

STATEMENT OF FINANCIAL POSITION	BANK	BANK	BANK
	31st March 2019 Un-audited Shs '000	31st December 2019 Audited Shs '000	31st March 2020 Un-audited Shs '000
A ASSETS			
1 Cash (both Local & Foreign)	81,972	56,598	43,440
2 Balances due from Central Bank of Kenya	184,112	83,787	35,320
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:			
a. Kenya Government securities	2,604,604	2,065,044	2,048,797
b. Other securities	2,604,604	2,065,044	2,048,797
b) Available for sale:			
a. Kenya Government securities	-	-	-
b. Other securities	-	-	-
6 Deposits and balances due from local banking institutions	82,701	56,478	51,481
7 Deposits and balances due from banking institutions abroad	12,035	3,090	1,988
8 Tax recoverable	-	-	-
9 Loans and advances to customers (net)	4,307,097	3,311,899	3,112,745
10 Balances due from banking institutions in the group	-	-	-
11 Investments in associates	16,948	-	-
12 Investments in subsidiary companies	-	-	-
13 Investments in joint ventures	-	-	-
14 Investment properties	-	-	-
15 Property and equipment	409,849	634,660	624,701
16 Prepaid lease rentals	-	-	-
17 Intangible assets	42,416	176,165	162,338
20 Other assets	774,394	472,580	454,777
21 TOTAL ASSETS	8,516,128	6,860,301	6,535,587
B LIABILITIES			
22 Balances due to Central Bank of Kenya	2,383,536	1,887,923	1,888,284
23 Customer deposits	6,116,966	4,552,394	4,438,433
24 Deposits and balances due to local banking institutions	136,698	604	-
25 Deposits and balances due to foreign banking institutions	-	-	-
26 Other money market deposits	-	-	-
27 Borrowed funds	100,000	-	-
28 Balances due to banking institutions in the group	-	-	-
29 Tax payable	-	-	-
30 Dividends payable	-	-	-
31 Deferred tax liability	104	104	104
32 Retirement benefit liability	-	-	-
33 Other liabilities	702,438	971,266	1,015,442
34 TOTAL LIABILITIES	9,439,742	7,412,291	7,342,263
C SHAREHOLDERS' FUNDS			
35 Paid up /Assigned capital	4,820,315	5,770,315	5,770,315
36 Share premium/(discount)	3,203	3,203	3,203
37 Revaluation reserves	-	-	-
38 Retained earnings/Accumulated losses	(6,366,311)	(7,185,628)	(7,560,226)
39 Statutory loan loss reserves	619,179	860,120	980,032
40 Other Reserves	-	-	-
41 Proposed dividends	-	-	-
42 Capital grants	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	(923,614)	(551,990)	(806,616)
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	8,516,128	6,860,301	6,535,587

STATEMENT OF COMPREHENSIVE INCOME			
1.0 INTEREST INCOME			
1.1 Loans and advances	123,047	364,070	61,236
1.2 Government securities	51,219	189,847	42,343
1.3 Deposits and placements with banking institutions	1,601	1,605	-
1.4 Other Interest Income	-	-	-
1.5 TOTAL INTEREST INCOME	175,867	555,522	103,579
2.0 INTEREST EXPENSE			
2.1 Customer deposits	97,849	301,271	74,365
2.2 Deposits and placement from banking institutions	52,265	218,716	35,971
2.3 Other interest expenses	8,778	(33,768)	4,542
2.4 TOTAL INTEREST EXPENSE	158,892	486,219	114,878
3.0 NET INTEREST INCOME	16,975	69,303	(11,299)
4.0 OTHER OPERATING INCOME			
4.1 Fees and commissions on loans and advances	12,555	46,144	9,388
4.2 Other fees and commissions	22,112	77,014	11,017
4.3 Foreign exchange trading income/(Loss)	5,121	17,401	(12,053)
4.4 Dividend Income	-	-	-
4.5 Other income	194,681	204,742	6,003
4.6 TOTAL NON-INTEREST INCOME	234,469	345,301	14,355
5.0 TOTAL OPERATING INCOME	251,444	414,604	3,056
6.0 OPERATING EXPENSES			
6.1 Loan loss provision	(92,647)	(86,950)	(3,399)
6.2 Staff costs	93,473	367,628	82,146
6.3 Directors' emoluments	5,860	23,838	3,435
6.4 Rental charges	52,717	79,041	50,001
6.5 Depreciation charge on property and equipment	13,931	181,697	11,330
6.6 Amortisation charges	6,704	40,881	13,827
6.7 Other operating expenses	64,366	261,897	93,271
6.8 TOTAL OPERATING EXPENSES	144,404	868,032	250,611
7.0 Profit before tax and exceptional items	107,040	(453,428)	(247,555)
8.0 Exceptional items	(700)	(18,609)	(7,126)
9.0 PROFIT / (LOSS) AFTER EXCEPTIONAL ITEMS	106,340	(472,037)	(254,681)
10.0 Current tax	-	-	-
11.0 Deferred tax	-	-	-
12.0 PROFIT / (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	106,340	(472,037)	(254,681)
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	106,340	(472,037)	(254,681)
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	2,764,745	2,631,593	2,586,649
(b) Less Interest In Suspense	225,951	276,420	273,896
(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	2,538,794	2,355,173	2,312,753
(d) Less Loan Loss Provision	1,351,740	1,525,318	1,642,902
(e) NET NON-PERFORMING LOANS AND ADVANCES (c-d)	1,187,054	829,855	669,851
(f) Discounted Value of Securities	1,187,054	767,005	669,851
(g) NET NPLS EXPOSURE (e-f)	-	62,850	-
2.0 INSIDER LOANS AND ADVANCES			
(a) Directors, Shareholders and Associates	32,326	6,995	90
(b) Employees	79,377	46,888	44,739
(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	111,703	53,883	44,829
3.0 OFF-BALANCE SHEET ITEMS			
(a) Letters of credit, guarantees, acceptances	947,987	351,356	304,285
(b) Forwards, swaps and options	-	-	-
(c) Other contingent liabilities	-	6,815	-
(c) TOTAL CONTINGENT LIABILITIES	947,987	358,171	304,285
4.0 CAPITAL STRENGTH			
(a) Core capital	(1,595,963)	(1,412,110)	(1,786,708)
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
(c) Excess (a-b)	(2,595,963)	(2,412,110)	(2,786,708)
(d) Supplementary Capital	99,900	80,797	80,235
(e) TOTAL CAPITAL (a+d)	(1,496,063)	(1,331,313)	(1,706,473)
(f) TOTAL RISK WEIGHTED ASSETS	7,591,976	6,463,765	6,418,823
(g) Core Capital / Total deposits liabilities	-26.09%	-31.02%	-40.26%
(h) Minimum statutory ratio	8.00%	8.00%	8.00%
(i) Excess (g-h)	-34.09%	-39.02%	-48.26%
(j) Core Capital / Total risk weighted assets	-21.02%	-21.85%	-27.84%
(k) Minimum statutory ratio	10.50%	10.50%	10.50%
(l) Excess (j-k)	-31.52%	-32.35%	-38.34%
(m) Total Capital / Total risk weighted assets	-19.71%	-20.60%	-26.59%
(n) Minimum statutory ratio	14.50%	14.50%	14.50%
(o) Excess (m-n)	-34.21%	-35.10%	-41.09%
(p) Adjusted Core Capital/Total Deposit Liabilities*	-22.98%	-28.13%	-36.70%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	-18.51%	-19.81%	-25.38%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	-17.20%	-18.56%	-24.13%
5.0 LIQUIDITY			
(a) Liquidity Ratio	7.28%	8.27%	6.60%
(b) Minimum statutory ratio	20.00%	20.00%	20.00%
(c) Excess (a-b)	-12.72%	-11.73%	-13.40%

* 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 8th May 2020 and signed on its behalf by:

Teresa Muteji
Chairperson

Onesmus Muiia
Ag. Managing Director