



KENYA BRANCHES AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST DECEMBER 2015

STATEMENT OF FINANCIAL POSITION		BANK 31st Dec, 2014 Audited Shs '000'	BANK 31st Dec, 2015 Audited Shs '000'
A	ASSETS		
1	Cash (both Local & Foreign)	76,925	129,938
2	Balances with Central Bank of Kenya	379,332	408,225
3	Kenya Government & other Securities held for dealing purposes	-	-
4	Financial Assets at Fair Value through Profit & Loss	-	-
5	Investment Securities:		
	(i) Held to Maturity:		
	(a) Kenya Government Securities	4,064,631	5,045,334
	(b) Other Securities	-	-
	(ii) Available for Sale:		
	(a) Kenya Government Securities	-	-
	(b) Other Securities	-	-
6	Deposits and Balances due from Local Banking Institutions	-	153,467
7	Deposits and Balances due from Banking Institutions Abroad	210,267	169,268
8	Tax Recoverable	5,436	-
9	Loans and Advances to Customers (Net)	4,606,077	4,116,680
10	Balances due from Banking Institutions in the Group	-	-
11	Investments in Associates	-	-
12	Investments in Subsidiary Companies	-	-
13	Investments in Joint ventures	-	-
14	Investment Properties	-	-
15	Property, Plant and Equipment	30,464	86,158
16	Prepaid Lease Rentals	2,751	3,333
17	Intangible Assets	-	-
18	Deferred Tax Asset	26,762	75,269
19	Retirement Benefit Asset	-	-
20	Other Assets	46,720	42,306
	TOTAL ASSETS	9,449,365	10,229,978
B	LIABILITIES		
21	Balances due to Central Bank of Kenya	-	-
22	Customer Deposits	6,398,944	6,861,254
23	Deposits and Balances due to Local Banking Institutions	50,000	350,000
24	Deposits and Balances due to Foreign Banking Institutions	941,360	654,447
25	Other Money Market Deposits	-	-
26	Borrowed Funds	-	-
27	Balances due to Banking Institutions Group Companies	-	-
28	Tax Payable	-	80,837
29	Dividends Payable	-	-
30	Deferred Tax Liability	-	-
31	Retirement Benefit Liability	-	-
32	Other liabilities	117,534	135,988
	TOTAL LIABILITIES	7,507,838	8,082,526
C	SHAREHOLDERS' FUNDS		
33	Paid Up/ Assigned Capital	1,044,226	1,044,226
34	Share Premium (Discount)	-	-
35	Revaluation Reserves	-	-
36	Retained Earnings/Accumulated Losses	801,351	811,888
37	Statutory Loan Reserves	95,950	291,338
38	Other Reserves	-	-
39	Proposed Dividends	-	-
40	Capital Grants	-	-
	TOTAL SHAREHOLDERS' FUNDS	1,941,527	2,147,452
41	Minority Interest	-	-
	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	9,449,365	10,229,978

STATEMENT OF COMPREHENSIVE INCOME			
	INTEREST INCOME		
1	Loans and Advances	537,322	544,624
2	Government Securities	399,629	503,769
3	Deposits and Placements with Banking Institutions	9,528	12,281
4	Other Interest Income	-	-
	Total Interest Income	946,479	1,060,674
	INTEREST EXPENSE		
5	Customer Deposits	271,978	318,152
6	Deposits and Placement from Banking Institutions	20,494	23,148
7	Other Interest Expenses	-	-
	Total Interest Expenses	292,472	341,300
	NET INTEREST INCOME /LOSS	654,007	719,374
	NON INTEREST INCOME		
8	Fees and Commissions on Loans and Advances	19,356	15,582
9	Other Fees and Commissions	27,307	24,842
10	Foreign Exchange Trading Income (Loss)	25,742	32,391
11	Dividend Income	-	-
12	Other Income	41,796	38,627
	Total Non-Interest Income	114,201	111,442
	TOTAL OPERATING INCOME	768,208	830,816
	OPERATING EXPENSES		
13	Loan Loss Provision	-	52,095
14	Staff Costs	132,563	165,682
15	Directors' Emoluments	-	-
16	Rental Charges	20,153	35,779
17	Depreciation Charge on Property and Equipment	13,956	17,366
18	Amortisation Charges	-	-
19	Other Operating Expenses	69,775	75,375
	Total Operating Expenses	236,447	346,297
	Profit/(Loss) Before Tax and Exceptional Items	531,761	484,519
20	Exceptional Items	-	-
	Profit/(Loss) After Exceptional Items	531,761	484,519
21	Current tax	213,235	185,936
22	Deferred tax	-	-
	Profit/(Loss) After Tax and Exceptional Items	318,526	298,583
23	Minority Interest	-	-
	Profit/(Loss) After Tax, Exceptional Items & Minority Interest	(318,526)	(298,583)
	Other Comprehensive Income:		
24	Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-	-
25	Fair Value changes in Available-to-sale Financial Assets	-	-
26	Revaluation Surplus on Property, Plant and Equipment	-	-
27	Share of other Comprehensive Income of Associates	-	-
28	Income Tax Relating to Components of other Comprehensive Income	-	-
	Other Comprehensive Income for the Year Net of Tax	-	-
	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	318,526	298,583
	EARNINGS PER SHARE- BASIC & DILUTED		
	DIVIDEND PER SHARE -DECLARED		

OTHER DISCLOSURES			
1.0	NON-PERFORMING LOANS AND ADVANCES		
1.1	(a) Gross Non-Performing Loans and Advances	342,061	434,253
1.2	(b) Less Interest in Suspense	38,671	41,886
1.3	(c) Total Non-Performing Loans and Advances (a-b)	303,390	392,367
1.4	(d) Less Loan Losses Provision	61,874	112,871
1.5	(e) Net Non-Performing Loans and Advances(c-d)	241,516	279,496
1.6	(f) Discounted Value of Securities	241,516	279,496
1.7	(g) Net NPLs Exposure (e-f)	-	-
2.0	INSIDER LOANS AND ADVANCES		
2.1	(a) Directors, Shareholders and Associates	-	-
2.2	(b) Employees	32,398	39,406
2.3	(c) Total Insider Loans and Advances and other facilities	32,398	39,406
3.0	OFF-BALANCE SHEET ITEMS		
3.1	(a) Letters of credit, Guarantees & Acceptances	699,279	913,842
3.2	(b) Forwards Swaps & Options	-	-
3.3	(c) Other Contingent Liabilities	314,256	498,898
3.4	(d) Total Contingent Liabilities	1,013,535	1,412,740
4.0	CAPITAL STRENGTH		
4.1	(a) Core capital	1,845,577	1,856,114
4.2	(b) Minimum Statutory Capital	1,000,000	1,000,000
4.3	(c) Excess/ (Deficiency) (a-b)	845,577	856,114
4.4	(d) Supplementary Capital	95,950	291,338
4.5	(e) Total Capital (a+d)	1,941,527	2,147,452
4.6	(f) Total risk weighted assets	5,924,163	5,776,330
4.7	(g) Core Capital/Total Deposit Liabilities	28.8%	27.1%
4.8	(h) Minimum Statutory Ratio	8.0%	8.0%
4.9	(i) Excess/ (Deficiency) (g-h)	20.8%	19.1%
4.10	(j) Core Capital / Total Risk Weighted Assets	31.2%	32.1%
4.11	(k) Minimum Statutory Ratio	8.0%	10.5%
4.12	(l) Excess/(Deficiency) (j-k)	23.2%	21.6%
4.13	(m) Total Capital/Total Risk Weighted Assets	32.8%	37.2%
4.14	(n) Minimum statutory Ratio	12.0%	14.5%
4.15	(o) Excess/(Deficiency) (m-n)	20.8%	22.7%
5.0	LIQUIDITY		
5.1	(a) Liquidity Ratio	60.6%	71.4%
5.2	(b) Minimum Statutory Ratio	20.0%	20.0%
5.3	(c) Excess/(Deficiency) (a-b)	40.6%	51.4%

MESSAGE FROM COUNTRY EXECUTIVE KENYA

The above statement of financial position, statement of comprehensive income and disclosures are extracts from the books of the Bank as audited by Ernst & Young LLP, Certified Public Accountants and received unqualified opinion. The complete set of audited financial statements, statutory and qualitative disclosures can be accessed at the institution's Head office located at 15 Koinange st. Nairobi.

Signed: **Salman Malik-RGM Africa & Country Executive Kenya**

OUR BRANCHES/OFFICE.

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