

<b>I STATEMENT OF FINANCIAL POSITION</b>				
	<b>31/12/2018</b>	<b>31/12/2019</b>	<b>31/12/2018</b>	<b>31/12/2019</b>
	<b>Bank</b>	<b>Bank</b>	<b>Group</b>	<b>Group</b>
	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
	<b>Shs'000</b>	<b>Shs'000</b>	<b>Shs'000</b>	<b>Shs'000</b>
<b>A ASSETS</b>				
1 Cash (both local and foreign)	372,065	296,290	372,065	296,290
2 Balances due from Central Bank of Kenya	546,644	610,130	546,644	610,130
3 Kenya Government and other securities held for dealing purposes	-	-	-	-
4 Financial Assets at fair value through profit and loss	6,727	7,378	6,727	7,378
5 Investment Securities:				
<b>a) Held to Maturity:</b>				
a. Kenya Government securities	2,190,093	2,082,370	2,190,093	2,082,370
b. Other securities	-	-	-	-
<b>b) Available for sale:</b>				
a. Kenya Government securities	-	-	-	-
b. Other securities	-	-	-	-
6 Deposits and balances due from local banking institutions	39,890	79,651	39,890	84,774
7 Deposits and balances due from banking institutions abroad	79,530	94,258	79,530	94,258
8 Tax recoverable	2,809	6,204	2,809	6,204
9 Loans and advances to customers (net)	8,429,659	7,369,035	8,429,659	7,369,035
10 Balances due from banking institutions in the group	-	-	-	-
11 Investments in associates	-	-	-	-
12 Investments in subsidiary companies	-	-	-	-
13 Investments in joint ventures	-	-	-	-
14 Investments in properties	-	-	-	-
15 Property and equipment	720,115	810,439	720,115	815,734
16 Prepaid lease rentals	6,639	6,469	6,639	6,469
17 Intangible assets	186,211	214,839	186,211	217,542
18 Deferred tax asset	-	-	-	-
19 Retirement benefit asset	-	-	-	-
20 Other assets	306,950	288,548	306,950	271,469
<b>21 TOTAL ASSETS</b>	<b>12,887,332</b>	<b>11,865,609</b>	<b>12,887,332</b>	<b>11,861,651</b>
<b>B LIABILITIES</b>				
22 Balances due to Central Bank of Kenya	1,120,000	720,000	1,120,000	720,000
23 Customer Deposits	8,588,544	8,771,860	8,588,544	8,771,860
24 Deposits and balances due to local banking institutions	235,751	23,814	235,751	23,814
25 Deposits and balances due to foreign banking institutions	-	-	-	-
26 Other money market deposits	-	-	-	-
27 Borrowed funds	1,732,320	-	1,732,320	-
28 Balances due to banking institutions in the group	-	-	-	-
29 Tax payable	-	-	-	-
30 Dividends payable	-	-	-	-
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	285,362	350,155	285,362	351,264
<b>34 TOTAL LIABILITIES</b>	<b>11,961,977</b>	<b>9,865,829</b>	<b>11,961,977</b>	<b>9,866,938</b>
<b>C SHAREHOLDERS' FUNDS</b>				
35 Paid up/Assigned capital	2,119,530	3,719,530	2,119,530	3,719,530
36 Share premium/(discount)	-	-	-	-
37 Revaluation reserves	376,368	368,398	376,368	368,398
38 Retained earnings/Accumulated losses	(2,061,222)	(2,562,072)	(2,061,222)	(2,567,139)
39 Statutory loan loss reserve	490,679	473,924	490,679	473,924
40 Other Reserves	-	-	-	-
41 Proposed dividends	-	-	-	-
42 Capital grants	-	-	-	-
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>925,355</b>	<b>1,999,780</b>	<b>925,355</b>	<b>1,994,713</b>
<b>44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>12,887,332</b>	<b>11,865,609</b>	<b>12,887,332</b>	<b>11,861,651</b>
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>				
	<b>31/12/2018</b>	<b>31/12/2019</b>	<b>31/12/2018</b>	<b>31/12/2019</b>
	<b>Bank</b>	<b>Bank</b>	<b>Group</b>	<b>Group</b>
	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
	<b>Shs'000</b>	<b>Shs'000</b>	<b>Shs'000</b>	<b>Shs'000</b>
<b>1 INTEREST INCOME</b>				
1.1 Loans and advances	1,223,220	1,049,914	1,223,220	1,049,914
1.2 Government securities	176,592	166,490	176,592	166,490
1.3 Deposits and placements with banking institutions	1,654	-	1,654	-
1.4 Other interest income	-	-	-	-
<b>1.5 Total Interest income</b>	<b>1,401,466</b>	<b>1,216,404</b>	<b>1,401,466</b>	<b>1,216,404</b>
<b>2 INTEREST EXPENSES</b>				
2.1 Customer deposits	430,192	395,024	430,192	395,024
2.2 Deposits and placements from banking institutions	328,266	266,134	328,266	266,134
2.3 Other Interest Expenses	-	13,797	-	13,797
<b>2.4 Total Interest Expenses</b>	<b>758,458</b>	<b>674,955</b>	<b>758,458</b>	<b>674,955</b>
<b>3 NET INTEREST INCOME/(LOSS)</b>	<b>643,008</b>	<b>541,449</b>	<b>643,008</b>	<b>541,449</b>
<b>4 NON-OPERATING INCOME</b>				
4.1 Fees and commissions on loans and advances	162,909	208,918	162,909	208,918
4.2 Other fees and commissions	135,383	135,101	135,383	147,253
4.3 Foreign exchange trading income (Loss)	21,436	21,715	21,436	21,715
4.4 Dividend income	-	-	-	-
4.5 Other income	442,044	313,519	442,044	313,519
<b>4.6 Total non-interest income</b>	<b>761,772</b>	<b>679,253</b>	<b>761,772</b>	<b>691,405</b>
<b>5 TOTAL OPERATING INCOME</b>	<b>1,404,780</b>	<b>1,220,702</b>	<b>1,404,780</b>	<b>1,232,854</b>
<b>6 OTHER OPERATING EXPENSES</b>				
6.1 Loan loss provision	368,168	416,032	368,168	416,032
6.2 Staff costs	740,346	687,638	740,346	696,976
6.3 Directors' emoluments	27,028	34,106	27,028	34,056
6.4 Rental charges	61,955	35,720	61,955	35,720
6.5 Depreciation charge on property and equipment	50,348	50,091	50,348	95,870
6.6 Amortisation charges	90,105	108,299	90,105	108,597
6.7 Other operating expenses	418,397	360,724	418,397	363,604
<b>6.8 Total Other Operating Expenses</b>	<b>1,756,347</b>	<b>1,737,610</b>	<b>1,756,347</b>	<b>1,750,855</b>
7 Profit/(loss) before tax and exceptional items	(351,567)	(516,908)	(351,567)	(518,001)
8 Exceptional items	-	-	-	-
<b>9 Profit/(loss) after exceptional items</b>	<b>(351,567)</b>	<b>(516,908)</b>	<b>(351,567)</b>	<b>(518,001)</b>
10 Current tax	(15,168)	(13,291)	(15,168)	(13,291)
11 Deferred tax	(173,299)	(173,299)	(173,299)	(173,299)
<b>12 Profit / (loss) after tax and exceptional items</b>	<b>(540,034)</b>	<b>(530,199)</b>	<b>(540,034)</b>	<b>(531,292)</b>
<b>13 Other comprehensive income:</b>				
13.1 Exchange differences on translating foreign operations	-	-	-	-
13.2 Available-for-sale financial assets	(412)	651	(412)	651
13.3 Gains on property revaluation	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-	-
<b>14 Other comprehensive income for the year net of tax</b>	<b>(412)</b>	<b>651</b>	<b>(412)</b>	<b>651</b>
<b>15 Total comprehensive income for the year</b>	<b>(540,446)</b>	<b>(529,548)</b>	<b>(540,446)</b>	<b>(530,641)</b>
<b>III OTHER DISCLOSURES</b>				
	<b>31/12/2018</b>	<b>31/12/2019</b>		
	<b>(Audited)</b>	<b>(Audited)</b>		
	<b>Shs'000</b>	<b>Shs'000</b>		
<b>1 Non-performing loans and advances</b>				
<b>a) Gross non-performing loans and advances</b>	<b>2,539,178</b>	<b>2,632,023</b>		
Less:				
b) Interest in suspense	708,877	739,633		
<b>c) Total Non-performing loans and advances (a-b)</b>	<b>1,830,301</b>	<b>1,892,390</b>		
Less:				
d) Loan loss provisions	888,166	819,840		
e) Net non-performing loans (c-d)	942,135	1,072,550		
f) Discounted value of securities	942,135	1,072,550		
<b>g) Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>-</b>		
<b>2 Insider loans and advances</b>				
a) Directors, shareholders and associates	-	-		
b) Employees	441,074	365,650		
<b>c) Total insider loans, advances and other facilities</b>	<b>441,074</b>	<b>365,650</b>		
<b>3 Off-balance sheet items</b>				
a) Letters of credit, guarantees, acceptances	1,046,914	758,312		
b) Forwards, swaps and options	97,743	61,860		
c) Other contingent liabilities	2,246,847	-		
<b>d) Total contingent liabilities</b>	<b>3,391,504</b>	<b>820,172</b>		
<b>4 Capital strength</b>				
a) Core capital	58,308	1,152,391		
b) Minimum statutory capital	1,000,000	1,000,000		
c) Excess/(deficiency)	(941,692)	152,391		
d) Supplementary capital	58,308	217,046		
e) Total capital (a+d)	116,916	1,369,437		
f) Total risk weighted assets	11,107,327	10,125,914		
g) Core capital/total deposit liabilities	0.7%	13.1%		
h) Minimum Statutory Ratio	8.0%	8.0%		
i) Excess/(Deficiency) (g-h)	-7.3%	5.1%		
j) Core capital/total risk weighted assets	0.5%	11.4%		
k) Minimum Statutory Ratio	10.5%	10.5%		
l) Excess/(Deficiency) (j-k)	-10.0%	0.9%		
m) Total capital/total risk weighted assets	1.0%	13.5%		
n) Minimum Statutory Ratio	14.5%	14.5%		
o) Excess/(Deficiency) (m-n)	-13.5%	-1.0%		
p) Adjusted Core Capital/Total Deposit Liabilities*	2.2%	14.1%		
q) Adjusted Core Capital/Total Risk Weighted Assets*	1.7%	12.3%		
r) Adjusted Total Capital/Total Risk Weighted Assets*	3.4%	14.4%		
<b>5 Liquidity</b>				
a) Liquidity Ratio	21.8%	27.3%		
b) Minimum statutory Ratio	20.0%	20.0%		
c) Excess/(Deficiency) (a-b)	1.8%	7.3%		

\* The Adjusted Capital Ratios include the expected credit loss provisions added back to Capital in line with the CBK Guidance Note issued in April 2018 on implementation of IFRS 9.

These financial statements are extracts from the books of the institution as audited by Ernst & Young LLP the firm appointed by The Auditor General and received an unqualified opinion. The complete set of the audited financial statements, statutory and qualitative disclosures can be accessed in the institution's website [www.consolidated-bank.com](http://www.consolidated-bank.com). They may also be accessed at the institution's head office located at **Consolidated Bank House, 23 Koinsage Street**. The financial statements were approved by the Board of Directors on 11 March 2020 and signed on its behalf by:

**THOMAS KIYAI-CHIEF EXECUTIVE OFFICER**
**MIRIAM CHEROGONY - DIRECTOR.**