523	381,586	389,789	395,566	390,477
3.0 OFF-BALANCE SHEET ITEMS					
(a) Letters of credit, guarantees, acceptances	723,532	376,953	639,592	517,500	1,373,963
(b) Forwards, swaps and options	-	-	-	-	620,700
(c) Other contingent liabilities	-	-	-	-	-
(d) Total Contingent Liabilities	723,532	376,953	639,592	517,500	1,994,663
4.0 CAPITAL STRENGTH					
(a) Core capital	2,105,695	2,116,737	2,120,063	2,161,995	2,140,364
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess (a-b)	1,105,695	1,116,737	1,120,063	1,161,995	1,140,364
(d) Supplementary Capital	-	-	-	-	12,278
(e) Total Capital (a+d)	2,105,695	2,116,737	2,120,063	2,161,995	2,152,642
(f) Total risk weighted assets	6,291,759	5,533,970	5,332,693	5,575,218	6,428,354
(g) Core Capital/Total deposits Liabilities	35.3%	41.7%	57.5%	72.2%	51.4%
(h) Minimum statutory Ratio	8.00%	8.00%	8.00%	8.00%	8.00%
(i) Excess/(Deficiency)	27.3%	33.7%	49.5%	64.2%	43.4%
(j) Core Capital / total risk weighted assets	33.5%	38.2%	39.8%	38.8%	33.3%
(k) Minimum Statutory Ratio	10.50%	10.50%	10.50%	10.50%	10.50%
(l) Excess / (Deficiency) (j-k)	23.0%	27.7%	29.3%	28.3%	22.8%
(m) Total Capital/total risk weighted assets	33.5%	38.2%	39.8%	38.8%	33.5%
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%	14.5%
(o) Excess/ (Deficiency) (m-n)	19.0%	23.7%	25.3%	24.3%	19.0%
(p) Adjusted Core Capital/Total Deposit Liabilities*	36.5%	42.8%	60.4%	60.4%	45.5%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	34.5%	39.3%	41.7%	41.7%	33.5%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	34.5%	39.3%	41.7%	41.7%	33.5%
5.0 LIQUIDITY					
(a) Liquidity Ratio	68.6%	66.4%	55.0%	56.5%	61.3%
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%	20.0%
(c) Excess/ (Deficiency) (a-b)	48.6%	46.4%	35.0%	36.5%	41.3%

*The adjusted capital ratios includes the expected credit loss provisions added back to capital in line with the CBK Guidance Note issued in April 2018 on implementation of IFRS 9

