

# FAMILY BANK LIMITED

UN AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH JUNE 2023

## STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION				BANK			GROUP
	30-Jun-22 Un-Audited Shs.' 000	31-Dec-22 Audited Shs.' 000	31-Mar-23 Un-Audited Shs.' 000	30-Jun-23 Un-Audited Shs.' 000	30-Jun-22 Un-Audited Shs.' 000	31-Dec-22 Audited Shs.' 000	30-Jun-23 Un-Audited Shs.' 000
<b>A ASSETS</b>							
1 Cash (both Local & Foreign)	4,120,458	3,984,702	3,551,296	3,621,838	4,120,458	3,984,702	3,621,838
2 Balances with Central Bank of Kenya	7,540,542	5,007,337	4,622,882	3,913,783	7,540,542	5,007,337	3,913,783
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	9,118,828	14,063,735	13,974,295	10,376,161	9,129,590	14,074,247	10,396,539
(b) Other Securities	-	-	-	-	-	-	-
(ii) Available for Sale:	-	-	-	-	-	-	-
(a) Kenya Government Securities	15,761,419	11680439	11,347,144	14,397,489	15,761,419	11,680,439	14,397,489
(b) Other Securities	-	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	2,948,819	4,797,883	6,985,198	6,821,059	2,948,819	4,797,883	6,821,059
7 Deposits and balances due from banking institutions abroad	1,616,438	791,192	404,276	1,343,721	1,616,438	791,192	1,343,721
8 Tax recoverable	41,085	-	-	-	45,644	8,702	18,124
9 Loans and advances to customers (net)	75,602,456	81,380,510	83,755,083	84,680,206	75,602,456	81,380,510	84,680,206
10 Balances due from Banking Institutions in the Group	-	-	-	-	-	-	-
11 Investments in associates	-	-	-	-	-	-	-
12 Investments in subsidiary companies	10,000	10,000	10,000	10,000	-	-	-
13 Investments in joint ventures	-	-	-	-	-	-	-
14 Investment properties	23,400	28,600	28,600	28,600	23,400	28,600	28,600
15 Property and equipment	2,785,259	2,767,435	2,750,384	2,611,928	2,785,608	2,767,840	2,612,202
16 Prepaid lease rentals	130,235	127,916	126,757	125,598	130,235	127,916	125,598
17 Intangible assets	365,841	291,624	252,939	476,264	374,599	298,282	480,819
18 Deferred tax asset	1,805,110	1,771,064	1,771,064	1,771,064	1,805,110	1,771,452	1,771,452
19 Retirement benefit asset	-	-	-	-	-	-	-
20 Other assets	2,370,445	1,763,001	2,273,211	2,579,982	2,418,731	1,794,011	2,624,894
<b>TOTAL ASSETS</b>	<b>124,240,335</b>	<b>128,465,438</b>	<b>131,853,129</b>	<b>132,757,693</b>	<b>124,303,049</b>	<b>128,513,113</b>	<b>132,836,324</b>
<b>B LIABILITIES</b>							
21 Balances due to Central Bank of Kenya	2,795,434	2,997,544	2,989,320	-	2,795,434	2,997,544	-
22 Customer deposits	91,305,675	89,343,232	93,314,936	101,315,472	90,739,149	88,903,786	100,835,614
23 Deposits and balances due to local banking institutions	2,953,019	6,419,589	4,455,106	1,298,305	2,953,019	6,419,589	1,298,305
24 Deposits and balances due to foreign banking institutions	-	-	-	-	-	-	-
25 Other money market deposits	-	-	-	-	-	-	-
26 Borrowed funds	9,512,208	10,532,651	11,188,617	10,230,939	9,512,208	10,532,651	10,230,939
27 Balances due to Banking Institutions Group Companies	-	-	-	-	-	-	-
28 Tax payable	-	25,324	319,037	212,152	-	25,324	212,152
29 Dividends payable	86,549	32,068	28,919	27,828	86,549	32,068	27,828
30 Deferred tax liability	-	-	-	-	761	-	-
31 Retirement benefit liability	-	-	-	-	-	-	-
32 Other liabilities	2,664,862	3,374,596	3,525,763	3,561,328	2,984,742	3,491,122	3,679,282
<b>TOTAL LIABILITIES</b>	<b>109,317,747</b>	<b>112,725,004</b>	<b>115,821,698</b>	<b>116,646,024</b>	<b>109,071,862</b>	<b>112,402,084</b>	<b>116,284,120</b>
<b>C SHAREHOLDERS' FUNDS</b>							
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
34 Share premium	5,874,662	5,874,662	5,874,662	5,874,662	5,874,662	5,874,662	5,874,662
35 Revaluation reserves	(610,892)	(534,642)	(928,976)	(1,503,747)	(610,892)	(534,642)	(1,503,747)
36 Retained Earnings	8,297,210	6,541,110	6,897,168	7,311,301	8,605,809	6,911,705	7,751,836
37 Statutory loan reserves	74,500	1,777,282	2,106,555	2,347,431	74,500	1,777,282	2,347,431
38 Other Reserves	-	-	-	-	-	-	-
39 Proposed dividends	-	794,914	794,914	794,914	-	794,914	794,914
40 Capital grants	-	-	-	-	-	-	-
<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>14,922,588</b>	<b>15,740,434</b>	<b>16,031,431</b>	<b>16,111,669</b>	<b>15,231,187</b>	<b>16,111,029</b>	<b>16,552,204</b>
41 Minority Interest	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>124,240,335</b>	<b>128,465,438</b>	<b>131,853,129</b>	<b>132,757,693</b>	<b>124,303,049</b>	<b>128,513,113</b>	<b>132,836,324</b>

## STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME				BANK			GROUP
	30-Jun-22 Un-Audited Shs.' 000	31-Dec-22 Audited Shs.' 000	31-Mar-23 Un-Audited Shs.' 000	30-Jun-23 Un-Audited Shs.' 000	30-Jun-22 Un-Audited Shs.' 000	31-Dec-22 Audited Shs.' 000	30-Jun-23 Un-Audited Shs.' 000
<b>INTEREST INCOME</b>							
1 Loans and advances	4,619,536	10,017,675	2,635,266	5,706,871	4,619,536	10,017,675	5,706,871
2 Government securities	1,473,979	3,035,268	751,202	1,502,943	1,473,979	3,035,268	1,502,943
3 Deposits and placements with banking institutions	39,764	60,377	19,540	71,765	39,764	60,377	71,765
4 Other Interest Income	-	-	-	-	-	-	-
<b>Total interest income</b>	<b>6,133,279</b>	<b>13,113,320</b>	<b>3,406,008</b>	<b>7,281,579</b>	<b>6,133,279</b>	<b>13,113,320</b>	<b>7,281,579</b>
<b>INTEREST EXPENSE</b>							
5 Customer deposits	1,528,046	3,247,346	900,859	2,022,607	1,506,422	3,205,810	2,003,162
6 Deposits and placement from banking institutions	145,935	372,122	185,091	275,520	145,935	372,122	275,520
7 Other interest expenses	414,671	946,072	287,492	593,523	414,671	946,071	593,523
<b>Total interest expenses</b>	<b>2,088,652</b>	<b>4,565,540</b>	<b>1,373,442</b>	<b>2,891,650</b>	<b>2,067,028</b>	<b>4,524,003</b>	<b>2,872,205</b>
<b>NET INTEREST INCOME</b>	<b>4,044,627</b>	<b>8,547,780</b>	<b>2,032,566</b>	<b>4,389,929</b>	<b>4,066,251</b>	<b>8,589,317</b>	<b>4,409,374</b>
<b>OTHER OPERATING INCOME</b>							
8 Fees and commissions on loans and advances	56,639	109,500	26,788	58,246	56,639	109,500	58,246
9 Other fees and commissions	1,039,146	2,092,059	536,401	1,082,932	1,039,146	2,092,059	1,082,932
10 Foreign exchange trading income	324,800	664,659	277,930	476,013	324,800	664,659	476,013
11 Dividend Income	200,000	200,000	-	-	200,000	-	-
12 Other income	95,963	254,403	71,863	146,684	230,452	491,839	279,982
<b>Total non-interest income</b>	<b>1,716,548</b>	<b>3,320,621</b>	<b>912,982</b>	<b>1,763,875</b>	<b>1,851,037</b>	<b>3,358,057</b>	<b>1,897,173</b>
<b>TOTAL OPERATING INCOME</b>	<b>5,761,175</b>	<b>11,868,401</b>	<b>2,945,548</b>	<b>6,153,804</b>	<b>5,917,288</b>	<b>11,947,374</b>	<b>6,306,547</b>
<b>OPERATING EXPENSES</b>							
13 Loan loss provision	358,261	495,104	162,454	562,921	358,261	495,104	562,921
14 Staff costs	1,432,702	3,375,300	857,008	1,748,212	1,458,292	3,430,205	1,783,709
15 Directors' emoluments	58,164	134,607	26,503	63,531	60,447	142,246	68,986
16 Rental charges	308,243	610,946	162,679	318,972	308,243	610,946	318,972
17 Depreciation charge on property and equipment	200,870	409,123	98,629	197,268	203,459	414,313	199,751
18 Amortisation charges	70,641	128,694	24,860	53,920	70,641	128,694	53,920
19 Other operating expenses	1,147,172	2,972,657	634,372	1,294,899	1,155,039	2,980,874	1,303,862
<b>Total operating expenses</b>	<b>3,576,053</b>	<b>8,126,431</b>	<b>1,966,505</b>	<b>4,239,723</b>	<b>3,614,382</b>	<b>8,202,382</b>	<b>4,292,121</b>
<b>Profit Before Tax and Exceptional Items</b>	<b>2,185,122</b>	<b>3,741,970</b>	<b>979,043</b>	<b>1,914,081</b>	<b>2,302,906</b>	<b>3,744,992</b>	<b>2,014,426</b>
20 Exceptional items	-	-	-	-	-	-	-
<b>Profit After Exceptional Items</b>	<b>2,185,122</b>	<b>3,741,970</b>	<b>979,043</b>	<b>1,914,081</b>	<b>2,302,906</b>	<b>3,744,992</b>	<b>2,014,426</b>
21 Current tax	(655,537)	(1,436,741)	(293,713)	(573,740)	(690,652)	(1,498,383)	(604,143)
22 Deferred tax	-	(34,047)	-	-	-	(32,897)	-
<b>Profit After Tax and Exceptional Items</b>	<b>1,529,585</b>	<b>2,271,182</b>	<b>685,330</b>	<b>1,340,341</b>	<b>1,612,254</b>	<b>2,213,712</b>	<b>1,410,283</b>
<b>Other Comprehensive Income:</b>							
Minority Interest	-	-	-	-	-	-	-
<b>Profit/(loss) after tax, exceptional items and Minority Interest</b>	<b>1,529,585</b>	<b>2,271,182</b>	<b>685,330</b>	<b>1,340,341</b>	<b>1,612,254</b>	<b>2,213,712</b>	<b>1,410,283</b>
<b>Other Comprehensive Income:</b>							
Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-	-	-	-	-	-	-
Fair Value changes in Available-for-sale Financial Assets	(889,316)	(626,729)	(580,671)	(1,595,833)	(889,316)	(626,729)	(1,595,833)
Revaluation Surplus on Property, Plant and Equipment	-	-	-	-	-	-	-
Share of other Comprehensive Income of Associates	-	-	-	-	-	-	-
Income Tax Relating to Components of other Comprehensive Income	-	-	-	-	-	-	-
<b>Other Comprehensive Income for the Year Net of Tax</b>	<b>(889,316)</b>	<b>(626,729)</b>	<b>(580,671)</b>	<b>(1,595,833)</b>	<b>(889,316)</b>	<b>(626,729)</b>	<b>(1,595,833)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>640,269</b>	<b>1,644,453</b>	<b>104,659</b>	<b>(255,492)</b>	<b>722,938</b>	<b>1,586,983</b>	<b>(185,550)</b>
<b>EARNINGS PER SHARE - BASIC &amp; DILUTED</b>	<b>1.19</b>	<b>1.76</b>	<b>0.53</b>	<b>1.04</b>	<b>1.79</b>	<b>1.72</b>	<b>1.10</b>
<b>DIVIDEND PER SHARE - DECLARED</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## OTHER DISCLOSURES

OTHER DISCLOSURES				BANK			GROUP
	30-Jun-22 Un-Audited Shs.' 000	31-Dec-22 Audited Shs.' 000	31-Mar-23 Un-Audited Shs.' 000	30-Jun-23 Un-Audited Shs.' 000	30-Jun-22 Un-Audited Shs.' 000	31-Dec-22 Audited Shs.' 000	30-Jun-23 Un-Audited Shs.' 000
1.0 NON-PERFORMING LOANS AND ADVANCES							
1.1 (a) Gross Non-performing loans and advances	11,778,473	12,431,239	13,271,168	13,614,130	11,778,473	12,431,239	13,614,130
1.2 (b) Less Interest in Suspense	1,422,903	1,388,899	1,497,116	1,581,885	1,422,903	1,388,899	1,581,885
1.3 (c) Total Non-Performing Loans and Advances (a-b)	10,355,570	11,042,340	11,774,052	12,032,245	10,355,570	11,042,340	12,032,245
1.4 (d) Less Loan Loss Provision	4,725,884	5,367,803	5,855,807	6,473,398	4,725,884	5,367,803	6,473,398
1.5 (e) Net Non-Performing Loans and Advances(c-d)	5,629,686	5,674,537	5,918,245	5,558,847	5,629,686	5,674,537	5,558,847
1.6 (f) Discounted Value of Securities	4,891,537	5,067,839	5,282,494	5,139,621	4,891,537	5,067,839	5,139,621
1.7 (g) Net NPLs Exposure (e-f)	738,149	606,698	635,751	419,226	738,149	606,698	419,226
2.0 INSIDER LOANS AND ADVANCES							
2.1 (a) Directors, Shareholders and Associates	4,245,466	2,677,896	2,236,381	1,539,781	4,245,466	2,677,896	1,539,781
2.2 (b) Employees	1,330,861	1,512,909	1,616,548	1,553,934	1,330,861	1,512,909	1,553,934
2.3 (c) Total Insider Loans and Advances and other facilities	5,576,327	4,190,805	3,852,929	3,093,715	5,576,327	4,190,805	3,093,715
3.0 OFF-BALANCE SHEET ITEMS							
3.1 (a) Letters of credit, guarantees, acceptances	9,289,696	9,755,783	10,793,923	12,067,198	9,289,696	9,755,783	12,067,198
3.2 (b) Forwards Swaps & Options	4,848	639,740	490	1,003,315	4,848	639,740	1,003,315
3.3 (c) Other contingent liabilities	283,293	283,480	283,380	283,796	283,293	283,480	283,796
3.4 (d) Total Contingent Liabilities	9,577,837	10,679,003	11,077,793	13,354,309	9,577,837	10,679,003	13,354,309
4.0 CAPITAL STRENGTH							
4.1 (a) Core capital	14,260,248	13,254,449	13,257,638	13,851,353			
4.2 (b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000			
4.3 (c) Excess (a-b)	13,260,248	12,254,449	12,257,638	12,851,353			
4.4 (d) Supplementary Capital	4,074,500	5,182,357	4,444,748	4,469,446			
4.5 (e) Total Capital (a+d)	18,334,748	18,436,806	17,702,386	18,320,799			
4.6 (f) Total risk weighted assets	92,679,310	94,588,542	99,579,801	101,555,673			
4.7 (g) Core Capital/Total deposits Liabilities	15.6%	14.8%	14.2%	13.7%			
4.8 (h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%			
4.9 (i) Excess	7.6%	6.8%	6.2%	5.7%			
4.10 (j) Core Capital / Total risk weighted assets	15.4%	14.0%	13.3%	13.6%			
4.11 (k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%			
4.12 (l) Excess (j-k)	4.9%	3.5%	2.8%	3.1%			
4.13 (m) Total Capital/Total risk weighted assets	19.8%	19.5%	17.8%	18.0%			
4.14 (n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%			
4.15 (o) Excess (m-n)	5.3%	5.0%	3.3%	3.5%			
5.0 LIQUIDITY							
5.1 (a) Liquidity Ratio	38.9%	34.6%	36.2%	39.3%			
5.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%			
5.3 (c) Excess (a-b)	18.9%	14.6%	16.2%	19.3%			