

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30 JUNE 2023

	30 June 2022 Unaudited Shs '000	31 December 2022 Audited Shs '000	31 March 2023 Unaudited Shs '000	30 June 2023 Unaudited Shs '000
I STATEMENT OF FINANCIAL POSITION				
A ASSETS				
1 Cash (both Local & Foreign)	963,645	1,058,729	882,501	816,833
2 Balances with Central Bank of Kenya	1,311,738	2,147,871	1,613,302	1,604,128
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	-	-	-	322,471
(ii) Available for Sale:				
(a) Kenya Government Securities	-	-	-	-
(b) Other Securities	-	-	-	-
6 Deposits and Balances due from Local Banking Institutions	10,843,900	8,814,895	11,572,233	10,839,004
7 Deposits and Balances due from Banking Institutions Abroad	2,338,236	1,802,418	1,167,337	2,396,417
8 Tax Recoverable	341,093	367,357	264,788	156,420
9 Financing arrangements to Customers (Net)	20,512,097	22,016,309	22,068,340	23,176,615
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	480,577	492,924	465,530	463,197
16 Prepaid Lease Rentals	-	-	-	-
17 Intangible Assets	191,591	178,775	195,668	188,646
18 Deferred Tax Asset	646,574	491,410	491,410	491,410
19 Retirement Benefit Asset	-	-	-	-
20 Other Assets	487,373	790,783	563,584	693,836
21 TOTAL ASSETS	38,117,824	38,162,471	39,285,693	41,149,977
B LIABILITIES				
22 Balances due to Central Bank of Kenya	-	-	-	-
23 Customer Deposits	30,046,122	31,367,799	32,370,242	34,050,905
24 Deposits and Balances due to Local Banking Institutions	-	-	-	-
25 Deposits and Balances due to Foreign Banking Institutions	-	-	-	-
26 Other Money Market Deposits	-	-	-	-
27 Borrowed Funds	1,537,951	-	-	-
28 Balances due to Banking Institutions Group Companies	-	-	-	-
29 Tax Payable	-	-	-	-
30 Dividends Payable	-	-	-	-
31 Deferred Tax Liability	-	-	-	-
32 Retirement Benefit Liability	-	-	-	-
33 Other liabilities	815,841	766,873	697,165	679,531
34 TOTAL LIABILITIES	32,399,914	32,134,672	33,067,407	34,730,436
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	2,695,075	3,074,364	3,279,381	3,577,393
39 Statutory Loan Reserves	374,399	304,999	290,469	193,712
40 Other Reserves	-	-	-	-
41 Proposed Dividends	-	-	-	-
42 Capital Grants	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	5,717,910	6,027,799	6,218,286	6,419,541
44 Minority Interest	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	38,117,824	38,162,471	39,285,693	41,149,977
II STATEMENT OF COMPREHENSIVE INCOME				
1.0 PROFIT INCOME				
1.1 Financing arrangements	1,085,246	2,223,797	628,498	1,248,820
1.2 Government Securities	-	-	-	-
1.3 Deposits and Placements with Banking Institutions	455,010	881,228	221,095	495,005
1.4 Other Profit Income	-	-	-	2,828
1.5 Total Profit Income	1,540,256	3,105,025	849,593	1,746,653
2.0 PROFIT EXPENSE				
2.1 Customer Deposits	259,971	511,023	134,160	280,462
2.2 Deposits and Placement from Banking Institutions	263	1,593	-	202
2.3 Other Profit Expenses	93,631	130,409	8,996	17,498
2.4 Total Profit Expenses	353,865	643,025	143,156	298,162
3.0 NET PROFIT INCOME	1,186,391	2,462,000	706,437	1,448,491
4.0 OTHER OPERATING INCOME				
4.1 Fees and Commissions on Financing arrangements	64,871	137,969	34,814	69,378
4.2 Other Fees and Commissions	168,643	352,490	107,733	213,631
4.3 Foreign Exchange Trading Income (Loss)	156,679	303,191	102,931	210,749
4.4 Dividend Income	-	-	-	-
4.5 Other Income	(2,339)	63,812	23	888
4.6 Total Other Operating Income	387,854	857,462	245,501	494,646
5.0 TOTAL OPERATING INCOME	1,574,245	3,319,462	951,938	1,943,137
6.0 OPERATING EXPENSES				
6.1 Financing arrangements Loss Provision	129,445	477,562	81,847	216,116
6.2 Staff Costs	603,713	1,108,933	322,970	611,078
6.3 Directors' Emoluments	23,833	60,182	17,192	33,835
6.4 Rental Charges	23,791	47,357	12,336	23,635
6.5 Depreciation Charge on Property and Equipment	72,909	144,436	34,663	69,691
6.6 Amortisation Charges	27,938	57,698	13,861	27,861
6.7 Other Operating Expenses	315,364	596,543	176,014	358,243
6.8 Total Operating Expenses	1,196,993	2,492,714	658,883	1,340,459
7.0 Profit/(Loss) Before Tax and Exceptional Items	377,252	826,748	293,055	602,678
8.0 Exceptional Items	-	-	-	-
9.0 Profit/(Loss) After Exceptional Items	377,252	826,748	293,055	602,678
10.0 Current tax	132,038	134,199	102,569	210,937
11.0 Deferred tax	-	137,445	-	-
12.0 Profit/(Loss) After Tax and Exceptional Items	245,214	555,104	190,486	391,741
13.0 Minority Interest	-	-	-	-
14.0 Profit/(loss) after tax, exceptional items and Minority Interest	245,214	555,104	190,486	391,741
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	245,214	555,104	190,486	391,741
III OTHER DISCLOSURES				
1.0 NON-PERFORMING FINANCING ARRANGEMENTS				
1.1 (a) Gross Non-Performing Financing arrangements	3,057,830	3,203,324	3,051,372	3,519,468
1.2 (b) Less Profit in Suspense	266,396	296,907	276,978	298,406
1.3 (c) Total Non-Performing Financing arrangements (a-b)	2,791,434	2,906,417	2,774,394	3,221,062
1.4 (d) Less Financing arrangements Losses Provision	1,806,922	1,926,955	1,967,252	2,005,688
1.5 (e) Net Non-Performing Financing Arrangements(c-d)	984,512	979,462	807,142	1,215,374
1.6 (f) Discounted Value of Securities	967,015	962,134	764,987	1,198,174
1.7 (g) Net NPFAs Exposure (e-f)	17,497	17,328	42,155	17,200
2.0 INSIDER FINANCING ARRANGEMENTS				
2.1 (a) Directors, Shareholders and Associates	16,121	3,000	3,000	3,000
2.2 (b) Employees	979,774	1,009,299	973,858	930,801
2.3 (c) Total Insider Financing arrangements and other facilities	995,895	1,012,299	976,858	933,801
3.0 OFF-BALANCE SHEET ITEMS				
3.1 (a) Letters of credit, Guarantees & Acceptances	1,511,754	1,378,516	1,465,867	1,403,470
3.2 (b) Forwards Swaps & Options	1,981,827	1,665,225	1,414,898	1,749,884
3.3 (c) Other Contingent Liabilities	681,569	795,147	1,095,997	1,241,291
3.4 (d) Total Contingent Liabilities	4,175,150	3,838,888	3,976,762	4,394,645
4.0 CAPITAL STRENGTH				
4.1 (a) Core capital	5,096,422	5,722,800	5,832,574	6,029,960
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)	4,096,422	4,722,800	4,832,574	5,029,960
4.4 (d) Supplementary Capital	987,479	304,999	290,469	193,712
4.5 (e) Total Capital (a+d)	6,083,901	6,027,799	6,123,043	6,223,672
4.6 (f) Total risk weighted assets	31,450,344	31,524,032	32,529,178	33,698,376
4.7 (g) Core Capital/Total Deposit Liabilities	17.0%	18.2%	18.0%	17.7%
4.8 (h) Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%
4.9 (i) Excess/ (Deficiency) (g-h)	9.0%	10.2%	10.0%	9.7%
4.10 (j) Core Capital / Total Risk Weighted Assets	16.2%	18.2%	17.9%	17.9%
4.11 (k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
4.12 (l) Excess/(Deficiency) (j-k)	5.7%	7.7%	7.4%	7.4%
4.13 (m) Total Capital/Total Risk Weighted Assets	19.3%	19.1%	18.8%	18.5%
4.14 (n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
4.15 (o) Excess/(Deficiency) (m-n)	4.8%	4.6%	4.3%	4.0%
5.0 LIQUIDITY				
5.1 (a) Liquidity Ratio	51.3%	43.9%	46.9%	46.8%
5.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
5.3 (c) Excess/(Deficiency) (a-b)	31.3%	23.9%	26.9%	26.8%

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 Gemina Insurance Plaza, Upperhill, Nairobi.

Jyoti Patel Director **Anuj Mediratta** Managing Director & CEO

Gulf African Bank is regulated by the Central Bank of Kenya