

# FAMILY BANK LIMITED

## UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2019

STATEMENT OF FINANCIAL POSITION	BANK				GROUP			
	30-Sep-18 Un-Audited Shs.'000	31-Dec-18 Audited Shs.'000	31-Mar-19 Un-Audited Shs.'000	30-Jun-19 Un-Audited Shs.'000	30-Sep-19 Un-Audited Shs.'000	30-Sep-18 Un-Audited Shs.'000	31-Dec-18 Audited Shs.'000	30-Sep-19 Un-Audited Shs.'000
<b>A ASSETS</b>								
1 Cash (both Local & Foreign)	2,963,220	3,494,361	3,116,353	3,055,639	3,018,412	2,963,220	3,494,361	3,018,412
2 Balances with Central Bank of Kenya	2,798,087	2,787,339	4,307,906	4,641,821	7,432,926	2,798,087	2,787,339	7,432,926
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	7,246,156	6,946,277	7,214,919	6,801,828	6,697,996	7,246,156	6,946,277	6,697,996
(b) Other Securities	842,207	392,772	405,676	392,557	405,747	842,207	392,772	405,747
(ii) Available for Sale:								
(a) Kenya Government Securities	-	-	-	2,300,000	-	-	-	-
(b) Other Securities	-	-	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	2,214,420	861,162	1,503,801	1,041,141	3,833,277	2,214,420	861,162	3,833,277
7 Deposits and balances due from banking institutions abroad	307,745	361,576	171,023	142,516	695,003	307,745	361,576	695,003
8 Tax recoverable	679,246	551,846	552,023	552,127	552,199	710,191	587,095	569,480
9 Loans and advances to customers (net)	44,586,803	44,113,093	45,625,289	46,716,395	49,336,332	44,586,803	44,113,093	49,336,332
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	-	-	-
13 Investments in joint ventures	-	-	-	-	-	-	-	-
14 Investment properties	18,200	18,200	18,200	18,200	18,200	18,200	18,200	18,200
15 Property and equipment	3,033,963	2,837,332	2,708,228	2,599,763	2,502,317	3,038,974	2,841,773	2,505,094
16 Prepaid lease rentals	145,098	143,885	142,710	141,573	140,398	145,098	143,885	140,398
17 Intangible assets	390,966	575,323	330,419	521,490	494,889	402,504	597,692	516,869
18 Deferred tax asset	324,495	527,303	465,543	382,734	241,911	324,880	527,303	241,911
19 Retirement benefit asset	-	-	-	-	-	-	-	-
20 Other assets	3,179,011	3,298,369	3,586,642	3,288,007	3,555,816	3,221,884	3,338,537	3,575,897
<b>TOTAL ASSETS</b>	<b>68,730,617</b>	<b>66,909,838</b>	<b>70,149,732</b>	<b>72,596,791</b>	<b>78,926,424</b>	<b>68,820,368</b>	<b>67,011,065</b>	<b>78,987,541</b>
<b>B LIABILITIES</b>								
21 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-
22 Customer deposits	47,913,300	48,558,691	52,104,096	54,169,813	60,431,181	47,889,754	48,483,189	60,234,845
23 Deposits and balances due to local banking institutions	125,409	247,051	179,150	181,341	113,160	125,409	247,051	113,160
24 Deposits and balances due to foreign banking institutions	-	-	-	-	-	-	-	-
25 Other money market deposits	-	-	-	-	-	-	-	-
26 Borrowed funds	7,204,901	4,903,207	4,542,635	4,518,722	3,986,786	7,204,901	4,903,207	3,986,786
27 Balances due to Banking Institutions Group Companies	-	-	-	-	-	-	-	-
28 Tax payable	-	-	-	-	-	-	-	-
29 Dividends payable	2,798	2,716	1,747	1,378	1,376	2,798	2,716	1,376
30 Deferred tax liability	-	-	-	-	-	-	535	535
31 Retirement benefit liability	-	-	-	-	-	-	-	-
32 Other liabilities	1,698,346	1,771,725	1,751,549	1,961,761	2,301,553	1,655,967	1,793,577	2,365,377
<b>TOTAL LIABILITIES</b>	<b>56,944,754</b>	<b>55,483,390</b>	<b>58,579,177</b>	<b>60,833,015</b>	<b>66,834,056</b>	<b>56,878,829</b>	<b>55,430,275</b>	<b>66,702,079</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	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
35 Revaluation reserves	192,624	192,624	192,624	192,624	192,624	192,624	192,624	192,624
36 Retained Earnings	4,011,732	4,072,054	4,216,161	4,409,382	4,737,974	4,167,408	4,226,396	4,931,069
37 Statutory loan reserves	419,738	-	-	-	-	419,738	-	-
38 Other Reserves	-	-	-	-	-	-	-	-
39 Proposed dividends	-	-	-	-	-	-	-	-
40 Capital grants	-	-	-	-	-	-	-	-
<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>11,785,863</b>	<b>11,426,448</b>	<b>11,570,555</b>	<b>11,763,776</b>	<b>12,092,368</b>	<b>11,941,539</b>	<b>11,580,790</b>	<b>12,285,463</b>
42 Minority Interest	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>68,730,617</b>	<b>66,909,838</b>	<b>70,149,732</b>	<b>72,596,791</b>	<b>78,926,424</b>	<b>68,820,368</b>	<b>67,011,065</b>	<b>78,987,541</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>								
<b>INTEREST INCOME</b>								
1 Loans and advances	4,177,408	5,668,863	1,401,667	2,818,430	4,409,765	4,177,408	5,668,863	4,409,765
2 Government securities	567,911	772,110	183,633	417,799	613,587	567,911	772,110	613,587
3 Deposits and placements with banking institutions	57,414	84,847	13,733	33,549	120,892	57,414	84,847	120,892
4 Other Interest Income	79,046	98,376	12,903	25,951	39,142	79,046	98,376	39,142
<b>Total Interest Income</b>	<b>4,881,779</b>	<b>6,624,196</b>	<b>1,611,936</b>	<b>3,295,729</b>	<b>5,183,386</b>	<b>4,881,779</b>	<b>6,624,196</b>	<b>5,183,386</b>
<b>INTEREST EXPENSE</b>								
5 Customer deposits	1,157,893	1,514,102	348,406	750,695	1,195,234	1,152,955	1,508,298	1,188,044
6 Deposits and placement from banking institutions	23,140	26,058	3,218	8,395	10,343	23,140	26,058	10,343
7 Other interest expenses	602,973	749,559	124,179	248,857	364,173	602,973	749,559	364,173
<b>Total Interest Expenses</b>	<b>1,784,006</b>	<b>2,289,719</b>	<b>475,803</b>	<b>1,007,947</b>	<b>1,569,750</b>	<b>1,779,068</b>	<b>2,283,915</b>	<b>1,562,559</b>
<b>NET INTEREST INCOME</b>	<b>3,097,773</b>	<b>4,334,477</b>	<b>1,136,133</b>	<b>2,287,782</b>	<b>3,613,637</b>	<b>3,102,711</b>	<b>4,340,281</b>	<b>3,620,827</b>
<b>OTHER OPERATING INCOME</b>								
8 Fees and commissions on loans and advances	95,515	125,800	31,653	65,350	99,662	95,515	125,800	99,662
9 Other fees and commissions	1,348,215	1,838,951	457,802	905,781	1,364,154	1,348,215	1,838,951	1,364,154
10 Foreign exchange trading income	259,918	337,456	87,919	177,683	297,030	259,918	337,456	297,030
11 Dividend Income	-	-	-	-	-	-	-	-
12 Other income	99,469	132,485	41,674	106,087	208,234	154,382	196,766	293,289
<b>Total non-interest income</b>	<b>1,803,117</b>	<b>2,434,692</b>	<b>619,048</b>	<b>1,254,901</b>	<b>1,969,081</b>	<b>1,858,030</b>	<b>2,498,973</b>	<b>2,054,136</b>
<b>TOTAL OPERATING INCOME</b>	<b>4,900,890</b>	<b>6,769,169</b>	<b>1,755,181</b>	<b>3,542,683</b>	<b>5,582,717</b>	<b>4,960,741</b>	<b>6,839,254</b>	<b>5,674,963</b>
<b>OPERATING EXPENSES</b>								
13 Loan loss provision	595,167	771,880	200,235	341,369	572,434	595,167	771,880	572,434
14 Staff costs	1,298,658	1,814,095	469,990	914,712	1,395,418	1,333,722	1,860,030	1,420,089
15 Directors' emoluments	82,713	71,215	16,898	43,062	72,445	84,653	74,035	76,285
16 Rental charges	466,785	621,385	157,976	309,471	461,818	466,785	621,385	461,818
17 Depreciation charge on property and equipment	518,304	634,705	138,666	273,552	407,803	522,229	638,814	412,494
18 Amortisation charges	95,855	129,747	31,063	61,151	91,844	95,855	129,747	91,844
19 Other operating expenses	1,589,740	2,306,262	534,491	1,117,474	1,629,648	1,592,452	2,308,431	1,631,965
<b>Total operating expenses</b>	<b>4,647,222</b>	<b>6,349,289</b>	<b>1,549,319</b>	<b>3,060,791</b>	<b>4,631,410</b>	<b>4,690,863</b>	<b>6,404,322</b>	<b>4,666,928</b>
<b>Profit Before Tax and Exceptional Items</b>	<b>253,668</b>	<b>419,880</b>	<b>205,861</b>	<b>481,892</b>	<b>951,307</b>	<b>269,878</b>	<b>434,932</b>	<b>1,008,034</b>
20 Exceptional items	-	-	-	-	-	-	-	-
<b>Profit After Exceptional Items</b>	<b>253,668</b>	<b>419,880</b>	<b>205,861</b>	<b>481,892</b>	<b>951,307</b>	<b>269,878</b>	<b>434,932</b>	<b>1,008,034</b>
21 Current tax	(76,100)	(185,034)	(61,759)	(144,567)	(285,392)	(82,117)	(190,716)	(303,361)
22 Deferred tax	-	-	-	-	-	-	-	-
<b>Profit After Tax and Exceptional Items</b>	<b>177,568</b>	<b>234,846</b>	<b>144,102</b>	<b>337,325</b>	<b>665,915</b>	<b>187,761</b>	<b>244,216</b>	<b>704,673</b>
<b>Other Comprehensive Income:</b>								
23 Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-	-	-	-	-	-	-	-
24 Fair Value changes in Available-for-sale Financial Assets	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-
<b>Other Comprehensive Income for the Year Net of Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>177,568</b>	<b>234,846</b>	<b>144,102</b>	<b>337,325</b>	<b>665,915</b>	<b>187,761</b>	<b>244,216</b>	<b>704,673</b>
<b>EARNINGS PER SHARE- BASIC &amp; DILUTED</b>	<b>0.14</b>	<b>0.20</b>	<b>0.11</b>	<b>0.26</b>	<b>0.52</b>	<b>0.15</b>	<b>0.20</b>	<b>0.55</b>

OTHER DISCLOSURES	BANK				GROUP			
	30-Sep-18 Un-Audited Shs.'000	31-Dec-18 Audited Shs.'000	31-Mar-19 Un-Audited Shs.'000	30-Jun-19 Un-Audited Shs.'000	30-Sep-19 Un-Audited Shs.'000	30-Sep-18 Un-Audited Shs.'000	31-Dec-18 Audited Shs.'000	30-Sep-19 Un-Audited Shs.'000
<b>1.0 NON-PERFORMING LOANS AND ADVANCES</b>								
1.1 (a) Gross Non-performing loans and advances	8,186,909	8,137,866	8,160,397	8,174,273	8,283,414	8,186,909	8,137,866	8,283,414
1.2 (b) Less Interest in Suspense	990,997	1,002,544	1,028,345	1,072,881	1,088,068	990,997	1,002,544	1,088,068
1.3 (c) Total Non-Performing Loans and Advances (a-b)	<b>7,195,912</b>	<b>7,135,322</b>	<b>7,132,052</b>	<b>7,101,392</b>	<b>7,195,346</b>	<b>7,195,912</b>	<b>7,135,322</b>	<b>7,195,346</b>
1.4 (d) Less Loan Loss Provision	1,688,637	1,907,666	2,092,969	2,323,578	2,562,881	1,688,637	1,907,666	2,562,881
1.5 (e) Net Non-Performing Loans and Advances (c-d)	<b>5,507,275</b>	<b>5,227,656</b>	<b>5,039,083</b>	<b>4,777,814</b>	<b>4,632,465</b>	<b>5,507,275</b>	<b>5,227,656</b>	<b>4,632,465</b>