

FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH SEPTEMBER 2016

I STATEMENT OF FINANCIAL POSITION	30 Sept 2015	31 Dec 2015	Bank 31 March 2016	30 June 2016	30 Sept 2016	31 Dec 2015	30 Sept 2016
	KSh's '000' (Unaudited)	KSh's '000' (Audited)	KSh's '000' (Unaudited)	KSh's '000' (Unaudited)	KSh's '000' (Unaudited)	KSh's '000' (Audited)	KSh's '000' (Unaudited)
ASSETS							
A Cash (both Local & Foreign)	332,095	417,801	476,615	397,903	270,783	417,801	299,358
B Balances due from Central Bank of Kenya	624,528	668,206	745,860	365,086	543,380	668,206	543,380
C Kenya Government and other securities held for dealing purposes							
D Financial Assets at fair value through profit and loss Investment Securities:							
a) Held to Maturity:		817,860	821,220	864,234	856,712	817,860	856,712
a. Kenya Government securities	540,125	817,860	821,220	864,234	856,712	817,860	856,712
b. Other securities	250,000	-	-	-	-	-	-
b) Available for sale:	543,735	346,581	217,155	183,221	192,594	346,581	192,594
a. Kenya Government securities	543,735	196,581	217,155	183,221	192,594	196,581	192,594
b. Other securities	-	150,000	-	-	-	150,000	-
E Deposits and balances due from local banking institutions	1,047,586	1,045,605	1,147,082	1,668,060	1,241,362	1,045,605	1,241,363
F Deposits and balances due from banking institutions abroad	66,699	40,570	33,151	13,612	293,928	40,570	293,928
G Tax recoverable	-	424	-	424	-	-	819
H Loans and advances to customers (net)	10,092,914	10,155,694	10,475,298	10,260,147	9,842,014	10,155,694	9,842,014
I Balances due from banking institutions in the group							
J Investments in associates	616,973	629,134	629,134	629,703	629,134	629,134	629,134
K Investments in subsidiary companies	5,324	3,460	6,653	20,838	76,110	-	-
L Investments in joint ventures	-	-	-	-	-	-	-
M Investment properties	-	-	-	-	-	-	-
N Property and equipment	570,554	621,841	614,314	623,470	615,676	621,841	665,070
O Prepaid lease rentals	5,450	3,665	-	-	-	3,665	-
P Intangible assets	967,886	948,865	936,906	947,967	922,681	948,865	922,681
Q Deferred tax asset	-	-	-	-	-	-	-
R Retirement benefit asset	-	-	-	-	-	-	-
S Other assets	1,378,475	1,081,838	1,178,391	1,145,248	1,760,226	1,084,879	1,794,137
TOTAL ASSETS	17,042,345	16,781,543	17,281,779	17,119,912	17,244,601	16,781,124	17,281,189
LIABILITIES							
A Balances due to Central Bank of Kenya				1,467,000	1,372,000		1,372,000
B Customer deposits	11,380,881	10,945,980	10,555,518	8,674,596	9,247,982	10,931,651	9,247,982
C Deposits and balances due to local banking institutions	844,124	689,836	1,319,668	371,395	-	689,836	-
D Deposits and balances due to foreign banking institutions	-	-	-	-	-	-	-
E Other money market deposits	-	-	-	-	-	-	-
F Borrowed funds	1,242,951	1,648,975	1,626,954	2,776,616	2,819,344	1,648,975	2,819,344
G Balances due to banking institutions in the group							
H Tax payable	-	-	-	-	-	396	-
I Dividends payable	-	-	-	-	-	-	-
J Deferred tax liability	45,190	81,197	82,424	98,811	82,424	81,197	82,424
K Retirement benefit liability	-	-	-	-	-	-	-
L Other liabilities	361,748	252,765	530,904	582,325	587,515	263,637	622,467
TOTAL LIABILITIES	13,874,694	13,618,752	14,115,465	13,970,743	14,109,265	13,615,686	14,144,217
SHAREHOLDERS' FUNDS							
A Paid up/Assigned capital	1,190,893	1,190,893	1,190,893	1,190,893	1,190,893	1,190,893	1,190,893
B Share premium/(discount)	1,822,837	1,822,837	1,822,837	1,822,837	1,822,837	1,822,837	1,822,837
C Retention reserves	100,572	142,904	143,866	143,866	143,866	142,904	143,866
D Revalued earnings/Accumulated losses	724	(69,257)	(66,700)	(83,840)	(97,674)	(66,610)	(96,038)
E Statutory loan loss reserves	51,286	77,982	77,982	77,982	77,982	77,982	77,982
F Other Reserves	1,140	(2,573)	(2,573)	(2,573)	(2,573)	(2,573)	(2,573)
G Proposed dividends	-	-	-	-	-	-	-
H Capital grants	-	-	-	-	-	-	-
TOTAL SHAREHOLDERS' FUNDS	3,167,451	3,162,791	3,166,310	3,149,170	3,135,336	3,165,438	3,136,972
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	17,042,345	16,781,543	17,281,779	17,119,912	17,244,601	16,781,124	17,281,189
II STATEMENT OF COMPREHENSIVE INCOME							
1.0 INTEREST INCOME							
1.1 Loans and advances	968,243	1,545,367	537,214	999,314	1,483,981	1,545,367	1,484,145
1.2 Government securities	95,727	124,322	29,580	58,232	85,818	124,322	85,818
1.3 Deposits and placements with banking institutions	217,990	214,132	48,834	84,880	137,898	214,132	137,898
1.4 Other Interest Income	-	-	-	-	-	-	-
1.5 Total interest income	1,211,959	1,883,822	615,628	1,142,425	1,707,697	1,883,822	1,707,861
2.0 INTEREST EXPENSE							
2.1 Customer deposits	611,474	988,340	374,431	649,948	891,602	988,340	891,602
2.2 Deposits and placement from banking institutions	118,003	51,121	18,568	40,997	77,382	51,121	77,382
2.3 Other interest expenses	114,849	177,982	30,213	76,984	126,103	177,982	126,103
2.4 Total interest expenses	729,477	1,151,063	423,212	767,845	1,095,087	1,151,063	1,095,087
3.0 NET INTEREST INCOME/(LOSS)	482,482	732,759	192,416	374,580	612,609	732,759	612,774
4.0 NON-INTEREST INCOME							
4.1 Fees and commissions on loans and advances	143,694	175,650	20,444	32,975	39,631	175,650	39,631
4.2 Other fees and commissions	114,849	160,424	34,834	80,512	123,378	166,251	124,324
4.3 Foreign exchange trading income/(Loss)	30,157	18,119	1,980	7,809	7,071	18,119	7,071
4.4 Dividend income	-	-	-	-	-	-	-
4.5 Other income	35,025	49,501	8,863	17,364	15,355	49,862	25,048
4.6 Total Non-interest income	323,725	403,694	66,121	138,660	185,436	409,882	196,074
5.0 TOTAL OPERATING INCOME	806,207	1,136,453	258,536	513,240	798,045	1,142,641	808,848
6.0 OTHER OPERATING EXPENSES							
6.1 Loan loss provision	83,013	138,093	8,606	32,929	74,162	138,093	74,162
6.2 Staff costs	323,220	445,292	113,453	232,739	333,702	445,292	342,410
6.3 Directors' emoluments	36,937	44,702	12,605	17,825	35,937	44,702	35,937
6.4 Rental charges	37,944	135,379	15,239	27,681	42,750	135,379	42,750
6.5 Depreciation charge on property and equipment	38,966	31,481	14,085	28,621	43,043	31,481	44,697
6.6 Amortisation charges	17,188	9,000	13,949	27,906	42,194	31,000	42,194
6.7 Other operating expenses	206,960	214,088	78,041	160,122	254,669	216,494	256,128
6.8 Total Other Operating Expenses	744,228	1,100,033	255,979	527,823	826,462	1,104,441	838,276
7.0 Profit/(Loss) Before Tax and Exceptional Items	61,979	36,418	2,558	(14,583)	(28,417)	40,200	(29,428)
8.0 Exceptional Items	-	-	-	-	-	-	-
9.0 Profit/(Loss) After Exceptional Items	61,979	36,418	2,558	(14,583)	(28,417)	40,200	(29,428)
10.0 Current Tax	-	-	-	-	-	1,135	-
11.0 Deferred Tax	-	18,681	-	-	-	18,681	-
12.0 Profit/(Loss) After Tax and Exceptional Items	61,979	17,737	2,558	(14,583)	(28,417)	20,384	(29,428)
13.0 Minority Interest	-	-	-	-	-	-	-
14.0 Profit/(loss) after tax, exceptional items and Minority Interest	61,979	17,737	2,558	(14,583)	(28,417)	20,384	(29,428)
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	-	(3,712)	-	-	-	(3,712)	-
15.3 Revaluation surplus on Property, plant and equipment	-	43,294	-	-	-	43,294	-
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	-	39,582	-	-	-	39,582	-
17.0 Total comprehensive income for the year	61,979	57,319	2,558	(14,583)	(28,417)	59,966	(29,428)
18.0 EARNINGS PER SHARE - BASIC & DILUTED							
19.0 DIVIDEND PER SHARE - DECLARED							
III OTHER DISCLOSURES							
1.0 NON-PERFORMING LOANS AND ADVANCES							
(a) Gross Non-performing loans and advances	589,859	777,949	846,761	990,530	1,566,642	777,949	1,566,642
(b) Less: Interest in Suspense	204,880	252,407	283,505	384,404	485,770	252,407	485,770
(c) Total Non-Performing Loans and Advances (a-b)	384,979	525,542	563,256	606,126	1,080,872	525,542	1,080,872
(d) Less: Loan Loss Provision	334,676	358,550	257,592	399,897	317,483	358,550	317,483
(e) Net Non-Performing Loans and Advances (c-d)	50,303	166,992	305,664	206,229	763,389	166,992	763,389
(f) Discounted Value of Securities	50,303	166,992	178,301	152,634	591,744	166,992	591,744
(g) Net NPLs Exposure (e-f)	-	-	127,363	53,595	171,645	-	171,645
2.0 INSIDER LOANS AND ADVANCES							
(a) Directors, Shareholders and Associates	404,193	390,292	492,348	475,093	421,515	390,292	421,515
(b) Employees	195,317	273,890	271,082	262,022	266,431	273,890	266,431
(c) Total Insider Loans and Advances and other facilities	599,510	664,182	763,430	737,115	687,946	664,182	687,946
3.0 OFF-BALANCE SHEET ITEMS							
(a) Letters of credit/guarantees/acceptances	154,873	155,007	155,007	155,007	154,230	155,007	154,230
(b) Forwards, swaps and options	-	-	-	-	-	-	-
(c) Other contingent liabilities	-	-	-	-	-	-	-
(d) Total Contingent Liabilities	154,873	155,007	155,007	155,007	154,230	155,007	154,230
4.0 CAPITAL STRUCTURE							
(a) Core capital	2,227,532	2,185,962	2,224,487	2,213,644	2,210,127	2,185,962	2,210,127
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency) (a-b)	1,227,532	1,185,962	1,224,487	1,213,644	1,210,127	1,185,962	1,210,127
(d) Supplementary Capital	76,714	113,713	113,953	113,953	113,953	113,713	113,953
(e) Total Capital (a+d)	2,304,246	2,299,675	2,338,440	2,327,597	2,324,080	2,299,675	2,324,080
(f) Total risk weighted assets	15,420,120	14,150,605	14,657,093	14,820,431	14,741,134		