

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH JUNE 2015

I. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION AS AT	30 th June 2014	31 st Dec 2014	31 st March 2015	30 th June 2015
	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited	Shs. '000' Unaudited
A ASSETS				
1 Cash (both Local & Foreign)	99,535	138,360	157,987	125,835
2 Balances due from Central Bank of Kenya	624,367	1,443,663	757,039	790,378
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:	3,174,348	2,347,616	3,224,794	3,348,862
a. Kenya Government securities	3,174,348	2,347,616	3,224,794	3,348,862
b. Other securities	-	-	-	-
b) Available for sale:				
a. Kenya Government securities	-	-	-	-
b. Other securities	-	-	-	-
6 Deposits and balances due from local banking institutions	1,034,703	360,536	912,671	370,868
7 Deposits and balances due from banking institutions abroad	29,241	261,188	252,749	318,838
8 Tax recoverable	-	3,962	-	-
9 Loans and advances to customers (net)	8,584,387	9,626,964	9,529,453	10,012,349
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	134,885	127,771	116,527	136,508
16 Prepaid lease rentals	23,625	23,250	23,063	22,872
17 Intangible assets	6,546	4,458	3,504	3,705
18 Deferred tax asset	31,434	35,420	35,420	35,420
19 Retirement benefit asset	-	-	-	-
20 Other assets	222,308	197,410	365,946	529,092
21 TOTAL ASSETS	14,195,379	14,570,598	15,383,115	15,694,727
B LIABILITIES				
22 Balances due to Central Bank of Kenya	-	-	-	-
23 Customer deposits	12,315,248	12,643,341	13,350,200	13,601,015
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	-	-	31,500	-
30 Dividends payable	-	-	-	-
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	254,353	172,119	182,572	203,375
34 TOTAL LIABILITIES	12,569,601	12,815,460	13,564,272	13,804,390
C SHAREHOLDERS' FUNDS				
35 Paid up /Assigned capital	450,375	450,375	450,375	450,375
36 Share premium/(discount)	-	-	-	-
37 Revaluation reserves	-	-	-	-
38 Retained earnings/Accumulated losses	1,148,552	1,278,649	1,342,354	1,413,848
39 Statutory loan loss reserves	26,851	26,114	26,114	26,114
40 Other Reserves	-	-	-	-
41 Proposed dividends	-	-	-	-
42 Capital grants	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,625,778	1,755,138	1,818,843	1,890,337
44 Minority Interest				
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	14,195,379	14,570,598	15,383,115	15,694,727

II. STATEMENT OF COMPREHENSIVE INCOME

	30 th June 2014	31 st Dec 2014	31 st March 2015	30 th June 2015
	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited	Shs. '000' Unaudited
1.0 INTEREST INCOME				
1.1 Loans and advances	626,604	1,372,166	367,278	738,383
1.2 Government securities	148,406	329,505	65,660	148,617
1.3 Deposits and placements with banking institutions	52,359	86,179	21,853	43,409
1.4 Other Interest income	4,620	6,473	502	583
1.5 Total Interest income	831,989	1,794,323	455,293	930,992
2.0 INTEREST EXPENSE				
2.1 Customer deposits	446,389	914,228	236,522	477,501
2.2 Deposits and placement from banking institutions	334	437	2	3
2.3 Other interest expenses	11,503	23,195	5,706	11,475
2.4 Total interest expenses	458,226	937,860	242,230	488,979
3.0 NET INTEREST INCOME/(LOSS)	373,763	856,463	213,063	442,013
4.0 NON-INTEREST INCOME				
4.1 Fees and commissions on loans and advances	30,965	63,408	11,899	27,224
4.2 Other fees and commissions	6,832	13,893	3,479	7,165
4.3 Foreign exchange trading income/(Loss)	31,225	56,516	11,059	23,627
4.4 Dividend Income	-	-	-	-
4.5 Other income	10,003	23,709	13,077	37,485
4.6 Total Non-interest income	79,025	157,526	39,514	95,501
5.0 TOTAL OPERATING INCOME	452,788	1,013,989	252,577	537,514
6.0 OTHER OPERATING EXPENSES				
6.1 Loan loss provision	496	111,055	608	14,246
6.2 Staff costs	141,841	291,402	79,046	162,664
6.3 Directors' emoluments	2,892	4,287	880	1,795
6.4 Rental charges	19,723	40,358	10,830	24,578
6.5 Depreciation charge on property and equipment	16,327	30,435	8,550	17,852
6.6 Amortisation charges	375	4,440	188	378
6.7 Other operating expenses	79,843	154,339	57,270	117,802
6.8 Total Other Operating Expenses	261,497	636,316	157,372	339,315
7.0 Profit/(loss) Before Tax and Exceptional Items	191,291	377,673	95,205	198,199
8.0 Exceptional Items	-	-	-	-
9.0 Profit/(Loss) After Exceptional Items	191,291	377,673	95,205	198,199
10.0 Current Tax	59,400	116,422	31,500	63,000
11.0 Deferred Tax	-	-	-	-
12.0 Profit/(Loss) After Tax and Exceptional Items	131,891	261,251	63,705	135,199
13.0 Minority Interest	-	-	-	-
14.0 Profit/(loss) after tax, exceptional items and Minority Interest	131,891	261,251	63,705	135,199
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	131,891	261,251	63,705	135,199
18.0 EARNINGS PER SHARE- BASIC & DILUTED	-	-	-	-
19.0 DIVIDEND PER SHARE- DECLARED				

III. OTHER DISCLOSURES

	30 th June 2014	31 st Dec 2014	31 st March 2015	30 th June 2015
	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited	Shs. '000' Unaudited
1.0 NON-PERFORMING LOANS AND ADVANCES				
(a) Gross Non-performing loans and advances	685,848	786,808	798,306	857,748
(b) Less: Interest in Suspense	242,206	161,731	217,017	232,552
(c) Total Non-Performing Loans and Advances (a-b)	443,642	625,077	581,289	625,196
(d) Less: Loan Loss Provision	388,517	506,572	424,928	424,114
(e) Net Non-Performing Loans and Advances (c-d)	55,125	118,505	156,361	201,082
(f) Discounted Value of Securities	55,125	118,505	156,361	201,082
(g) Net NPLs Exposure (e-f)	-	-	-	-
2.0 INSIDER LOANS AND ADVANCES				
(a) Directors, Shareholders and Associates	79,568	31,745	258,683	233,199
(b) Employees	31,206	33,530	30,446	32,582
(c) Total Insider Loans and Advances and other facilities	110,774	30,945	289,129	265,781
3.0 OFF-BALANCE SHEET ITEMS				
(a) Letters of credit, guarantees, acceptances	1,125,546	694,976	703,261	939,066
(b) Forwards, swaps and options	-	317,092	-	-
(c) Other contingent liabilities	224,600	273,903	138,266	120,579
(d) Total Contingent Liabilities	1,350,146	1,285,971	841,527	1,059,645
4.0 CAPITAL STRENGTH				
(a) Core capital	1,501,548	1,729,024	1,760,876	1,796,624
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency)(a-b)	501,548	729,024	760,876	796,624
(d) Supplementary Capital	26,851	26,114	26,114	26,114
(e) Total Capital (a+d)	1,528,399	1,755,138	1,786,990	1,822,738
(f) Total risk weighted assets	10,085,335	10,599,749	10,834,051	11,636,476
(g) Core Capital/Total deposits Liabilities	13.2%	13.7%	13.2%	13.2%
(h) Minimum statutory Ratio	10.5%	10.5%	8.0%	10.5%
(i) Excess/(Deficiency) (g-h)	1.7%	3.2%	5.2%	5.2%
(j) Core Capital / total risk weighted assets	14.9%	16.3%	16.3%	15.4%
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
(l) Excess (Deficiency) (j-k)	4.4%	5.8%	5.8%	4.9%
(m) Total Capital/total risk weighted assets	15.2%	16.6%	16.5%	15.7%
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	0.7%	2.1%	2.0%	1.2%
14 LIQUIDITY				
14.1 (a) Liquidity Ratio	40.5%	34.4%	38.2%	35.0%
14.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
14.3 (c) Excess (Deficiency) (a-b)	20.5%	14.4%	18.2%	15.0%

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