

	31 December 2020 Audited Shs '000	31 December 2019 Audited Shs '000
STATEMENT OF FINANCIAL POSITION		
A ASSETS		
1 Cash (both Local & Foreign)	799,579	1,001,738
2 Balances with Central Bank of Kenya	1,133,451	1,251,634
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	-	-
(b) Other Securities	-	264,957
(ii) Available for Sale:		
(a) Kenya Government Securities	-	-
(b) Other Securities	-	-
6 Deposits and Balances due from Local Banking Institutions	8,616,014	5,584,157
7 Deposits and Balances due from Banking Institutions Abroad	4,525,104	1,824,482
8 Tax Recoverable	128,203	161,939
9 Financing arrangements to Customers (Net)	20,698,572	22,673,040
10 Balances due from Banking Institutions in the Group	-	-
11 Investments in Associates	-	-
12 Investments in Subsidiary Companies	1,000	1,000
13 Investments in Joint ventures	-	-
14 Investment Properties	-	-
15 Property, Plant and Equipment	720,276	860,775
16 Prepaid Lease Rentals	-	-
17 Intangible Assets	217,049	206,482
18 Deferred Tax Asset	387,025	495,743
19 Retirement Benefit Asset	-	-
20 Other Assets	426,349	797,035
TOTAL ASSETS	37,652,622	35,122,982
B LIABILITIES		
21 Balances due to Central Bank of Kenya	-	-
22 Customer Deposits	29,972,473	27,818,273
23 Deposits and Balances due to Local Banking Institutions	-	-
24 Deposits and Balances due to Foreign Banking Institutions	-	-
25 Other Money Market Deposits	-	-
26 Borrowed Funds	1,864,208	1,730,507
27 Balances due to Banking Institutions Group Companies	-	-
28 Tax Payable	-	-
29 Dividends Payable	-	-
30 Deferred Tax Liability	-	-
31 Retirement Benefit Liability	-	-
32 Other liabilities	787,306	939,238
TOTAL LIABILITIES	32,623,987	30,488,018
C SHAREHOLDERS' FUNDS		
33 Paid Up/ Assigned Capital	366,324	366,324
34 Share Premium (Discount)	2,282,112	2,282,112
35 Revaluation Reserves	-	-
36 Retained Earnings/Accumulated Losses	1,991,610	1,677,483
37 Statutory Loan Reserves	388,589	309,045
38 Other Reserves	-	-
39 Proposed Dividends	-	-
40 Capital Grants	-	-
TOTAL SHAREHOLDERS' FUNDS	5,028,635	4,634,964
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	37,652,622	35,122,982
STATEMENT OF COMPREHENSIVE INCOME		
PROFIT INCOME		
1 Financing arrangements	2,347,439	2,380,194
2 Government Securities	-	-
3 Deposits and Placements with Banking Institutions	515,445	377,984
4 Other Profit Income	6,563	1,661
Total Profit Income	2,869,447	2,759,789
PROFIT EXPENSE		
5 Customer Deposits	476,820	589,540
6 Deposits and Placement from Banking Institutions	8,818	3,646
7 Other Profit Expenses	218,188	221,593
Total Profit Expenses	703,826	814,779
NET PROFIT INCOME	2,165,621	1,945,010
OTHER OPERATING INCOME		
8 Fees and Commissions on Financing arrangements	106,357	165,352
9 Other Fees and Commissions	326,735	385,083
10 Foreign Exchange Trading Income (Loss)	283,295	203,922
11 Dividend Income	-	-
12 Other Income	-	-
Total Other Operating Income	716,387	754,357
TOTAL OPERATING INCOME	2,882,008	2,699,367
OPERATING EXPENSES		
13 Financing arrangements Loss Provision	401,024	670,017
14 Staff Costs	967,224	925,697
15 Directors' Emoluments	70,632	67,424
16 Rental Charges	38,212	38,325
17 Depreciation Charge on Property and Equipment	171,530	173,163
18 Amortisation Charges	49,748	32,686
19 Other Operating Expenses	624,412	574,008
Total Operating Expenses	2,322,782	2,481,320
Profit/(Loss) Before Tax and Exceptional Items	559,226	218,047
20 Exceptional Items	-	-
Profit/(Loss) After Exceptional Items	559,226	218,047
21 Current tax	56,837	75,801
22 Deferred tax	108,718	(24,754)
Profit/(Loss) After Tax and Exceptional Items	393,671	167,000
23 Minority Interest	-	-
Profit/(Loss) After Tax, Exceptional Items & Minority Interest	393,671	167,000
Other Comprehensive Income:		
24 Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-	-
25 Fair Value changes in Available-for-sale Financial Assets	-	-
26 Revaluation Surplus on Property, Plant and Equipment	-	-
27 Share of other Comprehensive Income of Associates	-	-
28 Income Tax Relating to Components of other Comprehensive Income	-	-
Other Comprehensive Income for the Period Net of Tax	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	393,671	167,000
OTHER DISCLOSURES		
1.0 NON-PERFORMING FINANCING ARRANGEMENTS		
1.1 (a) Gross Non-Performing Financing arrangements	4,028,256	3,613,126
1.2 (b) Less Profit in Suspense	156,468	134,348
1.3 (c) Total Non-Performing Financing arrangements (a-b)	3,871,788	3,478,778
1.4 (d) Less Financing arrangements Losses Provision	2,242,708	1,770,153
1.5 (e) Net Non-Performing Financing Arrangements(c-d)	1,629,080	1,708,625
1.6 (f) Discounted Value of Securities	1,485,516	1,534,900
1.7 (g) Net NPLs Exposure (e-f)	143,564	173,725
2.0 INSIDER FINANCING ARRANGEMENTS		
2.1 (a) Directors, Shareholders and Associates	3,000	2,49,073
2.2 (b) Employees	916,703	883,855
2.3 (c) Total Insider Financing arrangements and other facilities	919,703	932,928
3.0 OFF-BALANCE SHEET ITEMS		
3.1 (a) Letters of credit, Guarantees & Acceptances	1,062,437	2,096,869
3.2 (b) Forwards Swaps & Options	1,819,518	1,919,705
3.3 (c) Other Contingent Liabilities	879,919	885,380
3.4 (d) Total Contingent Liabilities	3,761,874	4,901,954
4.0 CAPITAL STRENGTH		
4.1 (a) Core capital	4,640,046	4,262,768
4.2 (b) Minimum Statutory Capital	1,000,000	1,000,000
4.3 (c) Excess/(Deficiency) (a-b)	3,640,046	3,262,768
4.4 (d) Supplementary Capital	1,415,069	1,614,092
4.5 (e) Total Capital (a+d)	6,055,115	5,876,860
4.6 (f) Total risk weighted assets	31,903,026	34,347,247
4.7 (g) Core Capital/Total Deposit Liabilities	15.5%	15.3%
4.8 (h) Minimum Statutory Ratio	8.0%	8.0%
4.9 (i) Excess/(Deficiency) (g-h)	7.5%	7.3%
4.10 (j) Core Capital / Total Risk Weighted Assets	14.5%	12.4%
4.11 (k) Minimum Statutory Ratio	10.5%	10.5%
4.12 (l) Excess/(Deficiency) (j-k)	4.0%	1.9%
4.13 (m) Total Capital/Total Risk Weighted Assets	19.0%	17.1%
4.14 (n) Minimum statutory Ratio	14.5%	14.5%
4.15 (o) Excess/(Deficiency) (m-n)	4.5%	2.6%
(p) Adjusted Core Capital/Total Deposit Liabilities*	15.5%	15.8%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	14.6%	12.8%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	19.0%	17.5%
5.0 LIQUIDITY		
5.1 (a) Liquidity Ratio	50.1%	33.8%
5.2 (b) Minimum Statutory Ratio	20.0%	20.0%
5.3 (c) Excess/(Deficiency) (a-b)	30.1%	13.8%

Notes

* The Adjusted Capital Ratios includes 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 bank's financial statements which have been audited by KPMG Kenya and have received an unqualified opinion.

These financial statements are extracts of the books of the institution. The complete set of annual financial statements, statutory and other qualitative disclosures can be accessed in the institution's website www.gulfafricanbank.com. They may also be accessed at the institution's head office at Geminia Insurance Plaza, Upperhill, Nairobi.

Rafik Nayed
Chairman

Abdalla Abdulkhaliq
Managing Director

Gulf African Bank is regulated by the Central Bank of Kenya