

# KCB GROUP PLC UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31 MARCH 2020

	KCB BANK KENYA			NATIONAL BANK OF KENYA			KCB GROUP PLC						
	31-Mar-20 Kshs 000 Un-audited	31-Dec-19 Kshs 000 Audited	31-Mar-19 Kshs 000 Un-audited	31-Mar-20 Kshs 000 Un-audited	31-Dec-19 Kshs 000 Audited	31-Mar-19 Kshs 000 Un-audited	31-Mar-20 Kshs 000 Un-audited	31-Dec-19 Kshs 000 Audited	31-Mar-19 Kshs 000 Un-audited	31-Mar-20 Kshs 000 Un-audited	31-Dec-19 Kshs 000 Audited	31-Mar-19 Kshs 000 Un-audited	
<b>I STATEMENT OF FINANCIAL POSITION</b>													
<b>A ASSETS</b>													
1 Cash (both Local & Foreign)	7,012,397	8,412,261	6,218,297	1,736,165	1,333,800	1,128,849	-	-	-	15,564,160	15,604,680	10,662,173	
2 Balances due from Central Bank of Kenya	36,538,551	33,809,960	28,808,413	3,800,171	11,346,712	3,619,594	-	-	-	40,338,722	45,156,672	28,808,413	
3 Kenya Government and other securities held for dealing purposes	1,018,114	-	-	-	-	-	-	-	-	1,018,114	-	-	
4 Financial Assets at fair value through profit and loss	-	-	-	-	-	-	-	-	-	-	-	-	
Investment securities:													
5 a) Held at amortized cost: a. Kenya Government securities	53,226,189	53,102,746	40,679,833	37,231,962	37,116,751	18,410,400	-	-	-	90,458,151	90,182,021	43,411,594	
b. Other securities	-	-	-	-	-	-	-	-	-	8,051,064	8,409,396	6,130,196	
b. Fair value through OCI: a. Kenya Government securities	89,878,296	63,639,829	73,333,775	7,417,750	-	20,607,680	-	-	-	97,325,778	63,711,225	79,669,319	
b. Other securities	1,698,705	1,613,175	3,949,128	-	-	-	25,240	25,356	33,626	6,807,967	6,940,734	4,096,159	
6 Deposits and balances due from local banking institutions	6,077,642	10,276,990	6,078,270	1,051,419	1,050,939	1,341,684	1,432,715	1,177,914	893,966	7,129,061	11,290,453	6,078,270	
7 Deposits and balances due from banking institutions abroad	15,603,672	4,108,445	5,058,303	395,444	1,606,864	302,595	-	-	-	42,943,498	36,356,464	30,151,070	
8 Tax recoverable	458,286	231,360	-	237,713	458,370	-	27,834	27,352	68,639	-	551,675	-	
9 Loans and advances to customers (net)	463,085,623	447,154,955	424,828,537	47,879,059	45,871,701	45,925,331	-	-	-	553,861,270	535,370,260	464,262,958	
10 Balances due from group companies	3,892,669	4,818,740	3,251,795	-	-	-	5,997,303	6,335,793	6,390,520	-	-	-	
11 Investments in associates	-	-	-	480,881	515,910	426,420	-	-	-	-	-	-	
12 Investments in subsidiary companies	-	-	-	19,963	19,963	19,963	79,227,397	79,227,397	68,036,625	-	-	-	
13 Investments in joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	
14 Investment properties	-	-	-	-	-	-	-	-	-	-	-	-	
15 Property and equipment	10,359,302	10,104,529	6,144,796	4,432,535	4,547,631	4,531,514	611,821	606,651	654,948	20,683,599	20,163,379	9,888,315	
16 Prepaid lease rentals	123,894	124,516	127,013	-	-	-	-	-	-	125,899	126,522	129,018	
17 Intangible assets	4,992,174	4,918,474	3,721,204	975,331	1,041,333	1,321,193	9,117	9,623	6,301,879	6,307,138	6,337,138	3,847,630	
18 Deferred tax asset	9,216,872	8,684,284	8,746,909	3,024,490	3,103,595	2,190,256	69	1,221	126,332	13,051,236	12,861,416	9,494,550	
19 Retirement benefit asset	-	658,000	-	-	-	-	-	-	-	-	-	658,000	
20 Other assets	26,189,737	23,074,530	22,941,808	5,120,226	4,235,835	4,781,418	326,992	38,354	7,224	43,407,837	45,510,178	28,375,763	
<b>21 TOTAL ASSETS</b>	<b>728,913,837</b>	<b>674,301,720</b>	<b>634,546,081</b>	<b>113,796,756</b>	<b>112,028,747</b>	<b>105,065,267</b>	<b>87,658,488</b>	<b>87,449,661</b>	<b>76,211,880</b>	<b>947,068,235</b>	<b>898,572,213</b>	<b>725,663,428</b>	
<b>B LIABILITIES</b>													
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-	-	-	-	-	
23 Customer deposits	580,142,217	528,114,597	491,016,763	92,000,375	87,091,263	89,520,567	-	-	-	740,444,394	686,583,179	552,204,662	
24 Deposits and balances due to local banking institutions	1,606,534	7,522,635	500,000	3,581,037	5,983,472	3,282,329	-	-	-	5,187,571	9,509,090	500,000	
25 Deposits and balances due to foreign banking institutions	1,541,324	1,192,971	404,185	3,289,035	4,003,782	2,228,356	-	-	-	8,092,433	10,861,504	9,016,377	
26 Other money market deposits	-	-	-	-	-	-	-	-	-	-	-	-	
27 Borrowed funds	19,222,105	18,463,923	18,734,182	-	-	-	-	-	-	21,969,872	21,485,494	21,465,662	
28 Balances due to group companies	-	-	-	-	-	-	-	-	-	111,102	-	-	
29 Tax payable	2,007,973	-	2,955,282	-	-	-	-	-	-	-	2,108,655	2,723,231	
30 Dividends payable	8,097,915	8,097,915	-	5,811	5,819	24,315	-	-	-	-	-	-	
31 Deferred tax liability	-	-	-	-	-	-	-	-	-	-	-	-	
32 Retirement benefit liability	-	-	-	-	-	-	-	-	-	-	-	-	
33 Other liabilities	18,123,042	18,302,045	18,333,118	3,061,076	3,239,991	2,861,270	197,393	4,368	70,757	33,719,230	40,256,047	20,290,172	
<b>34 TOTAL LIABILITIES</b>	<b>630,741,110</b>	<b>581,694,086</b>	<b>531,943,530</b>	<b>101,937,334</b>	<b>100,324,327</b>	<b>97,916,837</b>	<b>197,393</b>	<b>4,368</b>	<b>181,859</b>	<b>811,522,155</b>	<b>768,831,105</b>	<b>606,200,104</b>	
<b>C SHAREHOLDERS' FUNDS</b>													
35 Paid up/Assigned capital	53,986,100	53,986,100	53,986,100	12,368,906	12,368,906	7,368,906	3,213,456	3,213,456	3,066,057	3,213,456	3,213,456	3,066,057	
36 Share premium/(discount)	-	-	-	-	-	-	27,690,149	27,690,149	21,646,777	27,690,149	27,690,149	21,646,777	
37 Revaluation reserves	(752,698)	(858,082)	2,260,607	1,255,993	1,255,687	1,256,148	(51,503)	(51,387)	(43,117)	403,794	553,547	2,146,879	
38 Retained earnings/ Accumulated losses	41,143,497	36,214,366	38,580,581	(5,565,416)	(5,455,648)	(5,100,120)	48,575,353	48,559,435	43,695,161	98,809,635	93,318,092	90,955,873	
39 Statutory loan loss reserve	3,795,828	3,265,250	-	3,800,239	3,535,475	3,595,944	-	-	-	6,685,208	5,914,702	1,222,095	
40 Other Reserves/Re-measurement of defined benefit asset/liability	-	-	44,100	-	-	27,552	-	-	-	(9,289,802)	(8,982,478)	(7,239,500)	
41 Proposed dividends	-	-	7,731,163	-	-	-	8,033,640	8,033,640	7,665,143	8,033,640	8,033,640	7,665,143	
42 Capital grants	-	-	-	-	-	-	-	-	-	-	-	-	
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>98,172,727</b>	<b>92,607,634</b>	<b>102,602,551</b>	<b>11,859,422</b>	<b>11,704,420</b>	<b>7,148,430</b>	<b>87,461,095</b>	<b>87,445,293</b>	<b>76,030,021</b>	<b>135,546,080</b>	<b>129,741,108</b>	<b>119,463,324</b>	
44 Minority Interest	-	-	-	-	-	-	-	-	-	-	-	-	
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>728,913,837</b>	<b>674,301,720</b>	<b>634,546,081</b>	<b>113,796,756</b>	<b>112,028,747</b>	<b>105,065,267</b>	<b>87,658,488</b>	<b>87,449,661</b>	<b>76,211,880</b>	<b>947,068,235</b>	<b>898,572,213</b>	<b>725,663,428</b>	
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>													
<b>1 INTEREST INCOME</b>													
1.1 Loans and advances	11,896,104	50,614,710	12,101,356	1,268,617	4,606,559	1,169,496	-	-	-	14,663,657	59,011,291	13,387,549	
1.2 Government securities	3,683,039	12,010,200	2,762,217	1,162,797	4,386,171	1,178,895	-	-	-	5,274,889	14,066,479	3,230,329	
1.3 Deposits and placements with banking institutions	190,164	1,124,242	129,078	19,312	35,648	8,286	14,425	-	-	268,430	1,272,851	159,386	
1.4 Other Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	
<b>1.5 Total interest income</b>	<b>15,769,307</b>	<b>63,749,152</b>	<b>14,992,651</b>	<b>2,450,726</b>	<b>9,028,378</b>	<b>2,356,677</b>	<b>14,425</b>	<b>-</b>	<b>-</b>	<b>20,206,976</b>	<b>74,350,621</b>	<b>16,777,264</b>	
<b>2 INTEREST EXPENSE</b>													
2.1 Customer deposits	3,531,341	13,434,169	3,069,113	596,326	2,131,853	611,944	-	-	-	4,685,278	16,265,919	3,575,443	
2.2 Deposits and placements from banking institutions	320,960	1,456,515	361,338	15,565	460,267	28,165	-	-	-	467,758	1,953,699	493,900	
2.3 Other interest expenses	-	-	-	24,002	147,679	-	-	-	-	-	-	-	
<b>2.4 Total interest expenses</b>	<b>3,852,301</b>	<b>14,890,684</b>	<b>3,430,451</b>	<b>635,893</b>	<b>2,739,799</b>	<b>640,109</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,153,036</b>	<b>18,219,618</b>	<b>4,069,343</b>	
<b>3 NET INTEREST INCOME/(LOSS)</b>	<b>11,917,006</b>	<b>48,858,468</b>	<b>11,562,200</b>	<b>1,814,833</b>	<b>6,288,579</b>	<b>1,716,568</b>	<b>14,425</b>	<b>-</b>	<b>-</b>	<b>15,053,940</b>	<b>56,131,003</b>	<b>12,707,921</b>	
<b>4 OTHER OPERATING INCOME</b>													
4.1 Fees and commissions on loans and advances	2,563,123	8,804,676	1,668,091	44,851	147,545	2,056	-	-	-	2,670,815	9,179,404	2,156,531	
4.2 Other fees and commissions	1,932,572	8,017,461	1,782,440	299,070	1,185,731	287,362	-	-	-	2,730,871	10,670,461	1,885,926	
4.3 Foreign exchange trading income	971,964	3,137,498	639,912	89,737	551,980	145,644	20,795	(3,942)	(5,013)	1,479,246	4,497,062	976,835	
4.4 Dividend Income	-	-	-	57,000	33,800	170,000	16,551,183	-	-	-	-	-	
4.5 Other income	727,301	3,579,632	916,797	41,550	136,635	48,629	34,679	155,586	24,883	1,016,126	3,824,612	1,030,882	
<b>4.6 Total other operating income</b>	<b>6,194,960</b>	<b>23,539,267</b>	<b>5,007,240</b>	<b>532,208</b>	<b>2,055,691</b>	<b>893,691</b>	<b>225,474</b>	<b>16,702,827</b>	<b>19,870</b>	<b>16,702,827</b>	<b>28,171,539</b>	<b>6,049,974</b>	
<b>5 TOTAL OPERATING INCOME</b>	<b>18,111,966</b>	<b>72,397,735</b>	<b>16,569,440</b>	<b>2,347,041</b>	<b>8,344,270</b>	<b>2,200,259</b>	<b>239,899</b>	<b>16,702,827</b>	<b>19,870</b>	<b>22,951,000</b>	<b>84,302,562</b>	<b>18,757,895</b>	
<b>6 OTHER OPERATING EXPENSES</b>													
6.1 Loan loss provision	2,510,549	8,719,671	988,314	294,514	1,984,542	357,097	-	-	-	2,897,881	8,888,942	1,163,108	
6.2 Staff costs	4,123,350	15,644,172	3,892,235	1,001,102	4,026,922	997,115	85,099	66,500	12,584	19,459,349	19,459,349	4,611,719	
6.3 Directors' emoluments	24,710	323,366	22,743	4,761	41,449	9,721	10,041	38,611	10,373	61,083	356,030	65,433	
6.4 Rental charges													