



**UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES
FOR THE PERIOD ENDED 31ST MARCH 2020**

I	STATEMENT OF FINANCIAL POSITION	Bank		Group		Group	
		31st Mar 2019 Unaudited Shs '000'	31st Dec 2019 Audited Shs '000'	31st Mar 2020 Unaudited Shs '000'	31st Dec 2019 Audited Shs '000'	31st Mar 2020 Unaudited Shs '000'	31st Dec 2019 Audited Shs '000'
A	ASSETS						
1	Cash (both Local & Foreign)	211,287	187,407	292,540	262,119	237,232	330,636
2	Balances due from Central Bank of Kenya	1,239,947	1,905,542	1,110,663	1,388,249	1,966,361	1,110,663
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.1	Kenya Government securities	3,123,835	2,438,852	2,717,614	3,674,658	2,873,944	3,182,880
a.2	Other securities	3,123,835	2,438,852	2,717,614	3,123,835	2,438,852	2,717,614
b)	Available for sale:						
b.1	Kenya Government securities	641,543	641,565	646,525	641,543	668,255	646,525
b.2	Other securities	641,543	641,565	646,525	641,543	641,565	646,525
6	Deposits and balances due from local banking institutions	2,427,084	1,548,732	1,943,506	2,441,755	1,450,690	1,949,461
7	Deposits and balances due from banking institutions abroad	609,959	787,779	692,311	779,647	1,217,934	1,070,065
8	Tax recoverable	-	6,465	6,465	13,414	20,028	21,905
9	Loans and advances to customers (net)	15,242,194	18,723,123	18,313,662	15,750,472	19,237,311	18,833,107
10	Balances due from banking institutions in the group	35,392	14,716	14,716	-	-	-
11	Investments in associates	-	-	-	-	-	-
12	Investments in subsidiary companies	890,936	890,935	890,935	-	-	-
13	Investments in joint ventures	-	-	-	-	-	-
14	Investment properties	-	-	-	-	-	-
15	Property and equipment	668,382	715,952	689,077	710,925	815,963	781,138
16	Prepaid lease rentals	-	-	-	-	-	-
17	Intangible assets	113,916	102,937	120,727	180,060	180,363	195,966
18	Deferred tax asset	81,495	108,520	108,520	101,240	108,520	140,220
19	Retirement benefit asset	-	-	-	-	-	-
20	Other assets	2,975,644	608,502	1,069,227	2,938,060	618,582	1,090,338
21	TOTAL ASSETS	28,261,644	28,680,487	28,616,088	28,882,142	29,395,753	29,352,904
B	LIABILITIES						
22	Balances due to Central Bank of Kenya	-	-	-	-	-	-
23	Customer deposits	21,303,406	22,648,711	22,429,279	21,931,017	23,261,426	22,949,443
24	Deposits and balances due to local banking institutions	197,055	90,371	43,770	197,055	90,371	43,770
25	Deposits and balances due to foreign banking institutions	312,056	241,443	234,821	290,636	241,443	234,821
26	Other money market deposits	-	-	-	-	-	-
27	Borrowed funds	2,111,925	1,128,335	1,184,111	2,133,757	1,128,335	1,238,032
28	Balances due to banking institutions in the group	137,918	111,786	137,188	-	-	-
29	Tax payable	232,210	-	10,734	234,513	-	13,382
30	Dividends payable	-	-	-	-	-	-
31	Deferred tax liability	-	-	-	-	94	130
32	Retirement benefit liability	-	-	-	-	-	-
33	Other liabilities	372,711	770,358	858,139	495,828	1,010,667	1,188,070
34	TOTAL LIABILITIES	24,667,281	24,991,004	24,898,042	25,282,806	25,732,336	25,667,648
C	SHAREHOLDERS' FUNDS						
35	Paid up /Assigned capital	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
36	Share premium/(discount)	-	-	-	-	-	-
37	Revaluation reserves	7,264	5,501	9,019	(94,530)	(90,063)	(88,308)
38	Retained earnings/Accumulated losses	2,537,099	1,986,802	2,011,847	2,515,983	1,945,345	1,963,998
39	Statutory loan loss reserves	-	647,180	647,180	-	647,180	647,180
40	Other Reserves	-	-	-	(132,854)	(133,349)	(124,779)
41	Proposed dividends	-	-	-	-	-	-
42	Capital grants	-	-	-	-	-	-
43	TOTAL SHAREHOLDERS' FUNDS	3,594,363	3,689,483	3,718,046	3,338,599	3,419,113	3,448,091
44	Minority Interest	-	-	-	260,737	244,304	237,165
45	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	28,261,644	28,680,487	28,616,088	28,882,142	29,395,753	29,352,904
II	STATEMENT OF COMPREHENSIVE INCOME						
1.0	INTEREST INCOME						
1.1	Loans and advances	592,607	2,720,292	668,891	618,940	2,831,001	693,594
1.2	Government securities	87,553	364,869	98,106	99,964	403,857	106,503
1.3	Deposits and placements with banking institutions	19,240	72,206	18,540	24,099	89,108	22,809
1.4	Other interest income	-	-	-	-	319	-
1.5	Total Interest Income	699,400	3,157,367	785,537	743,003	3,324,285	822,906
2.0	INTEREST EXPENSE						
2.1	Customer deposits	430,865	1,774,542	455,729	434,771	1,782,247	458,384
2.2	Deposits and placement from banking institutions	3,776	12,398	3,167	4,012	14,110	3,555
2.3	Other interest expenses	31,012	179,345	32,005	31,201	182,732	32,005
2.4	Total Interest Expenses	465,653	1,966,285	490,901	469,984	1,979,089	493,944
3.0	NET INTEREST INCOME/(LOSS)	233,747	1,191,082	294,636	273,019	1,345,196	328,962
4.0	NON-INTEREST INCOME						
4.1	Fees and commissions on loans and advances	47,410	219,069	70,845	48,830	238,356	74,613
4.2	Other fees and commissions	26,774	120,328	28,819	36,900	143,945	38,339
4.3	Foreign exchange trading income/(Loss)	16,015	80,345	18,477	17,254	92,534	21,377
4.4	Dividend Income	-	-	-	-	-	-
4.5	Other income	117	5,193	117	3,699	29,398	3,812
4.6	Total Non-interest Income	90,316	424,935	118,258	106,683	504,233	138,141
5.0	TOTAL OPERATING INCOME	324,063	1,616,017	412,894	379,702	1,849,429	467,103
6.0	OTHER OPERATING EXPENSES						
6.1	Loan loss provision	10,645	61,402	15,845	13,788	56,825	18,682
6.2	Staff costs	179,142	742,146	202,642	201,659	840,833	226,906
6.3	Directors' emoluments	16,766	82,535	19,286	18,023	90,330	20,544
6.4	Rental charges	14,500	302	71	21,429	4,040	1,416
6.5	Depreciation charge on property and equipment	12,929	119,168	29,812	14,912	158,355	19,610
6.6	Amortisation charges	5,154	20,790	5,609	8,079	20,806	8,169
6.7	Other operating expenses	52,625	425,417	103,850	72,278	508,047	141,191
6.8	Total Other Operating Expenses	291,761	1,451,760	377,115	350,168	1,679,236	436,518
7.0	Profit/(Loss) Before Tax and Exceptional Items	32,302	164,257	35,779	29,534	170,193	30,585
8.0	Exceptional Items	-	-	-	-	-	-
9.0	Profit/(Loss) After Exceptional Items	32,302	164,257	35,779	29,534	170,193	30,585
10.0	Current Tax	9,690	87,842	10,734	11,993	98,340	13,382
11.0	Deferred Tax	-	(43,080)	-	-	(11,495)	-
12.0	Profit/(Loss) After Tax and Exceptional Items	22,612	119,495	25,045	17,541	83,348	17,203
13.0	Minority Interest	-	-	-	(340)	(1,082)	(1,448)
14.0	Profit/(loss) after tax, exceptional items and Minority Interest	22,612	119,495	25,045	17,881	94,430	18,651
15.0	Other Comprehensive Income	-	-	-	-	-	-
15.1	Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	(11,665)	(12,160)	8,570
15.2	Fair value changes in available for sale financial assets	14,933	13,170	3,518	14,933	(2,230)	3,518
15.3	Revaluation surplus on Property,plant and equipment	-	-	-	-	-	-
15.4	Share of other comprehensive income of associates	-	-	-	-	-	-
15.5	Income tax relating to components of other comprehensive income	-	-	-	-	-	-
16.0	Other Comprehensive Income for the year net of tax	14,933	13,170	3,518	3,268	(14,390)	12,088
17.0	Total comprehensive income for the year	37,545	132,665	28,563	20,809	68,958	29,291
18.0	EARNINGS PER SHARE - BASIC & DILUTED	0.22	1.14	0.24	0.17	0.90	0.18
19.0	DIVIDEND PER SHARE - DECLARED	-	-	-	-	-	-
III	OTHER DISCLOSURES						
1.0	NON-PERFORMING LOANS AND ADVANCES						
(a)	Gross Non-performing loans and advances	4,250,922	3,556,700	3,509,276	4,277,286	3,604,427	3,548,748
(b)	Less: Interest in Suspense	728,035	737,774	738,976	732,070	737,774	745,823
(c)	Total Non-Performing Loans and Advances (a-b)	3,522,887	2,818,926	2,770,300	3,545,216	2,866,653	2,802,925
(d)	Less: Loan Loss Provision	658,293	653,915	666,345	663,427	665,570	671,592
(e)	Net Non-Performing Loans and Advances (c-d)	2,864,594	2,165,011	2,103,955	2,881,789	2,201,083	2,131,333
(f)	Discounted Value of Securities	2,864,594	2,086,502	1,971,081	2,881,789	2,122,574	1,998,459
(g)	Net NPLs Exposure (e-f)	-	78,509	132,874	-	78,509	132,874
2.0	INSIDER LOANS AND ADVANCES						
(a)	Directors, Shareholders and Associates	312,839	273,370	258,194	314,116	275,840	259,599
(b)	Employees	495,391	465,882	436,387	496,668	468,352	437,792
(c)	Total Insider Loans and Advances and other facilities	808,230	739,252	694,581	810,784	744,192	697,391
3.0	OFF-BALANCE SHEET ITEMS						
(a)	Letters of credit, guarantees, acceptances	768,834	1,409,333	1,382,940	828,192	1,546,751	1,468,298
(b)	Forwards, swaps and options	352,478	841,867	536,190	352,478	841,867	536,190
(c)	Other contingent liabilities	211,000	142,497	141,265	211,000	424,907	141,265
(d)	Total Contingent Liabilities	1,332,312	2,676,107	2,060,395	1,391,670	2,813,525	2,145,753
4.0	CAPITAL STRENGTH						
(a)	Core capital	2,967,885	2,428,895	2,441,418	2,967,885	2,428,895	2,441,418
(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) (a-b)	1,967,885	1,42				