

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT DECEMBER 31, 2016

I. STATEMENT OF FINANCIAL POSITION

	BANK				GROUP					
	31st Dec 2015	31st Mar 2016	30th June 2016	30th Sept 2016	31st Dec 2016	31st Dec 2015	31st Mar 2016	30th June 2016	30th Sept 2016	31st Dec 2016
	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Audited)
A. ASSETS										
1 Cash (both local and foreign)	214,580	220,720	197,299	185,889	195,232	708,473	785,083	659,168	639,967	493,325
2 Balances with Central Bank of Kenya	1,498,412	1,880,489	908,138	1,191,447	1,875,291	1,498,412	1,880,489	908,138	1,191,447	1,875,291
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	2,268,532	1,529,805	1,544,843	1,494,472	1,485,721	2,268,532	1,529,805	1,544,843	1,494,472	1,485,721
ii) Other securities	-	-	-	-	-	2,441,880	2,820,835	1,388,680	1,345,914	2,059,850
b) Available for sale										
i) Kenya Government securities	8,076,571	8,736,079	8,463,394	9,708,774	6,931,786	8,076,571	8,736,079	8,463,394	9,708,774	6,931,786
ii) Other securities	106,331	110,873	96,173	96,173	79,827	106,331	110,873	107,371	96,173	79,827
6 Deposits and balances due from local banking institutions	601,145	322,893	85,840	687,002	1,097,883	601,145	322,893	85,840	687,002	1,097,883
7 Deposits and balances due from banking institutions abroad	237,663	62,016	901,405	464,040	1,161,788	2,826,002	2,568,159	3,848,324	3,155,490	3,822,183
8 Tax recoverable	-	-	-	-	-	78,678	-	-	-	82,999
9 Loans and advances to customers (net)	12,422,326	12,181,966	12,444,979	12,592,984	12,906,196	19,606,520	19,709,887	19,368,853	19,435,180	19,441,803
10 Balances due from banking institutions in the group	29,615	3,323	1,263	26,889	35,242	195,695	167,636	1,287	26,899	401,536
11 Investments in associates	-	-	-	-	-	-	-	-	-	-
12 Investments in subsidiary companies	2,857,690	2,857,690	2,857,690	2,857,690	2,857,690	-	-	-	-	-
13 Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-	-	-
15 Property plant and equipment	481,696	458,559	424,822	393,211	397,084	1,222,941	1,162,611	1,081,277	997,231	998,251
16 Prepaid lease rentals	-	-	-	-	-	-	-	-	-	-
17 Intangible assets	237,757	231,497	228,995	225,983	202,440	587,686	565,339	541,487	522,471	483,630
18 Deferred tax asset	108,781	133,701	128,129	121,587	79,030	387,254	387,288	376,461	374,557	355,395
19 Retirement benefit asset	-	-	-	-	-	-	-	-	-	-
20 Other asset	232,763	522,715	492,108	339,318	313,862	358,558	867,978	803,307	1,148,644	632,827
21 TOTAL ASSETS	29,374,062	29,252,326	28,784,276	30,665,457	29,619,072	40,964,878	41,594,955	39,178,430	40,824,220	40,242,307
B. LIABILITIES										
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-	-	-
23 Customer deposits	15,489,590	17,570,586	17,095,525	18,744,461	16,561,677	26,371,497	29,054,255	27,449,357	28,718,835	27,192,108
24 Deposits and balances due to local banking institutions	1,458,481	101,400	-	-	1,850,743	1,750,802	101,400	-	-	1,889,079
25 Deposits and balances due to foreign banking institutions	683,406	16,750	520,520	159,466	2,270	683,573	475,823	550,751	284,664	2,502
26 Other money market deposits	-	-	-	-	-	-	-	-	-	-
27 Borrowed funds	196,077	200,691	196,077	1,216,386	1,202,201	284,587	284,253	196,077	1,216,386	1,202,201
28 Balances due to banking institutions in the group	3,248,412	2,685,887	2,192,427	1,536,383	1,276,285	3,251,737	2,688,866	2,195,197	1,539,272	1,276,285
29 Tax payable	4,215	65,635	36,253	45,692	13,944	4,215	65,635	36,253	45,692	13,944
30 Dividends Payable	-	-	-	-	-	-	-	-	-	-
31 Deferred tax liability	-	22,513	22,513	22,513	-	97,031	95,301	92,161	88,395	65,668
32 Retirement benefit liability	-	-	-	-	-	-	-	-	-	-
33 Other liabilities	388,151	544,910	512,674	620,191	345,503	665,634	873,431	767,999	855,045	544,930
34 TOTAL LIABILITIES	21,468,332	21,208,372	20,575,989	22,345,093	21,252,623	33,109,076	33,638,964	31,287,795	32,748,289	32,186,717
B. SHAREHOLDERS' EQUITY										
35 Paid up/Assigned capital	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480
36 Share premium/(discount)	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814
37 Revaluation reserves	(45,155)	(50,770)	(33,102)	(22,503)	(31,268)	(45,155)	(50,770)	(33,102)	(22,503)	(31,268)
38 Retained earnings/Accumulated Losses	2,411,193	2,550,408	2,679,757	2,815,177	2,850,787	2,226,125	2,357,810	2,339,048	2,592,843	2,647,572
39 Statutory Loan Loss Reserve	70,398	75,022	92,338	78,396	77,636	94,779	99,403	116,719	102,777	107,076
40 Other Reserves	-	-	-	-	-	45,533	15,760	(57,097)	(124,924)	(195,704)
41 Proposed dividends	-	-	-	-	-	-	-	-	-	-
42 Non controlling Interest	-	-	-	-	-	65,226	64,494	55,773	58,444	58,621
43 Capital grants	-	-	-	-	-	-	-	-	-	-
44 TOTAL SHAREHOLDERS' EQUITY	7,905,730	8,043,954	8,208,287	8,340,364	8,366,449	7,855,802	7,955,991	7,890,635	8,075,931	8,055,590
45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	29,374,062	29,252,326	28,784,276	30,665,457	29,619,072	40,964,878	41,594,955	39,178,430	40,824,220	40,242,307

II. STATEMENT OF COMPREHENSIVE INCOME

	31st Dec 2015	31st Mar 2016	30th June 2016	30th Sept 2016	31st Dec 2016	31st Dec 2015	31st Mar 2016	30th June 2016	30th Sept 2016	31st Dec 2016
	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Audited)
1.0 INTEREST INCOME										
1.1 Loans and advances	1,727,852	517,863	1,024,881	1,535,928	1,907,235	2,869,101	814,900	1,645,292	2,427,793	3,078,935
1.2 Government securities	986,388	302,362	587,623	862,441	1,082,713	1,194,275	367,073	691,990	1,007,299	1,266,790
1.3 Deposits and placements with banking institutions	287,064	23,263	39,654	49,511	56,413	289,960	29,515	59,282	73,523	85,028
1.4 Other Interest Income	34,564	5,124	8,221	11,211	14,307	43,987	5,124	8,221	11,210	14,307
1.5 Total Interest Income	3,035,868	848,612	1,660,579	2,459,091	3,062,668	4,397,323	1,216,612	2,403,885	3,519,825	4,445,060
2.0 INTEREST EXPENSES										
2.1 Customer deposits	1,106,735	310,144	610,943	910,472	1,171,315	1,483,012	394,989	770,311	1,133,874	1,462,734
2.2 Deposits and placements from banking institutions	210,382	41,828	66,161	82,033	104,274	237,494	51,077	78,507	100,643	127,071
2.3 Other Interest Expenses	18,506	4,614	9,228	16,536	34,435	24,480	6,445	11,027	18,299	36,170
2.4 Total Interest Expenses	1,335,623	356,586	686,332	1,009,042	1,310,024	1,744,986	452,512	859,845	1,252,816	1,625,975
3.0 Total Interest Income	1,700,245	492,027	974,247	1,450,049	1,752,644	2,652,337	764,100	1,544,040	2,267,009	2,819,085
4.0 OPERATING INCOME										
4.1 Fees and commissions on loans and advances	106,933	43,971	102,918	132,087	189,712	183,262	92,303	203,204	199,743	308,809
4.2 Other Fees and Commissions	138,494	36,694	73,886	111,795	152,018	302,178	56,504	102,273	225,860	271,811
4.3 Foreign exchange trading income (loss)	78,544	19,120	36,799	51,263	71,865	267,949	63,441	142,871	201,100	276,866
4.4 Dividend Income	-	-	-	-	-	-	-	-	-	-
4.5 Other income	89,971	6,191	22,568	43,450	50,586	145,699	31,228	111,035	114,365	104,025
4.6 Goodwill on Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-
4.6 Total Non-Interest Income	413,942	105,976	236,171	338,594	464,181	899,088	243,476	559,383	741,068	961,511
5.0 TOTAL OPERATING INCOME	2,114,187	598,002	1,210,418	1,788,643	2,216,825	3,551,425	1,007,576	2,103,423	3,008,077	3,780,596
6.0 OPERATING EXPENSES										
6.1 Loan Loss Provision	92,816	4,522	25,878	61,620	76,222	294,190	51,630	335,758	246,941	326,595
6.2 Staff costs	553,890	139,638	278,466	416,011	416,011	1,147,974	295,819	589,355	871,407	1,129,968
6.3 Directors' emoluments	51,129	14,085	28,500	38,915	51,866	86,918	22,994	47,278	66,220	90,904
6.4 Rentals Charges	145,358	36,756	73,451	112,617	150,284	237,032	60,489	122,720	184,095	243,611
6.5 Depreciation charge on property and equipment	146,589	33,294	66,549	99,569	110,147	277,322	75,407	130,758	180,324	245,145
6.6 Amortisation Charges	30,074	6,261	12,521	18,782	24,196	73,709	6,261	39,236	55,847	87,231
6.7 Other operating expenses	547,295	158,713	313,484	452,185	591,096	994,487	273,773	558,049	817,709	1,016,852
6.8 Total Operating Expenses	1,567,150	393,269	798,849	1,199,700	1,557,487	3,111,632	786,382	1,823,154	2,422,542	3,140,306
7.0 Profit/(Loss) before tax and exceptional items	547,038	204,734	411,569	58						