

UN-AUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED SEPTEMBER 30TH 2020
I STATEMENT OF FINANCIAL POSITION AS AT

	30th Sep 2019	31st Dec 2019	31st March 2020	30th June 2020	30th Sep 2020
	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited	Shs. '000' Unaudited	Shs. '000' Unaudited
A ASSETS					
1 Cash (both Local & Foreign)	173,646	161,288	147,120	166,210	206,455
2 Balances due from Central Bank of Kenya	1,497,552	1,412,751	2,001,623	2,933,034	2,634,133
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	4,008,657	3,951,029	4,124,215	2,901,118	3,059,516
b. Other securities	4,008,657	3,951,029	4,124,215	2,901,118	3,059,516
b) Available for sale:					
a. Kenya Government securities	-	-	-	-	-
b. Other securities	-	-	-	-	-
6 Deposits and balances due from local banking institutions	594,832	96,116	98,643	100,447	602,452
7 Deposits and balances due from banking institutions abroad	218,042	606,509	428,331	391,223	365,829
8 Tax recoverable	-	50,620	33,886	17,152	418
9 Loans and advances to customers (net)	9,439,043	9,102,560	9,308,223	9,335,911	8,652,275
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	63,162	62,345	62,019	60,526	58,728
16 Prepaid lease rentals	228,079	226,078	224,080	222,080	220,081
17 Intangible assets	4,131	3,824	3,552	3,573	3,712
18 Deferred tax asset	136,600	130,528	130,528	130,528	130,528
19 Retirement benefit asset	-	-	-	-	-
20 Other assets	175,518	582,802	465,039	505,622	563,382
21 TOTAL ASSETS	16,539,262	16,386,450	17,027,259	16,765,424	16,497,509
B LIABILITIES					
22 Balances due to Central Bank of Kenya	-	-	-	-	-
23 Customer deposits	13,463,106	13,078,252	13,786,764	13,481,676	13,120,355
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	-	-	-	-	-
30 Dividends payable	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-
33 Other liabilities	382,899	567,388	522,534	546,049	632,120
34 TOTAL LIABILITIES	13,846,005	13,645,640	14,309,298	14,027,725	13,752,475
C SHAREHOLDERS' FUNDS					
35 Paid up /Assigned capital	450,375	450,375	450,375	450,375	450,375
36 Share premium/(discount)	-	-	-	-	-
37 Revaluation reserves	-	-	-	-	-
38 Retained earnings/Accumulated losses	2,018,163	2,073,382	2,104,153	2,115,870	2,110,742
39 Statutory loan loss reserves	224,719	217,053	163,433	171,454	183,917
40 Other Reserves	-	-	-	-	-
41 Proposed dividends	-	-	-	-	-
42 Capital grants	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	2,693,257	2,740,810	2,717,961	2,737,699	2,745,034
44 Minority Interest	-	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	16,539,262	16,386,450	17,027,259	16,765,424	16,497,509

II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED

1.0 INTEREST INCOME					
1.1 Loans and advances	932,759	1,201,831	290,705	566,785	843,380
1.2 Government securities	301,638	391,676	95,134	179,950	244,716
1.3 Deposits and placements with banking institutions	13,118	19,788	3,298	5,217	9,324
1.4 Other Interest Income	7,771	11,812	1,584	9,900	25,799
1.5 Total Interest Income	1,255,286	1,625,107	390,721	761,851	1,123,218
2.0 INTEREST EXPENSE					
2.1 Customer deposits	616,249	823,484	200,263	394,036	580,028
2.2 Deposits and placement from banking institutions	169	169	-	-	-
2.3 Other interest expenses	4,984	46,323	11,500	22,912	34,334
2.4 Total interest expenses	621,402	869,976	211,763	416,948	614,361
3.0 NET INTEREST INCOME/(LOSS)	633,884	755,131	178,958	344,903	508,857
4.0 NON-INTEREST INCOME					
4.1 Fees and commissions on loans and advances	71,823	93,173	19,031	39,705	66,685
4.2 Other fees and commissions	11,430	15,274	3,511	6,687	9,785
4.3 Foreign exchange trading income/(Loss)	30,968	41,591	10,616	18,716	26,810
4.4 Dividend Income	-	-	-	-	-
4.5 Other income	19,108	29,128	98,864	102,040	111,488
4.6 Total Non-interest income	133,329	179,167	132,023	167,148	214,768
5.0 TOTAL OPERATING INCOME	767,213	934,298	310,981	512,051	723,626
6.0 OTHER OPERATING EXPENSES					
6.1 Loan loss provision	50,479	23,897	13,650	11,434	14,686
6.2 Staff costs	285,563	383,352	100,046	200,295	304,794
6.3 Directors' emoluments	4,305	5,590	1,335	2,770	3,965
6.4 Rental charges	42,295	6,995	2,723	4,688	6,200
6.5 Depreciation charge on property and equipment	18,199	22,837	4,333	8,227	11,799
6.6 Amortisation charges	7,027	9,460	2,392	4,803	7,287
6.7 Other operating expenses	139,660	231,618	51,732	108,593	179,585
6.8 Total Other Operating Expenses	547,528	683,749	176,211	340,809	528,315
7.0 Profit/(Loss) Before Tax and Exceptional Items	219,685	250,549	134,770	171,241	195,310
8.0 Exceptional Items	-	-	-	-	-
9.0 Profit/(Loss) After Exceptional Items	219,685	250,549	134,770	171,241	195,310
10.0 Current Tax	83,579	66,891	16,734	33,467	50,201
11.0 Deferred Tax	-	-	-	-	-
12.0 Profit/(Loss) After Tax and Exceptional Items	136,106	183,658	118,036	137,774	145,109
13.0 Minority Interest	-	-	-	-	-
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	136,106	183,658	118,036	137,774	145,109
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	136,106	183,658	118,036	137,774	145,109
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	987,240	944,211	960,949	977,304	984,377
(b) Less: Interest in Suspense	331,212	316,960	291,180	304,491	311,137
(c) Total Non-Performing Loans and Advances (a-b)	656,028	627,251	669,769	672,813	673,240
(d) Less: Loan Loss Provision	465,672	472,694	374,738	381,604	391,409
(e) Net Non-Performing Loans and Advances (c-d)	190,356	154,557	295,031	291,209	281,831
(f) Discounted Value of Securities	190,356	154,557	295,031	291,209	281,831
(g) Net NPLs Exposure (e-f)	-	-	-	-	-

2.0 INSIDER LOANS AND ADVANCES

(a) Directors, Shareholders and Associates	82,714	79,459	85,155	88,962	88,645
(b) Employees	22,127	18,690	18,545	16,573	18,899
(c) Total Insider Loans and Advances and other facilities	104,841	98,149	103,700	105,534	107,544

3.0 OFF-BALANCE SHEET ITEMS

(a) Letters of credit, guarantees, acceptances	737,258	776,109	674,499	736,433	553,719
(b) Forwards, swaps and options	77,206	96,363	77,307	93,709	126,893
(c) Other contingent liabilities	167,652	34,589	13,338	9,384	15,503
(d) Total Contingent Liabilities	982,116	907,061	765,144	839,526	696,115

4.0 CAPITAL STRENGTH

(a) Core capital	2,400,485	2,523,757	2,495,510	2,497,358	2,488,563
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency) (a-b)	1,400,485	1,523,757	1,495,510	1,497,358	1,488,563
(d) Supplementary Capital	224,719	217,053	163,433	171,454	183,917
(e) Total Capital (a+d)	2,625,204	2,740,810	2,658,943	2,668,812	2,672,480
(f) Total risk weighted assets	12,404,493	12,345,662	12,483,986	12,619,551	12,466,169
(g) Core Capital/Total deposits Liabilities	17.8%	19.3%	18.1%	18.5%	19.1%
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)	9.8%	11.3%	10.1%	10.5%	11.1%
(j) Core Capital / total risk weighted assets	19.4%	20.4%	20.0%	19.8%	20.0%
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%	10.5%
(l) Excess (Deficiency) (j-k)	8.9%	9.9%	9.5%	9.3%	9.5%
(m) Total Capital/total risk weighted assets	21.2%	22.2%	21.3%	21.1%	21.4%
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	6.7%	7.7%	6.8%	6.6%	6.9%
(p) Adjusted Core Capital/Total Deposit Liabilities*	18.0%	19.5%	18.2%	18.6%	19.1%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	19.5%	20.6%	20.1%	19.9%	20.1%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	21.3%	22.4%	21.4%	21.2%	21.5%

14 LIQUIDITY

(a) Liquidity Ratio	48.4%	47.7%	49.4%	48.2%	52.4%
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%	20.0%
(c) Excess (Deficiency) (a-b)	28.4%	27.7%	29.4%	28.2%	32.4%

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).

*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