

FAMILY BANK LIMITED

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH JUNE 2016

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION			GROUP		BANK			
	30-Jun-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	30-Jun-16 Un-Audited Shs.'000	30-Jun-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	31-Mar-16 Un-Audited Shs.'000	30-Jun-16 Un-Audited Shs.'000	
A ASSETS								
1 Cash (both Local & Foreign)	2,665,210	2,779,634	3,051,672	2,665,210	2,779,634	2,800,379	3,051,672	
2 Balances with Central Bank of Kenya	4,716,343	3,387,458	4,778,805	4,716,343	3,387,458	6,636,782	4,778,805	
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	7,710,935	7,239,783	5,705,087	7,710,935	7,176,616	5,852,201	5,654,092	
(b) Other Securities	1,916,302	1,568,326	1,485,752	1,916,302	1,568,326	938,961	1,485,752	
(ii) Available for Sale:								
(a) Kenya Government Securities	450,000	450,000	450,000	450,000	450,000	450,000	450,000	
(b) Other Securities	-	-	-	-	-	-	-	
6 Deposits and balances due from local banking institutions	6,398,693	4,688,360	1,090,781	6,398,693	4,688,360	4,011,834	1,090,781	
7 Deposits and balances due from banking institutions abroad	660,918	203,999	77,053	660,918	203,999	850,416	77,053	
8 Tax recoverable	-	-	177,344	-	-	-	166,012	
9 Loans and advances to customers (net)	46,311,747	55,853,882	57,751,958	46,311,747	55,853,882	58,691,557	57,751,958	
10 Balances due from Banking Institutions in the Group	-	-	-	-	-	-	-	
11 Investments in associates	-	-	-	-	-	-	-	
12 Investments in subsidiary companies	-	-	-	1,000	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	18,200	
15 Property and equipment	2,540,039	3,175,595	3,790,358	2,535,099	3,169,491	3,354,038	3,780,682	
16 Prepaid lease rentals	160,293	157,969	155,670	160,293	157,969	156,819	155,670	
17 Intangible assets	304,559	318,801	445,619	304,149	317,624	310,785	440,336	
18 Deferred tax asset	-	2,767	2,710	-	2,581	2,581	2,581	
19 Retirement benefit asset	-	-	-	-	-	-	-	
20 Other assets	822,812	1,346,593	1,227,509	789,619	1,325,075	1,864,417	1,200,161	
TOTAL ASSETS	74,785,251	81,281,366	80,208,516	74,747,708	81,190,214	85,939,969	80,104,753	
B LIABILITIES								
21 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	
22 Customer deposits	59,026,039	62,710,859	54,796,285	59,086,078	62,730,867	65,872,792	54,837,309	
23 Deposits and balances due to local banking institutions	1,075,587	131,643	296,688	1,075,587	131,643	1,094,483	296,688	
24 Deposits and balances due to foreign banking institutions	-	-	-	-	-	-	-	
25 Other money market deposits	-	-	-	-	-	-	-	
26 Borrowed funds	2,560,598	5,587,720	11,136,828	2,560,598	5,587,720	5,608,000	11,136,828	
27 Balances due to Banking Institutions Group Companies	-	-	-	-	-	-	-	
28 Tax payable	106,399	30,441	-	99,071	36,951	214,635	-	
29 Dividends payable	31,827	28,589	350,117	31,827	28,589	5,164	350,117	
30 Deferred tax liability	5,737	-	-	5,582	-	-	-	
31 Retirement benefit liability	-	-	-	-	-	-	-	
32 Other liabilities	751,787	750,136	1,475,384	747,272	747,662	873,870	1,472,132	
TOTAL LIABILITIES	63,557,975	69,239,388	68,055,301	63,606,014	69,263,432	73,668,944	68,093,073	
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	1,245,187	
34 Share premium	5,062,517	5,062,517	5,062,517	5,062,517	5,062,517	5,062,517	5,062,517	
35 Revaluation reserves	82,332	70,045	82,699	82,332	70,045	71,615	82,699	
36 Retained Earnings	4,396,041	5,136,746	5,233,755	4,310,459	5,021,549	5,345,168	5,092,219	
37 Statutory loan reserves	441,198	527,484	529,056	441,198	527,484	546,537	529,056	
38 Other Reserves	-	-	-	-	-	-	-	
39 Proposed dividends	-	-	-	-	-	-	-	
40 Capital grants	-	-	-	-	-	-	-	
TOTAL SHAREHOLDERS' FUNDS	11,227,276	12,041,979	12,153,215	11,141,694	11,926,782	12,271,025	12,011,680	
42 Minority Interest	-	-	-	-	-	-	-	
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	74,785,251	81,281,366	80,208,516	74,747,708	81,190,214	85,939,969	80,104,753	

STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME		GROUP		BANK				
		30-Jun-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	30-Jun-16 Un-Audited Shs.'000	30-Jun-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	31-Mar-16 Un-Audited Shs.'000	30-Jun-16 Un-Audited Shs.'000
INTEREST INCOME								
1	Loans and advances	3,645,368	8,258,102	5,369,357	3,645,368	8,258,102	2,627,112	5,369,357
2	Government securities	375,158	787,648	347,657	375,158	787,648	176,921	347,657
3	Deposits and placements with banking institutions	389,106	764,346	218,122	389,106	764,346	159,517	218,122
4	Other Interest Income	98,454	222,217	92,831	98,454	222,217	32,956	92,831
	Total interest income	4,508,085	10,032,314	6,027,968	4,508,085	10,032,314	2,996,506	6,027,968
INTEREST EXPENSE								
5	Customer deposits	1,123,410	3,261,998	1,926,211	1,128,495	3,269,496	1,223,556	1,933,393
6	Deposits and placement from banking institutions	-	-	118,204	-	-	5,907	118,204
7	Other interest expenses	140,000	370,387	410,700	140,000	370,387	165,418	410,700
	Total interest expenses	1,263,410	3,632,385	2,455,114	1,268,496	3,639,883	1,394,881	2,462,297
	NET INTEREST INCOME	3,244,675	6,399,929	3,572,854	3,239,590	6,392,431	1,601,625	3,565,671
OTHER OPERATING INCOME								
8	Fees and commissions on loans and advances	405,245	878,115	310,015	405,245	878,115	186,201	310,015
9	Other fees and commissions	702,734	1,509,780	720,356	702,734	1,509,780	348,168	720,356
10	Foreign exchange trading income	175,226	298,484	142,971	175,226	298,484	108,846	142,971
11	Dividend Income	-	-	-	-	-	-	-
12	Other income	135,796	290,650	138,784	66,739	127,739	41,316	65,928
	Total non-interest income	1,419,001	2,977,029	1,312,125	1,349,944	2,814,118	684,532	1,239,270
	TOTAL OPERATING INCOME	4,663,676	9,376,958	4,884,979	4,589,533	9,206,549	2,286,157	4,804,941
OPERATING EXPENSES								
13	Loan loss provision	36,975	211,875	299,299	36,975	211,875	80,894	299,299
14	Staff costs	1,184,509	2,640,640	1,404,812	1,161,574	2,590,411	704,997	1,371,633
15	Directors' emoluments	95,308	229,653	80,797	94,578	223,390	40,276	79,450
16	Rental charges	217,965	486,533	310,503	217,965	486,533	152,399	310,503
17	Depreciation charge on property and equipment	292,213	556,568	344,589	291,390	555,008	169,727	342,752
18	Amortisation charges	53,644	100,557	71,458	53,644	100,557	32,699	71,458
19	Other operating expenses	1,032,428	2,194,005	1,300,202	1,030,695	2,155,289	584,720	1,284,450
	Total operating expenses	2,913,043	6,419,830	3,811,659	2,886,822	6,323,063	1,765,712	3,759,545
	Profit Before Tax and Exceptional Items	1,750,633	2,957,128	1,073,320	1,702,712	2,883,487	520,445	1,045,396
20	Exceptional items	-	-	-	-	-	-	-
	Profit After Exceptional Items	1,750,633	2,957,128	1,073,320	1,702,712	2,883,487	520,445	1,045,396
21	Current tax	568,624	982,531	361,926	561,296	954,992	177,773	350,559
22	Deferred tax	-	(8,349)	(129)	-	(8,163)	-	-
	Profit After Tax and Exceptional Items	1,182,010	1,982,946	711,265	1,141,416	1,936,658	342,673	694,837
Other Comprehensive Income:								
23	Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-	-	-	-	-	-	-
24	Fair Value changes in Available-for-sale Financial Assets	-	(6,778)	12,655	-	(6,778)	(5,207)	12,655
25	Revaluation Surplus on Property, Plant and Equipment	-	-	-	-	-	-	-
26	Share of other Comprehensive Income of Associates	-	-	-	-	-	-	-
27	Income Tax Relating to Components of other Comprehensive Income	-	-	-	-	-	-	-
	Other Comprehensive Income for the Year Net of Tax	-	(6,778)	12,655	-	(6,778)	(5,207)	12,655
	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,182,010	1,976,168	724,177	1,141,416	1,929,880	337,465	707,492

OTHER DISCLOSURES

OTHER DISCLOSURES	GROUP			BANK			
	30-Jun-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	30-Jun-16 Un-Audited Shs.'000	30-Jun-15 Un-Audited Shs.'000	31-Dec-15 Audited Shs.'000	31-Mar-16 Un-Audited Shs.'000	30-Jun-16 Un-Audited Shs.'000
1.0 NON-PERFORMING LOANS AND ADVANCES							
1.1 (a) Gross Non-performing loans and advances	2,753,245	3,514,571	5,165,816	2,753,245	3,514,571	4,321,072	5,165,816
1.2 (b) Less Interest in Suspense	544,285	635,346	796,238	544,285	635,346	822,454	796,238
1.3 (c)Total Non-Performing Loans and Advances (a-b)	2,208,961	2,879,225	4,369,579	2,208,961	2,879,225	3,498,617	4,369,579
1.4 (d) Less Loan Loss Provision	1,329,307	1,486,206	1,768,858	1,329,307	1,486,206	1,555,213	1,768,858
1.5 (e) Net Non-Performing Loans and Advances(c-d)	879,653	1,393,019	2,600,720	879,653	1,393,019	1,943,404	2,600,720
1.6 (f) Discounted Value of Securities	879,653	1,393,019	2,584,213	879,653	1,393,019	1,943,404	2,584,213
1.7 (g) Net NPLs Exposure (e-f)	-	-	16,508	-	-	-	16,508
2.0 INSIDER LOANS AND ADVANCES							
2.1 (a) Directors, Shareholders and Associates	1,207,027	1,267,619	2,215,458	1,207,027	1,267,619	2,203,083	2,215,458
2.2 (b) Employees	1,681,650	1,849,722	1,920,157	1,681,650	1,849,722	2,312,847	1,920,157
2.3 (c)Total Insider Loans and Advances and other facilities	2,888,677	3,117,341	4,135,616	2,888,677	3,117,341	4,515,930	4,135,616
3.0 OFF-BALANCE SHEET ITEMS							
3.1 (a) Letters of credit, guarantees, acceptances	2,719,426	2,324,101	2,720,087	2,719,426	2,324,101	2,341,195	2,720,087
3.2 (b) Forwards Swaps & Options	5,221,412	1,130,658	1,723,383	5,221,412	1,130,658	4,283,095	1,723,383
3.3 (c) Other contingent liabilities	230,398	181,300	181,300	230,398	181,300	181,300	181,300
3.4 (d)Total Contingent Liabilities	8,171,236	3,636,059	4,624,771	8,171,236	3,636,059	6,805,590	4,624,771
4.0 CAPITAL STRENGTH							
4.1 (a) Core capital				10,047,456	11,329,253	11,481,536	11,052,505
4.2 (b) Minimum Statutory Capital				1,000,000	1,000,000	1,000,000	1,000,000
4.3 (c) Excess (a-b)				9,047,456	10,329,253	10,481,536	10,052,505
4.4 (d) Supplementary Capital				450,030	2,555,116	2,574,169	2,556,688
4.5 (e) Total Capital (a+d)				10,497,486	13,884,369	14,055,705	13,609,194
4.6 (f) Total risk weighted assets				64,232,902	73,606,478	79,311,307	75,724,589
4.7 (g) Core Capital/Total deposits Liabilities				17.0%	18.1%	17.4%	20.2%
4.8 (h) Minimum statutory Ratio				8.0%	8.0%	8.0%	8.0%
4.9 (i) Excess				9.0%	10.1%	9.4%	12.2%
4.10 (j) Core Capital / Total risk weighted assets				15.6%	15.4%	14.5%	14.6%
4.11 (k) Minimum Statutory Ratio				10.5%	10.5%	10.5%	10.5%
4.12 (l) Excess (j-k)				5.1%	4.9%	4.0%	4.1%
4.13 (m) Total Capital/Total risk weighted assets				16.3%	18.9%	17.7%	18.0%
4.14 (n) Minimum statutory Ratio				14.5%	14.5%	14.5%	14.5%
4.15 (o) Excess (m-n)				1.8%	4.4%	3.2%	3.5%
5.0 LIQUIDITY							
5.1 (a) Liquidity Ratio				37.0%	30.8%	30.1%	24.7%
5.2 (b) Minimum Statutory Ratio				20.0%	20.0%	20.0%	20.0%
5.3 (c) Excess (a-b)				17.0%	10.8%	10.1%	4.7%