The Board of Directors of Spire Bank Limited hereby announce the un-Audited financial results of the Bank for the period ending 31st March, 2019

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I STATEMENT OF FINANCIAL POSITION	BANK 31st March 2018 Un-audited Shs '000	BANK 31st December 2018 Audited Shs '000	BANK 31st March 2019 Un-audited Shs '000
A ASSETS			
1 Cash (both Local & Foreign)	117,704	146,189	81,972
2 Balances due from Central Bank of Kenya	142,099	264,372	184,112
3 Kenya Government and other securities held for dealing purposes	-	-	-
4 Financial Assets at fair value through profit and loss	-	-	-
5 Investment Securities:	-	-	-
a) Held to Maturity:	**2,809,975**	**2,620,974**	**2,604,604**
a. Kenya Government securities	2,809,975	2,620,974	2,604,604
b. Other securities	-		-
b) Available for sale:	-	-	-
a. Kenya Government securities	-	-	-
b. Other securities	-	-	-
6 Deposits and balances due from local banking institutions	412,312	273,665	82,701
7 Deposits and balances due from banking institutions abroad	139,813	173,843	12,035
8 Tax recoverable	-	-	-
9 Loans and advances to customers (net)	4,935,892	4,445,622	4,307,097
10 Balances due from banking institutions in the group	-	-	-
11 Investments in associates	283,942	283,943	16,948
12 Investments in subsidiary companies	-	-	-
13 Investments in joint ventures	-	-	-
14 Investment properties	-	-	-
15 Property and equipment	434,343	392,510	409,849
16 Prepaid lease rentals	-	-	-
17 Intangible assets	61,479	44,866	42,416
18 Deferred tax asset	1,578,822	-	-
19 Retirement benefit asset	-	-	-
20 Other assets	286,866	577,094	774,394
21 TOTAL ASSETS	**11,203,247**	**9,223,078**	**8,516,128**
B LIABILITIES			
22 Balances due to Central Bank of Kenya	2,331,291	2,383,536	2,383,536
23 Customer deposits	6,649,077	6,668,354	6,116,966
24 Deposits and balances due to local banking institutions	253,018	150,237	136,698
25 Deposits and balances due to foreign banking institutions	340,457	271,680	-
26 Other money market deposits	-	-	-
27 Borrowed funds	400,000	400,000	100,000
28 Balances due to banking institutions in the group	-	-	-
29 Tax payable	-	-	-
30 Dividends payable	109	104	104
31 Deferred tax liability	-	-	-
32 Retirement benefit liability	-	-	-
33 Other liabilities	237,026	379,121	702,438
34 TOTAL LIABILITIES	**10,210,978**	**10,253,032**	**9,439,742**
C SHAREHOLDERS' FUNDS			
35 Paid up /Assigned capital	4,820,315	4,820,315	4,820,315
36 Share premium/(discount)	3,203	3,203	3,203
37 Revaluation reserves	-	-	-
38 Retained earnings/Accumulated losses	(4,072,050)	(6,494,838)	(6,366,311)
39 Statutory loan loss reserves	240,801	641,366	619,179
40 Other Reserves	-	-	-
41 Proposed dividends	-	-	-
42 Capital grants	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	**992,269**	**(1,029,954)**	**(923,614)**
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	**11,203,247**	**9,223,078**	**8,516,128**

II STATEMENT OF COMPREHENSIVE INCOME	BANK 31st March 2018 Un-audited Shs '000	BANK 31st December 2018 Audited Shs '000	BANK 31st March 2019 Un-audited Shs '000
1.0 INTEREST INCOME			
1.1 Loans and advances	180,720	552,827	123,047
1.2 Government securities	54,709	216,099	51,219
1.3 Deposits and placements with banking institutions	523	3,641	1,601
1.4 Other Interest Income	242	470	-
1.5 TOTAL INTEREST INCOME	**236,194**	**773,037**	**175,867**
2.0 INTEREST EXPENSE			
2.1 Customer deposits	104,781	421,466	97,849
2.2 Deposits and placement from banking institutions	58,169	242,532	52,265
2.3 Other interest expenses	11,836	48,000	8,778
2.4 TOTAL INTEREST EXPENSE	**174,786**	**711,998**	**158,892**
3.0 NET INTEREST INCOME	**61,408**	**61,039**	**16,975**
4.0 OTHER OPERATING INCOME			
4.1 Fees and commissions on loans and advances	11,852	52,494	12,555
4.2 Other fees and commissions	23,477	95,751	22,112
4.3 Foreign exchange trading income/(Loss)	6,846	12,963	5,121
4.4 Dividend Income	270	270	-
4.5 Other income	15,183	22,449	194,681
4.6 TOTAL NON-INTEREST INCOME	**57,628**	**183,927**	**234,469**
5.0 TOTAL OPERATING INCOME	**119,036**	**244,966**	**251,444**
6.0 OPERATING EXPENSES			
6.1 Loan loss provision	26,215	(407,770)	(92,647)
6.2 Staff costs	80,068	324,979	93,473
6.3 Directors' emoluments	8,200	41,716	5,860
6.4 Rental charges	49,157	197,590	52,717
6.5 Depreciation charge on property and equipment	12,598	49,686	13,931
6.6 Amortisation charges	7,084	28,116	6,704
6.7 Other operating expenses	200,764	318,047	64,366
6.8 TOTAL OPERATING EXPENSES	**384,086**	**552,364**	**144,404**
7.0 Profit before tax and exceptional items	(265,050)	(307,398)	107,040
8.0 Exceptional items	-	(438,358)	(700)
9 PROFIT / (LOSS) AFTER EXCEPTIONAL ITEMS	(265,050)	(745,756)	106,340
10.0 Current tax	-	-	-
11.0 Deferred tax	69,560	(1,509,163)	-
12.0 PROFIT / (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	**(195,490)**	**(2,254,919)**	**106,340**
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	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-
14.0 Other comprehensive income for the year net of tax	-	-	-
15.0 TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**(195,490)**	**(2,254,919)**	**106,340**
16.0 EARNINGS PER SHARE- BASIC & DILUTED	-	-	-
17.0 DIVIDEND PER SHARE - DECLARED	-	-	-

III OTHER DISCLOSURES	BANK 31st March 2018 Un-audited Shs '000	BANK 31st December 2018 Audited Shs '000	BANK 31st March 2019 Un-audited Shs '000
1.0 NON-PERFORMING LOANS AND ADVANCES			
(a) Gross Non-performing loans and advances	2,403,298	2,686,049	2,764,745
(b) Less Interest in Suspense	139,221	197,438	225,951
(c)TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	**2,264,077**	**2,488,611**	**2,538,794**
(d) Less Loan Loss Provision	1,554,335	1,465,723	1,351,740
(e) NET NON-PERFORMING LOANS AND ADVANCES(c-d)	**709,742**	**1,022,888**	**1,187,054**
(f) Discounted Value of Securities	709,742	1,022,888	1,187,054
(g) NET NPLS EXPOSURE (e-f)	-	-	-
2.0 INSIDER LOANS AND ADVANCES			
(a) Directors, Shareholders and Associates	71,600	25,968	32,326
(b) Employees	92,656	82,953	79,377
(c)TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	**164,256**	**108,921**	**111,703**
3.0 OFF-BALANCE SHEET ITEMS			
(a) Letters of credit,guarantees, acceptances	575,662	717,591	947,987
(b) Forwards, swaps and options	-	-	-
(c)Other contingent liabilities	77,982	1,530	-
(c)TOTAL CONTINGENT LIABILITIES	**653,644**	**719,121**	**947,987**
4.0 CAPITAL STRENGTH			
(a) Core capital	(826,132)	(1,671,320)	(1,595,963)
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
(c.) Excess (a-b)	**(1,826,132)**	**(2,671,320)**	**(2,595,963)**
(d) Supplementary Capital	191,602	108,741	99,900
(e) TOTAL CAPITAL (a+d)	**(634,530)**	**(1,562,579)**	**(1,496,063)**
(f)TOTAL RISK WEIGHTED ASSETS	**8,928,168**	**7,099,281**	**7,591,976**
(g) Core Capital / Total deposits liabilities	-12.70%	-25.06%	-26.09%
(h) Minimum statutory ratio	8.00%	8.00%	8.00%
(I) Excess (g-h)	**-20.70%**	**-33.06%**	**-34.09%**
(j) Core Capital / Total risk weighted assets	-9.25%	-23.54%	-21.02%
(k) Minimum statutory ratio	10.50%	10.50%	10.50%
(l) Excess (j-k)	**-19.75%**	**-34.04%**	**-31.52%**
(m) Total Capital / Total risk weighted assets	-7.11%	-22.01%	-19.71%
(n) Minimum statutory ratio	14.50%	14.50%	14.50%
(o) Excess (m-n)	**-21.61%**	**-36.51%**	**-34.21%**
(p) Adjusted Core Capital/Total Deposit Liabilities*	**-9.94%**	**-24.44%**	**-22.98%**
(q) Adjusted Core Capital/Total Risk Weighted Assets*	**-7.24%**	**-22.96%**	**-18.51%**
(r) Adjusted Total Capital/Total Risk Weighted Assets*	**-5.09%**	**-21.43%**	**-17.20%**
5.0 LIQUIDITY			
(a) Liquidity Ratio	10.48%	10.10%	7.28%
(b) Minimum statutory ratio	20.00%	20.00%	20.00%
(c) Excess (a-b)	**-9.52%**	**-9.90%**	-12.72%

* The adjusted capital ratio includes the expected credit loss provisions added back to capital in line with CBK Guidance Note issued in April 2018 on implementation of IFRS 9.

MESSAGE FROM THE DIRECTORS

These financial statements are extracts from the books of the institution . The complete set of un-audited financial statements, statutory and qualitative disclosures can be accessed on the institutions website www.spirebank.co.ke. They may also be accessed at the institutions head office located at Mwalimu Towers Upper Hill.

The financial statements were approved by the Directors on 14th May 2019 and signed on its behalf by:

Teresa Mutegi
Chairperson

Dr. Norman Ambunya
Managing Director