

FAMILY BANK LIMITED

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST DECEMBER 2021

STATEMENT OF FINANCIAL POSITION	BANK		GROUP	
	31-Dec-20 Audited Shs. ' 000	31-Dec-21 Audited Shs. ' 000	31-Dec-20 Audited Shs. ' 000	31-Dec-21 Audited Shs. ' 000
A ASSETS				
1 Cash (both Local & Foreign)	4,038,445	3,960,569	4,038,445	3,960,569
2 Balances with Central Bank of Kenya	4,841,075	4,252,348	4,841,075	4,252,348
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	8,901,395	13,573,762	8,901,395	13,584,768
(b) Other Securities	-	-	-	-
(ii) Available for Sale:	-	-	-	-
(a) Kenya Government Securities	8,099,803	11,115,877	8,099,803	11,115,877
(b) Other Securities	-	-	-	-
6 Deposits and balances due from local banking institutions	501,404	1,132,819	501,404	1,132,819
7 Deposits and balances due from banking institutions abroad	318,003	3,154,408	318,003	3,154,408
8 Tax recoverable	-	-	27,904	3,336
9 Loans and advances to customers (net)	56,579,798	66,901,824	56,579,798	66,901,824
10 Balances due from Banking Institutions in the Group	-	-	-	-
11 Investments in associates	-	-	-	-
12 Investments in subsidiary companies	1,000	10,000	-	-
13 Investments in joint ventures	-	-	-	-
14 Investment properties	23,400	23,400	23,400	23,400
15 Property and equipment	3,693,494	2,980,793	3,694,604	2,981,384
16 Prepaid lease rentals	134,583	132,553	134,583	132,553
17 Intangible assets	384,289	315,250	399,355	326,111
18 Deferred tax asset	1,552,679	1,805,110	1,552,679	1,805,110
19 Retirement benefit asset	-	-	-	-
20 Other assets	1,521,258	2,324,352	1,548,349	2,362,488
TOTAL ASSETS	90,590,626	111,683,065	90,660,797	111,736,995
B LIABILITIES				
21 Balances due to Central Bank of Kenya	-	-	-	-
22 Customer deposits	70,125,378	82,430,538	69,756,770	81,911,523
23 Deposits and balances due to local banking institutions	451,741	2,281,200	451,741	2,281,200
24 Deposits and balances due to foreign banking institutions	-	-	-	-
25 Other money market deposits	-	-	-	-
26 Borrowed funds	3,017,148	8,241,794	3,017,148	8,241,794
27 Balances due to Banking Institutions Group Companies	-	-	-	-
28 Tax payable	126,975	263,147	126,975	263,148
29 Dividends payable	5,904	4,845	5,904	4,845
30 Deferred tax liability	-	-	1,126	761
31 Retirement benefit liability	-	-	-	-
32 Other liabilities	3,701,915	3,297,260	3,844,872	3,441,378
TOTAL LIABILITIES	77,429,061	96,518,784	77,204,536	96,144,649
C SHAREHOLDERS' FUNDS				
33 Paid up /Assigned capital	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
35 Revaluation reserves	264,647	92,088	264,647	92,088
36 Retained Earnings	5,735,148	6,453,625	6,029,844	6,881,691
37 Statutory loan reserves	-	369,161	-	369,161
38 Other Reserves	-	-	-	-
39 Proposed dividends	-	1,087,638	-	1,087,638
40 Capital grants	-	-	-	-
TOTAL SHAREHOLDERS' FUNDS	13,161,565	15,164,281	13,456,261	15,592,346
42 Minority Interest	-	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	90,590,626	111,683,065	90,660,797	111,736,995

STATEMENT OF COMPREHENSIVE INCOME	BANK		GROUP	
	31-Dec-20 Audited Shs. ' 000	31-Dec-21 Audited Shs. ' 000	31-Dec-20 Audited Shs. ' 000	31-Dec-21 Audited Shs. ' 000
INTEREST INCOME				
1 Loans and advances	7,303,236	8,402,188	7,303,236	8,402,188
2 Government securities	1,464,830	2,337,312	1,464,830	2,337,312
3 Deposits and placements with banking institutions	102,556	29,319	102,556	29,319
4 Other interest income	22,797	-	22,797	-
Total interest income	8,893,419	10,768,819	8,893,419	10,768,819
INTEREST EXPENSE				
5 Customer deposits	2,015,431	2,474,224	1,996,304	2,442,127
6 Deposits and placement from banking institutions	24,814	95,563	24,814	95,563
7 Other interest expenses	447,131	468,657	447,131	468,657
Total interest expenses	2,487,376	3,038,444	2,468,249	3,006,347
NET INTEREST INCOME	6,406,043	7,730,375	6,425,170	7,762,472
OTHER OPERATING INCOME				
8 Fees and commissions on loans and advances	141,635	205,498	141,635	205,498
9 Other fees and commissions	1,723,999	2,064,042	1,723,999	2,064,042
10 Foreign exchange trading income	341,362	297,421	341,362	297,421
11 Dividend Income	-	-	-	-
12 Other income	314,433	238,040	482,412	468,883
Total non-interest income	2,521,429	2,605,001	2,689,408	3,035,844
TOTAL OPERATING INCOME	8,927,472	10,535,376	9,114,578	10,798,316
OPERATING EXPENSES				
13 Loan loss provision	1,616,303	768,184	1,616,303	768,184
14 Staff costs	2,339,382	2,529,477	2,388,354	2,579,703
15 Directors' emoluments	118,606	105,417	132,133	117,637
16 Rental charges	614,006	612,080	614,006	612,080
17 Depreciation charge on property and equipment	505,652	428,482	511,349	433,241
18 Amortisation charges	124,204	138,027	124,204	138,027
19 Other operating expenses	2,283,706	2,809,041	2,287,576	2,812,597
Total operating expenses	7,601,859	7,390,707	7,673,925	7,461,469
Profit Before Tax and Exceptional Items	1,325,613	3,144,669	1,440,653	3,336,847
20 Exceptional items	-	-	-	-
Profit After Exceptional Items	1,325,613	3,144,669	1,440,653	3,336,847
21 Current tax	(916,703)	(1,277,555)	(945,804)	(1,337,416)
22 Deferred tax	667,137	308,163	667,671	309,215
Profit After Tax and Exceptional Items	1,076,047	2,175,277	1,162,520	2,308,646
Other Comprehensive Income:				
Gains/(Losses) from Translating the Financial Statements of	-	-	-	-
23 Foreign Operations	-	-	-	-
24 Fair Value changes in Available-for-sale Financial Assets	(13,777)	(172,561)	(13,777)	(172,561)
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	(13,777)	(172,561)	(13,777)	(172,561)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,062,270	2,002,716	1,148,743	2,136,085
EARNINGS PER SHARE - BASIC & DILUTED	0.84	1.56	0.90	1.66
DIVIDEND PER SHARE -DECLARED	-	-	-	-

OTHER DISCLOSURES	BANK	
	31-Dec-20 Audited Shs. ' 000	31-Dec-21 Audited Shs. ' 000
1.0 NON-PERFORMING LOANS AND ADVANCES		
1.1 (a) Gross Non-performing loans and advances	9,390,878	11,056,249
1.2 (b) Less Interest in Suspense	1,309,838	1,555,254
1.3 (c) Total Non-Performing Loans and Advances (a-b)	8,081,040	9,500,995
1.4 (d) Less Loan Loss Provision	4,137,787	4,707,934
1.5 (e) Net Non-Performing Loans and Advances(c-d)	3,943,252	4,793,061
1.6 (f) Discounted Value of Securities	3,747,237	4,106,208
1.7 (g) Net NPLs Exposure (e-f)	196,016	686,853
2.0 INSIDER LOANS AND ADVANCES		
2.1 (a) Directors, Shareholders and Associates	1,710,385	1,648,634
2.2 (b) Employees	1,222,296	1,230,908
2.3 (c) Total Insider Loans and Advances and other facilities	2,932,681	2,879,542
3.0 OFF-BALANCE SHEET ITEMS		
3.1 (a) Letters of credit, guarantees, acceptances	8,073,825	8,585,144
3.2 (b) Forwards Swaps & Options	1,904,553	893,233
3.3 (c) Other contingent liabilities	264,694	266,071
3.4 (d) Total Contingent Liabilities	10,243,072	9,744,448
4.0 CAPITAL STRENGTH		
4.1 (a) Core capital	11,344,238	12,984,932
4.2 (b) Minimum Statutory Capital	1,000,000	1,000,000
4.3 (c) Excess (a-b)	10,344,238	11,984,932
4.4 (d) Supplementary Capital	2,018,800	4,369,161
4.5 (e) Total Capital (a+d)	13,363,038	17,354,092
4.6 (f) Total risk weighted assets	74,824,096	83,080,132
4.7 (g) Core Capital/Total deposits Liabilities	16.2%	15.8%
4.8 (h) Minimum statutory Ratio	8.0%	8.0%
4.9 (i) Excess	8.2%	7.8%
4.10 (j) Core Capital / Total risk weighted assets	15.2%	15.6%
4.11 (k) Minimum Statutory Ratio	10.5%	10.5%
4.12 (l) Excess (j-k)	4.7%	5.1%
4.13 (m) Total Capital/Total risk weighted assets	17.9%	20.9%
4.14 (n) Minimum statutory Ratio	14.5%	14.5%
4.15 (o) Excess (m-n)	3.4%	6.4%
4.16 (p) Core Capital/Total deposits Liabilities*	16.5%	15.8%
4.17 (q) Core Capital / total risk weighted assets*	15.5%	15.6%
4.18 (r) Total Capital/total risk weighted assets*	18.2%	20.9%
5.0 LIQUIDITY		
5.1 (a) Liquidity Ratio	37.1%	43.4%
5.2 (b) Minimum Statutory Ratio	20.0%	20.0%
5.3 (c) Excess (a-b)	17.1%	23.4%

* The adjusted capital ratios include the expected credit loss provisions added back to capital in line with CBK guidance note issued in April 2018 on implementation of IFRS9

Dividend

Based on the 31 December 2021 results the Directors have recommended a payment of the first and final dividend of Kshs 0.83 per share amounting to Kshs 1,087,637,623 for the year ended 31st December 2021.

The above Consolidated Statement of Comprehensive Income and Statement of Financial Position are extracts from the Bank's Financial Statements as audited by Price water house Coopers LLP and received unqualified opinion. A full set of these Financial Statements will be available at our registered office at Family Bank Towers and online at www.familybank.co.ke for inspection after approval by members at the Annual General Meeting.

Signed: **Dr. Wilfred D. Kiboro**
Chairman

Rebecca Mbithi
Managing Director & CEO

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