

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31ST DECEMBER 2015

	Audited 31st Dec 2014 Shs. '000'	Audited 31st Dec 2015 Shs. '000'
I STATEMENT OF FINANCIAL POSITION		
A ASSETS		
1 Cash (both Local & Foreign)	521,364	515,776
2 Balances due from Central Bank of Kenya	1,198,909	954,029
3 Kenya Government and other securities held for dealing purposes	-	-
4 Financial Assets at fair value through profit and loss	-	-
5 Investment Securities:		
a) Held to maturity:	1,868,105	2,361,914
i) Kenya Government securities	1,868,105	2,361,914
ii) Other securities	-	-
b) Available for sale:	-	-
i) Kenya Government securities	-	-
ii) Other securities	-	-
6 Deposits and balances due from local banking institutions	939,009	584,161
7 Deposits and balances due from banking institutions abroad	9,541	924,997
8 Tax recoverable	-	90,367
9 Loans and advances to customers (net)	10,453,714	12,519,387
10 Balances due from banking institutions in the group	-	-
11 Investments in associates	-	-
12 Investments in subsidiary companies	-	-
13 Investments in joint ventures	-	-
14 Investment properties	-	-
15 Property, plant and equipment	364,541	373,669
16 Prepaid lease rentals	-	-
17 Intangible assets	106,466	295,333
18 Deferred tax asset	44,648	60,064
19 Retirement benefit asset	-	-
20 Other assets	295,142	426,860
21 TOTAL ASSETS	15,801,439	19,106,557
B LIABILITIES		
22 Balances due to Central Bank of Kenya	-	-
23 Customer deposits	12,065,178	13,379,556
24 Deposits and balances due to local banking institutions	-	831,411
25 Deposits and balances due to foreign banking institutions	-	-
26 Other money market deposits	-	-
27 Borrowed funds	992,207	642,123
28 Balances due to banking institutions in the group	-	-
29 Tax payable	34,830	-
30 Dividends payable	-	-
31 Deferred tax liability	-	-
32 Retirement benefit liability	-	-
33 Other liabilities	277,450	415,982
34 TOTAL LIABILITIES	13,369,665	15,269,072
C SHAREHOLDERS' FUNDS		
35 Paid up/Assigned capital	1,139,613	1,469,138
36 Share premium/(discount)	-	703,865
37 Revaluation reserves	70,613	69,338
38 Retained earnings/Accumulated losses	1,197,731	1,582,616
39 Statutory loan loss reserves	23,817	12,528
40 Other reserves	-	-
41 Proposed dividends	-	-
42 Capital grants	-	-
43 TOTAL SHAREHOLDERS' FUNDS	2,431,774	3,837,485
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	15,801,439	19,106,557
II STATEMENT OF COMPREHENSIVE INCOME	31st Dec 2014	31st Dec 2015
1 INTEREST INCOME	Shs. '000'	Shs. '000'
1.1 Loans and advances	2,181,490	2,414,397
1.2 Government securities	222,708	284,199
1.3 Deposits and placements with banking institutions	9,566	27,934
1.4 Other Interest Income	-	-
1.5 Total Interest Income	2,413,765	2,726,530
2 INTEREST EXPENSE		
2.1 Customer deposits	641,893	884,574
2.2 Deposits and placement from banking institutions	30,304	100,218
2.3 Other interest expenses	8116	84,849
2.4 Total Interest Expenses	753,312	1,069,641
3 NET INTEREST INCOME/(LOSS)	1,660,452	1,656,889
4 NON-INTEREST INCOME		
4.1 Fees and commissions on loans and advances	274,314	326,371
4.2 Other fees and commissions	280,344	234,543
4.3 Foreign exchange trading income/(Loss)	27,477	52,363
4.4 Dividend income	-	-
4.5 Other income	78,192	32,138
4.6 Total Non-Interest Income	660,328	645,414
5 TOTAL OPERATING INCOME	2,320,780	2,302,304
6 OTHER OPERATING EXPENSES		
6.1 Loan loss provision	167,709	218,256
6.2 Staff costs	576,307	598,730
6.3 Directors' emoluments	39,639	44,413
6.4 Rental charges	161,564	189,301
6.5 Depreciation charge on property and equipment	97,894	108,989
6.6 Amortisation charges	31,449	49,044
6.7 Other operating expenses	517,157	573,837
6.8 Total Other Operating Expenses	1,591,719	1,782,571
7 Profit/(Loss) before tax and exceptional items	729,061	519,733
8 Exceptional items	-	-
9 Profit/(Loss) after exceptional items	729,061	519,733
10 Current tax	213,837	147,413
11 Deferred tax	1,181	-
12 Profit/(Loss) after tax and exceptional items	514,043	372,320
13 Other Comprehensive Income		
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-
13.2 Fair value changes in available for sale financial assets	-	-
13.3 Revaluation surplus on property, plant and equipment	-	-
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	-	-
15 Total comprehensive income for the year	514,043	372,320
16 EARNINGS PER SHARE - BASIC & DILUTED	-	-
17 DIVIDEND PER SHARE -DECLARED	-	-
III OTHER DISCLOSURES	31st Dec 2014	31st Dec 2015
1 NON-PERFORMING LOANS AND ADVANCES	Shs. '000'	Shs. '000'
(a) Gross Non-performing loans and advances	776,423	1,607,630
(b) Less: Interest in Suspense	69,106	139,600
(c) Total Non-Performing Loans and Advances (a-b)	707,316	1,468,030
(d) Less: Loan Loss Provision	537,089	658,375
(e) Net Non-Performing Loans and Advances(c-d)	170,227	809,654
(f) Discounted Value of Securities	170,227	809,654
(g) Net NPLs Exposure (e-f)	-	-
2 INSIDER LOANS AND ADVANCES		
(a) Directors, Shareholders and Associates	87,191	83,421
(b) Employees	517,617	475,063
(c) Total Insider Loans and Advances and other facilities	604,808	558,485
3 OFF-BALANCE SHEET ITEMS		
(a) Letters of credit, guarantees, acceptances	138,707	1,087,570
(b) Forwards, swaps and options	-	-
(c) Other contingent liabilities	-	-
(d) Total Contingent Liabilities	138,707	1,087,570
4 CAPITAL STRENGTH		
(a) Core capital	2,337,344	3,755,619
(b) Minimum Statutory Capital	1,000,000	1,000,000
(c) Excess/(Deficiency)(a-b)	1,337,344	2,755,619
(d) Supplementary Capital	41,528	29,863
(e) Total Capital (a+d)	2,378,872	3,785,482
(f) Total risk weighted assets	11,571,533	15,340,370
(g) Core Capital/Total Deposits Liabilities	19.4%	28.1%
(h) Minimum Statutory Ratio	10.5%	10.5%
(i) Excess/(Deficiency) (g-h)	8.9%	17.6%
(j) Core Capital / Total Risk Weighted Assets	20.2%	24.5%
(k) Minimum Statutory Ratio	10.5%	10.5%
(l) Excess (Deficiency) (j-k)	9.7%	14.0%
(m) Total Capital/Total Risk Weighted Assets	20.6%	24.7%
(n) Minimum statutory Ratio	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	6.1%	10.2%
5 LIQUIDITY		
(a) Liquidity Ratio	36.8%	32.2%
(b) Minimum Statutory Ratio	20.0%	20.0%
(c) Excess (Deficiency) (a-b)	16.8%	12.2%

MESSAGE FROM THE DIRECTORS

These financial statements are extracts from the books of the institution as audited by PricewaterhouseCoopers Limited and received an unqualified opinion. The complete set of financial statements, statutory and qualitative disclosures can be accessed on our website www.k-repbank.com. They may also be accessed at the institution's head office located at; K-Rep Centre, Wood Avenue, Kilimani, Nairobi.

Signed by:

Titus Karanja
CHIEF EXECUTIVE OFFICER

James Mworira
CHAIRMAN

Head Office: K-Rep Centre, Wood Avenue, Kilimani, P. O. Box 25363-00603, Nairobi, Kenya.

Landline: 254 020 3906000/1-7; Mobile: 0711058000/1-30

Email: enquiries@k-repbank.com, Website: www.k-repbank.com

Branch Network: Kenyatta Avenue, Moi Avenue, Buruburu, Mtwapa, Kengeleini, Moi Avenue- Mombasa, Busia, Bungoma, Kisii, Mwea, Kitale, Kajjado, Isiolo, Kitui, Machakos, Embu, Emali, Kisumu, Nyahururu, Kibwezi, Meru, Nkubu, Chuka, Nanyuki, Kilimani, Kenyatta Market, Kerugoya, Eldoret, Naivasha, Nakuru, Kericho, Nyeri, Naivasha Rd, Thika, Kangemi, Milolongo & Rongai