

FAMILY BANK LIMITED

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE QUARTER ENDED 31ST MARCH 2016

STATEMENT OF FINANCIAL POSITION	GROUP			BANK		
	31-Mar-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	31-Mar-16 Un-Audited Shs.'000	31-Mar-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	31-Mar-16 Un-Audited Shs.'000
A ASSETS						
1 Cash (both Local & Foreign)	2,160,371	2,779,634	2,800,379	2,160,371	2,779,634	2,800,379
2 Balances with Central Bank of Kenya	5,065,696	3,387,458	6,636,782	5,065,696	3,387,458	6,636,782
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	8,270,016	7,239,783	5,903,196	8,270,016	7,176,616	5,852,201
(b) Other Securities	1,652,142	1,568,326	938,961	1,652,142	1,568,326	938,961
(ii) Available for Sale:						
(a) Kenya Government Securities	250,000	450,000	450,000	250,000	450,000	450,000
(b) Other Securities	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	7,612,913	4,688,360	4,011,834	7,612,913	4,688,360	4,011,834
7 Deposits and balances due from banking institutions abroad	329,468	203,999	850,416	329,468	203,999	850,416
8 Tax recoverable	-	-	-	-	-	-
9 Loans and advances to customers (net)	42,072,503	55,853,882	58,691,557	42,072,503	55,853,882	58,691,557
10 Balances due from Banking Institutions in the Group	-	-	-	-	-	-
11 Investments in associates	-	-	-	-	-	-
12 Investments in subsidiary companies	-	-	-	1,000	1,000	1,000
13 Investments in joint ventures	-	-	-	-	-	-
14 Investment properties	127,400	108,200	18,200	127,400	108,200	18,200
15 Property and equipment	2,267,146	3,175,595	3,364,264	2,265,600	3,169,491	3,354,038
16 Prepaid lease rentals	161,442	157,969	156,819	161,442	157,969	156,819
17 Intangible assets	312,486	318,801	311,853	311,458	317,624	310,785
18 Deferred tax asset	-	2,767	2,710	-	2,581	2,581
19 Retirement benefit asset	-	-	-	-	-	-
20 Other assets	776,387	1,346,593	1,892,951	750,117	1,325,075	1,864,417
TOTAL ASSETS	71,057,969	81,281,366	86,029,921	71,030,126	81,190,214	85,939,969
B LIABILITIES						
21 Balances due to Central Bank of Kenya	-	-	-	-	-	-
22 Customer deposits	54,714,799	62,710,859	65,835,812	54,766,439	62,730,867	65,872,792
23 Deposits and balances due to local banking institutions	1,105,664	131,643	1,094,483	1,105,664	131,643	1,094,483
24 Deposits and balances due to foreign banking institutions	-	-	-	-	-	-
25 Other money market deposits	-	-	-	-	-	-
26 Borrowed funds	2,823,966	5,587,720	5,608,000	2,823,966	5,587,720	5,608,000
27 Balances due to Banking Institutions Group Companies	-	-	-	-	-	-
28 Tax payable	481,075	30,441	212,253	473,476	36,951	214,635
29 Dividends payable	1,039	28,589	5,164	1,039	28,589	5,164
30 Deferred tax liability	37,009	-	-	36,854	-	-
31 Retirement benefit liability	-	-	-	-	-	-
32 Other liabilities	710,546	750,136	875,870	709,594	747,662	873,870
TOTAL LIABILITIES	59,874,099	69,239,388	73,631,582	59,917,032	69,263,432	73,668,944
C SHAREHOLDERS' FUNDS						
33 Paid up /Assigned capital	1,245,187	1,245,187	1,245,187	1,245,187	1,245,187	1,245,187
34 Share premium	5,062,517	5,062,517	5,062,517	5,062,517	5,062,517	5,062,517
35 Revaluation reserves	79,750	70,045	71,615	79,750	70,045	71,615
36 Retained Earnings	4,394,683	5,136,746	5,472,482	4,323,908	5,021,549	5,345,168
37 Statutory loan reserves	401,732	527,484	546,537	401,732	527,484	546,537
38 Other Reserves	-	-	-	-	-	-
39 Proposed dividends	-	-	-	-	-	-
40 Capital grants	-	-	-	-	-	-
42 Minority Interest	-	-	-	-	-	-
TOTAL SHAREHOLDERS' FUNDS	11,183,870	12,041,979	12,398,339	11,113,094	11,926,782	12,271,025
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	71,057,969	81,281,366	86,029,921	71,030,126	81,190,214	85,939,969

OTHER DISCLOSURES	GROUP			BANK		
	31-Mar-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	31-Mar-16 Un-Audited Shs.'000	31-Mar-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	31-Mar-16 Un-Audited Shs.'000
1.0 NON-PERFORMING LOANS AND ADVANCES						
1.1 (a) Gross Non-performing loans and advances	2,769,238	3,514,571	4,321,072	2,769,238	3,514,571	4,321,072
1.2 (b) Less Interest in Suspense	485,789	635,346	822,454	485,789	635,346	822,454
1.3 (c) Total Non-Performing Loans and Advances (a-b)	2,283,449	2,879,225	3,498,617	2,283,449	2,879,225	3,498,617
1.4 (d) Less Loan Loss Provision	1,354,574	1,486,206	1,555,213	1,354,574	1,486,206	1,555,213
1.5 (e) Net Non-Performing Loans and Advances (c-d)	928,875	1,393,019	1,943,404	928,875	1,393,019	1,943,404
1.6 (f) Discounted Value of Securities	928,875	1,393,019	1,943,404	928,875	1,393,019	1,943,404
1.7 (g) Net NPLs Exposure (e-f)	-	-	-	-	-	-
2.0 INSIDER LOANS AND ADVANCES						
2.1 (a) Directors, Shareholders and Associates	1,188,870	1,267,619	2,203,083	1,188,870	1,267,619	2,203,083
2.2 (b) Employees	1,690,306	1,849,722	2,312,847	1,690,306	1,849,722	2,312,847
2.3 (c) Total Insider Loans and Advances and other facilities	2,879,176	3,117,341	4,515,930	2,879,176	3,117,341	4,515,930
3.0 OFF-BALANCE SHEET ITEMS						
3.1 (a) Letters of credit, guarantees, acceptances	2,409,297	2,324,101	2,341,195	2,409,297	2,324,101	2,341,195
3.2 (b) Forwards Swaps & Options	5,104,555	1,130,658	4,283,095	5,104,555	1,130,658	4,283,095
3.3 (c) Other contingent liabilities	230,398	181,300	181,300	230,398	181,300	181,300
3.4 (d) Total Contingent Liabilities	7,744,250	3,636,059	6,805,590	7,744,250	3,636,059	6,805,590
4.0 CAPITAL STRENGTH						
4.1 (a) Core capital	-	-	-	10,385,210	11,329,253	11,481,536
4.2 (b) Minimum Statutory Capital	-	-	-	1,000,000	1,000,000	1,000,000
4.3 (c) Excess (a-b)	-	-	-	9,385,210	10,329,253	10,481,536
4.4 (d) Supplementary Capital	-	-	-	410,564	2,555,116	2,574,169
4.5 (e) Total Capital (a+d)	-	-	-	10,795,774	13,884,369	14,055,705
4.6 (f) Total risk weighted assets	-	-	-	58,251,512	73,606,478	79,311,507
4.7 (g) Core Capital/Total deposits Liabilities	-	-	-	19.0%	18.1%	17.4%
4.8 (h) Minimum statutory Ratio	-	-	-	8.0%	8.0%	8.0%
4.9 (i) Excess	-	-	-	11.0%	10.1%	9.4%
4.10 (j) Core Capital / Total risk weighted assets	-	-	-	17.8%	15.4%	14.5%
4.11 (k) Minimum Statutory Ratio	-	-	-	10.5%	10.5%	10.5%
4.12 (l) Excess (j-k)	-	-	-	7.3%	4.9%	4.0%
4.13 (m) Total Capital/Total risk weighted assets	-	-	-	18.5%	18.9%	17.7%
4.14 (n) Minimum statutory Ratio	-	-	-	14.5%	14.5%	14.5%
4.15 (o) Excess (m-n)	-	-	-	4.0%	4.4%	3.2%
5.0 LIQUIDITY						
5.1 (a) Liquidity Ratio	-	-	-	40.7%	30.8%	30.1%
5.2 (b) Minimum Statutory Ratio	-	-	-	20.0%	20.0%	20.0%
5.3 (c) Excess (a-b)	-	-	-	20.7%	10.8%	10.1%

Message from the Directors
The above statement of financial position, statement of comprehensive income and disclosures are extracts from the Bank's financial statements.

Signed: David Thuku
Managing Director & CEO

Wilfred D. Kiboro
Chairman

STATEMENT OF COMPREHENSIVE INCOME	GROUP			BANK		
	31-Mar-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	31-Mar-16 Un-Audited Shs.'000	31-Mar-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	31-Mar-16 Un-Audited Shs.'000
INTEREST INCOME						
1 Loans and advances	1,719,175	8,258,102	2,627,112	1,719,175	8,258,102	2,627,112
2 Government securities	179,854	787,648	176,921	179,854	787,648	176,921
3 Deposits and placements with banking institutions	218,255	764,346	159,517	218,255	764,346	159,517
4 Other Interest income	33,129	222,217	32,956	33,129	222,217	32,956
Total interest income	2,150,414	10,032,314	2,996,506	2,150,414	10,032,314	2,996,506
INTEREST EXPENSE						
5 Customer deposits	526,559	3,261,998	1,222,254	530,241	3,269,496	1,223,556
6 Deposits and placement from banking institutions	-	-	5,907	-	5,907	5,907
7 Other interest expenses	75,023	370,387	165,418	75,023	370,387	165,418
Total interest expenses	601,581	3,632,385	1,393,579	605,264	3,639,883	1,394,881
NET INTEREST INCOME	1,548,833	6,399,929	1,602,927	1,545,150	6,392,431	1,601,625
OTHER OPERATING INCOME						
8 Fees and commissions on loans and advances	197,096	878,115	186,201	197,096	878,115	186,201
9 Other fees and commissions	350,970	1,509,780	348,168	350,970	1,509,780	348,168
10 Foreign exchange trading income	74,890	298,484	108,846	74,890	298,484	108,846
11 Dividend income	-	-	-	-	-	-
12 Other income	71,751	290,650	77,967	39,086	127,739	41,316
Total non-interest income	694,708	2,977,029	721,182	662,042	2,814,118	684,532
TOTAL OPERATING INCOME	2,243,541	9,376,958	2,324,109	2,207,192	9,206,549	2,286,157
OPERATING EXPENSES						
13 Loan loss provision	53,573	211,875	80,894	53,573	211,875	80,894
14 Staff costs	590,017	2,640,640	720,973	580,134	2,590,411	704,997
15 Directors' emoluments	60,481	229,653	46,538	59,751	223,390	40,276
16 Rental charges	106,287	486,533	152,399	106,287	486,533	152,399
17 Depreciation charge on property and equipment	123,425	556,568	170,404	123,218	555,008	169,727
18 Amortisation charges	25,714	100,557	32,699	25,714	100,557	32,699
19 Other operating expenses	486,890	2,194,005	592,150	482,933	2,155,289	584,720
Total operating expenses	1,446,388	6,419,830	1,796,057	1,431,610	6,323,063	1,765,712
Profit Before Tax and Exceptional Items	797,153	2,957,128	528,052	775,582	2,883,487	520,445
20 Exceptional items	-	-	-	-	-	-
Profit After Exceptional Items	797,153	2,957,128	528,052	775,582	2,883,487	520,445
21 Current tax	251,506	982,531	183,230	251,506	954,992	177,775
22 Deferred tax	31,272	(8,349)	(129)	31,272	(8,163)	-
Profit After Tax and Exceptional Items	514,375	1,982,946	344,951	492,805	1,936,658	342,673
Other Comprehensive Income:						
23 Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-					