

A) STATEMENT OF COMPREHENSIVE INCOME

	Bank		Group	
	Audited 31-Dec-18 KShs. '000'	Audited 31-Dec-17 KShs. '000'	Audited 31-Dec-18 KShs. '000'	Audited 31-Dec-17 KShs. '000'
1.0 Income				
1.1 Interest on Loan Portfolio	84,640	76,462	84,640	76,462
1.2 Fees and Commission on Loan Portfolio	16,930	12,325	18,736	13,030
1.3 Government Securities	-	-	-	-
1.4 Deposit and Balances with Banks and Financial Inst.	-	-	-	-
1.5 Other Investments	-	-	-	-
1.6 Other Operating Income	-	-	-	-
1.7 Non-Operating Income	-	-	-	-
1.8 Total Income	7,728	13,073	7,728	13,072
2.0 Expenses	109,298	101,860	111,104	102,564
2.1 Interest and Fee Expense on Deposits	21,976	18,683	21,976	18,863
2.2 Other Fees and Commissions Expense	-	-	-	-
2.3 Provision for Loan Impairment	2,432	1,972	2,432	1,972
2.4 Staff Costs	21,334	19,726	21,761	20,221
2.5 Director's Emoluments	2,965	1,835	2,965	1,835
2.6 Rental Charges	5,206	4,934	5,206	4,934
2.7 Depreciation Charges	2,597	2,629	2,621	2,658
2.8 Amortization Charges	2,206	2,032	2,271	2,099
2.9 Other Administrative Expense	23,088	21,462	23,395	21,449
2.11 Non-Operating Expense	5,539	6,467	5,544	6,557
2.11 Total Expenses	87,342	79,740	88,171	80,587
3.0 Operating Profit	21,956	22,120	22,933	21,977
4.0 Interest and Fee Expense on Borrowings (Finance Costs)	8,721	6,281	8,794	6,333
5.0 Profit/(Loss) before tax	13,235	15,839	14,139	15,644
6.0 Current Tax	(3,994)	(3,009)	(4,207)	(2,950)
6.1 Deferred Tax	(655)	(1,590)	(655)	(1,591)
7.0 Net Profit (After Taxes and Before Donations)	8,386	11,240	9,077	11,103
8.0 Donations for Operating Expense	-	-	-	-
9.0 Net Profit After Taxes	8,386	11,240	9,077	11,103
Other Comprehensive Income				
Surplus on revaluation of building	-	-	-	-
Deferred tax on revaluation surplus	-	-	-	-
Total Comprehensive Income	8,386	11,240	9,077	11,103

B) STATEMENT OF FINANCIAL POSITION

	Bank		Group	
	Audited 31-Dec-18 KShs. '000'	Audited 31-Dec-17 KShs. '000'	Audited 31-Dec-18 KShs. '000'	Audited 31-Dec-17 KShs. '000'
1.0 ASSETS				
1.1 Cash and bank balances	59,083	40,649	59,203	40,252
1.2 Short term deposits with banks	-	-	-	-
1.3 Government securities	-	-	-	-
1.4 Advances to customers	443,420	324,511	443,420	324,511
1.5 Due from related organisations	145	447	145	447
1.6 Other receivables	11,831	18,902	12,602	19,226
1.7 Deferred Tax	-	44	-	44
1.8 Other investment	-	-	-	-
1.9 Investment in associate companies	500	-	-	-
1.10 Intangible assets	2,153	3,127	2,351	3,391
1.11 Property and equipment	16,806	16,179	16,913	16,300
1.12 Tax Refundable	-	1,858	-	1,982
1.13 Total Assets	533,938	405,717	534,634	406,153
2.0 LIABILITIES				
2.1 Cash collateralised held	1,305	1,491	1,305	1,491
2.2 Customer deposits	285,035	198,172	285,036	198,172
2.3 Borrowings	72,145	39,212	72,145	39,212
2.4 Deferred income	-	-	-	-
2.5 Deferred tax liability	812	-	812	-
2.6 Tax Payable	895	-	913	-
2.7 Due to related organisations	-	-	-	-
2.8 Other liabilities	4,893	5,322	5,015	5,895
2.9 Total Liabilities	365,085	244,197	365,226	244,770
3.0 SHARE CAPITAL & RESERVES				
3.1 Share capital	138,551	138,221	138,551	138,221
3.2 Share premium	-	-	-	-
3.3 Retained earnings	30,302	23,299	30,857	23,162
3.4 Revaluation reserve	-	-	-	-
3.5 Statutory reserve	-	-	-	-
3.6 Total Shareholders' funds	168,853	161,520	169,408	161,383
4.0 TOTAL LIABILITIES AND EQUITY	533,938	405,717	534,634	406,153

C) OTHER DISCLOSURES

	Bank		Group	
	Audited 31-Dec-18 KShs. '000'	Audited 31-Dec-17 KShs. '000'	Audited 31-Dec-18 KShs. '000'	Audited 31-Dec-17 KShs. '000'
1 NON-PERFORMING LOANS AND ADVANCES				
(a) Gross Non-Performing Loans and Advances Less:	45906	26,584	45,906	26,584
(b) Interest in Suspense	3,671	1,250	3,671	1,250
(c) Total Non-Performing Loans and Advances (a-b)	42,235	25,334	42,235	25,334
(d) Impairment Loss Allowance	4,777	4,848	4,677	4,848
(e) Net Non-Performing Loans (c-d)	37,558	20,486	37,558	20,486
(f) Realizable Value of Securities	28,562	17,388	28,562	17,388
(g) Net NPLs Exposure (e-f)	8,996	3,098	8,996	3,098
2 INSIDER LOANS AND ADVANCES				
(a) Directors, Shareholders and Associates	7,156	6,420	7,156	6,420
(b) Employees	4,015	6,579	4,015	6,579
(c) Total Insider Loans, Advances and Other Facilities	11,171	12,999	11,171	12,999
3 OFF-BALANCE SHEET ITEMS				
(a) Guarantees and Commitments	-	-	-	-
(b) Other Contingent Liabilities	-	-	-	-
(c) Total Contingent Liabilities	-	-	-	-
4 CAPITAL STRENGTH				
(a) Core Capital	168,859	159,853	168,859	159,853
(b) Minimum Statutory Capital	60,000	60,000	60,000	60,000
(c) Excess/(Deficiency) (a-b)	108,859	99,853	108,859	99,853
(d) Supplementary Capital	-	-	-	-
(e) Total Capital (a+b)	168,859	159,853	168,859	159,853
(f) Total Risk Weighted Assets	356,860	317,527	356,860	317,527
(g) Core Capital/ Total Deposit Liabilities	59%	79.6%	59%	79.6%
(h) Minimum Statutory Ratio	10%	8.0%	10%	10.0%
(i) Excess/(Deficiency) (g-h)	49.0%	71.6%	49.0%	69.6%
(j) Core Capital/ Total Risk Weighted Assets	47.3%	50.3%	47.3%	50.3%
(k) Minimum Statutory Ratio	10.0%	10.0%	10.0%	10.0%
(l) Excess/(Deficiency) (j-k)	37.3%	40.3%	37.3%	40.3%
(m) Total Capital/ Total Risk Weighted Assets	47.3%	50.3%	47.3%	50.3%
(n) Minimum Statutory Ratio	12.0%	12.0%	12.0%	12.0%
(o) Excess/(Deficiency) (m-n)	35.3%	38.3%	35.3%	38.3%
(p) Adjusted Core Capital/Total Deposits*	59.9%	-	59.9%	-
(q) Adjusted Core Capital/Total Risk Weighted Assets*	48.0%	-	48.0%	-
(r) Adjusted Total Capital/Total Risk Weighted Assets*	48.0%	-	48.0%	-
5 LIQUIDITY				
(a) Liquidity Ratio	20.6%	20.2%	20.6%	20.2%
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
(c) Excess/(Deficiency) (a-b)	0.6%	0.2%	0.6%	0.2%

*The adjusted capital ratios include the expected credit loss provision added back to capital in line with Central Bank of Kenya guidance note issued in April 2018 on implementation of IFRS 9.

The above statements of Profit or Loss or other Comprehensive Income and Statement of Financial Position are extracts of the Company's Financial Statements as audited by Mazars and received an Unqualified opinion.

They were approved by the Board of Directors on 06th March 2019 and signed on its behalf by;

Mr. Muturi Kamande
Chairman

Dr. Joseph Kaniaru
Director

Mr. Mwangi Ngigi
Chief Executive Officer