

# UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31ST MARCH 2020

## I. STATEMENT OF FINANCIAL POSITION

	BANK			GROUP		
	31st Mar 2019	31st Dec 2019	31st March 2020	31st Mar 2019	31st Dec 2019	31st March 2020
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
	(Un-Audited)	(Audited)	(Un-Audited)	(Un-Audited)	(Audited)	(Un-Audited)
<b>A. ASSETS</b>						
1 Cash (both local and foreign)	115,341	149,995	145,039	674,046	621,314	810,944
2 Balances with Central Bank of Kenya	1,013,221	908,686	802,235	1,013,221	908,686	802,235
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:						
i).Kenya Government securities	873,056	510,892	506,525	873,056	510,892	506,525
ii).Other securities	-	-	-	3,420,108	2,379,551	3,451,644
b). Available for sale						
i).Kenya Government securities	6,373,474	8,742,167	9,316,288	6,373,474	8,742,167	9,316,288
ii).Other securities	26,851	0	0	26,851	0	0
6 Deposits and balances due from local banking institutions	68,770	73,700	227,855	68,770	73,700	227,855
7 Deposits and balances due from banking institutions abroad	447,222	227,568	54,475	4,346,011	4,119,259	3,485,476
8 Tax recoverable	48,347	-	-	48,347	-	-
9 Loans and advances to customers (net)	12,439,125	13,544,305	12,732,581	19,309,303	20,716,760	19,948,037
10 Balances due from banking institutions in the group	668	13,554	21,597	204,974	1,034,222	21,597
11 Investments in associates	-	-	-	-	-	-
12 Investments in subsidiary companies	3,375,990	3,375,990	3,375,990	-	-	-
13 Investments in Joint Ventures	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-
15 Property, plant and equipment	238,502	578,537	582,667	652,543	1,421,901	1,426,264
16 Prepaid lease rentals	-	-	-	-	-	-
17 Intangible assets	174,234	151,018	140,787	408,489	344,832	339,691
18 Deferred tax asset	258,726	308,085	306,588	258,726	447,729	447,729
19 Retirement benefit asset	-	-	-	-	-	-
20 Other assets	309,276	497,898	394,920	1,001,108	730,796	707,598
<b>21 TOTAL ASSETS</b>	<b>25,762,803</b>	<b>29,082,395</b>	<b>28,607,547</b>	<b>38,679,027</b>	<b>42,051,809</b>	<b>41,537,736</b>
<b>B. LIABILITIES</b>						
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-
23 Customer deposits	16,398,322	17,457,969	17,891,235	30,147,161	30,788,917	31,142,340
24 Deposits and balances due to local banking institutions	-	1,474,503	315,000	-	1,474,503	315,000
25 Deposits and balances due to foreign banking institutions	1	1	91,476	55,005	113,977	103,040
26 Other money market deposits	-	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-	-
28 Balances due to banking institutions in the group	667,466	685,872	772,950	-	-	-
29 Tax payable	-	111,229	147,014	-	154,699	197,834
30 Dividends Payable	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	42,500	-	51,805
32 Retirement benefit liability	-	-	-	-	-	-
33 Other liabilities	157,926	545,080	494,915	654,470	1,309,072	1,289,727
<b>34 TOTAL LIABILITIES</b>	<b>17,223,715</b>	<b>20,274,654</b>	<b>19,712,590</b>	<b>30,899,136</b>	<b>33,841,168</b>	<b>33,099,746</b>
<b>C. SHAREHOLDERS' EQUITY</b>						
35 Paid up/Assigned capital	1,280,934	1,280,934	1,280,934	1,280,934	1,280,934	1,280,934
36 Share premium/(discount)	4,225,323	4,225,323	4,225,323	4,225,323	4,225,323	4,225,323
37 Revaluation reserves	5,250	10,032	13,526	5,250	10,032	13,526
38 Retained earnings/Accumulated Losses	3,027,581	3,291,452	3,073,392	2,598,581	2,969,741	2,866,660
39 Statutory Loan Loss Reserve	-	-	301,782	-	28,349	301,782
40 Other Reserves	-	-	-	(393,464)	(371,224)	(323,701)
41 Proposed dividends	-	-	-	-	-	-
42 Non controlling Interest	-	-	-	63,267	67,486	73,466
43 Capital grants	-	-	-	-	-	-
<b>44 TOTAL SHAREHOLDERS' EQUITY</b>	<b>8,539,088</b>	<b>8,807,741</b>	<b>8,894,957</b>	<b>7,779,891</b>	<b>8,210,641</b>	<b>8,437,990</b>
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>25,762,803</b>	<b>29,082,395</b>	<b>28,607,547</b>	<b>38,679,027</b>	<b>42,051,809</b>	<b>41,537,736</b>

## II. STATEMENT OF COMPREHENSIVE INCOME

	BANK			GROUP		
	31st Mar 2019	31st Dec 2019	31st March 2020	31st Mar 2019	31st Dec 2019	31st March 2020
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
	(Un-Audited)	(Audited)	(Un-Audited)	(Un-Audited)	(Audited)	(Un-Audited)
<b>1.0 INTEREST INCOME</b>						
1.1 Loans and advances	325,774	1,426,012	449,047	534,744	2,525,740	707,466
1.2 Government securities	163,584	719,988	218,042	225,329	984,244	273,782
1.3 Deposits and placements with banking institutions	3,901	17,184	2,080	19,155	115,913	40,868
1.4 Other Interest Income	2,204	7,928	1,431	2,204	8,928	1,431
<b>1.5 Total Interest Income</b>	<b>495,463</b>	<b>2,171,112</b>	<b>670,600</b>	<b>781,432</b>	<b>3,634,825</b>	<b>1,023,547</b>
<b>2.0 INTEREST EXPENSES</b>						
2.1 Customer deposits	174,569	737,356	197,395	240,115	1,006,372	265,952
2.2 Deposits and placements from banking institutions	5,509	37,113	10,548	6,326	41,586	11,505
2.3 Other Interest Expenses	135	4,996	6,204	167	68,154	6,204
<b>2.4 Total Interest Expenses</b>	<b>180,213</b>	<b>779,465</b>	<b>214,147</b>	<b>246,608</b>	<b>1,116,112</b>	<b>283,661</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>	<b>315,250</b>	<b>1,391,647</b>	<b>456,453</b>	<b>534,824</b>	<b>2,518,713</b>	<b>739,886</b>
<b>4.0 OTHER OPERATING INCOME</b>						
4.1 Fees and commissions on loans and advances	59,369	209,033	36,987	123,067	267,548	75,870
4.2 Other Fees and Commissions	33,029	162,000	39,049	91,064	570,928	106,853
4.3 Foreign exchange trading income (loss)	20,721	72,661	28,837	59,510	224,387	77,826
4.4 Dividend Income	-	-	-	-	-	-
4.5 Other income	3,035	4,345	402	5,056	161,660	3,936
4.6 Goodwill on Acquisition of subsidiary	-	-	-	-	-	-
<b>4.7 Total Non-Interest Income</b>	<b>116,154</b>	<b>448,039</b>	<b>105,275</b>	<b>278,697</b>	<b>1,224,523</b>	<b>264,485</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>431,404</b>	<b>1,839,686</b>	<b>561,728</b>	<b>813,521</b>	<b>3,743,236</b>	<b>1,004,371</b>
<b>6.0 OPERATING EXPENSES</b>						
6.1 Loan Loss Provision	958	110,801	170,017	12,673	439,592	198,955
6.2 Staff costs	130,557	495,307	76,859	254,520	977,895	193,208
6.3 Directors' emoluments	16,040	72,384	13,800	22,095	95,476	33,265
6.4 Rentals Charges	41,744	55,517	14,331	67,289	178,309	27,812
6.5 Depreciation charge on property and equipment	22,559	91,144	50,867	43,793	179,174	82,460
6.6 Amortisation Charges	10,405	41,519	10,232	21,570	87,827	22,117
6.7 Other operating expenses	89,929	481,817	106,018	191,934	919,275	204,203
<b>6.8 Total Operating Expenses</b>	<b>312,192</b>	<b>1,348,489</b>	<b>442,124</b>	<b>613,874</b>	<b>2,877,548</b>	<b>762,020</b>
<b>7.0 Profit/(Loss) before tax and exceptional items</b>	<b>119,212</b>	<b>491,197</b>	<b>119,604</b>	<b>199,647</b>	<b>865,688</b>	<b>242,351</b>
8.0 Exceptional items	-	-	-	-	-	-
<b>9.0 Profit/(Loss) after exceptional items</b>	<b>119,212</b>	<b>491,197</b>	<b>119,604</b>	<b>199,647</b>	<b>865,688</b>	<b>242,351</b>
10.0 Current tax	(35,764)	(195,288)	(35,881)	(42,602)	(338,072)	(71,922)
11.0 Deferred tax	-	51,408	-	-	44,542	-
<b>12.0 Profit/(Loss) after tax and exceptional items</b>	<b>83,448</b>	<b>347,317</b>	<b>83,723</b>	<b>157,045</b>	<b>572,158</b>	<b>170,429</b>
<b>13.0 Other Comprehensive Income</b>						
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	(34,966)	(13,968)	47,234
13.2 Fair value changes in available-for-sale financial assets	2,633	7,416	3,495	2,633	7,416	3,495
13.3 Revaluation surplus on Property, plant and equipment	-	-	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	-
<b>14.0 Other comprehensive income for the year net of tax</b>	<b>2,633</b>	<b>7,416</b>	<b>3,495</b>	<b>(32,333)</b>	<b>(6,552)</b>	<b>50,729</b>
<b>15.0 Total comprehensive income for the year</b>	<b>86,081</b>	<b>354,733</b>	<b>87,218</b>	<b>124,712</b>	<b>565,606</b>	<b>221,158</b>
<b>Attributable to:</b>						
Non Controlling Interest	-	-	-	1,904	5,959	5,980
Equity Holders of the Parent	-	-	-	122,808	559,647	215,178

## III. OTHER DISCLOSURES

	BANK			GROUP		
	31st Mar 2019	31st Dec 2019	31st March 2020	31st Mar 2019	31st Dec 2019	31st March 2020
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
	(Un-Audited)	(Audited)	(Un-Audited)	(Un-Audited)	(Audited)	(Un-Audited)
<b>1) NON-PERFORMING LOANS AND ADVANCES</b>						
a) Gross non-performing loans and advances	2,636,442	2,746,725	3,038,580	3,126,348	2,977,578	3,320,541
Less:						
b) Interest in Suspense	508,999	680,555	647,077	587,312	719,226	702,676
<b>c) Total Non-Performing Loans and Advances (a-b)</b>	<b>2,127,443</b>	<b>2,066,170</b>	<b>2,391,503</b>	<b>2,539,036</b>	<b>2,258,352</b>	<b>2,617,865</b>
Less:						
d) Loan Loss Provisions	264,142	647,199	1,142,459	523,079	771,373	1,289,842
e) Net Non-Performing Loans (c-d)	1,863,301	1,418,970	1,249,044	2,015,957	1,486,978	1,328,024
f) Discounted Value of Securities	1,863,301	1,418,970	1,249,044	2,015,957	1,486,978	1,328,024
<b>g) Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2) Insider Loans and Advances</b>						
a) Directors, shareholders and associates	7,111	2,743	2,575	10,928	4,481	3,896
b) Employees	32,363	23,027	18,167	77,156	87,215	65,301
<b>c) Total Insider Loans and Advances and Other Facilities</b>	<b>39,474</b>	<b>25,770</b>	<b>20,742</b>	<b>88,084</b>	<b>91,696</b>	<b>69,197</b>
<b>3) Off-Balance Sheet Items</b>						
a) Letters of credit, guarantees, acceptances	1,377,300	1,659,080	1,713,807	4,625,062	6,028,466	6,530,168
b) Forwards, swaps and options	228,213	738,622	1,947,867	228,213	738,622	1,947,867
c) Other contingent liabilities	830,387	765,799	1,235,072	1,394,613	1,319,727	2,082,885
<b>d) Total Contingent Liabilities</b>	<b>2,435,900</b>	<b>3,163,501</b>	<b>4,896,746</b>	<b>6,247,888</b>	<b>8,086,815</b>	<b>10,560,920</b>
<b>4) Capital Strength</b>						
a) Core capital	5,116,124	5,421,718	5,161,797	8,026,345	8,519,979	8,336,695
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency)	4,116,124	4,421,718	4,161,797	7,026,345	7,519,979	7,336,695
d) Supplementary Capital	-	-	240,593	-	-	240,593
<b>e) Total capital (a+d)</b>	<b>5,116,124</b>	<b>5,421,718</b>	<b>5,402,390</b>	<b>8,026,345</b>	<b>8,519,979</b>	<b>8,577,288</b>
f) Total risk weighted assets	18,414,809	20,643,540	19,247,405	3		