



UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH SEPTEMBER 2018

STATEMENT OF FINANCIAL POSITION	BANK					GROUP		
	30/09/17 Unaudited Shs. '000'	31/12/17 Audited Shs. '000'	31/03/18 Unaudited Shs. '000'	30/06/18 Unaudited Shs. '000'	30/09/18 Unaudited Shs. '000'	30/09/17 Unaudited Shs. '000'	31/12/17 Audited Shs. '000'	30/09/18 Unaudited Shs. '000'
ASSETS								
Cash (both Local & Foreign)	445,381	613,231	455,283	544,678	521,880	-	621,725	567,191
Balances due from Central Bank of Kenya	2,586,583	4,145,685	3,077,864	3,427,136	3,232,942	-	4,145,685	3,232,942
Kenya Government and other securities held for dealing purposes								
Financial Assets at fair value through profit and loss								
Investment Securities:								
a) Held to Maturity:	20,058,959	19,430,527	21,032,154	19,636,295	18,257,513	-	20,323,794	19,157,360
a. Kenya Government securities	20,058,959	19,430,527	21,032,154	19,636,295	18,257,513	-	20,309,348	19,146,190
b. Other securities						-	14,446	11,170
b) Available for sale:	5,530,404	6,415,312	7,289,709	15,445,232	21,112,309	-	6,751,228	21,583,794
a. Kenya Government securities	3,329,538	3,328,019	3,334,868	8,993,328	14,727,375	-	3,427,080	14,987,730
b. Other securities	2,200,866	3,087,293	3,954,841	6,451,904	6,384,934	-	3,324,148	6,596,064
Deposits and balances due from local banking institutions	2,721,734	908,254	2,394,840	3,718,743	1,433,728	-	1,014,087	1,698,607
Deposits and balances due from banking institutions abroad	962,501	2,126,601	1,847,224	7,260,346	5,578,243	-	2,126,601	5,578,243
Tax recoverable	-	73,780	20,105	-	-	-	87,158	13,656
Loans and advances to customers (net)	38,271,841	38,817,386	36,999,564	35,683,703	36,630,142	-	38,965,591	36,773,739
Balances due from banking institutions in the group						-	-	-
Investments in associates	393,828	-	-	-	-	-	-	-
Investments in subsidiary companies		1,395,692	1,395,692	1,388,915	1,443,291	-	-	-
Investments in joint ventures						-	-	-
Investment properties						-	-	-
Property and equipment	1,301,537	1,555,160	1,541,456	1,515,155	1,498,344	-	1,875,970	1,820,988
Prepaid lease rentals						-	-	-
Intangible assets	185,571	124,730	128,377	132,889	147,935	-	769,450	792,189
Deferred tax asset						-	-	-
Retirement benefit asset						-	-	-
Other assets	1,143,168	831,841	955,557	870,112	869,414	-	1,306,620	1,568,669
TOTAL ASSETS	73,601,507	76,438,199	77,137,825	89,623,204	90,725,741	-	77,987,909	92,787,378
LIABILITIES								
Balances due to Central Bank of Kenya								
Customer deposits	55,283,834	57,554,721	58,082,661	65,786,788	66,973,667	-	57,283,242	66,973,667
Deposits and balances due to local banking institutions	205,800	-	-	-	-	-	-	-
Deposits and balances due to foreign banking institutions	1,939,036	1,396,420	346,142	566,212	11,002	-	1,403,785	11,002
Other money market deposits						-	-	-
Borrowed funds	2,678,175	2,511,616	2,432,811	2,252,282	2,262,033	-	2,511,616	2,262,033
Balances due to banking institutions in the group						-	-	-
Tax payable	18,810	-	-	30,690	20,923	-	-	20,923
Dividends payable						-	-	-
Deferred tax liability	74,029	64,793	64,793	64,793	64,793	-	127,449	127,449
Retirement benefit liability						-	-	-
Other liabilities	429,567	572,930	436,303	469,700	476,984	-	1,743,071	1,893,144
TOTAL LIABILITIES	60,629,251	62,100,480	61,362,710	69,170,465	69,809,402	-	63,069,163	71,288,218
SHAREHOLDERS' FUNDS								
Paid up /Assigned capital	5,000,000	5,000,000	5,000,000	5,500,000	5,500,000	-	5,000,000	5,500,000
Share premium/(discount)				1,667,000	1,667,000	-	-	1,667,000
Revaluation reserves	1,997,565	2,883,732	3,848,084	6,230,192	6,130,451	-	2,889,105	6,128,094
Retained earnings/Accumulated losses	5,974,691	6,453,987	6,927,031	7,055,547	7,618,888	-	6,772,852	7,937,354
Statutory loan loss reserves				-	-	-	-	-
Other Reserves						-	-	-
Proposed dividends						-	-	-
Capital grants						-	-	-
TOTAL SHAREHOLDERS' FUNDS	12,972,256	14,337,719	15,775,115	20,452,739	20,916,339	-	14,661,957	21,232,448
Minority interest						-	256,789	266,712
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	73,601,507	76,438,199	77,137,825	89,623,204	90,725,741	-	77,987,909	92,787,378

OTHER DISCLOSURES	BANK					GROUP		
	30/09/17 Unaudited Shs. '000'	31/12/17 Audited Shs. '000'	31/03/18 Unaudited Shs. '000'	30/06/18 Unaudited Shs. '000'	30/09/18 Unaudited Shs. '000'	30/09/17 Unaudited Shs. '000'	31/12/17 Audited Shs. '000'	30/09/18 Unaudited Shs. '000'
NON-PERFORMING LOANS AND ADVANCES								
(a) Gross Non-performing loans and advances	1,607,154	2,251,548	2,600,514	2,769,117	3,222,971	-	2,251,548	3,222,971
(b) Less: Interest in Suspense	327,047	356,350	404,176	481,581	563,700	-	356,350	563,700
(c) Total Non-Performing Loans and Advances (a-b)	1,280,107	1,895,198	2,196,338	2,287,536	2,659,271	-	1,895,198	2,659,271
(d) Less: Loan Loss Provision	432,091	589,006	634,007	674,268	728,733	-	589,006	728,733
(e) Net Non-Performing Loans and Advances (c-d)	848,016	1,306,192	1,562,331	1,613,268	1,930,538	-	1,306,192	1,930,538
(f) Discounted Value of Securities	848,016	1,301,034	1,423,909	1,523,896	1,852,793	-	1,301,034	1,852,793
(g) Net NPLs Exposure (e-f)	-	5,158	138,422	89,352	77,745	-	5,158	77,745
INSIDER LOANS AND ADVANCES								
(a) Directors, Shareholders and Associates	1,604,475	1,670,278	1,624,309	1,663,443	1,635,708	-	1,670,278	1,635,708
(b) Employees	306,668	288,195	298,766	315,159	332,169	-	288,195	332,169
(c) Total Insider Loans and Advances and other facilities	1,911,143	1,958,473	1,923,075	1,978,602	1,967,877	-	1,958,473	1,967,877
OFF-BALANCE SHEET ITEMS								
(a) Letters of credit, guarantees, acceptances	5,803,278	6,829,825	7,329,379	7,306,257	7,190,684	-	6,829,825	7,190,684
(b) Forwards, swaps and options	5,248,940	7,251,034	7,379,805	5,252,289	5,239,759	-	7,251,034	5,239,759
(c) Other contingent liabilities	2,445,514	2,808,404	2,597,705	3,649,115	3,065,112	-	2,808,404	3,065,112
(d) Total Contingent Liabilities	13,497,732	16,889,263	17,306,889	16,207,661	15,495,555	-	16,889,263	15,495,555
CAPITAL STRENGTH								
(a) Core capital	10,016,284	11,175,783	11,445,649	13,509,373	13,790,578	-	-	-
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-
(c) Excess/(Deficiency) (a-b)	9,016,284	10,175,783	10,445,649	12,509,373	12,790,578	-	-	-
(d) Supplementary Capital	617,400	619,800	604,200	604,200	403,600	-	-	-
(e) Total Capital (a+d)	10,633,684	11,795,583	12,049,849	14,113,573	14,194,178	-	-	-
(f) Total risk weighted assets	51,262,723	52,477,994	51,596,978	52,697,686	52,711,351	-	-	-
(g) Core Capital/Total deposits Liabilities	18.1%	19.4%	19.7%	20.5%	20.6%	-	-	-
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%	-	-	-
(i) Excess/(Deficiency) (g-h)	10.1%	11.4%	11.7%	12.5%	12.6%	-	-	-
(j) Core Capital / total risk weighted assets	19.5%	21.3%	22.2%	25.6%	26.2%	-	-	-
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%	10.5%	-	-	-
(l) Excess (Deficiency) (j-k)	9.0%	10.8%	11.7%	15.1%	15.7%	-	-	-
(m) Total Capital/total risk weighted assets	20.7%	22.5%	23.4%	26.8%	26.9%	-	-	-
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%	14.5%	-	-	-
(o) Excess/(Deficiency) (m-n)	6.2%	8.0%	8.9%	12.3%	12.4%	-	-	-
(p) Adjusted Core Capital/Total Deposit Liabilities*		19.4%	20.2%	21.2%	21.0%	-	-	-
(q) Adjusted Core Capital/Total Risk Weighted Assets*		21.3%	22.7%	26.5%	26.7%	-	-	-
(r) Adjusted Total Capital/Total Risk Weighted Assets*		22.5%	23.9%	27.6%	27.5%	-	-	-
LIQUIDITY								
(a) Liquidity Ratio	50.3%	48.6%	51.6%	62.9%	62.5%	-	-	-
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%	20.0%	-	-	-
(c) Excess (Deficiency) (a-b)	30.3%	28.6%	31.6%	42.9%	42.5%	-	-	-

PROFIT AND LOSS ACCOUNT	BANK					GROUP		
	30/09/17	31/12/17	31/03/18	30/06/18	30/09/18	30/09/17	31/12/17	30/09/18
	Unaudited Shs. '000'	Audited Shs. '000'	Unaudited Shs. '000'	Unaudited Shs. '000'	Unaudited Shs. '000'	Unaudited Shs. '000'	Audited Shs. '000'	Unaudited Shs. '000'
INTEREST INCOME								
Loans and advances	3,621,113	4,810,773	1,184,741	2,273,204	3,358,986	-	4,810,773	3,358,986
Government securities	1,697,959	2,322,555	680,596	1,456,982	2,344,972	-	2,322,555	2,344,972
Deposits and placements with banking institutions	78,819	123,748	37,267	87,272	144,456	-	123,748	144,456
Other Interest Income	89,940	113,152	16,705	34,259	51,488	-	113,152	51,488
Total Interest Income	5,487,831	7,370,228	1,919,309	3,851,717	5,899,902	-	7,370,228	5,899,902
INTEREST EXPENSE								
Customer deposits	2,591,734	3,527,362	959,045	1,972,025	3,027,103	-	3,527,362	3,027,103
Deposits and placement from banking institutions	107,913	141,480	25,368	47,367	57,883	-	141,480	57,883
Other interest expenses	54,320	72,818	17,627	35,266	53,090	-	72,818	53,090
Total Interest expenses	2,753,967	3,741,660	1,002,040	2,054,658	3,138,076	-	3,741,660	3,138,076
NET INTEREST INCOME/(LOSS)	2,733,864	3,628,768	917,269	1,797,059	2,761,826	-	3,628,768	2,761,826
NON-INTEREST INCOME								
Fees and commissions on loans and advances	148,679	208,989	51,171	127,054	181,445	-	208,989	181,445
Other fees and commissions	271,347	361,329	93,173	180,213	272,481	-	361,329	272,481
Foreign exchange trading Income/(Loss)	136,235	196,974	67,001	138,048	191,221	-	196,974	191,221
Dividend Income	24,278	25,004	-	322	1,380	-	25,004	1,380
Other Income	133,576	216,876	4,484	58,338	117,055	-	692,377	599,637
Total Non-Interest Income	714,115	1,009,172	215,829	503,975	763,582	-	1,484,673	1,246,164
TOTAL OPERATING INCOME	3,447,979	4,637,940	1,133,098	2,301,034	3,525,408	-	5,113,441	4,007,990
OTHER OPERATING EXPENSES								
Loan loss provision	222,806	340,588	45,000	111,546	180,918	-	340,588	180,918
Staff costs	771,917	1,106,960	267,010	529,290	793,292	-	1,106,960	793,292
Directors' emoluments	77,871	119,727	34,656	62,839	91,022	-	119,727	91,022
Rental charges	92,976	129,953	34,350	66,792	100,349	-	129,953	100,349
Depreciation charge on property and equipment	165,039	138,594	66,652	133,304	192,914	-	138,594	192,914
Amortisation charges	-	80,595	-	-	-	-	80,595	-
Other operating expenses	517,863	744,546	158,451	346,702	523,011	-	808,918	941,844
Total Other Operating Expenses	1,846,472	2,660,963	606,119	1,250,473	1,681,506	-	2,725,335	2,300,339
Profit/(loss) Before Tax and Exceptional Items	1,599,507	1,976,977	526,979	1,050,561	1,643,902	-	2,388,106	1,707,651
Exceptional Items								
Profit/(Loss) After Exceptional Items	1,599,507	1,976,977	526,979	1,050,561	1,643,902	-	2,388,106	1,707,651
Current Tax	236,794	144,204	54,000	114,000	144,000	-	152,199	182,499
Deferred Tax	-	(9,236)	-	-	-	-	(9,236)	-
Profit/(Loss) After Tax and Exceptional Items	1,362,713	1,842,009	472,979	936,561	1,499,902	-	2,245,143	1,525,152
Minority Interest								25,250
Profit/(loss) after tax, exceptional items and Minority Interest	1,362,713	1,842,009	472,979	936,561	1,499,902	-	2,245,143	1,499,902
Other Comprehensive Income								
Gains/(Losses) from translating the financial statements of foreign operations								
Fair value changes in available for sale financial assets	1,075,796	2,061,716	964,351	3,346,460	3,246,719	-	2,121,506	3,256,293
Revaluation surplus on Property,plant and equipment	-	-	-	-	-	-	-	-
Share of other comprehensive income of associates								
Income tax relating to components of other comprehensive income								
Other Comprehensive Income for the year net of tax	1,075,796	2,061,716	964,351	3,346,460	3,246,719	-	2,121,506	3,256,293
Total comprehensive income for the year	2,438,509	3,903,725	1,437,330	4,283,021	4,746,621	-	4,366,649	4,756,195
EARNINGS PER SHARE- BASIC & DILUTED								
	368					449		
DIVIDEND PER SHARE -DECLARED								
* The adjusted capital ratios include 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.								