

THE BOARD OF DIRECTORS OF SPIRE BANK LIMITED HEREBY ANNOUNCE THE UN-AUDITED FINANCIAL RESULTS OF THE BANK FOR THE PERIOD ENDING 30TH JUNE, 2017



I STATEMENT OF FINANCIAL POSITION	BANK		BANK	
	30 th Jun 2016 Un-audited Shs '000	31 st Dec 2016 Audited Shs '000	31 st Mar 2017 Un-audited Shs '000	30 th Jun 2017 Un-audited Shs '000
A ASSETS				
1 Cash (both Local & Foreign)	298,346	234,567	294,197	251,610
2 Balances due from Central Bank of Kenya	1,026,163	748,462	690,603	734,059
3 Kenya Government and other securities held for dealing purposes	96,067	554	-	-
4 Financial Assets at fair value through profit and loss	-	-	-	-
5 Investment Securities:	-	-	-	-
a) Held to Maturity:	2,848,504	2,881,337	2,861,793	2,855,919
a. Kenya Government securities	2,848,504	2,881,337	2,861,793	2,855,919
b. Other securities	-	-	-	-
b) Available for sale:	-	-	-	-
a. Kenya Government securities	-	-	-	-
b. Other securities	-	-	-	-
6 Deposits and balances due from local banking institutions	69,423	38,651	52,554	219,295
7 Deposits and balances due from banking institutions abroad	95,842	269,419	162,730	224,919
8 Tax recoverable	-	-	-	-
9 Loans and advances to customers (net)	7,954,819	7,433,605	6,767,311	6,411,120
10 Balances due from banking institutions in the group	-	-	-	-
11 Investments in associates	261,970	287,357	287,357	287,357
12 Investments in subsidiary companies	-	-	-	-
13 Investments in joint ventures	-	-	-	-
14 Investment properties	-	-	-	-
15 Property and equipment	358,553	373,254	377,413	374,103
16 Prepaid lease rentals	-	-	-	-
17 Intangible assets	104,794	89,937	82,829	77,622
18 Deferred tax asset	1,008,776	1,059,429	1,102,349	1,178,308
19 Retirement benefit asset	-	-	-	-
20 Other assets	259,141	385,926	506,480	459,794
21 TOTAL ASSETS	14,382,398	13,802,498	13,185,616	13,074,106
B LIABILITIES				
22 Balances due to Central Bank of Kenya	2,270,581	2,231,828	2,174,049	2,170,833
23 Customer deposits	9,352,530	8,542,839	7,954,513	7,684,750
24 Deposits and balances due to local banking institutions	23,599	-	100,000	300,000
25 Deposits and balances due to foreign banking institutions	-	-	-	-
26 Other money market deposits	-	-	-	-
27 Borrowed funds	400,000	900,000	900,000	900,000
28 Balances due to banking institutions in the group	-	-	-	-
29 Tax payable	-	-	-	-
30 Dividends payable	109	109	109	109
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	153,104	310,500	339,636	389,556
34 TOTAL LIABILITIES	12,199,923	11,985,276	11,468,307	11,445,248
C SHAREHOLDERS' FUNDS				
35 Paid up /Assigned capital	4,320,315	4,320,315	4,320,315	4,320,315
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	(2,402,418)	(2,754,423)	(2,884,696)	(2,948,312)
39 Statutory loan loss reserves	257,961	244,713	275,073	250,238
40 Other Reserves	-	-	-	-
41 Proposed dividends	-	-	-	-
42 Capital grants	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	2,182,475	1,817,222	1,717,309	1,628,858
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	14,382,398	13,802,498	13,185,616	13,074,106

II STATEMENT OF COMPREHENSIVE INCOME	BANK		BANK	
	30 th Jun 2016 Un-audited Shs '000	31 st Dec 2016 Audited Shs '000	31 st Mar 2017 Un-audited Shs '000	30 th Jun 2017 Un-audited Shs '000
1.0 INTEREST INCOME				
1.1 Loans and advances	648,956	1,185,032	231,039	445,296
1.2 Government securities	128,980	248,223	55,576	111,514
1.3 Deposits and placements with banking institutions	545	1,081	16	159
1.4 Other Interest Income	2,944	4,855	174	310
1.5 TOTAL INTEREST INCOME	781,425	1,439,191	286,805	557,279
2.0 INTEREST EXPENSE				
2.1 Customer deposits	403,033	693,115	125,849	234,164
2.2 Deposits and placement from banking institutions	9,299	209,732	60,325	115,558
2.3 Other interest expenses	99,861	62,488	23,548	47,358
2.4 TOTAL INTEREST EXPENSE	512,193	965,335	209,722	397,080
3.0 NET INTEREST INCOME	269,232	473,856	77,083	160,199
4.0 OTHER OPERATING INCOME				
4.1 Fees and commissions on loans and advances	34,947	66,828	16,758	33,802
4.2 Other fees and commissions	62,146	134,045	26,235	54,407
4.3 Foreign exchange trading income/(Loss)	26,865	49,019	1,210	6,383
4.4 Dividend Income	75	75	-	-
4.5 Other income	78,612	118,353	7,694	25,179
4.6 TOTAL NON-INTEREST INCOME	202,645	368,320	51,897	119,771
5.0 TOTAL OPERATING INCOME	471,877	842,176	128,980	279,970
6.0 OPERATING EXPENSES				
6.1 Loan loss provision	485,663	667,172	14,330	66,049
6.2 Staff costs	207,442	414,401	104,834	204,355
6.3 Directors' emoluments	16,680	34,035	9,040	16,960
6.4 Rental charges	95,950	194,522	50,428	94,556
6.5 Depreciation charge on property and equipment	25,273	51,858	12,658	32,338
6.6 Amortisation charges	15,294	30,558	7,542	7,542
6.7 Other operating expenses	177,567	417,526	72,881	165,317
6.8 TOTAL OPERATING EXPENSES	1,023,868	1,810,072	271,713	587,117
7.0 Profit before tax and exceptional items	(551,991)	(967,896)	(142,733)	(307,147)
8.0 Exceptional items	-	-	-	-
9 PROFIT / (LOSS) AFTER EXCEPTIONAL ITEMS	(551,991)	(967,896)	(142,733)	(307,147)
10.0 Current tax	-	-	-	-
11.0 Deferred tax	(165,620)	(216,273)	(42,820)	(118,783)
12.0 PROFIT / (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	(717,611)	(1,184,169)	(185,553)	(425,930)
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	(717,611)	(1,184,169)	(185,553)	(425,930)
16.0 EARNINGS PER SHARE- BASIC & DILUTED	(8.84)	(14.62)	(2.32)	(5.28)
17.0 DIVIDEND PER SHARE - DECLARED	-	-	-	-

III OTHER DISCLOSURES	BANK		BANK	
	30 th Jun 2016 Un-audited Shs '000	31 st Dec 2016 Audited Shs '000	31 st Mar 2017 Un-audited Shs '000	30 th Jun 2017 Un-audited Shs '000
1.0 NON-PERFORMING LOANS AND ADVANCES				
(a) Gross Non-performing loans and advances	2,971,040	1,322,135	1,299,757	1,383,715
(b) Less Interest in Suspense	602,352	75,710	76,303	74,713
(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	2,368,688	1,246,425	1,223,454	1,309,002
(d) Less Loan Loss Provision	1,616,957	809,997	856,590	893,105
(e) NET NON-PERFORMING LOANS AND ADVANCES(c-d)	751,731	436,428	366,864	415,897
(f) Discounted Value of Securities	751,731	436,428	366,864	385,825
(g) NET NPLS EXPOSURE (e-f)	-	-	-	30,072
2.0 INSIDER LOANS AND ADVANCES				
(a) Directors, Shareholders and Associates	144,550	68,305	54,172	74,668
(b) Employees	235,197	156,493	145,718	120,418
(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	379,747	224,798	199,890	195,086
3.0 OFF-BALANCE SHEET ITEMS				
(a) Letters of credit, guarantees, acceptances	504,727	493,532	480,358	576,002
(b) Forwards, swaps and options	-	-	-	-
(c) Other contingent liabilities	15,425	39,321	51,803	73,311
(d) TOTAL CONTINGENT LIABILITIES	520,152	532,853	532,161	649,313
4.0 CAPITAL STRENGTH				
(a) Core capital	1,921,100	1,569,095	1,438,822	1,375,206
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess (a-b)	921,100	569,095	438,822	375,206
(d) Supplementary Capital	367,051	325,571	296,126	273,501
(e) TOTAL CAPITAL (a+d)	2,288,151	1,894,666	1,734,948	1,648,707
(f) TOTAL RISK WEIGHTED ASSETS	11,764,084	11,645,709	11,764,084	10,680,089
(g) Core Capital / Total deposits liabilities	20.54%	18.37%	18.09%	17.90%
(h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%
(i) Excess (g-h)	12.54%	10.37%	10.09%	9.90%
(j) Core Capital / Total risk weighted assets	16.33%	13.47%	13.21%	12.88%
(k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%
(l) Excess (j-k)	5.83%	2.97%	2.71%	2.38%
(m) Total Capital / Total risk weighted assets	19.45%	16.27%	15.93%	15.44%
(n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%
(o) Excess (m-n)	4.95%	1.77%	1.43%	0.94%
5.0 LIQUIDITY				
(a) Liquidity Ratio	22.88%	22.72%	22.48%	23.48%
(b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%
(c) Excess (a-b)	2.88%	2.72%	2.48%	3.48%

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 Mwalimu Towers Upper Hill

Signed on behalf of the board of directors by:
Teresa Mutegi Chairperson **Tim Gitonga** Managing Director