



AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31ST DECEMBER 2014

1. STATEMENT OF FINANCIAL POSITION AS AT

	31-Dec-13 Audited Ksh'000'	31-Dec-14 Audited Ksh'000'
A ASSETS		
1 Cash balances (both local & foreign)	705,724	1,117,328
2 Balances due from Central Bank of Kenya	620,675	2,358,441
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	637,581	56,824
7 Deposits and balances due from banking institutions abroad	1,230,056	506,975
8 Tax recoverable	-	75,184
9 Financing Activities (net)	7,211,504	9,765,509
10 Balances due from Banking institution in the group	-	-
11 Investments in associates	-	-
12 Investments in subsidiaries	70,000	94,400
13 Investment in joint ventures	-	-
14 Investment properties	-	-
15 Property and equipment	198,366	243,977
16 Prepaid operating rental leases	24,543	22,079
17 Intangible assets	15,534	49,802
18 Deferred tax asset	124,342	140,498
19 Retirement benefit asset	-	-
20 Other assets	467,074	847,008
21 TOTAL ASSETS	11,305,399	15,278,026
B LIABILITIES		
22 Balances due to Central Bank of Kenya	-	-
23 Customer deposits	9,932,242	13,338,591
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 institution in the group	-	-
29 Tax payable	98,120	75,569
30 Dividends payable	-	-
31 Deferred tax liability	-	-
32 Retirement benefit liability	-	-
33 Other liabilities	64,941	346,144
34 C TOTAL LIABILITIES	10,095,303	13,760,304
SHAREHOLDERS' EQUITY		
35 Paid up/Assigned capital	300,000	364,300
36 Share premium	900,000	1,092,901
37 Revaluation reserves	-	-
38 Retained earnings/ Accumulated losses	10,095	60,520
39 Statutory financing loss reserve	-	-
40 Other Reserves	-	-
41 Proposed dividends	-	-
42 Capital grants	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,210,095	1,517,722
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	11,305,398	15,278,026

2. STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED

	31-Dec-13 Audited Ksh'000'	31-Dec-14 Audited Ksh'000'
1 OPERATING INCOME		
1.1 Financing Activities (Deals)	908,967	973,432
1.2 Government securities.	-	-
1.3 Deposits and placements with banking institutions	93,746	59,572
1.4 Other related income	-	-
1.5 Total Operating income	1,002,513	1,003,005
2 EXPENSES ON DEPOSITS		
2.1 Customer deposits	152,114	126,265
2.2 Deposits and placements from banking institutions	-	-
2.3 Other related expenses	-	-
2.4 Total Expenses on Deposits	152,114	126,265
3 NET OPERATING INCOME	850,398	906,739
4 NON- OPERATING INCOME		
4.1 Fees and commissions on financing activities	29,335	44,717
4.2 Other fees and Commissions income	164,394	239,131
4.3 Foreign exchange income	38,093	86,028
4.4 Dividend Income	-	-
4.5 Other income.	29,699	31,401
4.6 Total Non Operating Income	261,522	401,276
5 TOTAL INCOME	1,111,920	1,308,015
6 OPERATING EXPENSES		
6.1 Financing loss provision	42,137	103,794
6.2 Staff costs	339,353	526,151
6.3 Directors' emoluments	14,910	5,387
6.4 Rental charges	40,831	49,754
6.5 Depreciation on property and equipment	76,026	54,773
6.6 Amortization charges	3,560	28,580
6.7 Other operating expenses	384,632	437,247
6.8 Total Other Operating Expenses	911,448	1,205,686
7 Profit/(loss) before tax and exceptional items	200,472	102,329
8 Exceptional items		
9 Profit/(loss) before tax	200,472	102,329
10 Current tax	(68,270)	(51,892)
11 Deferred tax asset		
12 Profit / (loss) after tax & exceptional items	132,202	50,437
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 & equipment	-	-
13.4 Share of other comprehensive income of associates	-	-
13.5 Income tax relating to components of other comprehensive income	-	-
Other comprehensive income for the year net of tax	-	-
14 Total Comprehensive Income for the year	132,202	50,437
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3. OTHER DISCLOSURES

	31-Dec-13 Audited Ksh'000'	31-Dec-14 Audited Ksh'000'
1 NON PERFORMING FACILITIES		
a) Gross Non-Performing Facilities	542,620	1,517,821
b) Less suspended Income	38,642	47,347
c) Total Non Performing Facilities (a-b)	503,978	1,470,474
d) Less financing loss provisions	80,771	177,192
e) Net NPLs (c-d)	423,207	1,293,281
f) Discounted value of securities	423,207	1,293,903
g) Net NPLs exposure (e-f)	-	-
2 INSIDER FACILITIES		
a) Directors, shareholders and associates	229,518	282,319
b) Employees	197,367	516,379
c) Total Insider Facilities	426,885	798,699
3 OFF BALANCE SHEET ITEMS		
a) Letter of Credit, guarantees, acceptances	-	-
b) Forward, swaps & Options	1,130,775	2,311,710
c) Other contingent Liabilities	-	-
d) Total Contingent Liabilities	1,130,775	2,311,710
4 CAPITAL STRENGTH		
a) Core Capital	1,140,095	1,423,322
b) Minimum statutory capital	1,000,000	1,000,000
c) Excess/ deficiency (a-b)	140,095	423,322
d) Supplementary capital	-	-
e) Total Capital (a+d)	1,140,095	1,423,322
f) Total Risk Weighted Assets	7,702,126	12,652,344
g) Core Capital/ Total Deposit Liabilities	11.5%	10.7%
h) Minimum Statutory ratio	8.0%	8.0%
i) Excess/deficiency (g-h)	3.5%	2.7%
j) Core Capital/ Total Risk Weighted Assets	14.8%	11.2%
k) Minimum statutory ratio	8.0%	8.0%
l) Excess/deficiency (j-k)	6.8%	3.2%
m) Total Capital/ Total Risk Weighted assets	14.8%	11.2%
n) Minimum statutory ratio	12.0%	12.0%
o) Excess/deficiency (m-n)	2.8%	-0.8%
5 LIQUIDITY		
a) Liquidity ratio	28.7%	29.6%
b) Minimum statutory ratio	20.0%	20.0%
c) Excess/deficiency (a-b)	8.7%	9.6%

MESSAGE FROM DIRECTORS

The above Statement of Financial Position and Statement of Comprehensive income are extracts from the Bank's Financial Statements. The financial statements have been audited by PricewaterhouseCoopers Limited and have 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 Head office located at Prudential Assurance Building 1st floor, Wabera street Nairobi.

Hassan Varvani : Chairman
Omar Sheikh : General Manager
Carolyn Njoroge : Company Secretary

