

STATEMENT OF FINANCIAL POSITION

	BANK 30th September 2014 Un-audited Shs '000	BANK 31st December 2014 Audited Shs '000	BANK 31st March 2015 Un-Audited Shs '000	BANK 30th June 2015 Un-Audited Shs '000	BANK 30th September 2015 Un-Audited Shs '000
A ASSETS					
1 Cash (both Local & Foreign)	260,472	239,458	228,614	267,862	231,613
2 Balances due from Central Bank of Kenya	685,734	755,016	804,664	743,966	1,332,977
3 Kenya Government and other securities held for dealing purposes	-	436,158	489,230	693,921	627,983
4 Financial Assets at fair value through profit and loss	-	-	-	-	-
5 Investment Securities:	-	-	-	-	-
a) Held to Maturity:	3,388,533	2,747,436	3,037,800	3,044,995	2,731,245
a. Kenya Government securities	3,388,533	2,747,436	3,037,800	3,044,995	2,731,245
b. Other securities	-	-	-	-	-
b) Available for sale:	-	-	-	-	-
a. Kenya Government securities	-	-	-	-	-
b. Other securities	-	-	-	-	-
6 Deposits and balances due from local banking institutions	527,354	78,650	615,414	874,668	498,005
7 Deposits and balances due from banking institutions abroad	109,903	214,461	186,771	162,792	142,258
8 Tax recoverable	-	-	-	-	-
9 Loans and advances to customers (net)	10,295,121	10,067,792	9,506,443	9,175,364	8,458,213
10 Balances due from banking institutions in the group	103,760	-	-	-	-
11 Investments in associates	234,663	270,292	270,292	270,292	270,292
12 Investments in subsidiary companies	-	-	-	-	-
13 Investments in joint ventures	-	-	-	-	-
14 Investment properties	-	-	-	-	-
15 Property and equipment	696,342	300,752	296,551	302,782	331,485
16 Prepaid lease rentals	-	-	-	-	-
17 Intangible assets	42,053	43,143	44,049	42,412	87,493
18 Deferred tax asset	522,206	674,268	673,170	659,028	705,472
19 Retirement benefit asset	-	-	-	-	-
20 Other assets	153,799	761,933	647,657	619,516	409,458
21 TOTAL ASSETS	17,019,940	16,589,359	16,800,655	16,857,598	15,826,494
B LIABILITIES					
22 Balances due to Central Bank of Kenya	-	-	-	-	-
23 Customer deposits	14,871,948	14,305,575	14,200,865	14,044,808	12,808,638
24 Deposits and balances due to local banking institutions	71,400	544,232	323,257	159,821	337,076
25 Deposits and balances due to foreign banking institutions	-	-	-	-	-
26 Other money market deposits	-	-	-	-	-
27 Borrowed funds	400,000	400,000	400,000	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	1,730	1,730
31 Deferred tax liability	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-
33 Other liabilities	147,883	182,875	155,972	144,908	285,703
34 TOTAL LIABILITIES	15,492,961	15,434,412	15,081,824	14,751,267	13,833,147
C SHAREHOLDERS' FUNDS					
35 Paid up /Assigned capital	2,423,238	2,420,035	2,981,356	3,320,315	3,320,315
36 Share premium/(discount)	-	3,203	3,203	3,203	3,203
37 Revaluation reserves	-	3,414	3,414	3,414	3,414
38 Retained earnings/Accumulated losses	(1,102,628)	(1,489,663)	(1,487,100)	(1,804,174)	(1,933,583)
39 Statutory loan loss reserves	206,369	217,958	217,958	583,573	599,998
40 Other Reserves	-	-	-	-	-
41 Proposed dividends	-	-	-	-	-
42 Capital grants	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,526,979	1,154,947	1,718,831	2,106,331	1,993,347
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	17,019,940	16,589,359	16,800,655	16,857,598	15,826,494

II STATEMENT OF COMPREHENSIVE INCOME

	BANK 30th September 2014 Un-audited Shs '000	BANK 31st December 2014 Audited Shs '000	BANK 31st March 2015 Un-Audited Shs '000	BANK 30th June 2015 Un-Audited Shs '000	BANK 30th September 2015 Un-Audited Shs '000
1.0 INTEREST INCOME					
1.1 Loans and advances	1,275,819	1,807,634	404,373	792,219	1,073,184
1.2 Government securities	169,855	234,387	89,115	170,509	245,796
1.3 Deposits and placements with banking institutions	16,632	25,023	3,635	16,575	26,904
1.4 Other Interest Income	23,343	16,478	5,474	15,354	15,354
1.5 TOTAL INTEREST INCOME	1,485,648	2,083,522	502,597	994,657	1,361,238
2.0 INTEREST EXPENSE					
2.1 Customer deposits	822,441	1,124,786	263,358	506,576	738,643
2.2 Deposits and placement from banking institutions	15,826	19,623	3,524	7,885	10,995
2.3 Other interest expenses	27,399	19,836	8,312	23,803	35,201
2.4 TOTAL INTEREST EXPENSE	865,666	1,164,245	275,194	538,264	785,539
3.0 NET INTEREST INCOME	619,983	919,277	227,403	456,393	575,699
4.0 OTHER OPERATING INCOME					
4.1 Fees and commissions on loans and advances	47,681	66,377	9,332	29,236	47,309
4.2 Other fees and commissions	113,578	151,866	38,569	69,862	98,153
4.3 Foreign exchange trading income/(Loss)	49,014	69,009	12,665	26,985	44,382
4.4 Dividend Income	7,260	7,260	-	193	10,930
4.5 Other income	32,174	180,792	3,425	(24,387)	(75,155)
4.6 TOTAL NON-INTEREST INCOME	249,707	475,304	63,991	101,890	125,619
5.0 TOTAL OPERATING INCOME	869,690	1,394,581	291,394	558,283	701,318
6.0 OPERATING EXPENSES					
6.1 Loan loss provision	84,867	880,787	49,980	2,984	22,206
6.2 Staff costs	317,221	409,511	107,199	217,319	328,835
6.3 Directors' emoluments	18,486	23,317	6,069	9,455	13,509
6.4 Rental charges	104,361	141,083	35,348	84,494	134,986
6.5 Depreciation charge on property and equipment	43,003	48,211	12,258	28,563	37,576
6.6 Amortisation charges	11,336	11,434	3,500	3,500	12,324
6.7 Other operating expenses	233,707	340,836	73,379	160,976	244,965
6.8 TOTAL OPERATING EXPENSES	802,781	1,855,179	287,733	507,291	794,401
7.0 Profit before tax and exceptional items	66,909	(460,598)	3,661	50,991	(93,083)
8.0 Exceptional items	66,909	(460,598)	3,661	50,991	(93,083)
9.0 PROFIT / (LOSS) AFTER EXCEPETIONAL ITEMS					
10.0 Current tax	-	-	-	-	-
11.0 Deferred tax	17,895	(124,167)	1,098	15,239	(31,204)
12.0 PROFIT / (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	49,014	(326,431)	2,563	35,752	(61,879)
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	49,014	(323,017)	2,563	35,752	(61,879)
16.0 EARNINGS PER SHARE- BASIC & DILUTED	-	-	-	-	-
17.0 DIVIDEND PER SHARE - DECLARED	-	-	-	-	-

OTHER DISCLOSURES

	BANK 30th September 2014 Un-audited Shs '000	BANK 31st December 2014 Audited Shs '000	BANK 31st March 2015 Un-Audited Shs '000	BANK 30th June 2015 Un-Audited Shs '000	BANK 30th September 2015 Un-Audited Shs '000
1.0 NON-PERFORMING LOANS AND ADVANCES					
(a) Gross Non-performing loans and advances	1,310,213	3,027,971	3,752,753	3,768,371	3,553,600
(b) Less Interest in Suspense	340,897	502,645	640,072	591,260	593,139
(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	971,116	2,525,326	3,112,681	3,177,111	2,960,461
(d) Less Loss Provision	260,868	984,415	1,029,479	1,269,939	1,316,034
(e) NET NON-PERFORMING LOANS AND ADVANCES (c-d)	710,248	1,540,911	2,083,202	1,907,172	1,644,427
(f) Discounted Value of Securities	249,341	1,540,911	2,083,202	2,067,466	1,868,766
(g) NET NPLS EXPOSURE (e-f)	460,907	-	-	(160,294)	(224,339)
2.0 INSIDER LOANS AND ADVANCES					
(a) Directors, Shareholders and Associates	332,492	287,107	85,359	82,082	71,745
(b) Employees	347,277	283,542	289,912	365,362	241,595
(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	679,769	570,649	375,271	447,444	313,340
3.0 OFF-BALANCE SHEET ITEMS					
(a) Letters of credit/guarantees, acceptances	973,830	866,139	856,663	656,922	591,428
(b) Forwards, swaps and options	178,360	0	0	0	53,100
(c) Other contingent liabilities	31,722	23,329	11,021	13,647	18,367
(c) TOTAL CONTINGENT LIABILITIES	1,183,912	889,468	867,684	670,569	662,895
4.0 CAPITAL STRENGTH					
(a) Core capital	1,296,102	933,575	1,496,178	1,501,468	1,389,935
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
(c.) Excess (a-b)	296,102	(66,425)	496,178	501,468	389,935
(d) Supplemental Capital	515,292	508,211	483,378	459,637	429,480
(e) TOTAL CAPITAL (a+d)	1,811,394	1,441,786	1,979,556	1,961,105	1,819,415
(f) TOTAL RISK WEIGHTED ASSETS	13,674,550	13,456,863	13,070,235	12,770,988	11,958,373
(g) Core Capital / Total deposits liabilities	8.72%	6.53%	10.54%	10.69%	10.85%
(h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%	8.00%
(i) Excess (g-h)	0.72%	-1.47%	2.54%	2.69%	2.85%
(j) Core Capital / Total risk weighted assets	9.48%	6.94%	11.45%	11.76%	11.62%
(k) Minimum statutory ratio	8.00%	8.00%	10.50%	10.50%	10.50%
(l) Excess (j-k)	1.48%	-1.06%	0.95%	1.26%	1.12%
(m) Total Capital / Total risk weighted assets	13.25%	10.71%	15.15%	15.36%	15.21%
(n) Minimum statutory ratio	12.00%	12.00%	14.50%	14.50%	14.50%
(o) Excess (m-n)	1.25%	-1.29%	0.65%	0.86%	0.71%
5.0 LIQUIDITY					
(a) Liquidity Ratio	30.13%	27.82%	35.49%	40.10%	40.81%
(b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%	20.00%
(c) Excess (a-b)	10.13%	7.82%	15.49%	20.10%	20.81%

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