

I STATEMENT OF FINANCIAL POSITION		31/03/2017 (Un-Audited) Shs'000	31/12/2017 (Audited) Shs'000	31/03/2018 (Un-Audited) Shs'000
A	ASSETS			
1	Cash (both local and foreign)	287,759	276,107	250,886
2	Balances due from Central Bank of Kenya	600,472	581,631	458,268
3	Kenya Government and other securities held for dealing purposes	-	-	-
4	Financial Assets at fair value through profit and loss	6,510	7,139	7,812
5	Investment Securities:			
	a) Held to Maturity:			
	a) Kenya Government securities	2,667,335	2,605,899	2,236,627
	b) Other securities	-	-	-
	b) Available for sale:			
	a) Kenya Government securities	-	-	-
	b) Other securities	-	-	-
6	Deposits and balances due from local banking institutions	3,550	67,854	45,318
7	Deposits and balances due from banking institutions abroad	51,799	39,599	63,548
8	Tax recoverable	-	6,022	6,022
9	Loans and advances to customers (net)	8,702,643	8,421,072	7,840,074
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	779,540	746,346	737,609
16	Prepaid lease rentals	6,980	6,810	6,810
17	Intangible assets	285,401	239,528	225,515
18	Deferred tax asset	56,634	173,299	173,299
19	Retirement benefit asset	-	-	-
20	Other assets	248,556	284,438	251,191
21	TOTAL ASSETS	13,697,179	13,455,744	12,302,979
B	LIABILITIES			
22	Balances due to Central Bank of Kenya	1,120,000	1,484,201	1,188,000
23	Customer Deposits	9,150,541	8,646,305	8,403,735
24	Deposits and balances due to local banking institutions	78,998	208,561	183,226
25	Deposits and balances due to foreign banking institutions	-	-	-
26	Other money market deposits	-	-	-
27	Borrowed funds	1,807,345	1,807,002	1,734,865
28	Balances due to banking institutions in the group	-	-	-
29	Tax payable	2,029	-	-
30	Dividends payable	-	-	-
31	Deferred tax liability	-	-	-
32	Retirement benefit liability	-	-	-
33	Other liabilities	212,921	241,241	230,806
34	TOTAL LIABILITIES	12,371,834	12,387,310	11,740,632
C	SHAREHOLDERS' FUNDS			
35	Paid up/Assigned capital	1,619,530	1,619,530	1,619,530
36	Share premium/(discount)	-	-	-
37	Revaluation reserves	393,394	385,401	386,075
38	Retained earnings/Accumulated losses	(892,203)	(1,265,665)	(1,443,258)
39	Statutory loan loss reserve	204,624	329,168	-
40	Other Reserves	-	-	-
41	Proposed dividends	-	-	-
42	Capital grants	-	-	-
43	TOTAL SHAREHOLDERS' FUNDS	1,325,345	1,068,434	562,347
44	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	13,697,179	13,455,744	12,302,979

II STATEMENT OF COMPREHENSIVE INCOME				
1	INTEREST INCOME			
1.1	Loans and advances	291,453	1,115,343	256,022
1.2	Government securities	53,094	219,274	46,835
1.3	Deposits and placements with banking institutions	20	10,036	1,647
1.4	Other interest income	-	-	-
1.5	Total Interest Income	344,567	1,344,653	304,504
2	INTEREST EXPENSES			
2.1	Customer deposits	129,210	513,196	109,476
2.2	Deposits and placements from banking institutions	88,964	333,017	99,102
2.3	Other Interest Expenses	-	-	-
2.4	Total Interest Expenses	218,174	846,213	208,578
3	NET INTEREST INCOME/(LOSS)	128,393	498,440	95,926
4	NON-OPERATING INCOME			
4.1	Fees and commissions on loans and advances	46,482	163,370	35,908
4.2	Other fees and commissions	40,243	160,280	27,816
4.3	Foreign exchange trading income (Loss)	9,169	28,433	6,662
4.4	Dividend Income	-	-	-
4.5	Other income	130,238	425,737	20,750
4.6	Total non-interest income	226,132	777,820	91,136
5	TOTAL OPERATING INCOME	352,525	1,276,260	187,062
6	OTHER OPERATING EXPENSES			
6.1	Loan loss provision	49,030	395,027	19,527
6.2	Staff costs	177,408	719,588	170,954
6.3	Directors' emoluments	6,844	26,404	6,404
6.4	Rental charges	14,453	59,094	15,450
6.5	Depreciation charge on property and equipment	22,910	80,568	13,098
6.6	Amortisation charges	19,383	77,723	21,766
6.7	Other operating expenses	83,094	356,426	78,334
6.8	Total Other Operating Expenses	373,122	1,714,830	325,583
7	Profit/(loss) before tax and exceptional items	(20,597)	(438,570)	(138,521)
8	Exceptional items	-	-	-
9	Profit/(loss) after exceptional items	(20,597)	(438,570)	(138,521)
10	Current tax	-	(13,776)	-
11	Deferred tax	-	116,665	-
12	Profit/(loss) after tax and exceptional items	(20,597)	(335,681)	(138,521)
13	Other Comprehensive Income:			
13.1	Exchange differences on translating foreign operations	-	-	-
13.2	Available-for-sale financial assets	413	1,042	673
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	-	-	-
14	Other comprehensive income for the year net of tax	413	1,042	673
15	Total comprehensive income for the year	(20,184)	(334,639)	(137,848)

III OTHER DISCLOSURES				
1	Non-performing loans and advances			
a)	Gross non-performing loans and advances	2,056,284	2,481,493	2,643,645
	Less:			
b)	Interest in suspense	807,209	761,323	817,764
c)	Total Non-performing loans and advances (a-b)	1,449,075	1,720,170	1,825,881
	Less:			
d)	Loan loss provisions	543,150	699,560	730,385
e)	Net non-performing loans (c-d)	905,925	1,020,610	1,095,496
f)	Discounted value of securities	905,925	1,020,610	1,095,496
g)	Net NPLs Exposure (e-f)	-	-	-
2	Insider loans and advances			
a)	Directors, shareholders and associates	3,334	1,062	249
b)	Employees	610,616	537,030	525,442
c)	Total insider loans, advances and other facilities	613,950	538,092	525,691
3	Off-balance sheet items			
a)	Letters of credit, guarantees, acceptances	995,866	1,137,461	1,155,170
b)	Forwards, swaps and options	51,730	104,800	145,240
c)	Other contingent liabilities	-	2,285,195	-
d)	Total contingent liabilities	1,047,596	3,527,456	1,300,410
4	Capital strength			
a)	Core capital	727,327	353,865	20,600
b)	Minimum statutory capital	1,000,000	1,000,000	1,000,000
c)	Excess/(deficiency) (272.673)	(272,673)	(646,135)	(979,400)
d)	Supplementary capital	246,933	240,895	94,783
e)	Total capital (a+d)	974,260	594,760	115,383
f)	Total risk weighted assets	11,977,713	11,685,595	11,058,064
g)	Core capital/total deposit liabilities	7.9%	4.1%	0.2%
h)	Minimum Statutory Ratio	8.0%	8.0%	8.0%
i)	Excess/(Deficiency) (g-h)	-0.1%	-3.9%	-7.8%
j)	Core capital/total risk weighted assets	6.1%	3.0%	0.2%
k)	Minimum Statutory Ratio	10.5%	10.5%	10.5%
l)	Excess/(Deficiency) (j-k)	-4.4%	-7.5%	-10.3%
m)	Total capital/ total risk weighted assets	8.1%	5.1%	1.0%
n)	Minimum Statutory Ratio	14.5%	14.5%	14.5%
o)	Excess/(Deficiency) (m-n)	-6.4%	-9.4%	-13.5%
p)	Adjusted Core Capital/Total Deposit Liabilities*	-	-	1.4%
q)	Adjusted Core Capital/Total Risk Weighted Assets*	-	-	1.1%
r)	Adjusted Total Capital/Total Risk Weighted Assets*	-	-	2.0%
5	Liquidity			
a)	Liquidity Ratio	26.5%	21.7%	20.2%
b)	Minimum statutory Ratio	20.0%	20.0%	20.0%
c)	Excess/(Deficiency) (a-b)	6.5%	1.7%	0.2%

* 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. The complete set of the quarterly financial statements, statutory and qualitative disclosures can be accessed at the institution's website www.consolidated-bank.com. They may also be accessed at the institution's head office located at **Consolidated Bank House, 23 Koinage Street**.

The financial statements were approved by the Board of Directors on 30 May 2018 and signed on its behalf by:

THOMAS KIYAI-CHIEF EXECUTIVE OFFICER

Regulated by Central Bank of Kenya

JOSEPH KOSKEY- DIRECTOR