



**UN AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH SEPTEMBER 2013**

**I. STATEMENT OF FINANCIAL POSITION AS AT**

	30-Sep-12 Unaudited	31-Dec-12 Audited	31-Mar-13 Unaudited	30-Jun-13 Unaudited	30-Sep-13 Unaudited
<b>A ASSETS</b>	<b>Ksh'000'</b>	<b>Ksh'000'</b>	<b>Ksh'000'</b>	<b>Ksh'000'</b>	<b>Ksh'000'</b>
1.0 Cash balances ( both local & foreign)	729,163	622,309	518,333	621,729	842,118
2.0 Balances due from Central Bank of Kenya	619,490	666,992	473,086	463,041	494,629
3.0 Kenya Government and other securities held for dealing purposes	-	-	-	-	-
4.0 Financial Assets at Fair value through Profit and loss	-	-	-	-	-
5.0 Investment Securities	-	-	-	-	-
a) Held to Maturity;	-	-	-	-	-
i. Kenya Government securities	-	-	-	-	-
i. Other securities	-	-	-	-	-
a) Available for sale;	-	-	-	-	-
i. Kenya Government securities	-	-	-	-	-
i. Other securities	-	-	-	-	-
6.0 Deposits and balances due from local banking institutions	2,277,663	2,268,706	1,812,343	978,898	1,118,439
7.0 Deposits and balances due from banking institutions abroad	321,551	323,395	128,373	592,577	526,706
8.0 Tax recoverable	-	-	-	-	-
9.0 Financing Activities (net)	4,817,485	5,452,627	5,879,769	6,404,581	6,724,414
10.0 Balances due from Banking institution in the group	-	-	-	-	-
11.0 Investments in associates	-	-	-	-	-
12.0 Investments in subsidiary companies	70,000	70,000	70,000	70,000	70,000
13.0 Investments in joint ventures	-	-	-	-	-
14.0 Investments properties	-	-	-	-	-
15.0 Property and equipment	210,708	195,261	174,964	154,013	171,216
16.0 Prepaid operating rental leases	31,221	30,115	24,543	24,543	24,543
17.0 Intangible assets	55,630	41,147	9,445	17,921	17,921
18.0 Deferred tax asset	144,274	98,267	91,818	98,267	98,267
19.0 Retirement benefit asset	-	-	-	-	-
20.0 Other assets	536,731	189,952	315,412	409,368	361,785
<b>21.0 TOTAL ASSETS</b>	<b>9,813,916</b>	<b>9,958,767</b>	<b>9,516,574</b>	<b>9,829,537</b>	<b>10,434,238</b>
<b>B LIABILITIES</b>					
22.0 Balances due to Central Bank of Kenya	-	-	-	-	-
23.0 Customer deposits	8,577,554	8,832,862	8,335,090	8,591,413	9,132,451
24.0 Deposits and balances due to local banking institutions	-	-	-	-	-
25.0 Deposits and balances due to foreign banking institutions	-	-	-	-	-
26.0 Other money market deposits	-	-	-	-	-
27.0 Borrowed funds	-	-	-	-	-
28.0 Balances due to Banking institution in the group	61,424	6,527	16,683	44,793	48,617
29.0 Tax payable	-	-	-	-	-
30.0 Dividends payable	-	-	-	-	-
31.0 Deferred tax liability	-	-	-	-	-
32.0 Retirement benefit liability	96,234	41,497	51,190	48,063	76,520
33.0 Other liabilities	-	-	-	-	-
<b>34.0 TOTAL LIABILITIES</b>	<b>8,735,212</b>	<b>8,880,886</b>	<b>8,402,964</b>	<b>8,684,269</b>	<b>9,257,588</b>
<b>C SHAREHOLDERS' EQUITY</b>					
35.0 Paid up/Assigned capital	300,000	300,000	300,000	300,000	300,000
36.0 Share premium	900,000	900,000	900,000	900,000	900,000
37.0 Revaluation reserves	-	-	-	-	-
38.0 Retained earnings/ Accumulated losses	(121,297)	(122,119)	(86,389)	(54,731)	(23,350)
39.0 Statutory financing loss reserve	-	-	-	-	-
40.0 Other Reserves	-	-	-	-	-
41.0 Proposed dividends	-	-	-	-	-
42.0 Capital grants	-	-	-	-	-
<b>43.0 TOTAL SHAREHOLDERS' FUNDS</b>	<b>1,078,703</b>	<b>1,077,881</b>	<b>1,113,611</b>	<b>1,145,269</b>	<b>1,176,650</b>
<b>44.0 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>9,813,916</b>	<b>9,958,767</b>	<b>9,516,574</b>	<b>9,829,537</b>	<b>10,434,238</b>

**2. STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED**

	Ksh'000'	Ksh'000'	Ksh'000'	Ksh'000'	Ksh'000'
<b>1 OPERATING INCOME</b>					
1.1 Financing Activities (Deals)	454,190	645,686	208,336	441,874	674,382
1.2 Government securities	-	-	-	-	-
1.3 Deposits and placements with banking institutions	251,513	294,619	29,979	48,176	73,818
1.4 Other related income	-	-	-	-	-
<b>1.5 Total Operating income</b>	<b>705,703</b>	<b>940,305</b>	<b>238,315</b>	<b>490,049</b>	<b>748,200</b>
<b>2 EXPENSES ON DEPOSITS</b>					
2.1 Customer deposits	99,930	136,614	36,319	71,495	112,738
2.2 Deposits and placements from banking institutions	-	-	-	-	-
2.3 Other related expenses	-	-	-	-	-
2.4 Total Expenses on Deposits	99,930	136,614	36,319	71,495	112,738
<b>3 NET OPERATING INCOME</b>	<b>605,774</b>	<b>803,691</b>	<b>201,996</b>	<b>418,554</b>	<b>635,462</b>
<b>4 NON- OPERATING INCOME</b>					
4.1 Fees and commissions on financing activities	18,829	26,335	7,029	14,570	22,571
4.2 Other fees and Commissions income	88,185	163,543	36,815	74,060	118,653
4.3 Foreign exchange income	17,629	19,400	10,580	18,261	30,407
4.4 Dividend Income	-	-	-	-	-
4.5 Other income	166,256	134,536	5,626	12,821	22,653
4.6 Total Non Operating Income	290,899	343,814	60,050	119,712	194,284
<b>5 TOTAL INCOME</b>	<b>896,672</b>	<b>1,147,505</b>	<b>262,046</b>	<b>538,267</b>	<b>829,746</b>
<b>6 OPERATING EXPENSES</b>					
6.1 Financing loss provision	28,478	55,922	9,000	16,630	16,630
6.2 Staff costs	211,274	281,222	75,489	159,440	248,012
6.3 Directors' emoluments	24,143	29,239	3,896	19,638	11,310
6.4 Rental charges	97,759	41,647	9,445	19,877	31,440
6.5 Depreciation on property and equipment	74,859	100,681	23,713	49,581	74,477
6.6 Amortization charges	32,916	44,646	11,086	18,683	25,693
6.7 Other operating expenses	208,704	300,387	78,393	170,255	281,174
6.8 Total Other Operating Expenses	608,133	853,744	211,022	442,055	688,736
<b>7 Profit/(loss) before tax and exceptional items</b>	<b>288,539</b>	<b>293,761</b>	<b>51,024</b>	<b>96,212</b>	<b>141,010</b>
8 Exceptional items	-	-	-	-	-
<b>9 Profit/(loss) before tax</b>	<b>288,539</b>	<b>293,761</b>	<b>51,024</b>	<b>96,212</b>	<b>141,010</b>
10 Current tax	-	(52,456)	(15,307)	(28,864)	(42,303)
11 Deferred tax asset	-	-	-	-	-
<b>12 Profit / (loss) after tax &amp; exceptional items</b>	<b>288,539</b>	<b>241,305</b>	<b>35,717</b>	<b>67,349</b>	<b>98,707</b>
<b>13 Other Comprehensive Income</b>					
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 & equipment	-	-	-	-	-
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	-	-	-	-	-
<b>15 Total Comprehensive Income for the year</b>	<b>288,539</b>	<b>241,305</b>	<b>35,717</b>	<b>67,349</b>	<b>98,707</b>

**3. OTHER DISCLOSURES**

<b>1 NON PERFORMING FACILITIES</b>	<b>Ksh'000'</b>	<b>Ksh'000'</b>	<b>Ksh'000'</b>	<b>Ksh'000'</b>	<b>Ksh'000'</b>
a) Gross Non-Performing Facilities	627,436	749,199	559,551	401,866	461,899
b) Less suspended Income	12,944	18,856	28,909	41,882	46,537
c) Total Non Performing Facilities (a-b)	614,492	768,055	530,642	359,984	415,362
d) Less financing loss provisions	60,439	73,977	78,477	88,650	78,262
e) Net NPLs (c-d)	554,053	694,078	452,165	271,334	337,100
f) Discounted value of securities	554,053	694,078	452,165	271,334	337,100
g) Net NPLs exposure (e-f)	-	-	-	-	-
<b>2 INSIDER FACILITY</b>					
a) Directors, shareholders and associates	55,518	260,542	264,998	257,301	219,663
b) Employees	132,433	104,685	162,589	164,971	193,329
c) Total Insider Facility	187,951	365,227	427,587	422,272	412,992
<b>3 OFF BALANCE SHEET ITEMS</b>					
a) Letter of Credit, guarantees, acceptances	521,180	822,956	845,922	1,196,200	836,886
b) Forward, swaps & Options	-	-	-	-	-
c) Other contingent Liabilities	-	-	-	-	-
d) Total contingent Liabilities	521,180	822,956	845,922	1,196,200	836,886
<b>4 CAPITAL STRENGTH</b>					
a) Core Capital	887,640	1,007,881	1,025,752	1,041,581	1,057,272
b) Minimum statutory capital	700,000	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/ deficiency (a-b)	187,640	7,881	25,752	41,581	57,272
d) Supplementary capital	-	-	-	-	-
e) Total Capital (a+d)	887,640	1,007,881	1,025,752	1,041,581	1,057,272
f) Total Risk Weighted Assets	5,364,486	6,397,334	6,661,841	6,708,063	7,006,506
g) Core Capital/ Total Deposit Liabilities	10.3%	11.4%	12.3%	12.1%	11.6%
h) Minimum Statutory ratio	8.0%	8.0%	8.0%	8.0%	8.0%
i) Excess/deficiency (g-h)	2.3%	3.4%	4.3%	4.1%	3.6%
j) Core Capital/ Total Risk Weighted Assets	14.7%	15.8%	15.4%	15.5%	15.1%
k) Minimum statutory ratio	8.0%	8.0%	8.0%	8.0%	8.0%
l) Excess/deficiency (j-k)	6.7%	7.8%	7.4%	7.5%	7.1%
m) Total Capital/ Total Risk Weighted assets	14.7%	15.8%	15.4%	15.5%	15.1%
n) Minimum statutory ratio	12.0%	12.0%	12.0%	12.0%	12.0%
o) Excess/deficiency (m-n)	2.7%	3.8%	3.4%	3.5%	3.1%
<b>5 LIQUIDITY</b>					
a) Liquidity ratio	45.1%	40.1%	37.0%	28.7%	28.5%
b) Minimum statutory ratio	20.0%	20.0%	20.0%	20.0%	20.0%
c) Excess/deficiency (a-b)	25.1%	20.1%	17.0%	8.7%	8.5%

**MESSAGE FROM DIRECTORS**

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 our website: www.firstcommunitybank.co.ke. They may also be accessed at our Head Office located at Prudential Assurance Building, 1st floor, along Wabera street Nairobi.

Hassan Varvani : Chairman  
Abdullahif Essajee : Managing Director  
Carolyn Njoroge : Company Secretary