

# CONSOLIDATED BANK OF KENYA LIMITED

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDING 31 MARCH, 2014

I STATEMENT OF FINANCIAL POSITION	31/03/2013 (Un-Audited) Shs'000	31/12/2013 (Audited) Shs'000	31/03/2014 (Un-Audited) Shs'000
<b>A ASSETS</b>			
1 Cash (both local and foreign)	338,507	379,851	362,191
2 Balances due from Central Bank of Kenya	1,252,681	554,217	537,021
3 Kenya Government and other securities held for dealing purposes securities	-	-	-
4 Financial Assets at fair value through profit and loss	1,562	2,061	2,604
5 Investment Securities:			
<b>a.Held to Maturity:</b>			
a.Kenya Government securities	3,692,048	3,055,828	3,047,606
b.Other securities	-	-	-
<b>b.Available for sale:</b>			
a.Kenya Government securities	561,293	279,749	270,028
b.Other securities	-	-	-
6 Deposits and balances due from local banking institutions	310,000	-	5,958
7 Deposits and balances due from banking institutions abroad	634,893	136,261	160,698
8 Tax recoverable	27,130	79,945	79,945
9 Loans and advances to customers (net)	10,058,653	10,855,492	10,792,881
10 Balances due from banking institutions in the group	-	-	-
11 Investments in associates	-	-	-
12 Investments in subsidiary companies	-	-	-
13 Investments in joint ventures	-	-	-
14 Investments in properties	-	-	-
15 Property and equipment	919,292	885,907	864,171
16 Prepaid lease rentals	7,659	7,489	7,490
17 Intangible assets	93,552	286,700	279,659
18 Deferred tax asset	-	-	-
19 Retirement benefit asset	-	-	-
20 Other assets	434,509	255,131	320,510
<b>21 TOTAL ASSETS</b>	<b>18,331,779</b>	<b>16,778,631</b>	<b>16,730,762</b>
<b>B LIABILITIES</b>			
22 Balances due to Central Bank of Kenya	-	-	-
23 Customer Deposits	13,533,139	11,711,097	11,817,422
24 Deposits and balances due to local banking institutions	250,000	1,265,885	1,198,769
25 Deposits and balances due to foreign banking Institutions	22	318	23
26 Other money market deposits	-	-	-
27 Borrowed funds	2,539,551	2,099,497	2,010,917
28 Balances due to banking institutions in the group/group companies	-	-	-
29 Tax payable	-	-	-
30 Dividends payable	-	-	-
31 Deferred tax liability	118,528	61,567	61,567
32 Retirement benefit liability	-	-	-
33 Other liabilities	310,719	398,565	383,751
<b>34 TOTAL LIABILITIES</b>	<b>16,751,959</b>	<b>15,536,929</b>	<b>15,472,449</b>
<b>C. SHAREHOLDERS' FUNDS</b>			
35 Paid up/Assigned capital	1,119,530	1,119,530	1,119,530
36 Share premium/(discount)	-	-	-
37 Revaluation reserves	317,997	309,328	309,871
38 Retained earnings/Accumulated losses	62,314	(276,143)	(258,641)
39 Statutory loan loss reserve	79,979	88,987	87,553
40 Other Reserves	-	-	-
41 Proposed dividends	-	-	-
42 Capital grants	-	-	-
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>1,579,820</b>	<b>1,241,702</b>	<b>1,258,313</b>
<b>44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>18,331,779</b>	<b>16,778,631</b>	<b>16,730,762</b>

II STATEMENT OF COMPREHENSIVE INCOME	31/03/2013 (Un-Audited) Shs'000	31/12/2013 (Audited) Shs'000	31/03/2014 (Un-Audited) Shs'000
<b>1 INTEREST INCOME</b>			
1.1 Loans and advances	464,888	1,940,870	449,910
1.2 Government securities	74,029	272,842	57,379
1.3 Deposits and placements with banking institutions	34,626	122,752	5,450
1.4 Other Interest income	-	-	-
<b>1.5 Total Interest income</b>	<b>573,543</b>	<b>2,336,464</b>	<b>512,739</b>
<b>2 INTEREST EXPENSES</b>			
2.1 Customer deposits	259,452	922,028	215,383
2.2 Deposits and placements from banking institutions	59	50,440	9,844
2.3 Other Interest Expenses	84,483	288,933	60,970
<b>2.4 Total Interest Expenses</b>	<b>343,994</b>	<b>1,261,401</b>	<b>286,197</b>
<b>3 NET INTEREST INCOME/(LOSS)</b>	<b>229,549</b>	<b>1,075,063</b>	<b>226,542</b>
<b>4 NON-OPERATING INCOME</b>			

4.1 Fees and commissions on loans and advances	39,149	168,031	38,537
4.2 Other fees and commissions	44,785	200,857	48,464
4.3 Foreign exchange trading income (Loss)	14,740	52,546	11,118
4.4 Dividend Income	-	-	-
4.5 Other income	26,886	22,862	15,260
<b>4.6 Total non-interest income</b>	<b>125,560</b>	<b>444,296</b>	<b>113,379</b>
<b>5 TOTAL OPERATING INCOME</b>	<b>355,109</b>	<b>1,519,359</b>	<b>339,921</b>
<b>6 OTHER OPERATING EXPENSES</b>			
6.1 Loan loss provision	76,786	406,803	39,183
6.2 Staff costs	135,975	635,205	158,465
6.3 Directors' emoluments	8,010	20,854	2,410
6.4 Rental charges	13,044	56,613	11,089
6.5 Depreciation charge on property and equipment	25,983	104,000	22,799
6.6 Amortisation charges	4,393	20,370	7,641
6.7 Other operating expenses	85,260	417,901	82,265
<b>6.8 Total Other Operating Expenses</b>	<b>349,451</b>	<b>1,661,746</b>	<b>323,852</b>
7 Profit/(loss) before tax and exceptional items	5,658	(142,387)	16,069
8 Exceptional items	-	-	-
<b>9 Profit/(loss) after exceptional items</b>	<b>5,658</b>	<b>(142,387)</b>	<b>16,069</b>
10 Current tax	-	33,279	-
11 Deferred tax	-	-	-
<b>12 Profit / (loss) after tax and exceptional items</b>	<b>5,658</b>	<b>(109,108)</b>	<b>16,069</b>
<b>13 Other Comprehensive Income:</b>			
13.1 Exchange differences on translating foreign operations	-	-	-
13.2 Available-for-sale financial assets	-	499	543
13.4 Gains on property revaluation	-	-	-
13.5 Share of other comprehensive income of associates	-	-	-
13.6 Income tax relating to components of other comprehensive income	-	-	-
<b>14 Other comprehensive income for the year net of tax</b>	<b>-</b>	<b>499</b>	<b>543</b>
<b>15 Total comprehensive income for the year</b>	<b>5,658</b>	<b>(108,609)</b>	<b>16,612</b>

III OTHER DISCLOSURES	31/03/2013 (Un-Audited) Shs'000	31/12/2013 (Audited) Shs'000	31/03/2014 (Un-Audited) Shs'000
<b>1) NON-PERFORMING LOANS AND ADVANCES</b>			
<b>a) Gross non-performing loans and advances</b>	<b>1,451,266</b>	<b>1,660,831</b>	<b>1,844,123</b>
Less:			
b) Interest in suspense	176,587	278,482	325,700
<b>c) Total Non-performing loans and advances (a-b)</b>	<b>1,274,679</b>	<b>1,382,349</b>	<b>1,518,423</b>
Less:			
d) Loan loss provisions	404,869	704,433	739,076
e) Net non-performing loans (c-d)	869,810	677,916	779,347
f) Discounted value of securities	869,810	677,916	779,347
<b>g) Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2) Insider loans and advances</b>			
a) Directors, shareholders and associates	22,156	-	-
b) Employees	734,476	660,787	689,040
<b>c) Total insider loans, advances and other facilities</b>	<b>756,632</b>	<b>660,787</b>	<b>689,040</b>
<b>3) Off-balance sheet items</b>			
a) Letters of credit, guarantees, acceptances	706,959	1,111,719	988,756
b) Forwards, swaps and options	495,213	100,395	167,320
b) Other contingent liabilities	-	7,931	-
<b>c) Total contingent liabilities</b>	<b>1,202,172</b>	<b>1,220,045</b>	<b>1,156,076</b>
<b>4) Capital strength</b>			
a) Core capital	1,179,015	843,387	852,855
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000
c) Excess/(deficiency)	179,015	(156,613)	(147,145)
d) Supplementary capital	360,311	373,786	365,593
e) Total capital (a+d)	1,539,326	1,217,173	1,218,448
f) Total risk weighted assets	10,281,481	11,253,911	14,295,159
g) Core capital/total deposit liabilities	8.6%	7.0%	7.2%
h) Minimum Statutory Ratio	8.0%	8.0%	8.0%
i) Excess/(Deficiency) (g-h)	0.6%	-1.0%	-0.8%
j) Core capital/total risk weighted assets	11.5%	7.5%	6.0%
k) Minimum Statutory Ratio	8.0%	8.0%	8.0%
l) Excess/(Deficiency) (j-k)	3.5%	-0.5%	-2.0%
m) Total capital/ total risk weighted assets	15.0%	10.8%	8.5%
n) Minimum Statutory Ratio	12.0%	12.0%	12.0%
o) Excess/(Deficiency) (m-n)	3.0%	-1.2%	-3.5%
<b>5) Liquidity</b>			
a) Liquidity Ratio	48.3%	27.5%	26.5%
b) Minimum statutory Ratio	20.0%	20.0%	20.0%
c) Excess/(Deficiency) (a-b)	28.3%	7.5%	6.5%

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 in the institutions website [www.consolidated-bank.com](http://www.consolidated-bank.com).

They may also be accessed at the institutions head office located at **Consolidated Bank House, 23 Koinange Street.**