

QUARTERLY FINANCIAL STATEMENTS & OTHER DISCLOSURES
FOR THE PERIOD ENDED 30 JUNE 2021

	30 June 2021 Unaudited Shs '000	31 March 2021 Unaudited Shs '000	31 December 2020 Audited Shs '000	30 June 2020 Unaudited Shs '000
I STATEMENT OF FINANCIAL POSITION				
A ASSETS				
1 Cash (both Local & Foreign)	895,369	556,358	799,579	678,165
2 Balances with Central Bank of Kenya	1,479,915	1,613,489	1,133,451	1,502,530
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	539,824	867,431	-	173,685
(ii) Available for Sale:				
(a) Kenya Government Securities	-	-	-	-
(b) Other Securities	-	-	-	-
6 Deposits and Balances due from Local Banking Institutions	9,949,703	8,656,289	8,616,014	6,213,404
7 Deposits and Balances due from Banking Institutions Abroad	2,515,140	2,046,616	4,525,104	1,453,135
8 Tax Recoverable	-	53,673	128,203	98,282
9 Financing arrangements to Customers (Net)	20,595,790	20,889,162	20,698,572	21,843,097
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
13 Investments in Joint ventures	-	-	-	-
14 Investment Properties	-	-	-	-
15 Property, Plant and Equipment	669,873	684,046	720,276	803,836
16 Prepaid Lease Rentals	-	-	-	-
17 Intangible Assets	197,000	204,444	217,049	201,762
18 Deferred Tax Asset	387,025	387,025	387,025	495,742
19 Retirement Benefit Asset	-	-	-	-
20 Other Assets	460,058	436,734	426,349	517,828
21 TOTAL ASSETS	37,650,697	36,396,267	37,652,622	33,982,466
B LIABILITIES				
22 Balances due to Central Bank of Kenya	-	-	-	-
23 Customer Deposits	29,696,625	28,515,480	29,972,473	26,215,975
24 Deposits and Balances due to Local Banking Institutions	-	-	-	200,116
25 Deposits and Balances due to Foreign Banking Institutions	-	-	-	-
26 Other Money Market Deposits	-	-	-	-
27 Borrowed Funds	1,841,473	1,900,500	1,864,208	1,818,552
28 Balances due to Banking Institutions Group Companies	-	-	-	-
29 Tax Payable	5,763	-	-	-
30 Dividends Payable	-	-	-	-
31 Deferred Tax Liability	-	-	-	-
32 Retirement Benefit Liability	-	-	-	-
33 Other liabilities	869,404	813,238	787,306	964,995
34 TOTAL LIABILITIES	32,413,265	31,229,218	32,623,987	29,199,638
C SHAREHOLDERS' FUNDS				
35 Paid Up/ Assigned Capital	366,324	366,324	366,324	366,324
36 Share Premium (Discount)	2,282,112	2,282,112	2,282,112	2,282,112
37 Revaluation Reserves	-	-	-	-
38 Retained Earnings/Accumulated Losses	2,117,880	2,007,762	1,991,610	1,800,643
39 Statutory Loan Reserves	511,116	510,851	388,589	333,749
40 Other Reserves	-	-	-	-
41 Proposed Dividends	-	-	-	-
42 Capital Grants	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	5,277,432	5,167,049	5,028,635	4,782,828
44 Minority Interest	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	37,690,697	36,396,267	37,652,622	33,982,466
II STATEMENT OF COMPREHENSIVE INCOME				
1.0 PROFIT INCOME				
1.1 Financing arrangements	1,075,422	531,374	2,347,439	1,136,059
1.2 Government Securities	-	-	-	-
1.3 Deposits and Placements with Banking Institutions	357,248	169,330	515,445	230,926
1.4 Other Profit Income	5,060	3,638	6,563	3,194
1.5 Total Profit Income	1,437,730	704,342	2,869,447	1,370,179
2.0 PROFIT EXPENSE				
2.1 Customer Deposits	219,967	106,296	476,820	250,273
2.2 Deposits and Placement from Banking Institutions	311	260	8,818	7,656
2.3 Other Profit Expenses	103,974	51,930	218,188	111,764
2.4 Total Profit Expenses	324,252	158,486	703,826	369,693
3.0 NET PROFIT INCOME	1,113,478	545,856	2,165,621	1,000,486
4.0 OTHER OPERATING INCOME				
4.1 Fees and Commissions on Financing arrangements	70,257	31,393	106,357	59,677
4.2 Other Fees and Commissions	16,612	83,645	326,735	168,462
4.3 Foreign Exchange Trading Income (Loss)	114,134	63,769	283,295	107,318
4.4 Dividend Income	-	-	-	-
4.5 Other Income	-	-	-	301
4.6 Total Other Operating Income	352,003	178,807	716,387	335,758
5.0 TOTAL OPERATING INCOME	1,465,481	724,663	2,882,008	1,336,244
6.0 OPERATING EXPENSES				
6.1 Financing arrangements Loss Provision	137,268	52,749	401,024	171,188
6.2 Staff Costs	510,522	249,551	967,224	482,847
6.3 Directors' Emoluments	36,122	18,133	70,632	35,224
6.4 Rental Charges	20,753	10,138	38,212	21,154
6.5 Depreciation Charge on Property and Equipment	78,474	39,546	171,530	85,412
6.6 Amortisation Charges	28,374	13,555	49,748	22,981
6.7 Other Operating Expenses	271,208	128,048	624,412	306,202
6.8 Total Operating Expenses	1,082,721	511,720	2,322,782	1,125,013
7.0 Profit/(Loss) Before Tax and Exceptional Items	382,760	212,943	559,226	211,231
8.0 Exceptional Items				
9.0 Profit/(Loss) After Exceptional Items	382,760	212,943	559,226	211,231
10.0 Current tax	133,966	74,530	56,837	63,369
11.0 Deferred tax	-	-	108,718	-
12.0 Profit/(Loss) After Tax and Exceptional Items	248,794	138,413	393,671	147,862
13.0 Minority Interest	-	-	-	-
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	248,794	138,413	393,671	147,862
15.0 Other Comprehensive Income:				
15.1 Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-	-	-	-
15.2 Fair Value changes in Available-for-sale Financial Assets	-	-	-	-
15.3 Revaluation Surplus on Property, Plant and Equipment	-	-	-	-
15.4 Share of other Comprehensive Income of Associates	-	-	-	-
15.5 Income Tax Relating to Components of other Comprehensive Income	-	-	-	-
16.0 Other Comprehensive Income for the Period Net of Tax	-	-	-	-
17.0 TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	248,794	138,413	393,671	147,862
III OTHER DISCLOSURES				
1.0 NON-PERFORMING FINANCING ARRANGEMENTS				
1.1 (a) Gross Non-Performing Financing arrangements	4,470,125	4,070,625	4,028,256	3,358,937
1.2 (b) Less Profit in Suspense	179,029	173,648	156,468	155,763
1.3 (c) Total Non-Performing Financing arrangements (a-b)	4,291,096	3,896,977	3,871,788	3,203,174
1.4 (a) Less Financing arrangements Losses Provision	2,514,155	2,416,172	2,242,708	1,940,873
1.5 (e) Net Non-Performing Financing Arrangements(c-d)	1,776,941	1,480,805	1,629,080	1,262,301
1.6 (f) Discounted Value of Securities	1,746,206	1,418,951	1,485,516	1,166,196
1.7 (g) Net NPLs Exposure (e-f)	30,735	61,854	143,564	96,105
2.0 INSIDER FINANCING ARRANGEMENTS				
2.1 (a) Directors, Shareholders and Associates	3,000	3,000	3,000	100,392
2.2 (b) Employees	932,460	916,863	916,703	799,694
2.3 (c) Total Insider Financing arrangements and other facilities	935,460	919,863	919,703	900,086
3.0 OFF-BALANCE SHEET ITEMS				
3.1 (a) Letters of credit, Guarantees & Acceptances	1,273,974	1,151,608	1,062,437	1,747,297
3.2 (b) Forwards Swaps & Options	1,782,278	2,173,763	1,819,518	1,255,380
3.3 (c) Other Contingent Liabilities	726,401	530,650	879,919	1,302,864
3.4 (d) Total Contingent Liabilities	3,782,653	3,856,021	3,761,874	4,305,541
4.0 CAPITAL STRENGTH				
4.1 (a) Core capital	4,641,920	4,586,992	4,640,046	4,316,921
4.2 (b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
4.3 (c) Excess/(Deficiency) (a-b)	3,641,920	3,586,992	3,640,046	3,316,921
4.4 (d) Supplementary Capital	1,289,464	1,420,621	1,415,069	1,619,551
4.5 (e) Total Capital (a+d)	5,931,384	6,007,613	6,055,115	5,936,472
4.6 (f) Total risk weighted assets	31,892,101	31,418,457	31,903,026	33,213,205
4.7 (g) Core Capital/Total Deposit Liabilities	15.6%	16.1%	15.5%	16.5%
4.8 (h) Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%
4.9 (i) Excess/(Deficiency) (g-h)	7.6%	8.1%	7.5%	8.5%
4.10 (j) Core Capital / Total Risk Weighted Assets	14.6%	14.6%	14.5%	13.0%
4.11 (k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
4.12 (l) Excess/(Deficiency) (j-k)	4.1%	4.1%	4.0%	2.5%
4.13 (m) Total Capital/Total Risk Weighted Assets	18.6%	19.1%	19.0%	17.0%
4.14 (n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
4.15 (o) Excess/(Deficiency) (m-n)	4.1%	4.6%	4.5%	3.4%
(p) Adjusted Core Capital/Total Deposit Liabilities*	15.7%	16.1%	15.5%	16.6%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	14.6%	14.6%	14.6%	13.1%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	18.6%	19.2%	19.0%	18.0%
5.0 LIQUIDITY				
5.1 (a) Liquidity Ratio	51.6%	48.0%	50.1%	37.3%
5.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
5.3 (c) Excess/(Deficiency) (a-b)	31.6%	28.0%	30.1%	17.3%

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 quarterly 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 Abdulkhalik
Managing Director

Gulf African Bank is regulated by the Central Bank of Kenya