

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES

Shari'ah
Compliant

I STATEMENT OF FINANCIAL POSITION		31 March 2017	31 December 2017	31 March 2018
		Unaudited Shs '000	Audited ttShs '000	Unaudited Shs '000
A ASSETS				
1 Cash (both Local & Foreign)		763,596	975,539	781,263
2 Balances with Central Bank of Kenya		3,229,228	2,453,257	1,686,810
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		-	-	-
(ii) Available for Sale:				
(a) Kenya Government Securities		-	-	-
(b) Other Securities		-	-	-
6 Deposits and Balances due from Local Banking Institutions		4,815,556	5,062,596	5,441,273
7 Deposits and Balances due from Banking Institutions Abroad		594,059	1,983,647	774,960
8 Tax Recoverable		558	23,253	-
9 Financing arrangements to Customers (Net)		15,669,349	19,384,156	19,941,324
10 Balances due from Banking Institutions in the Group		-	-	-
11 Investments in Associates		-	-	-
12 Investments in Subsidiary Companies		1,000	1,000	1,000
13 Investments in Joint ventures		-	-	-
14 Investment Properties		-	-	-
15 Property, Plant and Equipment		363,612	319,279	307,004
16 Prepaid Lease Rentals		-	-	-
17 Intangible Assets		62,356	126,604	119,148
18 Deferred Tax Asset		195,019	308,067	308,067
19 Retirement Benefit Asset		-	-	-
20 Other Assets		518,734	678,830	681,956
TOTAL ASSETS		26,213,067	31,316,228	30,042,805
B LIABILITIES				
21 Balances due to Central Bank of Kenya		-	-	-
22 Customer Deposits		21,065,954	26,073,694	24,743,331
23 Deposits and Balances due to Local Banking Institutions		206,076	-	-
24 Deposits and Balances due to Foreign Banking Institutions		29,873	31,142	29,235
25 Other Money Market Deposits		-	-	-
26 Borrowed Funds		-	416,706	415,703
27 Balances due to Banking Institutions Group Companies		-	-	-
28 Tax Payable		52,738	-	28,868
29 Dividends Payable		-	-	-
30 Deferred Tax Liability		-	-	-
31 Retirement Benefit Liability		-	-	-
32 Other liabilities		363,031	375,223	405,792
TOTAL LIABILITIES		21,717,672	26,896,765	25,622,929
C SHAREHOLDERS' FUNDS				
33 Paid Up/ Assigned Capital		366,324	366,324	366,324
34 Share Premium (Discount)		2,282,112	2,282,112	2,282,112
35 Revaluation Reserves		-	-	-
36 Retained Earnings/Accumulated Losses		1,675,927	1,598,241	1,680,121
37 Statutory Loan Reserves		61,135	172,786	91,319
38 Other Reserves		-	-	-
39 Proposed Dividends		109,897	-	-
40 Capital Grants		-	-	-
TOTAL SHAREHOLDERS' FUNDS		4,495,395	4,419,463	4,419,876
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		26,213,067	31,316,228	30,042,805

II STATEMENT OF COMPREHENSIVE INCOME		31 March 2017	31 December 2017	31 March 2018
		Unaudited Shs '000	Audited Shs '000	Unaudited Shs '000
PROFIT INCOME				
1 Financing arrangements		500,829	2,122,236	554,831
2 Government Securities		-	-	-
3 Deposits and Placements with Banking Institutions		82,557	389,369	97,844
4 Other Profit Income		-	-	-
Total Profit Income		583,386	2,511,605	652,675
PROFIT EXPENSE				
5 Customer Deposits		111,853	529,878	142,254
6 Deposits and Placement from Banking Institutions		5,852	6,988	3,592
7 Other Profit Expenses		-	21,724	8,671
Total Profit Expenses		117,705	558,590	154,517
NET PROFIT INCOME		465,681	1,953,015	498,158
OTHER OPERATING INCOME				
8 Fees and Commissions on Financing arrangements		-	103,419	29,994
9 Other Fees and Commissions		76,150	315,932	111,287
10 Foreign Exchange Trading Income (Loss)		74,768	256,660	59,950
11 Dividend Income		-	-	-
12 Other Income		-	1,576	192
Total Other Operating Income		150,918	677,587	201,423
TOTAL OPERATING INCOME		616,599	2,630,602	699,581
OPERATING EXPENSES				
13 Financing arrangements Loss Provision		28,292	644,070	77,273
14 Staff Costs		219,425	906,356	258,889
15 Directors' Emoluments		15,966	64,144	16,321
16 Rental Charges		27,402	116,798	30,812
17 Depreciation Charge on Property and Equipment		29,562	118,772	28,591
18 Amortisation Charges		4,226	19,299	7,456
19 Other Operating Expenses		107,592	507,208	131,324
Total Operating Expenses		432,465	2,376,647	550,666
Profit/(Loss) Before Tax and Exceptional Items		184,134	253,955	148,915
20 Exceptional Items		-	-	-
Profit/(Loss) After Exceptional Items		184,134	253,955	148,915
21 Current tax		64,447	213,350	52,120
22 Deferred tax		-	(113,048)	-
Profit/(Loss) After Tax and Exceptional Items		119,687	153,653	96,795
Other Comprehensive Income:				
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		-	-	-
Other Comprehensive Income for the Year Net of Tax		-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		119,687	153,653	96,795

III OTHER DISCLOSURES		31 March 2017	31 December 2017	31 March 2018
		Unaudited Shs '000	Audited Shs '000	Unaudited Shs '000
1.0 NON-PERFORMING FINANCING ARRANGEMENTS				
1.1 (a) Gross Non-Performing Financing arrangements		1,310,938	1,961,704	2,615,842
1.2 (b) Less Profit in Suspense		128,143	161,764	174,387
1.3 (c) Total Non-Performing Financing arrangements (a-b)		1,182,795	1,799,940	2,441,455
1.4 (d) Less Financing arrangements Losses Provision		361,783	598,443	660,527
1.5 (e) Net Non-Performing Financing Arrangements (c-d)		821,012	1,201,497	1,780,928
1.6 (f) Discounted Value of Securities		825,101	1,167,367	1,701,529
1.7 (g) Net NPLs Exposure (e-f)		(4,089)	34,130	79,399
2.0 INSIDER FINANCING ARRANGEMENTS				
2.1 (a) Directors, Shareholders and Associates		560,248	436,851	405,157
2.2 (b) Employees		679,558	847,694	856,590
2.3 (c) Total Insider Financing arrangements and other facilities		1,239,806	1,284,545	1,261,747
3.0 OFF-BALANCE SHEET ITEMS				
3.1 (a) Letters of credit, Guarantees & Acceptances		1,213,943	3,570,589	2,557,296
3.2 (b) Forwards Swaps & Options		1,685,758	1,385,709	1,343,887
3.3 (c) Other Contingent Liabilities		130,997	417,006	359,808
3.4 (d) Total Contingent Liabilities		3,030,698	5,373,304	4,260,991
4.0 CAPITAL STRENGTH				
4.1 (a) Core capital		4,264,520	4,246,677	4,280,161
4.2 (b) Minimum Statutory Capital		1,000,000	1,000,000	1,000,000
4.3 (c) Excess/ (Deficiency) (a-b)		3,264,520	3,246,677	3,280,161
4.4 (d) Supplementary Capital		61,135	589,492	507,022
4.5 (e) Total Capital (a+d)		4,325,655	4,836,169	4,787,183
4.6 (f) Total risk weighted assets		23,843,100	29,847,177	29,275,867
4.7 (g) Core Capital/Total Deposit Liabilities		20.2%	16.3%	17.3%
4.8 (h) Minimum Statutory Ratio		8.0%	8.0%	8.0%
4.9 (i) Excess/ (Deficiency) (g-h)		12.2%	8.3%	9.3%
4.10 (j) Core Capital / Total Risk Weighted Assets		17.9%	14.2%	14.6%
4.11 (k) Minimum Statutory Ratio		10.5%	10.5%	10.5%
4.12 (l) Excess/(Deficiency) (j-k)		7.4%	3.7%	4.1%
4.13 (m) Total Capital/Total Risk Weighted Assets		18.1%	16.2%	16.4%
4.14 (n) Minimum statutory Ratio		14.5%	14.5%	14.5%
4.15 (o) Excess/(Deficiency) (m-n)		3.6%	1.7%	1.9%
(p) Adjusted Core Capital/Total Deposit Liabilities*		-	-	17.3%
(q) Adjusted Core Capital/Total Risk Weighted Assets*		-	-	14.6%
(r) Adjusted Total Capital/Total Risk Weighted Assets*		-	-	16.7%
5.0 LIQUIDITY				
5.1 (a) Liquidity Ratio		37.4%	34.9%	31.3%
5.2 (b) Minimum Statutory Ratio		20.0%	20.0%	20.0%
5.3 (c) Excess/(Deficiency) (a-b)		17.4%	14.9%	11.3%



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 of the books of the institution. The complete set of 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.

Jamal Al Hazeem
Chairman

Abdalla Abdulkhalik
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