

EQUITY GROUP HOLDINGS LIMITED (FORMERLY EQUITY BANK LIMITED)

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31ST MARCH 2015



STATEMENT OF FINANCIAL POSITION AS AT	BANK		COMPANY			GROUP CONSOLIDATED		
	31st Mar 2014 Shs. '000' (Un-Audited)	31st Dec 2014 Shs. '000' (Audited)	31st Mar 2015 Shs. '000' (Un-Audited)	31st Dec 2014 Shs. '000' (Audited)	31st Mar 2015 Shs. '000' (Un-Audited)	31st Mar 2014 Shs. '000' (Un-Audited)	31st Dec 2014 Shs. '000' (Audited)	31st Mar 2015 Shs. '000' (Un-Audited)
A. ASSETS								
1. Cash [both Local & foreign]	6,893,233	5,213,116	8,372,318	-	-	9,839,274	8,440,563	12,101,494
2. Balances due from central Bank of Kenya	9,978,012	6,103,763	11,746,519	-	-	9,978,012	6,103,763	11,746,519
3. Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-
4. Financial Assets at fair value through profit and loss	-	-	-	-	-	-	-	-
5.Investment Securities:	32,959,377	34,654,815	35,618,234	-	-	44,415,258	48,369,008	48,911,563
i) Held to Maturity: (a+b)	22,426,689	21,388,050	20,712,691	-	-	33,550,354	34,890,897	33,780,843
a. Kenya Government securities	21,558,789	19,288,900	18,613,541	-	-	21,558,789	19,288,900	20,712,691
b. Other securities	867,900	2,099,150	2,099,150	-	-	12,091,565	15,601,997	13,068,152
ii) Available for sale: (a+b)	10,532,688	13,266,765	14,905,543	-	-	10,764,904	13,478,111	15,130,720
a. Kenya Government securities	10,532,688	13,266,765	14,905,543	-	-	10,550,261	13,266,765	14,923,575
b. Other securities	-	-	-	-	-	214,643	211,346	207,145
6. Deposits and balances due from local banking institutions	4,928,809	10,146,632	8,859,356	8,417,995	1,752,996	4,968,896	10,146,632	8,899,444
7. Deposits and balances due from banking institutions abroad	6,701,458	11,488,072	11,488,194	-	-	16,397,675	23,527,785	29,247,580
8. Tax recoverable	-	-	-	-	-	66,779	123,483	76,758
9. Loans and advances to customers [net]	159,188,825	187,976,229	195,503,777	-	-	179,311,808	214,170,424	224,756,281
10.Balances due from banking institutions in the group	1,564,267	1,039,752	1,666,550	-	164,374	451,925	188,903	309,837
11. Investments in associates	1,113,049	-	-	-	-	1,623,941	-	-
12. Investments in subsidiary companies	10,283,689	-	-	54,799,197	54,799,197	-	-	-
13. Investments in joint ventures	-	-	-	-	-	-	-	-
14. Investment properties	8,494	8,494	8,494	-	-	8,494	8,494	8,494
15. Property and equipment	6,654,599	7,383,658	8,175,258	-	-	9,439,466	10,528,298	11,354,247
16. Prepaid lease rentals	4,080	4,045	4,034	-	-	185,517	106,040	159,774
17. Intangible assets	1,747,660	2,774,689	2,810,565	-	-	3,182,971	3,424,894	4,288,699
18. Deferred tax asset	701,348	2,269,352	2,269,352	-	-	763,013	2,573,932	3,098,343
19. Retirement benefit asset	-	-	-	-	-	-	-	-
20. Other assets	12,613,566	11,783,110	14,365,999	-	-	14,630,050	16,859,430	17,566,097
21.TOTAL ASSETS	255,340,466	276,115,727	300,888,650	63,217,192	56,716,567	295,263,079	344,571,649	372,525,130
B. LIABILITIES								
22. Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-
23. Customer deposits	170,056,418	202,484,759	224,626,787	-	-	205,605,033	245,383,135	276,754,774
24. Deposits and balances due to Local banking institutions	222,420	199,136	1,412,173	-	-	222,420	199,136	1,412,173
25. Deposits and balances due to Foreign banking institutions	-	-	-	-	-	-	-	-
26. Other money market deposits	692,943	336,134	18,414	-	-	750,964	336,184	-
27. Borrowed funds	29,599,124	29,745,328	25,349,439	-	-	31,591,650	29,905,810	26,179,444
28. Balances due to group companies	-	-	-	420,000	441,332	-	-	-
29. Tax payable	957,186	-	1,613,821	460,935	460,935	1,069,814	462,900	2,210,571
30. Dividends payable	2,209,381	-	-	22,677	65,018	2,209,381	22,677	65,018
31. Deferred tax liability	-	-	-	-	-	-	2,148	1,162
32. Retirement benefit liability	-	-	-	-	-	-	-	-
33. Other liabilities	2,793,373	3,417,026	3,602,903	-	-	3,736,057	4,483,963	4,982,986
34. TOTAL LIABILITIES	206,530,845	236,382,383	256,623,537	903,612	967,285	245,185,319	280,795,953	311,666,128
C. SHAREHOLDERS' FUNDS								
35. Paid up/Assigned capital	1,851,388	30,000,000	30,000,000	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388
36. Share premium/ (discount)	12,161,021	9,733,344	9,964,132	12,161,021	12,161,021	12,161,021	12,161,021	12,161,021
37. Revaluation reserve	(1382,679)	-	(234,430)	-	-	(1,368,636)	(977,286)	(1,308,685)
38. Retained earnings/ Accumulated losses	34,601,314	(769,212)	3,766,199	41,636,172	41,736,873	36,700,270	43,054,995	47,248,075
39 Statutory Loan Loss reserve	578,577	769,212	769,212	-	-	733,717	1,020,579	966,203
40.Other Reserves	-	-	-	-	-	-	-	-
41. Proposed dividends	-	-	-	6,664,999	-	-	6,664,999	-
42. Capital grants	-	-	-	-	-	-	-	-
43. TOTAL SHAREHOLDERS' FUNDS	48,809,621	39,733,344	44,265,113	62,313,580	55,749,282	50,077,760	63,775,696	60,919,002
44.TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	255,340,466	276,115,727	300,888,650	63,217,192	56,716,567	295,263,079	344,571,649	372,525,130

STATEMENT OF COMPREHENSIVE INCOME	BANK		COMPANY			GROUP CONSOLIDATED		
1. INTEREST INCOME								
1.1 Loans and advances	6,529,542	-	7,299,680	27,585,823	-	7,313,075	30,999,140	8,284,824
1.2 Government securities.	771,865	-	846,649	3,281,374	-	908,165	3,858,292	1,026,427
1.3 Deposits and placements with banking institutions	61,518	-	108,765	266,774	-	80,453	370,503	159,248
1.4 Other Interest Income	2,311	-	6,464	6,052	122,033	115,620	138,953	231
1.5 Total Interest Income	7,365,236	-	8,261,558	31,140,023	122,033	8,417,313	35,366,888	9,470,730
2. INTEREST EXPENSES								
2.1 Customer deposits	808,836	-	1,166,460	3,534,022	-	1,053,185	4,666,626	1,447,317
2.2 Deposits and placements from banking institutions	4,268	-	20,033	34,416	-	6,677	72,690	47,580
2.3 Other Interest expense	331,386	-	363,291	1,412,016	-	344,592	1,452,935	357,836
2.4 Total Interest Expenses	1,144,490	-	1,549,784	4,980,454	-	1,404,452	6,192,251	1,852,733
3. NET INTEREST INCOME	6,220,746	-	6,711,774	26,159,569	122,033	7,012,859	29,174,637	7,617,997
4. NON-INTEREST INCOME								
4.1 Fees and commissions income on loans & advances	1,151,257	-	1,184,083	4,918,631	-	1,219,687	5,214,734	1,299,361
4.2 Other Fees and commissions income	1,543,782	-	1,934,852	7,497,093	-	2,010,490	8,841,541	2,420,698
4.3 Foreign exchange trading income	196,171	-	772,604	1,204,900	-	611,092	2,344,899	1,154,771
4.4 Dividend Income	-	-	-	900,223	-	2,053	104,156	-
4.5 Other income.	87,561	-	116,154	485,978	-	288,825	1,968,712	744,887
4.6 Total Non-Interest Income	2,978,787	-	4,007,693	15,006,825	-	4,132,147	18,474,042	5,619,717
5. TOTAL OPERATING INCOME	9,199,533	-	10,719,467	41,166,394	122,033	11,145,006	47,648,679	13,237,714
6. OPERATING EXPENSES								
6.1 Loan Loss Provision	270,399	-	218,802	1,159,054	-	316,499	1,590,863	346,121
6.2 Staff costs	1,977,153	-	1,956,467	8,769,508	-	2,414,764	10,775,752	2,464,485
6.3 Directors' emoluments	2,986	-	6,436	21,152	-	4,652	37,855	19,039
6.4 Rental charges	252,618	-	294,576	1,087,789	-	443,966	1,591,137	478,226
6.5 Depreciation on property and equipment	493,940	-	595,581	2,049,378	-	2,615,209	2,637,901	753,994
6.6 Ammortisation charges	93,245	-	184,816	518,987	-	95,330	546,572	191,708
6.7 Other operating expenses	1,352,786	-	2,082,504	7,448,944	21,333	1,851,878	9,168,403	2,875,599
6.8 Total Operating Expenses	4,443,127	-	5,339,182	21,054,812	21,333	5,742,462	26,348,483	7,129,172
Profit/(loss) before tax and exceptional items	4,756,406	-	5,380,285	20,111,582	100,700	5,402,544	21,300,196	6,108,542
Gain on disposal of associate	-	-	-	1,667,272	-	-	1,063,737	-
Exceptional item-Share of profit of associate	-	-	-	-	-	49,507	-	-
Profit/(loss) after exceptional items	4,756,406	-	5,380,285	21,778,854	100,700	5,452,051	22,363,933	6,108,542
10. Current tax	(1,426,922)	-	(1,614,085)	(6,510,847)	-	(1,568,941)	(6,843,239)	(1,813,395)
11. Deferred tax	-	-	-	1,568,003	-	(4,454)	1,630,671	-
12. Profit / (loss) after tax and exceptional items	3,329,484	-	3,766,200	16,835,990	100,700	3,878,656	17,151,365	4,295,147
13. Other Comprehensive Income								
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	(354,285)	136,631	(330,399)
13.2 Fair value changes in available for sale financial assets	347,379	-	(234,430)	344,921	-	347,379	344,921	(234,430)
13.3 Revaluation surplus on Property,plant and equipment	-	-	-	-	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	-	142,148	-
14. Other Comprehensive Income for the year net of tax	347,379	-	(234,430)	344,921	-	(6,904)	623,700	(564,829)
15. Total Comprehensive Income for the year	3,676,863	-	3,531,770	17,180,911	100,700	3,871,750	17,775,065	3,730,318
EARNINGS PER SHARE- BASIC & DILUTED	0.90	-	1.02	4.55	0.03	1.05	4.63	1.16

OTHER DISCLOSURES	BANK			COMPANY		GROUP CONSOLIDATED		
1) NON PERFORMING LOANS AND ADVANCES								
a) Gross non performing loans and advances	6,424,921	7,469,299	8,037,479	-	-	7,765,108	9,343,596	10,058,970
b) Less Interest in suspense	1,575,512	1,792,184	1,980,070	-	-	1,688,930	1,993,988	2,199,245
c) Total Non-Performing loans and advances (a-b)	4,849,409	5,677,115	6,057,409	-	-	6,076,178	7,349,608	7,859,725
d) less Loan loss provision	2,875,579	3,204,272	3,242,486	-	-	3,460,969	4,028,980	4,161,970
e) Net non-performing loans(c-d)	1,973,830	2,472,843	2,814,923	-	-	2,615,209	3,320,628	3,697,755
f) Discounted value of securities	1,595,935	2,006,848	2,332,870	-	-	2,237,313	2,854,633	3,215,702
g) Net NPLs Exposure (e-f)	377,895	465,995	482,053	-	-	377,896	465,995	482,053
2)INSIDER LOANS AND ADVANCES								
a) Directors, shareholders and associates	1,535,062	1,150,610	1,066,148	-	-	1,535,062	1,150,610	1,066,148
b)Employees	4,665,977	5,852,490	6,196,204	-	-	4,968,500	6,280,775	6,604,428
c) Total insider Loans and Advances and other Facilities	6,201,039	7,003,100	7,262,352	-	-	6,503,562	7,431,385	7,670,576
3)OFF BALANCE SHEET ITEMS								
a) Letter of Credit, guarantees, acceptances	12,722,859	19,966,165	19,378,356	-	-	14,683,355	23,074,076	22,311,951
b) Forwards, Swaps and Options	30,885	3,583	87,425	-	-	406,507	3,583	87,425
c) Other contingent Liabilities	3,040,401	3,911,635	4,095,570	-	-	3,040,401	3,911,635	4,095,570
d) Total contingent Liabilities	15,794,145	23,881,383	23,561,351	-	-	18,130,263	26,989,294	26,494,946
4) CAPITAL STRENGTH								
a) Core Capital	36,423,343	39,733,344	41,847,231					
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000					
c) Excess/ (deficiency)	35,423,343	38,733,344	40,847,231					
d) Supplementary capital	8,877,306	6,818,642	6,212,474					
e) Total Capital (a+d)	45,300,649	46,551,986	48,059,706					
f) Total Risk Weighted Assets	259,817,858	268,517,818	285,595,971					
RATIOS								
g) Core Capital/ Total Deposit Liabilities	21.4%	19.6%	18.5%					
h) Minimum statutory ratio	8.0%	8.0%	8.0%					
i) Excess / (deficiency) (g-h)	13.4%	11.6%	10.5%					
j) Core Capital/ Total Risk Weighted Assets	14.0%	14.8%	14.7%					
k) Minimum statutory Ratio	10.5%	10.5%	10.5%					
l) Excess / (deficiency) (j-k)	3.5%	4.3%	4.2%					
m) Total Capital/ Total Risk Weighted assets	17.4%	17.3%	16.8%					
n) Minimum statutory Ratio	14.5%	14.5%	14.5%					
o) Excess / (deficiency) (m-n)	2.9%	2.8%	2.3%					
5) LIQUIDITY								
a) Liquidity Ratio	33.0%	30.4%	32.9%					
b) Minimum statutory Ratio	20.0%	20.0%	20.0%					
c) Excess / (deficiency) (a-b)	13%	10.4%	12.9%					

These financial statements are prepared in accordance with the statutory and qualitative requirements of the Companies Act, 2013 and the Companies (Accounts) Regulations, 2014. They may also be accompanied by other financial statements.

Signed: **DR. JAMES M. JAYARAM**
CHIEF EXECUTIVE OFFICER