

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST MARCH, 2016

I. STATEMENT OF FINANCIAL POSITION

	31 st Mar 2015 Shs. '000' Unaudited	31 st Dec 2015 Shs. '000' Audited	31 st Mar 2016 Shs. '000' Unaudited
A ASSETS			
1 Cash (both Local & Foreign)	157,987	126,155	136,713
2 Balances due from Central Bank of Kenya	757,039	1,393,970	856,292
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:	3,224,794	2,455,529	3,158,913
a. Kenya Government securities	3,224,794	2,455,529	3,158,913
b. Other securities	-	-	-
b) Available for sale:	-	-	-
a. Kenya Government securities	-	-	-
b. Other securities	-	-	-
6 Deposits and balances due from local banking institutions	912,671	418,281	351,877
7 Deposits and balances due from banking institutions abroad	252,749	302,780	249,946
8 Tax recoverable	3,962	19,213	19,212
9 Loans and advances to customers (net)	9,529,453	9,242,735	9,946,721
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	116,527	405,298	394,070
16 Prepaid lease rentals	23,063	22,497	22,310
17 Intangible assets	3,504	4,525	3,743
18 Deferred tax asset	35,420	47,359	47,358
19 Retirement benefit asset	-	-	-
20 Other assets	365,946	171,150	199,791
21 TOTAL ASSETS	15,383,115	14,609,492	15,386,946
B LIABILITIES			
22 Balances due to Central Bank of Kenya	-	-	-
23 Customer deposits	13,350,200	12,494,551	13,205,869
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	-	11,250
30 Dividends payable	-	-	-
31 Deferred tax liability	-	-	-
32 Retirement benefit liability	-	-	-
33 Other liabilities	182,572	130,475	135,331
34 TOTAL LIABILITIES	13,564,272	12,625,026	13,352,450
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	1,342,354	1,534,091	1,584,121
39 Statutory loan loss reserves	26,114	-	-
40 Other Reserves	-	-	-
41 Proposed dividends	-	-	-
42 Capital grants	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,818,843	1,984,466	2,034,496
44 Minority Interest	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	15,383,115	14,609,492	15,386,946

II. STATEMENT OF COMPREHENSIVE INCOME

	31 st Mar 2015 Shs. '000' Unaudited	31 st Dec 2015 Shs. '000' Audited	31 st Mar 2016 Shs. '000' Unaudited
1.0 INTEREST INCOME			
1.1 Loans and advances	367,278	1,630,122	398,027
1.2 Government securities	65,660	301,358	69,071
1.3 Deposits and placements with banking institutions	21,853	54,445	9,628
1.4 Other Interest Income	502	10,352	1,311
1.5 Total interest income	455,293	1,996,277	478,037
2.0 INTEREST EXPENSE			
2.1 Customer deposits	236,522	1,024,918	280,483
2.2 Deposits and placement from banking institutions	2	1,325	-
2.3 Other interest expenses	5,706	23,139	5,769
2.4 Total interest expenses	242,230	1,049,382	286,252
3.0 NET INTEREST INCOME/(LOSS)	213,063	946,895	191,785
4.0 NON-INTEREST INCOME			
4.1 Fees and commissions on loans and advances	11,899	57,032	9,596
4.2 Other fees and commissions	3,479	14,582	3,940
4.3 Foreign exchange trading income/(Loss)	11,059	49,809	11,331
4.4 Dividend Income	-	-	-
4.5 Other income	13,077	111,677	6,288
4.6 Total Non-interest income	39,514	233,100	31,155
5.0 TOTAL OPERATING INCOME	252,577	1,179,995	222,940
6.0 OTHER OPERATING EXPENSES			
6.1 Loan loss provision	608	164,326	3,986
6.2 Staff costs	79,046	326,821	78,195
6.3 Directors' emoluments	880	4,460	1,225
6.4 Rental charges	10,830	48,636	12,171
6.5 Depreciation charge on property and equipment	8,550	40,278	13,673
6.6 Amortisation charges	188	3,625	188
6.7 Other operating expenses	57,270	262,886	52,221
6.8 Total Other Operating Expenses	157,372	851,032	161,659
7.0 Profit/(Loss) Before Tax and Exceptional Items	95,205	328,963	61,281
8.0 Exceptional Items	-	-	-
9.0 Profit/(Loss) After Exceptional Items	95,205	328,963	61,281
10.0 Current Tax	31,500	99,634	11,250
11.0 Deferred Tax	-	-	-
12.0 Profit/(Loss) After Tax and Exceptional Items	63,705	229,329	50,031
13.0 Minority Interest	-	-	-
14.0 Profit/(loss) after tax, exceptional items and Minority Interest	63,705	229,329	50,031
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	63,705	229,329	50,031
18.0 EARNINGS PER SHARE- BASIC & DILUTED	-	-	-
19.0 DIVIDEND PER SHARE -DECLARED	-	-	-

III. OTHER DISCLOSURES

	31 st Mar 2015 Shs. '000' Unaudited	31 st Dec 2015 Shs. '000' Audited	31 st Mar 2016 Shs. '000' Unaudited
1.0 NON-PERFORMING LOANS AND ADVANCES			
(a) Gross Non-performing loans and advances	798,306	1,029,137	1,082,702
(b) Less: Interest in Suspense	217,017	262,197	286,496
(c) Total Non-Performing Loans and Advances (a-b)	581,289	766,940	796,206
(d) Less: Loan Loss Provision	424,928	421,055	421,055
(e) Net Non-Performing Loans and Advances(c-d)	156,361	345,885	375,151
(f) Discounted Value of Securities	156,361	360,544	357,672
(g) Net NPLs Exposure (e-f)	-	(14,659)	17,479
2.0 INSIDER LOANS AND ADVANCES			
(a) Directors, Shareholders and Associates	258,683	329,016	355,698
(b) Employees	30,446	28,733	27,992
(c) Total Insider Loans and Advances and other facilities	289,129	357,749	383,690
3.0 OFF-BALANCE SHEET ITEMS			
(a) Letters of credit, guarantees, acceptances	703,261	957,721	1,105,099
(b) Forwards, swaps and options	-	11,178	62,136
(c) Other contingent liabilities	138,266	52,241	31,496
(d) Total Contingent Liabilities	841,527	1,021,140	1,198,731
4.0 CAPITAL STRENGTH			
(a) Core capital	1,760,876	1,984,467	2,009,480
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency) (a-b)	760,876	984,467	1,009,480
(d) Supplementary Capital	26,114	-	-
(e) Total Capital (a+d)	1,786,990	1,984,467	2,009,480
(f) Total risk weighted assets	10,834,051	11,255,793	11,552,392
(g) Core Capital/Total deposits Liabilities	13.2%	15.9%	15.2%
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)	5.2%	7.9%	7.2%
(j) Core Capital / total risk weighted assets	16.3%	17.6%	17.4%
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%
(l) Excess (Deficiency) (j-k)	5.8%	7.1%	6.9%
(m) Total Capital/total risk weighted assets	16.5%	17.6%	17.4%
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	2.0%	3.1%	2.9%
14 LIQUIDITY			
14.1 (a) Liquidity Ratio	38.2%	37.4%	35.3%
14.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%
14.3 (c) Excess (Deficiency) (a-b)	18.2%	17.4%	15.3%

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 is regulated by the Central Bank of Kenya