

CONSOLIDATED BANK OF KENYA LIMITED

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES
FOR THE PERIOD ENDING 30TH SEPTEMBER, 2016



I	STATEMENT OF FINANCIAL POSITION	30/09/2015	31/12/2015	31/03/2016	30/06/2016	30/09/2016
		(Un-Audited) Shs'000	(Audited) Shs'000	(Un-Audited) Shs'000	(Un-Audited) Shs'000	(Un-Audited) Shs'000
A	ASSETS					
1	Cash (both local and foreign)	301,007	360,933	335,032	250,436	245,359
2	Balances due from Central Bank of Kenya	433,747	398,784	659,520	885,046	491,309
3	Kenya Government and other securities held for dealing purposes	-	-	-	-	-
4	Financial Assets at fair value through profit and loss	6,835	6,879	6,532	6,532	5,967
5	Investment Securities:					
	a) Held to Maturity:					
	a. Kenya Government securities	2,812,750	2,688,034	2,693,576	2,700,474	2,683,489
	b. Other securities	-	-	-	-	-
	b) Available for sale:					
	a. Kenya Government securities	-	-	-	-	-
	b. Other securities	-	-	-	-	-
6	Deposits and balances due from local banking institutions	250,000	50,000	-	-	-
7	Deposits and balances due from banking institutions abroad	139,283	54,709	36,889	41,618	20,800
8	Tax recoverable	-	12,165	12,165	9,992	9,992
9	Loans and advances to customers (net)	9,115,021	9,221,256	9,099,614	9,110,495	9,059,046
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	870,187	844,438	848,104	832,697	807,899
16	Prepaid lease rentals	7,320	7,149	7,150	7,150	7,150
17	Intangible assets	258,560	240,695	292,737	292,201	282,319
18	Deferred tax asset	-	-	-	-	-
19	Retirement benefit asset	-	-	-	-	-
20	Other assets	230,840	250,486	281,424	282,820	285,621
21	TOTAL ASSETS	14,425,550	14,135,528	14,272,743	14,419,461	13,898,951
B	LIABILITIES					
22	Balances due to Central Bank of Kenya	-	-	820,000	1,300,000	1,540,000
23	Customer Deposits	10,421,598	9,996,058	9,640,356	9,265,214	8,664,792
24	Deposits and balances due to local banking institutions	236,345	275,463	84,690	117,570	194,995
25	Deposits and balances due to foreign banking Institutions	-	-	-	-	-
26	Other money market deposits	-	-	-	-	-
27	Borrowed funds	1,910,262	1,969,294	1,885,137	1,950,280	1,827,684
28	Balances due to banking institutions in the group	-	-	-	-	-
29	Tax payable	-	-	-	-	-
30	Dividends payable	-	-	-	-	-
31	Deferred tax liability	40,752	38,677	38,677	38,677	38,677
32	Retirement benefit liability	-	-	-	-	-
33	Other liabilities	228,921	240,821	217,423	204,837	222,044
34	TOTAL LIABILITIES	12,837,878	12,520,313	12,686,283	12,876,578	12,488,192
C	SHAREHOLDERS' FUNDS					
35	Paid up/Assigned capital	1,619,530	1,619,530	1,619,530	1,619,530	1,619,530
36	Share premium/(discount)	-	-	-	-	-
37	Revaluation reserves	411,967	402,383	402,036	402,036	401,472
38	Retained earnings/Accumulated losses	(513,653)	(533,841)	(558,767)	(604,960)	(739,347)
39	Statutory loan loss reserve	69,828	127,143	123,661	126,277	129,104
40	Other Reserves	-	-	-	-	-
41	Proposed dividends	-	-	-	-	-
42	Capital grants	-	-	-	-	-
43	TOTAL SHAREHOLDERS' FUNDS	1,587,672	1,615,215	1,586,460	1,542,883	1,410,759
44	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	14,425,550	14,135,528	14,272,743	14,419,461	13,898,951
II	STATEMENT OF COMPREHENSIVE INCOME					
1	INTEREST INCOME					
1.1	Loans and advances	1,182,540	1,729,428	387,482	774,187	1,150,430
1.2	Government securities	166,979	221,516	54,793	109,687	169,873
1.3	Deposits and placements with banking institutions	4,628	6,470	531	872	996
1.4	Other Interest income	-	-	-	-	-
1.5	Total Interest Income	1,354,147	1,957,414	442,806	884,746	1,321,299
2	INTEREST EXPENSES					
2.1	Customer deposits	439,161	634,718	202,266	340,577	486,734
2.2	Deposits and placements from banking institutions	219,868	303,867	67,944	177,497	275,813
2.3	Other Interest Expenses	-	-	-	-	-
2.4	Total Interest Expenses	659,029	938,585	270,210	518,074	762,547
3	NET INTEREST INCOME/(LOSS)	695,118	1,018,829	172,596	366,672	558,752
4	NON-OPERATING INCOME					
4.1	Fees and commissions on loans and advances	84,599	130,433	35,231	65,584	101,007
4.2	Other fees and commissions	143,705	186,432	45,693	87,768	131,826
4.3	Foreign exchange trading income (Loss)	29,488	36,628	13,999	18,664	24,181
4.4	Dividend Income	-	-	-	-	-
4.5	Other income	475,761	642,713	125,127	217,793	275,857
4.6	Total non-interest income	733,553	996,206	220,050	389,809	532,871
5	TOTAL OPERATING INCOME	1,428,671	2,015,035	392,646	756,481	1,091,623
6	OTHER OPERATING EXPENSES					
6.1	Loan loss provision	423,562	588,684	82,128	137,849	243,106
6.2	Staff costs	531,607	711,921	179,877	368,886	554,346
6.3	Directors' emoluments	20,165	28,321	8,741	16,828	25,064
6.4	Rental charges	43,780	59,364	14,737	28,634	42,545
6.5	Depreciation charge on property and equipment	76,585	104,599	26,247	52,061	77,607
6.6	Amortisation charges	42,904	60,941	17,597	35,168	53,383
6.7	Other operating expenses	259,404	412,416	91,709	180,085	285,694
6.8	Total Other Operating Expenses	1,398,007	1,966,246	421,036	819,511	1,281,745
7	Profit/(loss) before tax and exceptional items	30,664	48,789	(28,390)	(63,030)	(190,122)
8	Exceptional items	-	-	-	-	-
9	Profit/(loss) after exceptional items	30,664	48,789	(28,390)	(63,030)	(190,122)
10	Current tax	(14,599)	(4,367)	-	(8,936)	(13,404)
11	Deferred tax	-	-	-	-	-
12	Profit / (loss) after tax and exceptional items	16,065	44,422	(28,390)	(71,966)	(203,526)
13	Other Comprehensive Income:					
13.1	Exchange differences on translating foreign operations	-	-	-	-	-
13.2	Available-for-sale financial assets	174	2,973	(347)	-	(564)
13.3	Gains on property revaluation	-	-	-	-	-
13.4	Share of other comprehensive income of associates	-	-	-	-	-
13.5	Income tax relating to components of other comprehensive income	-	-	-	-	-
14	Other comprehensive income for the year net of tax	174	2,973	(347)	-	(564)
15	Total comprehensive income for the year	16,239	47,395	(28,737)	(71,966)	(204,090)
III	OTHER DISCLOSURES					
1	NON-PERFORMING LOANS AND ADVANCES					
a)	Gross non-performing loans and advances	3,196,161	1,957,862	1,936,960	1,740,420	1,833,544
	Less:					
b)	Interest in suspense	731,701	398,739	420,533	453,741	509,748
c)	Total Non-performing loans and advances (a-b)	2,464,460	1,559,123	1,516,427	1,286,679	1,323,796
	Less:					
d)	Loan loss provisions	1,069,724	535,331	521,763	486,070	555,133
e)	Net non-performing loans (c-d)	1,394,736	1,023,792	994,664	800,609	768,663
f)	Discounted value of securities	1,394,736	1,023,792	994,664	800,609	768,663
g)	Net NPLs Exposure (e-f)	-	-	-	-	-
2	Insider loans and advances					
a)	Directors, shareholders and associates	-	6,846	6,156	5,456	4,746
b)	Employees	582,616	602,985	604,539	638,951	609,706
c)	Total insider loans, advances and other facilities	582,616	609,831	610,695	644,407	614,452
3	Off-balance sheet items					
a)	Letters of credit, guarantees, acceptances	758,332	800,828	913,550	918,874	867,666
b)	Forwards, swaps and options	219,598	104,365	326,683	114,999	-
c)	Other contingent liabilities	-	41,175	-	-	-
d)	Total contingent liabilities	977,930	946,368	1,240,233	1,033,873	867,666
4	Capital strength					
a)	Core capital	1,097,845	1,085,689	1,060,763	1,014,570	880,183
b)	Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c)	Excess/(deficiency)	97,845	85,689	60,763	14,570	(119,817)
d)	Supplementary capital	146,905	226,236	222,754	225,370	228,197
e)	Total capital (a+d)	1,244,750	1,311,925	1,283,517	1,239,940	1,108,380
f)	Total risk weighted assets	14,285,904	13,973,956	14,506,469	14,357,472	14,164,049
g)	Core capital/total deposit liabilities	10.3%	10.7%	10.9%	10.8%	10.1%
h)	Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%
i)	Excess/(Deficiency) (g-h)	2.3%	2.7%	2.9%	2.8%	2.1%
j)	Core capital/total risk weighted assets	7.7%	7.8%	7.3%	7.1%	6.2%
k)	Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%	10.5%
l)	Excess/(Deficiency) (j-k)	-2.8%	-2.7%	-3.2%	-3.4%	-4.3%
m)	Total capital/ total risk weighted assets	8.7%	9.4%	8.8%	8.6%	7.8%
n)	Minimum Statutory Ratio	14.5%	14.5%	14.5%	14.5%	14.5%
o)	Excess/(Deficiency) (m-n)	-5.8%	-5.1%	-5.7%	-5.9%	-6.7%
5	Liquidity					
a)	Liquidity Ratio	35.5%	32.8%	29.4%	26.1%	19.7%
b)	Minimum statutory Ratio	20.0%	20.0%	20.0%	20.0%	20.0%
c)	Excess/(Deficiency) (a-b)	15.5%	12.8%	9.4%	6.1%	-0.3%

These financial statements are extracts from the books of the institution. The complete set of the quarterly financial statements, statutory and qualitative disclosures can be accessed at the institution's website www.consolidated-bank.com. They may also be accessed at the institution's head office located at Consolidated Bank House, 23 Koingane Street.

The financial statements were approved by the Board of Directors on 10th November 2016 and signed on its behalf by:

THOMAS KIYAI
CHIEF EXECUTIVE OFFICER

JOSEPH KOSKEY
DIRECTOR

Consolidated Bank is regulated by the Central Bank of Kenya