

The Board of Directors of Equatorial Commercial Bank Limited is pleased to announce the Audited financial results of the Bank for the year ended 31st December, 2015.



STATEMENT OF FINANCIAL POSITION

	BANK 31 st Dec 2014 Audited Shs '000	BANK 31 st Dec 2015 Audited Shs '000
A ASSETS		
1 Cash (both Local & Foreign)	239,458	257,228
2 Balances due from Central Bank of Kenya	755,016	530,319
3 Kenya Government and other securities held for dealing purposes	436,158	640,236
4 Financial Assets at fair value through profit and loss	-	-
5 Investment Securities:	-	-
a) Held to Maturity:	2,747,436	2,601,815
a. Kenya Government securities	2,747,436	2,601,815
b. Other securities	-	-
b) Available for sale:	-	-
a. Kenya Government securities	-	-
b. Other securities	-	-
6 Deposits and balances due from local banking institutions	78,650	46,610
7 Deposits and balances due from banking institutions abroad	214,461	133,758
8 Tax recoverable	-	-
9 Loans and advances to customers (net)	10,067,792	8,321,620
10 Balances due from banking institutions in the group	-	-
11 Investments in associates	270,292	261,970
12 Investments in subsidiary companies	-	-
13 Investments in joint ventures	-	-
14 Investment properties	-	-
15 Property and equipment	300,752	344,885
16 Prepaid lease rentals	-	-
17 Intangible assets	43,143	111,681
18 Deferred tax asset	674,268	843,156
19 Retirement benefit asset	-	-
20 Other assets	761,933	376,284
21 TOTAL ASSETS	16,589,359	14,469,562
B LIABILITIES		
22 Balances due to Central Bank of Kenya	-	997,707
23 Customer deposits	14,305,575	10,377,933
24 Deposits and balances due to local banking institutions	544,232	354,614
25 Deposits and balances due to foreign banking institutions	-	-
26 Other money market deposits	-	-
27 Borrowed funds	400,000	400,000
28 Balances due to banking institutions in the group	-	-
29 Tax payable	-	-
30 Dividends payable	1,730	133
31 Deferred tax liability	-	-
32 Retirement benefit liability	-	-
33 Other liabilities	182,875	270,330
34 TOTAL LIABILITIES	15,434,412	12,400,717
C SHAREHOLDERS' FUNDS		
35 Paid up /Assigned capital	2,420,035	3,820,315
36 Share premium/(discount)	3,203	3,203
37 Revaluation reserves	3,414	3,414
38 Retained earnings/Accumulated losses	(1,489,663)	(2,195,960)
39 Statutory loan loss reserves	217,958	437,873
40 Other Reserves	-	-
41 Proposed dividends	-	-
42 Capital grants	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,154,947	2,068,845
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	16,589,359	14,469,562

II STATEMENT OF COMPREHENSIVE INCOME

	BANK 31 st Dec 2014 Audited Shs '000	BANK 31 st Dec 2015 Audited Shs '000
1.0 INTEREST INCOME		
1.1 Loans and advances	1,807,634	1,373,048
1.2 Government securities	234,387	284,619
1.3 Deposits and placements with banking institutions	25,023	30,687
1.4 Other Interest Income	16,478	22,897
1.5 TOTAL INTEREST INCOME	2,083,522	1,711,251
2.0 INTEREST EXPENSE		
2.1 Customer deposits	1,124,786	1,019,454
2.2 Deposits and placement from banking institutions	19,623	48,520
2.3 Other interest expenses	19,836	30,827
2.4 TOTAL INTEREST EXPENSE	1,164,245	1,098,801
3.0 NET INTEREST INCOME	919,277	612,450
4.0 OTHER OPERATING INCOME		
4.1 Fees and commissions on loans and advances	66,377	48,113
4.2 Other fees and commissions	151,866	140,805
4.3 Foreign exchange trading income/(Loss)	69,009	58,606
4.4 Dividend Income	7,260	11,007
4.5 Other income	180,792	(75,631)
4.6 TOTAL NON-INTEREST INCOME	475,304	182,900
5.0 TOTAL OPERATING INCOME	1,394,581	795,350
6.0 OPERATING EXPENSES		
6.1 Loan loss provision	880,787	359,266
6.2 Staff costs	409,511	441,478
6.3 Directors' emoluments	23,317	24,214
6.4 Rental charges	141,083	180,257
6.5 Depreciation charge on property and equipment	48,211	51,083
6.6 Amortisation charges	11,434	18,380
6.7 Other operating expenses	340,836	375,942
6.8 TOTAL OPERATING EXPENSES	1,855,179	1,450,620
7.0 Profit before tax and exceptional items	(460,598)	(655,270)
8.0 Exceptional items	-	-
9 PROFIT / (LOSS) AFTER EXCEPTIONAL ITEMS	(460,598)	(655,270)
10.0 Current tax	-	-
11.0 Deferred tax	(134,167)	(168,888)
12.0 PROFIT / (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	(326,431)	(486,382)
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	(323,017)	(486,382)
16.0 EARNINGS PER SHARE- BASIC & DILUTED	(0.69)	(0.78)
17.0 DIVIDEND PER SHARE - DECLARED	-	-

OTHER DISCLOSURES

	BANK 31 st Dec 2014 Audited Shs '000	BANK 31 st Dec 2015 Audited Shs '000
1.0 NON-PERFORMING LOANS AND ADVANCES		
(a) Gross Non-performing loans and advances	3,027,971	3,387,828
(b) Less Interest in Suspense	502,645	615,391
(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	2,525,326	2,772,437
(d) Less Loan Loss Provision	984,415	1,463,476
(e) NET NON-PERFORMING LOANS AND ADVANCES(c-d)	1,540,911	1,308,961
(f) Discounted Value of Securities	1,540,911	1,830,670
(g) NET NPLS EXPOSURE (e-f)	-	(521,709)
2.0 INSIDER LOANS AND ADVANCES		
(a) Directors, Shareholders and Associates	287,107	56,460
(b) Employees	283,542	271,765
(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	570,649	328,225
3.0 OFF-BALANCE SHEET ITEMS		
(a) Letters of credit,guarantees, acceptances	866,139	612,852
(b) Forwards, swaps and options	0	0
(c) Other contingent liabilities	23,329	24,857
(c) TOTAL CONTINGENT LIABILITIES	889,468	637,709
4.0 CAPITAL STRENGTH		
(a) Core capital	933,575	1,627,558
(b) Minimum Statutory Capital	1,000,000	1,000,000
(c) Excess (a-b)	(66,425)	627,558
(d) Supplementary Capital	508,211	405,615
(e) TOTAL CAPITAL (a+d)	1,441,786	2,033,173
(f) TOTAL RISK WEIGHTED ASSETS	13,456,863	11,649,222
(g) Core Capital / Total deposits liabilities	6.53%	15.68%
(h) Minimum statutory ratio	8.00%	8.00%
(i) Excess (g-h)	-1.47%	7.68%
(j) Core Capital / Total risk weighted assets	6.94%	13.97%
(k) Minimum statutory ratio	8.00%	10.50%
(l) Excess (j-k)	-1.06%	3.47%
(m) Total Capital / Total risk weighted assets	10.71%	17.45%
(n) Minimum statutory ratio	12.00%	14.50%
(o) Excess (m-n)	-1.29%	2.95%
5.0 LIQUIDITY		
(a) Liquidity Ratio	27.82%	27.50%
(b) Minimum statutory ratio	20.00%	20.00%
(c) Excess (a-b)	7.82%	7.50%

MESSAGE FROM THE DIRECTORS

The above results are extracts from the financial statements and records of the bank.
Signed on behalf of the board of directors by:

D. Ameyo, MBS
Chairman

Tim Gitonga
Managing Director

Website: www.equatorialbank.co.ke