

**UN-AUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES
FOR THE PERIOD ENDED MARCH 31ST 2018**

I STATEMENT OF FINANCIAL POSITION AS AT		31 st March 2017	31 st December 2017	31 st March 2018
		Shs. '000'	Shs. '000'	Shs. '000'
		Unaudited	Audited	Unaudited
A	ASSETS			
1	Cash (both Local & Foreign)	149,640	131,327	101,478
2	Balances due from Central Bank of Kenya	1,023,020	1,104,819	859,802
3	Kenya Government and other securities held for dealing purposes	-	-	-
4	Financial Assets at fair value through profit and loss	-	-	-
5	Investment Securities:			
a)	Held to Maturity:			
a.	Kenya Government securities	3,049,647	3,485,956	3,391,961
b.	Other securities	3,049,647	3,485,956	3,391,961
b)	Available for sale:			
a.	Kenya Government securities	-	-	-
b.	Other securities	-	-	-
6	Deposits and balances due from local banking institutions	252,838	581,787	979,178
7	Deposits and balances due from banking institutions abroad	276,031	132,513	55,375
8	Tax recoverable	7,354	47,089	47,089
9	Loans and advances to customers (net)	9,620,175	9,616,965	9,524,737
10	Balances due from banking institutions in the group	-	-	-
11	Investments in associates	-	-	-
12	Investments in subsidiary companies	-	-	-
13	Investments in joint ventures	-	-	-
14	Investment properties	-	-	-
15	Property and equipment	123,759	98,827	88,681
16	Prepaid lease rentals	248,076	242,075	240,077
17	Intangible assets	4,038	2,479	1,793
18	Deferred tax asset	85,696	93,594	93,594
19	Retirement benefit asset	-	-	-
20	Other assets	179,481	265,328	281,043
21	TOTAL ASSETS	15,019,755	15,802,759	15,665,170
B	LIABILITIES			
22	Balances due to Central Bank of Kenya	-	-	-
23	Customer deposits	12,586,841	13,119,549	13,013,989
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	-	-	-
28	Balances due to banking institutions in the group	-	-	-
29	Tax payable	29,000	-	21,000
30	Dividends payable	-	-	-
31	Deferred tax liability	-	-	-
32	Retirement benefit liability	-	-	-
33	Other liabilities	-	-	-
		139,472	308,595	222,482
34	TOTAL LIABILITIES	12,755,313	13,428,144	13,257,471
C	SHAREHOLDERS' FUNDS			
35	Paid up/Assigned capital	450,375	450,375	450,375
36	Share premium/(discount)	-	-	-
37	Revaluation reserves	-	-	-
38	Retained earnings/Accumulated losses	1,748,955	1,856,467	1,864,838
39	Statutory loan loss reserves	65,112	67,773	92,486
40	Other Reserves	-	-	-
41	Proposed dividends	-	-	-
42	Capital grants	-	-	-
43	TOTAL SHAREHOLDERS' FUNDS	2,264,442	2,374,615	2,407,699
44	Minority Interest	-	-	-
45	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	15,019,755	15,802,759	15,665,170
II STATEMENT OF COMPREHENSIVE INCOME				
1.0	INTEREST INCOME			
1.1	Loans and advances	313,518	1,303,443	323,855
1.2	Government securities	76,890	322,785	91,583
1.3	Deposits and placements with banking institutions	9,844	42,932	9,876
1.4	Other Interest Income	3,565	9,421	509
1.5	Total interest income	403,817	1,678,581	425,823
2.0	INTEREST EXPENSE			
2.1	Customer deposits	195,480	841,511	218,421
2.2	Deposits and placement from banking institutions	-	249	-
2.3	Other interest expenses	5,331	19,643	4,508
2.4	Total interest expenses	200,811	861,403	222,929
3.0	NET INTEREST INCOME/(LOSS)	203,006	817,178	202,894
4.0	NON-INTEREST INCOME			
4.1	Fees and commissions on loans and advances	14,412	72,238	17,523
4.2	Other fees and commissions	4,214	15,709	3,511
4.3	Foreign exchange trading income/(Loss)	10,493	38,229	5,992
4.4	Dividend Income	-	-	-
4.5	Other income	12,471	29,099	11,325
4.6	Total Non-interest income	41,590	155,275	38,351
5.0	TOTAL OPERATING INCOME	244,596	972,453	241,245
6.0	OTHER OPERATING EXPENSES			
6.1	Loan loss provision	4,502	62,048	18,503
6.2	Staff costs	85,990	361,484	91,619
6.3	Directors' emoluments	1,385	5,265	1,385
6.4	Rental charges	12,580	52,412	13,650
6.5	Depreciation charge on property and equipment	10,453	52,504	8,211
6.6	Amortisation charges	2,778	10,463	2,559
6.7	Other operating expenses	48,058	200,680	56,935
6.8	Total Other Operating Expenses	165,746	744,856	192,862
7.0	Profit/(loss) Before Tax and Exceptional Items	78,850	227,597	48,383
8.0	Exceptional Items	-	-	-
9.0	Profit/(Loss) After Exceptional Items	78,850	227,597	48,383
10.0	Current Tax	29,000	67,575	21,000
11.0	Deferred Tax	-	-	-
12.0	Profit/(Loss) After Tax and Exceptional Items	49,850	160,022	27,383
13.0	Minority Interest	-	-	-
14.0	Profit/(loss) after tax, exceptional items and Minority Interest	49,850	160,022	27,383
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 year net of tax	-	-	-
17.0	Total comprehensive income for the year	49,850	160,022	27,383
18.0	EARNINGS PER SHARE- BASIC & DILUTED	-	-	-
19.0	DIVIDEND PER SHARE -DECLARED	-	-	-
III OTHER DISCLOSURES				
1.0	NON-PERFORMING LOANS AND ADVANCES			
(a)	Gross Non-performing loans and advances	803,826	1,121,770	1,135,683
(b)	Less: Interest in Suspense	279,825	260,377	283,788
(c)	Total Non-Performing Loans and Advances (a-b)	524,001	861,393	851,895
(d)	Less: Loan Loss Provision	371,241	426,122	446,570
(e)	Net Non-Performing Loans and Advances (c-d)	152,760	435,271	405,325
(f)	Discounted Value of Securities	165,281	435,271	405,325
(g)	Net NPLs Exposure (e-f)	(12,521)	-	-
2.0	INSIDER LOANS AND ADVANCES			
(a)	Directors, Shareholders and Associates	488,396	111,443	114,729
(b)	Employees	21,789	20,996	19,647
(c)	Total Insider Loans and Advances and other facilities	510,185	132,439	134,376
3.0	OFF-BALANCE SHEET ITEMS			
(a)	Letters of credit, guarantees, acceptances	907,740	807,602	793,803
(b)	Forwards, swaps and options	27,641	73,968	62,370
(c)	Other contingent liabilities	37,149	18,646	49,616
(d)	Total Contingent Liabilities	972,530	900,216	905,789
4.0	CAPITAL STRENGTH			
(a)	Core capital	2,174,405	2,306,841	2,301,522
(b)	Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
(c)	Excess/(Deficiency) (a-b)	1,174,405	1,306,841	1,301,522
(d)	Supplementary Capital	65,112	67,773	92,486
(e)	Total Capital (a-d)	2,239,517	2,374,614	2,394,008
(f)	Total risk weighted assets	11,784,288	11,745,946	11,854,033
(g)	Core Capital/Total deposits Liabilities	17.3%	17.6%	17.7%
(h)	Minimum statutory Ratio	8.0%	8.0%	8.0%
(i)	Excess/(Deficiency) (g-h)	9.3%	9.6%	9.7%
(j)	Core Capital / total risk weighted assets	18.5%	19.6%	19.4%
(k)	Minimum Statutory Ratio	10.5%	10.5%	10.5%
(l)	Excess (Deficiency) (j-k)	8.0%	9.1%	8.9%
(m)	Total Capital/total risk weighted assets	19.0%	20.2%	20.2%
(n)	Minimum statutory Ratio	14.5%	14.5%	14.5%
(o)	Excess/(Deficiency) (m-n)	4.5%	5.7%	5.7%
(p)	Adjusted Core Capital/Total Deposit Liabilities*	0.0%	0.0%	17.7%
(q)	Adjusted Core Capital/Total Risk Weighted Assets*	0.0%	0.0%	19.4%
(r)	Adjusted Total Capital/Total Risk Weighted Assets*	0.0%	0.0%	20.2%
14	LIQUIDITY			
14.1	(a) Liquidity Ratio	37.6%	41.4%	41.4%
14.2	(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%
14.3	(c) Excess (Deficiency) (a-b)	17.6%	21.4%	21.4%

These financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the Institution's website www.guardian-bank.com. They may also be accessed at the institutions head office located at Nairobi (Biashara Street).

Vasant K. Shetty
Managing Director

Hetul D. Chandaria
Executive Director

Guardian Bank Ltd is regulated by the Central Bank of Kenya.