



AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31ST DECEMBER 2013

1. STATEMENT OF FINANCIAL POSITION

	31-Dec-12 Audited	31-Dec-13 Audited
	Ksh'000'	Ksh'000'
A ASSETS		
1 Cash balances (both local & foreign)	622,309	705,724
2 Balances due from Central Bank of Kenya	666,992	620,675
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	2,268,706	637,581
7 Deposits and balances due from banking institutions abroad	323,395	1,230,056
8 Tax recoverable	-	-
9 Financing Activities (net)	5,452,627	7,211,504
10 Balances due from Banking institution in the group	-	-
11 Investments in associates	-	-
12 Investments in subsidiary companies	70,000	70,000
13 Investment in joint ventures	-	-
14 Investment properties	-	-
15 Property and equipment	195,261	198,366
16 Prepaid operating rental leases	30,115	24,543
17 Intangible assets	41,142	15,534
18 Deferred tax asset	98,267	124,342
19 Retirement benefit asset	-	-
20 Other assets	189,952	467,074
21 TOTAL ASSETS	9,958,767	11,305,398
B LIABILITIES		
22 Balances due to Central Bank of Kenya	-	-
23 Customer deposits	8,832,862	9,932,242
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	6,527	98,120
30 Dividends payable	-	-
31 Deferred tax liability	-	-
32 Retirement benefit liability	41,497	64,941
33 Other liabilities	-	-
34 TOTAL LIABILITIES	8,880,886	10,095,303
C SHAREHOLDERS' EQUITY		
35 Paid up/Assigned capital	300,000	300,000
36 Share premium	900,000	900,000
37 Retained reserves	-	-
38 Retained earnings/ Accumulated losses	(122,119)	10,095
39 Statutory financing loss reserve	-	-
40 Other Reserves	-	-
41 Proposed dividends	-	-
42 Capital grants	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,077,881	1,210,095
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	9,958,767	11,305,398

2. STATEMENT OF COMPREHENSIVE INCOME

	31-Dec-12 Audited	31-Dec-13 Audited
	Ksh'000'	Ksh'000'
1 OPERATING INCOME		
1.1 Financing Activities (Deals)	645,686	908,767
1.2 Government securities.	-	-
1.3 Deposits and placements with banking institutions	294,619	93,746
1.4 Other related income	-	-
1.5 Total Operating income	940,305	1,002,513
2 EXPENSES ON DEPOSITS		
2.1 Customer deposits	136,614	152,114
2.2 Deposits and placements from banking institutions	-	-
2.3 Other related expenses	-	-
2.4 Total Expenses on Deposits	136,614	152,114
3 NET OPERATING INCOME	803,691	850,398
4 NON- OPERATING INCOME		
4.1 Fees and commissions on financing activities	26,335	29,335
4.2 Other fees and Commissions income	163,543	164,394
4.3 Foreign exchange income	19,400	38,093
4.4 Dividend Income	-	-
4.5 Other Income.	134,536	29,699
4.6 Total Non Operating Income	343,814	261,522
5 TOTAL INCOME	1,147,505	1,111,920
6 OPERATING EXPENSES		
6.1 Financing loss provision	55,922	42,137
6.2 Staff costs	281,222	339,253
6.3 Directors' emoluments	29,239	14,910
6.4 Rental charges	41,647	40,831
6.5 Depreciation on property and equipment	100,681	76,026
6.6 Amortization charges	44,646	13,560
6.7 Other operating expenses	300,387	384,632
6.8 Total Other Operating Expenses	853,744	911,448
7 Profit/(loss) before tax and exceptional items	293,761	200,472
8 Exceptional items		
9 Profit/(loss) before tax	293,761	200,472
10 Current tax	-	(68,270)
11 Deferred tax asset	(52,456)	-
12 Profit / (loss) after tax & exceptional items	241,305	132,202
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	241,305	132,202

3. OTHER DISCLOSURES

	31-Dec-12 Audited	31-Dec-13 Audited
	Ksh'000'	Ksh'000'
1 NON PERFORMING FACILITIES		
a) Gross Non-Performing Facilities	749,199	542,620
b) Less suspended Income	18,856	38,642
c) Total Non Performing Facilities (a-b)	768,055	503,978
d) Less financing loss provisions	73,977	80,771
e) Net NPLs (c-d)	694,078	423,207
f) Discounted value of securities	694,078	423,207
g) Net NPLs exposure (e-f)	-	-
2 INSIDER FACILITY		
a) Directors, shareholders and associates	260,542	229,518
b) Employees	104,685	197,367
c) Total Insider Facility	365,227	426,885
3 OFF BALANCE SHEET ITEMS		
a) Letter of Credit, guarantees, acceptances	822,956	1,130,775
b) Forward, swaps & Options	-	-
c) Other contingent Liabilities	-	-
d) Total Contingent Liabilities	822,956	1,130,775
4 CAPITAL STRENGTH		
a) Core Capital	1,007,881	1,140,095
b) Minimum statutory capital	1,000,000	1,000,000
c) Excess/ deficiency (a-b)	7,881	140,095
d) Supplementary capital	-	-
e) Total Capital (a+d)	1,007,881	1,140,095
f) Total Risk Weighted Assets	6,397,334	7,702,126
g) Core Capital/ Total Deposit Liabilities	11.4%	11.3%
h) Minimum Statutory ratio	8.0%	8.0%
i) Excess/deficiency (g-h)	3.4%	3.3%
j) Core Capital/ Total Risk Weighted Assets	15.8%	14.8%
k) Minimum statutory ratio	8.0%	8.0%
l) Excess/deficiency (j-k)	7.8%	6.8%
m) Total Capital/ Total Risk Weighted assets	15.8%	14.8%
n) Minimum statutory ratio	12.0%	12.0%
o) Excess/deficiency (m-n)	3.8%	2.8%
5 LIQUIDITY		
a) Liquidity ratio	40.1%	28.7%
b) Minimum statutory ratio	20.0%	20.0%
c) Excess/deficiency (a-b)	20.1%	8.7%

MESSAGE FROM DIRECTORS

The above are extracts from the Bank's Financial Statements which have been audited by Pricewaterhouse Coopers and have received an unqualified opinion. The complete set of 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, Wabera street, Nairobi.

Hassan Varvani : Chairman
Mohammed Mbaye : Director
Carolyn Njoroge : Secretary

