

UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES  
FOR THE PERIOD ENDED 31 MARCH 2019

	31 March 2018 Unaudited Shs '000	31 December 2018 Audited Shs '000	31 March 2019 Unaudited Shs '000	
I. STATEMENT OF FINANCIAL POSITION				
A ASSETS				
1	Cash ( both Local & Foreign)	781,263	918,198	728,194
2	Balances with Central Bank of Kenya	1,686,810	1,967,181	2,101,304
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	5,441,273	5,224,914	5,416,154
7	Deposits and Balances due from Banking Institutions Abroad	774,960	862,719	1,489,789
8	Tax Recoverable	-	-	-
9	Financing arrangements to Customers (Net)	19,941,324	22,605,853	21,351,469
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	307,004	330,120	321,190
16	Prepaid Lease Rentals	-	-	-
17	Intangible Assets	119,148	148,751	173,827
18	Deferred Tax Asset	308,067	470,989	470,989
19	Retirement Benefit Asset	-	-	-
20	Other Assets	681,956	795,850	756,626
	TOTAL ASSETS	30,042,805	33,325,575	32,810,542
B LIABILITIES				
21	Balances due to Central Bank of Kenya	-	-	-
22	Customer Deposits	24,743,331	26,688,849	25,903,532
23	Deposits and Balances due to Local Banking Institutions	-	-	-
24	Deposits and Balances due to Foreign Banking Institutions	29,235	-	-
25	Other Money Market Deposits	-	-	-
26	Borrowed Funds	415,703	1,741,003	1,762,833
27	Balances due to Banking Institutions Group Companies	-	-	-
28	Tax Payable	28,868	51,970	75,567
29	Dividends Payable	-	-	-
30	Deferred Tax Liability	-	-	-
31	Retirement Benefit Liability	-	-	-
32	Other liabilities	405,792	375,789	556,822
	TOTAL LIABILITIES	25,622,929	28,857,611	28,298,754
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	1,680,121	1,695,745	1,752,696
37	Statutory Loan Reserves	91,319	123,783	110,656
38	Other Reserves	-	-	-
39	Proposed Dividends	-	-	-
40	Capital Grants	-	-	-
	TOTAL SHAREHOLDERS' FUNDS	4,419,876	4,467,964	4,511,788
	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	30,042,805	33,325,575	32,810,542
II. STATEMENT OF COMPREHENSIVE INCOME				
PROFIT INCOME				
1	Financing arrangements	554,831	2,510,656	599,085
2	Government Securities	-	-	-
3	Deposits and Placements with Banking Institutions	97,844	348,834	78,948
4	Other Profit Income	-	-	-
	Total Profit Income	652,675	2,859,490	678,033
PROFIT EXPENSE				
5	Customer Deposits	142,254	604,764	153,942
6	Deposits and Placement from Banking Institutions	3,592	7,849	27
7	Other Profit Expenses	8,671	41,565	42,682
	Total Profit Expenses	154,517	654,178	196,651
	NET PROFIT INCOME	498,158	2,205,312	481,382
OTHER OPERATING INCOME				
8	Fees and Commissions on Financing arrangements	29,994	224,487	30,463
9	Other Fees and Commissions	111,287	345,747	102,307
10	Foreign Exchange Trading Income (Loss)	59,950	198,615	41,667
11	Dividend Income	-	-	-
12	Other Income	192	577	-
	Total Other Operating Income	201,423	769,426	174,437
	TOTAL OPERATING INCOME	699,581	2,974,738	655,819
OPERATING EXPENSES				
13	Financing arrangements Loss Provision	77,273	735,630	133,040
14	Staff Costs	258,889	964,232	247,570
15	Directors' Emoluments	16,321	67,012	16,861
16	Rental Charges	30,812	133,094	33,464
17	Depreciation Charge on Property and Equipment	28,591	111,273	25,372
18	Amortisation Charges	7,456	29,245	7,068
19	Other Operating Expenses	131,324	642,050	125,024
	Total Operating Expenses	550,666	2,682,536	588,399
	Profit/(Loss) Before Tax and Exceptional Items	148,915	292,202	67,420
20	Exceptional Items	-	-	-
	Profit/(Loss) After Exceptional Items	148,915	292,202	67,420
21	Current tax	52,120	287,927	23,597
22	Deferred tax	-	(127,314)	-
	Profit/(Loss) After Tax and Exceptional Items	96,795	131,589	43,823
Other Comprehensive Income:				
23	Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-	-	-
24	Fair Value changes in Available-to-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 Period Net of Tax	-	-	-
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	96,795	131,589	43,823
III. OTHER DISCLOSURES				
1.0 NON-PERFORMING FINANCING ARRANGEMENTS				
1.1	(a) Gross Non-Performing Financing arrangements	2,615,842	2,571,643	2,840,176
1.2	(b) Less Profit in Suspense	174,387	167,412	178,405
1.3	(c) Total Non-Performing Financing arrangements (a-b)	2,441,455	2,404,231	2,661,771
1.4	(d) Less Financing arrangements Losses Provision	660,527	842,864	989,688
1.5	(e) Net Non-Performing Financing Arrangements(c-d)	1,780,928	1,561,367	1,672,083
1.6	(f) Discounted Value of Securities	1,701,529	1,446,946	1,475,715
1.7	(g) Net NPLs Exposure (e-f)	79,399	114,421	196,368
2.0 INSIDER FINANCING ARRANGEMENTS				
2.1	(a) Directors, Shareholders and Associates	405,157	362,548	331,565
2.2	(b) Employees	856,590	952,924	948,736
2.3	(c) Total Insider Financing arrangements and other facilities	1,261,747	1,315,472	1,280,301
3.0 OFF-BALANCE SHEET ITEMS				
3.1	(a) Letters of credit, Guarantees & Acceptances	2,557,296	2,348,169	1,904,830
3.2	(b) Forwards Swaps & Options	1,343,887	1,797,465	1,762,295
3.3	(c) Other Contingent Liabilities	359,808	842,124	874,203
3.4	(d) Total Contingent Liabilities	4,260,991	4,987,758	4,541,328
4.0 CAPITAL STRENGTHH				
4.1	(a) Core capital	4,280,161	4,344,181	4,379,221
4.2	(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
4.3	(c) Excess/ (Deficiency) (a-b)	3,280,161	3,344,181	3,379,221
4.4	(d) Supplementary Capital	507,022	1,783,266	1,792,929
4.5	(e) Total Capital (a+d)	4,787,183	6,127,447	6,172,150
4.6	(f) Total risk weighted assets	29,275,867	32,834,897	31,454,617
4.7	(g) Core Capital/Total Deposit Liabilities	17.3%	16.3%	16.9%
4.8	(h) Minimum Statutory Ratio	8.0%	8.0%	8.0%
4.9	(i) Excess/ (Deficiency) (g-h)	9.3%	8.3%	8.9%
4.10	(j) Core Capital / Total Risk Weighted Assets	14.6%	13.2%	13.9%
4.11	(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%
4.12	(l) Excess/(Deficiency) (j-k)	4.1%	2.7%	3.4%
4.13	(m) Total Capital/Total Risk Weighted Assets	16.4%	18.7%	19.6%
4.14	(n) Minimum statutory Ratio	14.5%	14.5%	14.5%
4.15	(o) Excess/(Deficiency) (m-n)	1.9%	4.2%	5.1%
	(p) Adjusted Core Capital/Total Deposit Liabilities*	17.3%	17.1%	17.4%
	(q) Adjusted Core Capital/Total Risk Weighted Assets*	14.6%	13.9%	14.4%
	(r) Adjusted Total Capital/Total Risk Weighted Assets*	16.7%	19.3%	20.1%
5.0 LIQUIDITY				
5.1	(a) Liquidity Ratio	31.3%	32.7%	36.7%
5.2	(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%
5.3	(c) Excess/(Deficiency) (a-b)	11.3%	12.7%	16.7%
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.				
Ahmed Bajaber Chairman		Abdalla Abdulkhalik Managing Director		
Gulf African Bank is regulated by the Central Bank of Kenya				