

FAMILY BANK LIMITED

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH SEPTEMBER 2020

| STATEMENT OF FINANCIAL POSITION | | | | | BANK | | | | GROUP | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Sep 2019 | Dec 2019 | Mar 2020 | Jun 2020 | Sep 2020 | Sep 2019 | Dec 2019 | Sep 2020 | Sep 2019 | Dec 2019 | Sep 2020 | Sep 2020 |
| | Un-Audited | Audited | Un-Audited | Un-Audited | Un-Audited | Un-Audited | Audited | Un-Audited | Un-Audited | Audited | Un-Audited | Un-Audited |
| | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 |
| A ASSETS | | | | | | | | | | | | |
| 1 Cash (both Local & Foreign) | 3,018,412 | 3,394,733 | 3,370,847 | 3,411,630 | 3,822,987 | 3,018,412 | 3,394,733 | 3,822,987 | 3,018,412 | 3,394,733 | 3,822,987 | 3,822,987 |
| 2 Balances with Central Bank of Kenya | 7,432,926 | 3,566,591 | 4,642,858 | 8,953,328 | 3,908,728 | 7,432,926 | 3,566,591 | 3,908,728 | 7,432,926 | 3,566,591 | 3,908,728 | 3,908,728 |
| 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 | 6,697,996 | 8,187,378 | 9,182,846 | 8,438,147 | 8,800,936 | 6,697,996 | 8,187,378 | 8,800,936 | 6,697,996 | 8,187,378 | 8,800,936 | 8,800,936 |
| (b) Other Securities | 405,747 | 399,847 | 412,894 | - | - | 405,747 | 399,847 | - | 405,747 | 399,847 | - | - |
| (ii) Available for Sale: | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) Kenya Government Securities | - | 1,662,515 | 2,066,109 | 2,000,000 | 7,200,000 | - | 1,662,515 | 7,200,000 | - | 1,662,515 | 7,200,000 | 7,200,000 |
| (b) Other Securities | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 Deposits and balances due from local banking institutions | 3,833,277 | 1,590,437 | 1,147,011 | 1,547,122 | 490,291 | 3,833,277 | 1,590,437 | 490,291 | 3,833,277 | 1,590,437 | 490,291 | 490,291 |
| 7 Deposits and balances due from banking institutions abroad | 695,003 | 1,188,937 | 839,324 | 321,771 | 1,001,796 | 695,003 | 1,188,937 | 1,001,796 | 695,003 | 1,188,937 | 1,001,796 | 1,001,796 |
| 8 Tax recoverable | 552,199 | - | - | - | 198,229 | 552,199 | - | 198,229 | 552,199 | - | 198,229 | 198,229 |
| 9 Loans and advances to customers (net) | 49,336,332 | 50,594,439 | 53,026,691 | 54,880,867 | 57,130,536 | 49,336,332 | 50,594,439 | 57,130,536 | 49,336,332 | 50,594,439 | 57,130,536 | 57,130,536 |
| 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 | 1,000 | 1,000 | - | - | 1,000 | - | - | - |
| 13 Investments in joint ventures | - | - | - | - | - | - | - | - | - | - | - | - |
| 14 Investment properties | 18,200 | 23,400 | 23,400 | 23,400 | 23,400 | 18,200 | 23,400 | 23,400 | 18,200 | 23,400 | 23,400 | 23,400 |
| 15 Property and equipment | 2,502,317 | 4,027,944 | 3,838,034 | 3,636,454 | 3,382,253 | 2,502,317 | 4,027,944 | 3,382,253 | 2,502,317 | 4,027,944 | 3,382,253 | 3,382,253 |
| 16 Prepaid lease rentals | 140,398 | 139,220 | 140,668 | 139,509 | 138,350 | 140,398 | 139,220 | 138,350 | 140,398 | 139,220 | 138,350 | 138,350 |
| 17 Intangible assets | 494,889 | 467,573 | 442,089 | 418,232 | 397,604 | 494,889 | 467,573 | 397,604 | 494,889 | 467,573 | 397,604 | 397,604 |
| 18 Deferred tax asset | 241,911 | 885,542 | 885,542 | 885,542 | 885,542 | 241,911 | 885,542 | 885,542 | 241,911 | 885,542 | 885,542 | 885,542 |
| 19 Retirement benefit asset | - | - | - | - | - | - | - | - | - | - | - | - |
| 20 Other assets | 3,555,816 | 2,727,569 | 2,173,283 | 2,055,409 | 2,738,412 | 3,555,816 | 2,727,569 | 2,738,412 | 3,555,816 | 2,727,569 | 2,738,412 | 2,738,412 |
| TOTAL ASSETS | 78,926,424 | 78,857,125 | 82,192,596 | 86,910,641 | 90,164,189 | 78,926,424 | 78,857,125 | 90,164,189 | 78,926,424 | 78,857,125 | 90,164,189 | 90,213,322 |
| B LIABILITIES | | | | | | | | | | | | |
| 21 Balances due to Central Bank of Kenya | - | - | - | - | 994,580 | - | - | 994,580 | - | - | 994,580 | 994,580 |
| 22 Customer deposits | 60,431,181 | 58,275,571 | 61,362,696 | 66,946,300 | 69,675,188 | 60,431,181 | 58,275,571 | 69,675,188 | 60,431,181 | 58,275,571 | 69,675,188 | 69,675,188 |
| 23 Deposits and balances due to local banking institutions | 113,160 | 56,906 | 191,646 | 184,818 | 168,065 | 113,160 | 56,906 | 168,065 | 113,160 | 56,906 | 168,065 | 168,065 |
| 24 Deposits and balances due to foreign banking institutions | - | - | - | - | - | - | - | - | - | - | - | - |
| 25 Other money market deposits | - | - | - | - | - | - | - | - | - | - | - | - |
| 26 Borrowed funds | 3,986,786 | 3,954,679 | 3,620,868 | 3,579,348 | 3,067,386 | 3,986,786 | 3,954,679 | 3,067,386 | 3,986,786 | 3,954,679 | 3,067,386 | 3,067,386 |
| 27 Balances due to Banking Institutions Group Companies | - | - | - | - | - | - | - | - | - | - | - | - |
| 28 Tax payable | - | 290,095 | 408,623 | - | - | - | 290,095 | - | - | 290,095 | - | - |
| 29 Dividends payable | 1,376 | 1,079 | 1,079 | 23,494 | 7,345 | 1,376 | 1,079 | 7,345 | 1,376 | 1,079 | 7,345 | 7,345 |
| 30 Deferred tax liability | - | - | - | - | - | - | - | - | - | - | - | - |
| 31 Retirement benefit liability | - | - | - | - | - | - | - | - | - | - | - | - |
| 32 Other liabilities | 2,301,553 | 3,870,592 | 3,922,909 | 3,475,706 | 3,093,837 | 2,301,553 | 3,870,592 | 3,093,837 | 2,301,553 | 3,870,592 | 3,093,837 | 3,163,395 |
| TOTAL LIABILITIES | 66,834,056 | 66,448,922 | 69,507,821 | 74,209,666 | 77,006,401 | 66,834,056 | 66,448,922 | 77,006,401 | 66,834,056 | 66,448,922 | 77,006,401 | 76,791,695 |
| C SHAREHOLDERS' FUNDS | | | | | | | | | | | | |
| 33 Paid up /Assigned capital | 1,287,108 | 1,287,108 | 1,287,108 | 1,287,108 | 1,287,108 | 1,287,108 | 1,287,108 | 1,287,108 | 1,287,108 | 1,287,108 | 1,287,108 | 1,287,108 |
| 34 Share premium | 5,874,662 | 5,874,662 | 5,874,662 | 5,874,662 | 5,874,662 | 5,874,662 | 5,874,662 | 5,874,662 | 5,874,662 | 5,874,662 | 5,874,662 | 5,874,662 |
| 35 Revaluation reserves | 192,624 | 278,424 | 278,424 | 278,424 | 278,424 | 192,624 | 278,424 | 278,424 | 192,624 | 278,424 | 278,424 | 278,424 |
| 36 Retained Earnings | 4,737,974 | 4,968,009 | 5,244,581 | 5,260,781 | 5,314,285 | 4,737,974 | 4,968,009 | 5,314,285 | 4,737,974 | 4,968,009 | 5,314,285 | 5,578,124 |
| 37 Statutory loan reserves | 0 | - | - | - | 403,309 | 0 | - | 403,309 | 0 | - | 403,309 | 403,309 |
| 38 Other Reserves | - | - | - | - | - | - | - | - | - | - | - | - |
| 39 Proposed dividends | - | - | - | - | - | - | - | - | - | - | - | - |
| 40 Capital grants | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL SHAREHOLDERS' FUNDS | 12,092,368 | 12,408,203 | 12,684,775 | 12,700,975 | 13,157,788 | 12,092,368 | 12,408,203 | 13,157,788 | 12,092,368 | 12,408,203 | 13,157,788 | 13,421,626 |
| 42 Minority Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS | 78,926,424 | 78,857,125 | 82,192,596 | 86,910,641 | 90,164,189 | 78,926,424 | 78,857,125 | 90,164,189 | 78,926,424 | 78,857,125 | 90,164,189 | 90,213,322 |

| OTHER DISCLOSURES | | | BANK | | | | |
|-------------------|---|--------------|------------|--------------|------------|------------|--|
| | Sep 2019 | Dec 2019 | Mar 2020 | Jun 2020 | Sep 2020 | | |
| | Un-Audited | Audited | Un-Audited | Un-Audited | Un-Audited | | |
| | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 | Shs. '000 | | |
| 1.0 | NON-PERFORMING LOANS AND ADVANCES | | | | | | |
| 1.1 | (a) Gross Non-performing loans and advances | 8,283,414.00 | 8,244,017 | 8,999,094.00 | 9,135,545 | 9,227,844 | |
| 1.2 | (b) Less Interest in Suspense | 1,088,068 | 1,116,797 | 1,166,202 | 1,220,791 | 1,257,077 | |
| 1.3 | (c) Total Non-Performing Loans and Advances (a-b) | 7,195,346 | 7,127,220 | 7,832,892 | 7,914,754 | 7,970,767 | |
| 1.4 | (d) Less Loan Loss Provision | 2,562,881 | 2,677,764 | 3,011,813 | 3,403,457 | 3,777,705 | |
| 1.5 | (e) Net Non-Performing Loans and Advances(c-d) | 4,632,465 | 4,449,456 | 4,821,079 | 4,511,297 | 4,193,062 | |
| 1.6 | (f) Discounted Value of Securities | 4,314,323 | 4,146,827 | 4,494,273 | 4,327,877 | 3,982,159 | |
| 1.7 | (g) Net NPLs Exposure (e-f) | 318,143 | 302,629 | 326,806 | 183,419 | 210,903 | |
| 2.0 | INSIDER LOANS AND ADVANCES | | | | | | |
| 2.1 | (a) Directors, Shareholders and Associates | 2,346,156 | 2,325,296 | 2,261,950 | 1,705,985 | 1,649,287 | |
| 2.2 | (b) Employees | 1,173,245 | 1,184,169 | 1,202,616 | 1,068,380 | 1,151,428 | |
| 2.3 | (c) Total Insider Loans and Advances and other facilities | 3,519,401 | 3,509,465 | 3,464,566 | 2,774,365 | 2,800,715 | |
| 3.0 | OFF-BALANCE SHEET ITEMS | | | | | | |
| 3.1 | (a) Letters of credit, guarantees, acceptances | 4,939,875 | 5,050,889 | 6,702,343 | 7,441,293 | 8,476,511 | |
| 3.2 | (b) Forwards Swaps & Options | 6,392,988 | 4,599,890 | 3,028,759 | 3,081,302 | 3,156,462 | |
| 3.3 | (c) Other contingent liabilities | 156,812 | 267,877 | 178,272 | 259,000 | 251,731 | |
| 3.4 | (d) Total Contingent Liabilities | 11,489,676 | 9,918,656 | 9,909,374 | 10,781,595 | 11,884,704 | |
| 4.0 | CAPITAL STRENGTH | | | | | - | |
| 4.1 | (a) Core capital | 11,324,874 | 11,244,237 | 11,382,523 | 11,236,168 | 11,060,571 | |
| 4.2 | (b) Minimum Statutory Capital | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | |
| 4.3 | (c) Excess (a-b) | 10,324,874 | 10,244,237 | 10,382,523 | 10,236,168 | 10,060,571 | |
| 4.4 | (d) Supplementary Capital | 2,018,800 | 2,018,800 | 2,018,800 | 2,018,800 | 2,422,109 | |
| 4.5 | (e) Total Capital (a+d) | 13,343,674 | 13,263,037 | 13,401,323 | 13,254,968 | 13,482,681 | |
| 4.6 | (f) Total risk weighted assets | 69,818,900 | 70,978,185 | 71,801,040 | 73,487,930 | 76,337,656 | |
| 4.7 | (g) Core Capital/Total deposits Liabilities | 18.74% | 19.3% | 18.5% | 16.8% | 15.9% | |
| 4.8 | (h) Minimum statutory Ratio | 8.0% | 8.0% | 8.0% | 8.0% | 8.0% | |
| 4.9 | (i) Excess | 10.7% | 11.3% | 10.5% | 8.8% | 7.9% | |
| 4.10 | (j) Core Capital / Total risk weighted assets | 16.2% | 15.8% | 15.9% | 15.3% | 14.5% | |
| 4.11 | (k) Minimum Statutory Ratio | 10.5% | 10.5% | 10.5% | 10.5% | 10.5% | |
| 4.12 | (l) Excess (j-k) | 5.7% | 5.3% | 5.4% | 4.8% | 4.0% | |
| 4.13 | (m) Total Capital/Total risk weighted assets | 19.1% | 18.7% | 18.7% | 18.0% | 17.7% | |
| 4.14 | (n) Minimum Statutory Ratio | 14.5% | 14.5% | 14.5% | 14.5% | 14.5% | |
| 4.15 | (o) Excess (m-n) | 4.61% | 4.2% | 4.2% | 3.5% | 3.2% | |
| 4.16 | (p) Core Capital/Total deposits Liabilities* | 19.4% | 19.9% | 19.1% | 17.2% | 16.2% | |
| 4.17 | (q) Core Capital / total risk weighted assets* | 16.8% | 16.3% | 16.3% | 15.7% | 14.8% | |
| 4.18 | (r) Total Capital/total risk weighted assets* | 19.7% | 19.2% | 19.1% | 18.4% | 18.0% | |
| 5.0 | LIQUIDITY | | | | | | |
| 5.1 | (a) Liquidity Ratio | 36.6% | 33.1% | 34.0% | 36.60% | 34.0% | |
| 5.2 | (b) Minimum Statutory Ratio | 20.0% | 20.0% | 20.0% | 20.0% | 20.0% | |
| 5.3 | (c) Excess (a-b) | 16.6% | 13.1% | 14.0% | 16.6% | 14.0% | |