

**UN-AUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES
FOR THE PERIOD ENDED MARCH 31ST 2019**

I	STATEMENT OF FINANCIAL POSITION AS AT	31st March 2018	31st December 2018	31st March 2019
		Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
A ASSETS				
1	Cash (both Local & Foreign)	101,478	130,658	122,253
2	Balances due from Central Bank of Kenya	859,802	1,766,902	1,158,959
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:	3,391,961	3,755,719	4,541,105
a.	Kenya Government securities	3,391,961	3,755,719	4,541,105
b.	Other securities	-	-	-
b)	Available for sale:	-	-	-
a.	Kenya Government securities	-	-	-
b.	Other securities	-	-	-
6	Deposits and balances due from local banking institutions	979,178	353,303	97,904
7	Deposits and balances due from banking institutions abroad	55,737	461,488	512,178
8	Tax recoverable	47,089	-	-
9	Loans and advances to customers (net)	9,524,737	9,028,027	9,608,973
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	88,681	73,813	68,371
16	Prepaid lease rentals	240,077	234,078	232,079
17	Intangible assets	1,793	1,740	1,278
18	Deferred tax asset	93,594	136,600	136,600
19	Retirement benefit asset	-	-	-
20	Other assets	281,043	243,636	158,607
21	TOTAL ASSETS	15,665,170	16,185,964	16,638,307
B LIABILITIES				
22	Balances due to Central Bank of Kenya	-	-	-
23	Customer deposits	13,013,989	13,336,035	13,782,720
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	21,000	19,842	47,702
30	Dividends payable	-	-	-
31	Deferred tax liability	-	-	-
32	Retirement benefit liability	-	-	-
33	Other liabilities	222,482	272,935	212,544
34	TOTAL LIABILITIES	13,257,471	13,628,812	14,042,966
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	1,864,838	1,970,038	1,975,253
39	Statutory loan loss reserves	92,486	136,739	169,713
40	Other Reserves	-	-	-
41	Proposed dividends	-	-	-
42	Capital grants	-	-	-
43	TOTAL SHAREHOLDERS' FUNDS	2,407,699	2,557,152	2,595,341
44	Minority Interest	-	-	-
45	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	15,665,170	16,185,964	16,638,307
II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD				
1.0	INTEREST INCOME			
1.1	Loans and advances	323,855	1,349,499	308,423
1.2	Government securities	91,583	383,842	101,041
1.3	Deposits and placements with banking institutions	9,876	45,969	5,407
1.4	Other Interest Income	509	1,904	1,942
1.5	Total interest income	425,823	1,781,214	416,813
2.0	INTEREST EXPENSE			
2.1	Customer deposits	218,421	851,945	204,182
2.2	Deposits and placement from banking institutions	-	-	-
2.3	Other interest expenses	4,508	14,471	1,432
2.4	Total interest expenses	222,929	866,416	205,614
3.0	NET INTEREST INCOME/(LOSS)	202,894	914,798	211,199
4.0	NON-INTEREST INCOME			
4.1	Fees and commissions on loans and advances	17,523	86,980	19,816
4.2	Other fees and commissions	3,511	15,058	3,767
4.3	Foreign exchange trading income/(Loss)	5,992	28,637	8,512
4.4	Dividend Income	-	-	-
4.5	Other income	11,325	48,302	4,779
4.6	Total Non-interest income	38,351	178,977	36,874
5.0	TOTAL OPERATING INCOME	241,245	1,093,775	248,073
6.0	OTHER OPERATING EXPENSES			
6.1	Loan loss provision	18,503	78,628	18,844
6.2	Staff costs	91,619	368,229	95,679
6.3	Directors' emoluments	1,385	5,440	1,485
6.4	Rental charges	13,650	55,303	13,867
6.5	Depreciation charge on property and equipment	8,211	28,769	5,971
6.6	Amortisation charges	2,559	9,739	2,335
6.7	Other operating expenses	56,935	199,622	43,842
6.8	Total Other Operating Expenses	192,862	745,730	182,203
7.0	Profit/(loss) Before Tax and Exceptional Items	48,383	348,045	66,050
8.0	Exceptional Items	-	-	-
9.0	Profit/(Loss) After Exceptional Items	48,383	348,045	66,050
10.0	Current Tax	21,000	122,477	27,860
11.0	Deferred Tax	-	-	-
12.0	Profit/(Loss) After Tax and Exceptional Items	27,383	225,568	38,190
13.0	Minority Interest	-	-	-
14.0	Profit/(loss) after tax, exceptional items and Minority Interest	27,383	225,568	38,190
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	27,383	225,568	38,190
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	1,135,683	960,439	969,474
(b)	Less: Interest in Suspense	283,788	277,028	290,733
(c)	Total Non-Performing Loans and Advances (a-b)	851,895	683,411	678,741
(d)	Less: Loan Loss Provision	446,570	409,880	424,622
(e)	Net Non-Performing Loans and Advances(c-d)	405,325	273,531	254,119
(f)	Discounted Value of Securities	405,325	273,531	254,119
(g)	Net NPLs Exposure (e-f)	-	-	-
2.0	INSIDER LOANS AND ADVANCES			
(a)	Directors, Shareholders and Associates	114,729	80,769	79,306
(b)	Employees	19,647	19,649	23,933
(c)	Total Insider Loans and Advances and other facilities	134,376	100,418	103,239
3.0	OFF-BALANCE SHEET ITEMS			
(a)	Letters of credit, guarantees, acceptances	793,803	745,977	658,551
(b)	Forwards, swaps and options	62,370	87,335	65,000
(c)	Other contingent liabilities	49,616	57,525	31,518
(d)	Total Contingent Liabilities	905,789	890,837	755,069
4.0	CAPITAL STRENGTH			
(a)	Core capital	2,301,522	2,420,413	2,406,533
(b)	Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
(c)	Excess/(Deficiency)(a-b)	1,301,522	1,420,413	1,406,533
(d)	Supplementary Capital	92,486	136,739	169,713
(e)	Total Capital (a+d)	2,394,008	2,557,152	2,576,246
(f)	Total risk weighted assets	11,854,033	11,241,904	11,690,507
(g)	Core Capital/Total deposits Liabilities	17.7%	18.2%	17.5%
(h)	Minimum statutory Ratio	8.0%	8.0%	8.0%
(i)	Excess/(Deficiency) (g-h)	9.7%	10.2%	9.5%
(j)	Core Capital / total risk weighted assets	19.4%	21.5%	20.6%
(k)	Minimum Statutory Ratio	10.5%	10.5%	10.5%
(l)	Excess (Deficiency) (j-k)	8.9%	11.0%	10.1%
(m)	Total Capital/total risk weighted assets	20.2%	22.7%	22.0%
(n)	Minimum statutory Ratio	14.5%	14.5%	14.5%
(o)	Excess/(Deficiency) (m-n)	5.7%	8.2%	7.5%
(p)	Adjusted Core Capital/Total Deposit Liabilities*	17.7%	18.3%	17.6%
(q)	Adjusted Core Capital/Total Risk Weighted Assets*	19.4%	21.7%	20.8%
(r)	Adjusted Total Capital/Total Risk Weighted Assets*	20.2%	22.9%	22.2%
14	LIQUIDITY			
14.1	(a) Liquidity Ratio	41.4%	48.6%	46.8%
14.2	(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%
14.3	(c) Excess (Deficiency) (a-b)	21.4%	28.6%	26.8%

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).

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.

Vasant K. Shetty
Managing Director

Hetul D. Chandaria
Executive Director

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