

STATEMENT OF FINANCIAL POSITION

	BANK 30th June 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
A ASSETS				
1 Cash (both Local & Foreign)	225,891	239,458	228,614	267,862
2 Balances due from Central Bank of Kenya	786,275	755,016	804,664	743,966
3 Kenya Government, and other securities held for dealing purposes	-	436,158	489,230	693,921
4 Financial Assets at fair value through profit and loss	-	-	-	-
5 Investment Securities:	-	-	-	-
a) Held to Maturity:	3,079,000	2,747,436	3,037,800	3,044,995
a. Kenya Government securities	3,079,000	2,747,436	3,037,800	3,044,995
b. Other securities	-	-	-	-
b) Available for sale:	-	-	-	-
a. Kenya Government securities	-	-	-	-
b. Other securities	-	-	-	-
6 Deposits and balances due from local banking institutions	274,143	78,650	615,414	874,668
7 Deposits and balances due from banking institutions abroad	118,453	214,461	186,771	162,792
8 Tax recoverable	-	-	-	-
9 Loans and advances to customers (net)	10,012,833	10,067,792	9,506,443	9,175,364
10 Balances due from banking institutions in the group	101,332	-	-	-
11 Investments in associates	234,663	270,292	270,292	270,292
12 Investments in subsidiary companies	-	-	-	-
13 Investments in joint ventures	-	-	-	-
14 Investment properties	-	-	-	-
15 Property and equipment	688,192	300,752	296,551	302,782
16 Prepaid lease rentals	-	-	-	-
17 Intangible assets	43,816	43,143	44,049	42,412
18 Deferred tax asset	529,133	674,268	673,170	659,028
19 Retirement benefit asset	-	-	-	-
20 Other assets	156,831	761,933	647,657	619,516
21 TOTAL ASSETS	16,250,564	16,589,359	16,800,655	16,857,598
B LIABILITIES				
22 Balances due to Central Bank of Kenya	-	-	-	-
23 Customer deposits	14,067,621	14,305,575	14,200,865	14,044,808
24 Deposits and balances due to local banking institutions	245,420	544,232	323,257	159,821
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
28 Balances due to banking institutions in the group	-	-	-	-
29 Tax payable	-	-	-	-
30 Dividends payable	1,730	1,730	1,730	1,730
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	125,025	182,875	155,972	144,908
34 TOTAL LIABILITIES	14,839,796	15,434,412	15,081,824	14,751,267
C SHAREHOLDERS' FUNDS				
35 Paid up / Assigned capital	2,323,238	2,420,035	2,981,356	3,320,315
36 Share premium/(discount)	-	3,203	3,203	3,203
37 Revaluation reserves	-	3,414	3,414	3,414
38 Retained earnings/Accumulated losses	(1,119,799)	(1,489,663)	(1,487,100)	(1,804,174)
39 Statutory loan loss reserves	207,329	217,958	217,958	583,573
40 Other Reserves	-	-	-	-
41 Proposed dividends	-	-	-	-
42 Capital grants	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,410,768	1,154,947	1,718,831	2,106,331
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	16,250,564	16,589,359	16,800,655	16,857,598
II STATEMENT OF COMPREHENSIVE INCOME				
1.0 INTEREST INCOME				
1.1 Loans and advances	833,530	1,807,634	404,373	792,219
1.2 Government securities	109,576	234,387	89,115	170,509
1.3 Deposits and placements with banking institutions	10,148	25,023	3,635	16,575
1.4 Other Interest Income	19,384	16,478	5,474	15,354
1.5 TOTAL INTEREST INCOME	972,638	2,083,522	502,597	994,657
2.0 INTEREST EXPENSE				
2.1 Customer deposits	540,122	1,124,786	263,358	506,576
2.2 Deposits and placement from banking institutions	13,418	19,623	3,524	7,885
2.3 Other interest expenses	15,300	19,836	8,312	23,803
2.4 TOTAL INTEREST EXPENSE	668,840	1,164,245	275,194	538,264
3.0 NET INTEREST INCOME	303,798	919,277	227,403	456,393
4.0 OTHER OPERATING INCOME				
4.1 Fees and commissions on loans and advances	31,705	66,377	9,332	29,236
4.2 Other fees and commissions	78,716	151,866	38,569	69,862
4.3 Foreign exchange trading income/(Loss)	28,812	69,009	12,665	26,985
4.4 Dividend Income	7,213	7,260	-	193
4.5 Other income	20,576	180,792	3,425	(24,387)
4.6 TOTAL NON-INTEREST INCOME	167,022	475,304	63,991	101,890
5.0 TOTAL OPERATING INCOME	570,820	1,394,581	291,394	558,283
6.0 OPERATING EXPENSES				
6.1 Loan loss provision	60,710	880,787	49,980	2,984
6.2 Staff costs	202,192	409,511	107,199	217,319
6.3 Directors' emoluments	13,532	23,317	6,069	9,455
6.4 Rental charges	68,590	141,083	35,348	84,494
6.5 Depreciation charge on property and equipment	23,432	48,211	12,258	28,564
6.6 Amortisation charges	4,854	11,434	3,500	3,500
6.7 Other operating expenses	153,738	340,836	73,379	160,976
6.8 TOTAL OPERATING EXPENSES	527,048	1,855,179	287,733	507,292
7.0 Profit before tax and exceptional items	43,772	(460,598)	3,661	50,991
8.0 Exceptional items	-	-	-	-
9 PROFIT / (LOSS) AFTER EXCEPTIONAL ITEMS	43,772	(460,598)	3,661	50,991
10.0 Current tax	-	-	-	-
10.0 Deferred tax	10,968	(134,167)	1,098	15,239
12.0 PROFIT / (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	32,804	(326,431)	2,563	35,752
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	32,804	(323,017)	2,563	35,752
16.0 EARNINGS PER SHARE- BASIC & DILUTED				
17.0 DIVIDEND PER SHARE - DECLARED				
OTHER DISCLOSURES				
1.0 NON-PERFORMING LOANS AND ADVANCES				
a) Gross Non-performing loans and advances	1,273,745	3,027,971	3,752,753	3,768,371
b) Less Interest in Suspense	325,902	502,645	640,072	591,260
c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	947,843	2,525,326	3,112,681	3,177,111
d) Less Loan Loss Provision	267,035	984,415	1,029,489	1,269,934
e) NET NON-PERFORMING LOANS AND ADVANCES(c-d)	680,808	1,540,911	2,083,192	1,907,177
f) Discounted Value of Securities	309,266	1,540,911	2,083,202	2,067,466
g) NET NPLS EXPOSURE (e-f)	371,542	-	-	(160,294)
2.0 INSIDER LOANS AND ADVANCES				
a) Directors, Shareholders and Associates	323,475	287,107	85,359	82,082
b) Employees	315,306	283,542	289,912	263,382
(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	638,781	570,649	375,271	345,464
3.0 OFF-BALANCE SHEET ITEMS				
a) Letters of credit, guarantees, acceptances	932,354	866,139	856,663	656,922
b) Forwards, swaps and options	87,777	-	0	0
c) Other contingent liabilities	846	23,329	11,021	13,647
(d) TOTAL CONTINGENT LIABILITIES	1,020,977	889,468	867,684	670,569
4.0 CAPITAL STRENGTH				
a) Core capital	1,187,037	933,575	1,496,178	1,501,468
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
c. Excess (a-b)	187,037	(66,425)	496,178	501,468
d) Supplementary Capital	529,722	508,211	483,378	459,637
e) TOTAL CAPITAL (a+d)	1,716,759	1,441,786	1,979,556	1,961,105
(f) TOTAL RISK WEIGHTED ASSETS	13,384,517	13,456,863	13,070,235	12,770,988
g) Core Capital / Total deposits liabilities	8.44%	6.53%	10.54%	10.69%
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%
(i) Excess (g-h)	0.44%	-1.47%	2.54%	2.69%
j) Core Capital / Total risk weighted assets	8.87%	6.94%	11.45%	11.76%
k) Minimum statutory ratio	8.00%	8.00%	10.50%	10.50%
(l) Excess (j-k)	0.87%	-1.06%	0.95%	1.26%
m) Total Capital / Total risk weighted assets	12.83%	10.71%	15.15%	15.36%
n) Minimum statutory ratio	12.00%	12.00%	14.50%	14.50%
(o) Excess (m-n)	0.83%	-1.29%	0.65%	0.86%
5.0 LIQUIDITY				
a) Liquidity Ratio	30.13%	27.82%	35.49%	40.10%
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%
(c) Excess (a-b)	10.13%	7.82%	15.49%	20.10%

MESSAGE FROM THE DIRECTORS

These financial statements are extracts from the books of the institution. The complete set of the half year 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 Dosmohamed
Ag. Managing Director