

STATEMENT OF FINANCIAL POSITION

	BANK 31st March 2014 Un-audited Shs '000	BANK 31st Dec. 2014 Audited Shs '000	BANK 31st March 2015 Un-Audited Shs '000
A ASSETS			
1 Cash (both Local & Foreign)	184,908	239,458	228,614
2 Balances due from Central Bank of Kenya	772,722	755,016	804,664
3 Kenya Government and other securities held for dealing purposes	-	436,158	489,230
4 Financial Assets at fair value through profit and loss	-	-	-
5 Investment Securities:	-	-	-
a) Held to Maturity:	2,938,011	2,747,436	3,037,800
a. Kenya Government securities	2,938,011	2,747,436	3,037,800
b. Other securities	-	-	-
b) Available for sale:	50,002	-	-
a. Kenya Government securities	50,002	-	-
b. Other securities	-	-	-
6 Deposits and balances due from local banking institutions	220,934	78,650	615,414
7 Deposits and balances due from banking institutions abroad	580,014	214,461	186,771
8 Tax recoverable	-	-	-
9 Loans and advances to customers (net)	9,953,416	10,067,792	9,506,443
10 Balances due from banking institutions in the group	99,663	-	-
11 Investments in associates	234,663	270,292	270,292
12 Investments in subsidiary companies	-	-	-
13 Investments in joint ventures	-	-	-
14 Investment properties	-	-	-
15 Property and equipment	702,799	300,752	296,551
16 Prepaid lease rentals	-	-	-
17 Intangible assets	27,197	43,143	44,049
18 Deferred tax asset	526,916	674,268	673,170
19 Retirement benefit asset	-	-	-
20 Other assets	162,895	761,933	647,657
21 TOTAL ASSETS	16,454,140	16,589,359	16,800,655
B LIABILITIES			
22 Balances due to Central Bank of Kenya	-	-	-
23 Customer deposits	14,316,586	14,305,575	14,200,865
24 Deposits and balances due to local banking institutions	299,896	544,232	323,257
25 Deposits and balances due to foreign banking institutions	-	-	-
26 Other money market deposits	-	-	-
27 Borrowed funds	300,000	400,000	400,000
28 Balances due to banking institutions in the group	-	-	-
29 Tax payable	-	-	-
30 Dividends payable	1,730	1,730	1,730
31 Deferred tax liability	-	-	-
32 Retirement benefit liability	-	-	-
33 Other liabilities	127,200	182,875	155,972
34 TOTAL LIABILITIES	15,045,412	15,434,412	15,081,824
C SHAREHOLDERS' FUNDS			
35 Paid up /Assigned capital	2,323,238	2,420,035	2,981,356
36 Share premium/(discount)	-	3,203	3,203
37 Revaluation reserves	-	3,414	3,414
38 Retained earnings/Accumulated losses	(1,081,182)	(1,489,663)	(1,487,100)
39 Statutory loan loss reserves	166,672	217,958	217,958
40 Other Reserves	-	-	-
41 Proposed dividends	-	-	-
42 Capital grants	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,408,728	1,154,947	1,718,831
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	16,454,140	16,589,359	16,800,655

II STATEMENT OF COMPREHENSIVE INCOME

	BANK 31st March 2014 Un-audited Shs '000	BANK 31st Dec. 2014 Audited Shs '000	BANK 31st March 2015 Un-Audited Shs '000
1.0 INTEREST INCOME			
1.1 Loans and advances	396,365	1,807,634	404,373
1.2 Government securities	53,629	234,387	89,115
1.3 Deposits and placements with banking institutions	4,957	25,023	3,635
1.4 Other Interest Income	19,433	16,478	5,474
1.5 TOTAL INTEREST INCOME	474,384	2,083,522	502,597
2.0 INTEREST EXPENSE			
2.1 Customer deposits	266,642	1,124,786	263,358
2.2 Deposits and placement from banking institutions	6,195	19,623	3,524
2.3 Other interest expenses	5,930	19,836	8,312
2.4 TOTAL INTEREST EXPENSE	278,767	1,164,245	275,194
3.0 NET INTEREST INCOME	195,617	919,277	227,403
4.0 OTHER OPERATING INCOME			
4.1 Fees and commissions on loans and advances	25,475	66,377	9,332
4.2 Other fees and commissions	27,830	151,866	38,569
4.3 Foreign exchange trading income/(Loss)	14,422	69,009	12,665
4.4 Dividend Income	-	7,260	-
4.5 Other income	16,632	180,792	3,425
4.6 TOTAL NON-INTEREST INCOME	84,359	475,304	63,991
5.0 TOTAL OPERATING INCOME	279,976	1,394,581	291,394
6.0 OPERATING EXPENSES			
6.1 Loan loss provision	19,156	880,787	49,980
6.2 Staff costs	96,182	409,511	107,199
6.3 Directors' emoluments	7,163	23,317	6,069
6.4 Rental charges	33,881	141,083	35,348
6.5 Depreciation charge on property and equipment	11,962	48,211	12,258
6.6 Amortisation charges	1,703	11,434	3,500
6.7 Other operating expenses	65,980	340,836	73,379
6.8 TOTAL OPERATING EXPENSES	236,027	1,855,179	287,733
7.0 Profit before tax and exceptional items	43,949	(460,598)	3,661
8.0 Exceptional items	-	-	-
9 PROFIT / (LOSS) AFTER EXCEPTIONAL ITEMS	43,949	(460,598)	3,661
10.0 Current tax	-	-	-
11.0 Deferred tax	13,185	(134,167)	1,098
12.0 PROFIT / (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	30,764	(326,431)	2,563
13.0 OTHER COMPREHENSIVE INCOME			
13.1 Gains/ (Losses) from translating the financial statements of foreign operations	-	-	-
13.2 Fair value changes in available-for-sale financial assets	-	-	-
13.3 Revaluation Surplus on Property, Plant and equipment ion	-	-	-
13.4 Share of other comprehensive income of associates	-	3,414	-
13.5 Income tax relating to components of other comprehensive income	-	-	-
14.0 Other comprehensive income for the year net of tax	-	3,414	-
15.0 TOTAL COMPREHENSIVE INCOME FOR THE YEAR	30,764	(323,017)	2,563
16.0 EARNINGS PER SHARE- BASIC & DILUTED	-	-	-
17.0 DIVIDEND PER SHARE - DECLARED	-	-	-

OTHER DISCLOSURES

	BANK 31st March 2014 Un-audited Shs '000	BANK 31st Dec. 2014 Audited Shs '000	BANK 31st March 2015 Un-Audited Shs '000
1.0 NON-PERFORMING LOANS AND ADVANCES			
(a) Gross Non-performing loans and advances	1,357,580	3,027,971	3,752,753
(b) Less Interest in Suspense	308,142	502,645	640,073
(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	1,049,438	2,525,326	3,112,681
(d) Less Loan Loss Provision	244,873	984,415	1,029,479
(e) NET NON-PERFORMING LOANS AND ADVANCES(c-d)	804,565	1,540,911	2,083,202
(f) Discounted Value of Securities	501,351	1,540,911	2,083,202
(g) NET NPLS EXPOSURE (e-f)	303,214	-	-
2.0 INSIDER LOANS AND ADVANCES			
(a) Directors, Shareholders and Associates	77,884	287,107	85,359
(b) Employees	214,493	283,542	289,912
(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	292,377	570,649	375,271
3.0 OFF-BALANCE SHEET ITEMS			
(a) Letters of credit, guarantees, acceptancesw	1,285,915	866,139	856,663
(b) Forwards, swaps and options	86,620	0.00	0.00
(c) Other contingent liabilities	10,814	23,329	11,021
(c) TOTAL CONTINGENT LIABILITIES	1,383,349	889,468	867,684
4.0 CAPITAL STRENGTH			
(a) Core capital	1,226,673	933,575	1,496,178
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
(c) Excess (a-b)	226,673	(66,425)	496,178
(d) Supplementary Capital	447,765	508,211	483,378
(e) TOTAL CAPITAL (a+d)	1,674,438	1,441,786	1,979,556
(f) TOTAL RISK WEIGHTED ASSETS	13,469,072	13,456,863	13,070,235
(g) Core Capital / Total deposits liabilities	8.57%	6.53%	10.54%
(h) Minimum statutory ratio	8.00%	8.00%	8.00%
(i) Excess (g-h)	0.57%	-1.47%	2.54%
(j) Core Capital / Total risk weighted assets	9.11%	6.94%	11.45%
(k) Minimum statutory ratio	8.00%	8.00%	10.50%
(l) Excess (j-k)	1.11%	-1.06%	0.95%
(m) Total Capital / Total risk weighted assets	12.43%	10.71%	15.15%
(n) Minimum statutory ratio	12.00%	12.00%	14.50%
(o) Excess (m-n)	0.43%	-1.29%	0.65%
5.0 LIQUIDITY			
(a) Liquidity Ratio	30.17%	27.82%	35.49%
(b) Minimum statutory ratio	20.00%	20.00%	20.00%
(c) Excess (a-b)	10.17%	7.82%	15.49%

MESSAGE FROM THE DIRECTORS

These financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institutions website. They may also be accessed at the institutions head office located at Equatorial Fidelity Center

Signed on behalf of the board of directors by:

D. Ameyo, MBS
Chairman

Shamira Dostmohamed
Ag. Managing Director