

II STATEMENT OF COMPREHENSIVE INCOME

	31-Mar-13 Kshs 000 Un-Audited	31-Dec-13 Kshs 000 Audited	31-Mar-14 Kshs 000 Un-Audited	31-Mar-13 Kshs 000 Un-Audited	31-Dec-13 Kshs 000 Audited	31-Mar-14 Kshs 000 Un-Audited
1 INTEREST INCOME						
1.1 Loans and advances	6,766,194	28,311,468	7,237,122	7,666,151	32,457,329	8,253,539
1.2 Government securities	1,478,658	7,355,172	2,211,471	1,717,385	8,327,336	2,488,107
1.3 Deposits and placements with banking institutions	180,258	360,946	33,060	238,727	572,654	75,526
1.4 Other Interest Income	115,235	61,488	-	120,394	256,080	-
1.5 Total interest income	8,540,345	36,089,074	9,481,653	9,742,657	41,613,399	10,817,172
2 INTEREST EXPENSE						
2.1 Customer deposits	1,745,509	6,447,163	1,979,260	2,091,870	7,871,928	2,279,904
2.2 Deposits and placement from banking institutions	257,621	641,320	125,700	276,464	757,185	216,138
2.3 Other interest expenses	-	-	-	-	-	-
2.4 Total interest expenses	2,003,130	7,088,483	2,104,960	2,368,334	8,629,113	2,496,042
3 NET INTEREST INCOME/(LOSS)	6,537,215	29,000,591	7,376,693	7,374,323	32,984,286	8,321,130
4 OTHER OPERATING INCOME						
4.1 Fees and commissions on loans and advances	777,974	3,845,358	877,200	864,716	4,684,093	973,467
4.2 Other fees and commissions	939,482	3,336,425	975,714	1,562,592	5,816,744	1,734,488
4.3 Foreign exchange trading income	475,092	1,684,575	501,895	1,046,256	3,942,186	1,113,086
4.4 Dividend Income	24	12,009	10	24	12,009	10
4.5 Other income	518,472	2,418,121	949,746	548,743	2,670,946	984,647
4.6 Total non-interest income	2,711,044	11,296,488	3,304,565	4,022,331	17,125,978	4,805,698
5 TOTAL OPERATING INCOME	9,248,259	40,297,079	10,681,258	11,396,654	50,110,264	13,126,828
6 OTHER OPERATING EXPENSES						
6.1 Loan loss provision	395,762	1,782,846	813,278	573,774	2,905,975	1,109,832
6.2 Staff costs	3,031,339	11,077,167	2,735,371	3,563,050	13,469,900	3,346,537
6.3 Directors' emoluments	57,146	135,794	52,411	92,335	197,395	90,776
6.4 Rental charges	102,314	359,805	104,401	263,704	1,146,429	262,005
6.5 Depreciation charge on property and equipment	315,417	1,270,770	314,468	460,278	2,098,691	451,951
6.6 Amortisation charges	131,281	563,103	108,896	140,488	580,629	124,528
6.7 Other operating expenses	1,558,063	7,361,403	1,662,111	2,040,363	9,587,486	2,166,589
6.8 Total other operating expenses	5,591,322	22,550,888	5,790,935	7,133,992	29,986,505	7,552,218
7 Profit/(loss) before tax and exceptional items	3,656,937	17,746,191	4,890,323	4,262,662	20,123,759	5,574,610
8 Exceptional items	-	-	-	-	-	-
9 Profit/(loss) after exceptional items	3,656,937	17,746,191	4,890,323	4,262,662	20,123,759	5,574,610
10 Current tax	(1,097,081)	(6,040,598)	(1,467,097)	(1,190,627)	(6,520,863)	(1,672,383)
11 Deferred tax	-	721,081	-	(38,416)	738,486	-
12 Profit/(loss) after tax and exceptional items	2,559,856	12,426,674	3,423,226	3,033,619	14,341,382	3,902,227
13 Minority Interest	-	-	-	-	-	-
14 Profit/(loss) after tax and exceptional items and Minority Interest	2,559,856	12,426,674	3,423,226	3,033,619	14,341,382	3,902,227
15 Other Comprehensive income:						
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	(851,549)	(736,114)	(480,031)
15.2 Re-measurement of defined benefit pension fund	-	508,900	-	-	508,900	-
15.2 Fair value changes in available-for-sale financial assets	(357,589)	(78,581)	573,743	(357,589)	(78,581)	573,743
16 Other comprehensive income for the year net of tax	(357,589)	430,319	573,743	(1,209,138)	(305,795)	93,712
17 Total comprehensive income for the year	2,202,267	12,856,993	3,996,969	1,824,481	14,035,587	3,995,939
18 EARNINGS PER SHARE- DILUTED & BASIC KSHS	3.74	4.18	4.59	4.11	4.82	5.23
19 DIVIDEND PER SHARE - DECLARED KSHS	1.90	2.00		1.90	2.00	

III OTHER DISCLOSURES	31-Mar-13	31-Dec-13	31-Mar-14	31-Mar-13	31-Dec-13	31-Mar-14
	Kshs 000 Un-Audited	Kshs 000 Audited	Kshs 000 Un-Audited	Kshs 000 Un-Audited	Kshs 000 Audited	Kshs 000 Un-Audited
1 NON-PERFORMING LOANS AND ADVANCES						
a) Gross Non-performing loans and advances	13,306,631	15,199,950	17,894,586	16,130,777	19,227,705	22,456,545
b) Less Interest in Suspense	1,659,104	1,679,228	1,781,064	1,936,578	2,200,117	2,283,881
c) Total Non-Performing Loans and Advances (a-b)	11,647,527	13,520,722	16,113,522	14,194,199	17,027,588	20,172,664
d) Less Loan Loss Provision	6,750,614	6,090,384	6,416,302	6,697,735	6,761,992	7,646,012
e) Net Non-Performing Loans and Advances(c-d)	4,896,913	7,430,338	9,697,220	7,496,464	10,265,596	12,526,652
f) Discounted Value of Securities	2,687,390	5,376,081	7,380,931	5,286,941	6,601,170	10,847,577
g) Net NPLs Exposure (e-f)	2,209,523	2,054,257	2,316,289	2,209,523	3,664,426	1,679,075
2 INSIDER LOANS AND ADVANCES						
a) Directors, Shareholders and Associates	1,181,118	632,814	899,575	1,316,362	780,620	1,092,812
b) Employees	7,234,683	7,688,747	8,084,712	7,937,600	8,007,598	8,795,768
c) Total Insider Loans and Advances and other facilities	8,415,801	8,321,561	8,984,287	9,253,962	8,788,218	9,888,581
3 OFF-BALANCE SHEET ITEMS						
a) Letters of credit, guarantees, acceptances	87,713,049	106,425,736	114,314,921	88,563,075	108,989,120	118,579,893
b) Forwards, swaps and options	29,357,968	12,660,294	52,795,995	29,858,690	12,804,686	53,167,058
c) Other contingent liabilities	-	-	-	-	-	-
d) Total Contingent Liabilities	117,071,017	119,086,030	167,110,916	118,421,765	121,793,806	171,746,951
4 CAPITAL STRENGTH						
a) Core capital	43,112,606	50,905,250	51,590,372			
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000			
c) Excess (a-b)	42,112,606	49,905,250	50,590,372			
d) Supplementary Capital	2,799,884	10,293,318	10,289,227			
e) Total Capital (a+d)	45,912,490	61,198,568	61,879,599			
f) Total risk weighted assets	196,100,079	272,565,071	286,801,171			
g) Core Capital/Total deposits Liabilities	19.2%	21.5%	20.9%			
h) Minimum statutory Ratio	10.5%	10.5%	10.5%			
i) Excess	8.7%	11.0%	10.4%			
j) Core Capital / total risk weighted assets	22.0%	18.7%	18.0%			
k) Minimum Statutory Ratio	10.5%	10.5%	10.5%			
l) Excess (j-k)	11.5%	8.2%	7.5%			
m) Total Capital/total risk weighted assets	23.4%	22.5%	21.6%			
n) Minimum statutory Ratio	14.5%	14.5%	14.5%			
o) Excess (m-n)	8.9%	8.0%	7.1%			
5 LIQUIDITY						
a) Liquidity Ratio	37.1%	33.3%	38.0%			
b) Minimum Statutory Ratio	20.0%	20.0%	20.0%			
c) Excess (a-b)	17.1%	13.3%	18.0%			

INTERIM DIVIDEND

The Directors do not recommend payment of interim dividend.

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 Kencom House, Moi avenue

Ngony Biwott- Chairman

Joshua Oigara- Group Chief Executive