



AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31ST DEC 2019

1. STATEMENT OF FINANCIAL POSITION

		31-Dec-19 Audited	31-Dec-18 Audited
A	ASSETS	Ksh'000'	Ksh'000'
1	Cash balances (both local & foreign)	1,174,945	1,019,888
2	Balances due from Central Bank of Kenya	1,973,662	1,252,991
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;	-	-
	i. Kenya Government securities	-	-
	i. Other securities	-	-
	a) Available for sale;	-	-
	i. Kenya Government securities	-	-
	i. Other securities	-	-
6	Deposits and balances due from local banking institutions	2,215,670	3,558,968
7	Deposits and balances due from banking institutions abroad	1,141,192	1,101,289
8	Tax recoverable	119,645	140,772
9	Financing Activities (net)	9,909,696	9,027,389
10	Balances due from Banking instituion in the group	-	-
11	Investments in associates	-	-
12	Investments in subsidiary companies	94,400	94,400
13	Investment in joint ventures	-	-
14	Investment properties	-	-
15	Property and equipment	846,829	532,736
16	Prepaid operating rental leases	-	8,000
17	Intangible assets	50,282	46,108
18	Deferred tax asset	555,748	529,176
19	Retirement benefit asset	-	-
20	Other assets	680,774	568,746
21	TOTAL ASSETS	18,762,844	17,880,462
B	LIABILITIES		
22	Balances due to Central Bank of Kenya	-	-
23	Customer deposits	16,125,643	14,618,089
24	Deposits and balances due to local banking institutions	-	-
25	Deposits and balances due to foreign banking institutions	158,901	923,120
26	Other money market deposits	-	-
27	Borrowed funds	303,375	303,440
28	Balances due to Banking instituion in the group	-	-
29	Tax payable	-	-
30	Dividends payable	-	-
31	Deferred tax liability	-	-
32	Retirement benefit liability	-	-
33	Other liabilities	712,894	764,711
34	TOTAL LIABILITIES	17,300,813	16,609,359
C	SHAREHOLDERS' EQUITY		
35	Paid up/Assigned capital	390,800	390,800
36	Share premium	1,172,401	1,172,401
37	Revaluation reserves	-	-
38	Retained earnings/ Accumulated losses	(411,083)	(292,098)
39	Statutory financing loss reserve	309,941	-
40	Other Reserves	-	-
41	Proposed dividends	-	-
42	Capital grants	-	-
43	TOTAL SHAREHOLDERS' FUNDS	1,462,059	1,271,103
44	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	18,762,844	17,880,462

2. STATEMENT OF COMPREHENSIVE INCOME

		Ksh'000'	Ksh'000'
1	OPERATING INCOME		
1.1	Financing Activities (Deals)	879,061	855,056
1.2	Government securities.	-	-
1.3	Deposits and placements with banking institutions	121,720	132,676
1.4	Other related income	-	-
1.5	Total Operating income	1,000,782	987,732
2	EXPENSES ON DEPOSITS		
2.1	Customer deposits	187,434	204,166
2.2	Deposits and placements from banking institutions	17,369	13,115
2.3	Other related expenses	40,435	50,634
2.4	Total Expenses on Deposits	245,233	267,915
3	NET OPERATING INCOME	755,549	719,817
4	NON- OPERATING INCOME		
4.1	Fees and commissions on financing activity's	65,601	48,109
4.2	Other fees and Commissions income	292,243	262,694
4.3	Foreign exchange income	79,272	132,893
4.4	Dividend Income	-	-
4.5	Other income.	3,389	16,168
4.6	Total Non Operating Income	440,506	459,864
5	TOTAL INCOME	1,196,055	1,179,681
6	OPERATING EXPENSES		
6.1	Financing loss provision	(345,152)	300,948
6.2	Staff costs	465,372	441,176
6.3	Directors' emoluments	18,500	5,000
6.4	Rental charges	405	68,083
6.5	Depreciation on property and equipment	50,239	66,731
6.6	Amortization charges	24,476	26,027
6.7	Other operating expenses	796,733	550,128
6.8	Total Other Operating Expenses	1,010,573	1,458,092
7	Profit/(loss) before tax and exceptional items	185,482	(278,411)
8	Exceptional items	-	-
9	Profit/(loss) before tax	185,482	(278,411)
10	Current tax	(21,127)	(17,520)
11	Deferred tax asset	26,572	83,869
12	Profit / (loss) after tax & exceptional items	190,927	(212,062)
13	Other Comprehensive Income	-	-
13.1	Gains/Losses from Translating the F/S of Foreign Operations	-	-
13.2	Fair Value changes in Available for sale Financial assets	-	-
13.3	Revaluation surplus on property, plant & equipments	-	-
13.4	Share of other comprehensive income of associates	-	-
13.5	Income tax relating to components of other comprehensive income	-	-
14	Other comprehensive Income for the year net of tax	-	-
15	Total Comprehensive Income for the year	190,927	(212,062)

3. OTHER DISCLOSURES

1	NON PERFORMING FACILITIES	Ksh'000'	Ksh'000'
a)	Gross Non-Performing Facilities	4,699,124	4,940,176
b)	Less suspended Income	591,373	533,283
c)	Total Non Performing Facilities (a-b)	4,107,751	4,406,893
d)	Less financing loss provisions	1,332,148	1,130,266
e)	Net NPLs (c-d)	2,775,603	3,276,667
f)	Discounted value of securities	2,685,833	3,266,669
g)	Net NPLs exposure (e-f)	89,770	9,998
2	INSIDER FACILITY		
a)	Directors, shareholders and associates	572,372	604,620
b)	Employees	301,940	317,312
c)	Total Insider Facility	874,312	921,931
3	OFF BALANCE SHEET ITEMS		
a)	Letter of Credit, guarantees, acceptances	194,120	205,620
b)	Forward, swaps & Options	-	-
c)	Other contingent Liabilities	-	-
d)	Total Contingent Liabilities	194,120	205,620
4	CAPITAL STRENGTH		
a)	Core Capital	617,182	774,637
b)	Minimum statutory capital	1,000,000	1,000,000
c)	Excess/ deficiency (a-b)	(382,818)	(225,363)
d)	Supplementary capital	513,316	303,440
e)	Total Capital (a+d)	1,130,498	1,078,077
f)	Total Risk Weighted Assets	13,962,683	11,828,591
g)	Core Capital/ Total Deposit Liabilities	3.8%	5.3%
h)	Minimum Statutory ratio	8.0%	8.0%
i)	Excess/deficiency (g-h)	-4.2%	-2.7%
j)	Core Capital/ Total Risk Weighted Assets	4.4%	6.5%
k)	Minimum statutory ratio	10.5%	10.5%
l)	Excess/deficiency (j-k)	-6.1%	-4.0%
m)	Total Capital/ Total Risk Weighted assets	8.1%	9.1%
n)	Minimum statutory ratio	14.5%	14.5%
o)	Excess/deficiency (m-n)	-6.4%	-5.4%
p)	Adjusted Core Capital/Total Deposit Liabilities	4.2%	7.6%
q)	Adjusted Core Capital/Total Risk Weighted Assets	4.8%	9.3%
r)	Adjusted Total Capital/Total Risk Weighted Assets	8.5%	11.9%
5	LIQUIDITY		
a)	Liquidity ratio	35.1%	48.3%
b)	Minimum statutory ratio	20.0%	20.0%
c)	Excess/deficiency (a-b)	15.1%	28.3%

The Adjusted Capital includes the expected credit loss provisions added back to Capital in line with CBK Guidance Note issued in April 2018 on implementation of IFRS 9.

MESSAGE FROM DIRECTORS

These Financial Statements are extracts from the books of the institution as audited by Ernst & Young LLP and received an unqualified opinion. The complete set of the audited Statements, Statutory and qualitative disclosures can be accessed on the institution's website www.firstcommunitybank.co.ke or at our Headoffice located at FCB Mihrab Building, Mezzanine 1, Lenana Road/Ring Road Kilimani, Nairobi.

Mohamed Mbaye : Chairman
Abdullatif Essajee : Director
Dr. Hussein Hassan : Chief Executive Officer