GTBank

Guaranty Trust Bank (Kenya) Ltd

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH SEPTEMBER 2018

I. STATEMENT OF FINANCIAL POSITION

	BANK					GROUP				
	30th Sept 2017	31st Dec 2017	31st Mar 2018	30th June 2018	30th Sept 2018	30th Sept 2017	31st Dec 2017	31st Mar 2018	30th June 2018	30th Sept 2018
	Shs '000 (Un -Audited)	Shs '000 (Audited)	Shs '000 (Un -Audited)	Shs '000 (Audited)	Shs '000 (Un -Audited)	Shs '000 (Un - Audited)	Shs '000 (Audited)	Shs '000 (Un -Audited)	Shs '000 (Audited)	Shs '000 (Un -Audited)
A. ASSETS										
1 Cash (both local and foreign)	163,888	159,382	157,191	139,783	154,553	655,259	617,809	656,106	633,082	568,633
2 Balances with Central Bank of Kenya	1,277,345	1,595,552	828,928	839,895	1,341,440	1,277,345	1,595,552	828,928	839,895	1,341,440
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	1,283,262	1,193,069	911,854	997,518	1,572,485	1,283,262	1,193,069	911,854	997,518	1,572,485
ii).Other securities	-	-	-	-	-	2,537,474	2,471,637	3,527,066	2,881,186	2,443,564
b). Available for sale								-	-	-
i).Kenya Government securities	5,255,113	5,711,303	5,711,303	5,711,304	5,711,303	5,255,113	5,711,303	5,711,303	5,711,304	5,711,303
ii).Other securities	68,532	52,979	54,650	39,491	40,772	68,532	52,979	54,650	39,491	40,772
6 Deposits and balances due from local banking institutions	1,157,111	1,263,274	520,992	929,596	772,867	1,157,111	1,262,885	520,992	929,596	772,867
7 Deposits and balances due from banking institutions abroad	299,326	219,339	156,489	638,077	171,688	4,517,550	2,767,050	4,169,345	5,228,403	5,527,753
8 Tax recoverable	68,581	150,090	108,519	131,149	109,626	68,581	121,838	108,519	131,149	109,626
9 Loans and advances to customers (net)	13,931,323	13,203,981	12,882,665	13,387,409	12,693,857	20,853,040	20,542,673	19,877,111	20,337,176	19,723,560
10 Balances due from banking institutions in the group	7,394	12,685	137	2,120	1,819	7,420	1,681,220	1,056	2,462	1,819
11 Investments in associates	-	-	-	-	-	-	-	-	-	-
12 Investments in subsidiary companies	3,273,390	3,273,390	3,273,390	3,273,390	3,273,389	-	-	-	-	-
13 Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-	-	-
15 Property,plant and equipment	301,767	276,627	275,141	262,105	244,088	831,829	776,895	718,909	685,589	650,414
16 Prepaid lease rentals	-	-	-	-	-	-	-	-	-	-
17 Intangible assets	186,094	180,042	172,424	197,218	188,475	472,848	441,131	414,721	434,098	424,225
18 Deferred tax asset	71,323	82,658	78,852	220,423	219,913	350,930	307,228	346,802	435,504	477,099
19 Retirement benefit asset	-	-	-	-	-	-	-	-	-	-
20 Other asset	279,364	253,478	209,103	248,592	248,643	578,990	560,893	501,165	558,192	635,588
21 TOTAL ASSETS	**27,623,812**	**27,627,849**	**25,341,637**	**27,018,071**	**26,744,918**	**39,915,283**	**40,104,162**	**38,348,528**	**39,844,645**	**40,001,148**
B. LIABILITIES										
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-	-	-
23 Customer deposits	16,491,191	15,140,730	14,994,769	16,733,817	15,677,359	28,667,265	27,594,711	28,208,389	29,578,883	29,202,323
24 Deposits and balances due to local banking institutions	0	1,460,665	-	-	680,000	0	1,735,551	-	-	680,000
25 Deposits and balances due to foreign banking institutions	2,081	-	1,082	1	2,721	6,465	-	11,427	326,418	24,702
26 Other money market deposits	-	-	-	-	-	-	-	-	-	-
27 Borrowed funds	2,300,522	2,053,126	2,035,726	1,721,024	1,749,706	2,300,522	2,053,126	2,035,726	1,721,024	1,749,706
28 Balances due to banking institutions in the group	2,183	213,111	8,035	4,437	922	2,183	593	-	-	-
29 Tax payable	-	-	-	-	-	-	-	-	-	-
30 Dividends Payable	-	-	-	-	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-	64,734	-	50,746	50,563	49,989
32 Retirement benefit liability	-	-	-	-	-	-	-	-	-	-
33 Other liabilities	203,604	151,083	190,487	173,573	197,214	492,434	493,984	507,472	517,751	515,228
34 TOTAL LIABILITIES	**18,999,580**	**19,018,715**	**17,230,098**	**18,632,852**	**18,307,922**	**31,533,602**	**31,877,965**	**30,813,759**	**32,194,639**	**32,221,948**
B. SHAREHOLDERS' EQUITY										
35 Paid up/Assigned capital	1,280,934	1,280,934	1,280,934	1,280,934	1,280,934	1,280,934	1,280,934	1,280,934	1,280,934	1,280,934
36 Share premium/(discount)	4,225,323	4,225,323	4,225,323	4,225,323	4,225,323	4,225,323	4,225,323	4,225,323	4,225,323	4,225,323
37 Revaluation reserves	(13,285)	(18,557)	(8,539)	(5,551)	(4,360)	(13,285)	(18,557)	(8,539)	(5,551)	(4,360)
38 Retained earnings/Accumulated Losses	2,973,369	3,023,655	2,613,821	2,884,513	2,935,099	2,842,077	2,781,332	2,278,128	2,470,940	2,582,547
39 Statutory Loan Loss Reserve	157,890	97,779	-	-	-	186,843	121,906	24,127	-	24,127
40 Other Reserves	-	-	-	-	-	(201,636)	(224,887)	(320,892)	(382,304)	(391,176)
41 Proposed dividends	-	-	-	-	-	-	-	-	-	-
42 Non controlling Interest	-	-	-	-	-	61,422	60,146	55,688	60,664	61,805
43 Capital grants	-	-	-	-	-	-	-	-	-	-
44 TOTAL SHAREHOLDERS' EQUITY	**8,624,231**	**8,609,134**	**8,111,539**	**8,385,219**	**8,436,996**	**8,381,679**	**8,226,197**	**7,534,769**	**7,650,006**	**7,779,200**
45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**27,623,812**	**27,627,849**	**25,341,637**	**27,018,071**	**26,744,918**	**39,915,283**	**40,104,162**	**38,348,528**	**39,844,645**	**40,001,148**

II. STATEMENT OF COMPREHENSIVE INCOME

1.0 INTEREST INCOME										
1.1 Loans and advances	1,208,332	1,595,789	404,476	784,875	1,165,076	1,993,255	2,641,921	676,127	1,300,461	1,941,181
1.2 Government securities	493,716	668,727	173,067	346,162	519,557	667,419	901,951	237,782	468,816	696,428
1.3 Deposits and placements with banking institutions	62,424	68,431	5,722	10,645	17,754	106,603	139,014	23,567	39,304	58,150
1.4 Other Interest Income	10,066	13,602	3,152	6,008	8,066	10,066	13,776	3,152	6,008	8,066
1.5 Total Interest Income	**1,774,538**	**2,346,549**	**586,418**	**1,147,690**	**1,710,453**	**2,777,342**	**3,696,662**	**940,628**	**1,814,589**	**2,703,825**
2.0 INTEREST EXPENSES										
2.1 Customer deposits	645,094	858,060	216,321	431,051	649,174	874,585	1,160,399	294,072	577,930	864,508
2.2 Deposits and placements from banking institutions	21,151	22,529	1,313	3,127	7,199	28,197	33,378	4,306	10,000	15,759
2.3 Other Interest Expenses	94,897	127,846	29,831	59,652	88,742	94,907	128,661	29,864	59,717	88,839
2.4 Total Interest Expenses	**761,143**	**1,008,434**	**247,465**	**493,830**	**745,115**	**997,688**	**1,322,438**	**328,243**	**647,647**	**969,106**
3.0 Total Interest Income	**1,013,395**	**1,338,115**	**338,953**	**653,860**	**965,338**	**1,779,654**	**2,374,224**	**612,385**	**1,166,942**	**1,734,719**
4.0 OPERATING INCOME										
4.1 Fees and commissions on loans and advances	151,790	167,367	53,366	83,847	108,977	257,604	288,728	81,395	143,585	191,829
4.2 Other Fees and Commissions	109,601	143,477	36,132	74,913	108,630	215,575	434,830	87,236	181,760	260,869
4.3 Foreign exchange trading income (loss)	51,801	69,027	16,497	30,743	47,547	168,192	222,809	56,354	104,779	155,827
4.4 Dividend Income	-	-	-	-	-	-	-	-	-	-
4.5 Other income	56,390	156,295	8,238	39,090	89,093	88,063	278,177	8,238	42,496	103,264
4.6 Goodwill on Acqusition of subsidiary	-	-	-	-	-	-	-	-	-	-
4.6 Total Non-Interest Income	**369,583**	**536,166**	**114,232**	**228,593**	**354,247**	**729,433**	**1,224,544**	**233,222**	**472,620**	**711,788**
5.0 TOTAL OPERATING INCOME	**1,382,978**	**1,874,281**	**453,185**	**882,453**	**1,319,585**	**2,509,087**	**3,598,768**	**845,607**	**1,639,562**	**2,446,507**
6.0 OPERATING EXPENSES										
6.1 Loan Loss Provision	27,142	283,891	17,931	21,073	21,077	63,557	509,777	82,524	144,576	142,633
6.2 Staff costs	365,703	469,903	129,450	258,640	395,356	804,548	1,043,889	268,063	533,262	812,972
6.3 Directors' emoluments	32,004	39,584	9,758	20,301	30,419	57,861	76,440	22,518	41,449	59,671
6.4 Rentals Charges	111,281	145,392	35,555	70,963	107,369	176,714	222,168	57,363	112,663	171,968
6.5 Depreciation charge on property and equipment	104,017	128,662	23,417	44,398	65,400	211,258	275,084	57,472	110,068	162,179
6.6 Amortisation Charges	24,216	32,599	8,426	17,794	27,777	41,528	75,317	19,130	39,317	60,480
6.7 Other operating expenses	428,758	532,946	90,067	205,632	356,761	775,937	1,075,238	196,045	427,467	701,891
6.8 Total Operating Expenses	**1,093,122**	**1,632,977**	**314,605**	**638,801**	**1,004,159**	**2,131,403**	**3,277,913**	**703,114**	**1,408,802**	**2,111,794**
7.0 Profit/(Loss) before tax and exceptional items	**289,856**	**241,305**	**138,580**	**243,652**	**315,426**	**377,684**	**320,855**	**142,493**	**230,760**	**334,713**
8.0 Exceptional items	-	-	-	-	-	-	-	-	-	-
9.0 Profit/(Loss) after exceptional items	**289,856**	**241,305**	**138,580**	**243,652**	**315,426**	**377,684**	**320,855**	**142,493**	**230,760**	**334,713**
10.0 Current tax	(86,957	(57,370)	(41,574)	(18,949)	(40,481)	(99,221)	(128,713)	(45,976)	(50,596)	(91,070)
11.0 Deferred tax	-	9,076	-	(38,046)	(38,046)	-	20,803	-	(77,879)	(38,046)
12.0 Profit/(Loss) after tax and exceptional items	**202,899**	**193,011**	**97,006**	**186,657**	**236,899**	**278,463**	**212,945**	**96,517**	**102,285**	**205,597**
13.0 Other Comprehensive Income										
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	(5,931)	(33,712)	(96,005)	(163,728)	(166,289)
13.2 Fair value changes in available -for-sale financial assets	17,983	12,711	10,018	13,006	14,197	17,983	12,711	10,018	13,006	14,197
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	-	-	-	-	-	-	-	-	-	-
14.0 Other comprehensive income for the year net of tax	**17,983**	**12,711**	**10,018**	**13,006**	**14,197**	**12,053**	**(21,001)**	**(85,987)**	**(150,722)**	(152,092)
15.0 Total comprehensive income for the year	**220,882**	**205,722**	**107,024**	**199,663**	**251,096**	**290,516**	**191,944**	**10,530**	**(48,437)**	53,505
Attributable to:										
Non Controlling Interest						**2,799**	**1,525**	**(4,458)**	**518**	**1,659**
Equity Holders of the Parent						**287,717**	**190,419**	**14,988**	**(48,955)**	**51,846**

III. OTHER DISCLOSURES

	BANK					GROUP				
	30th Sept 2017	31st Dec 2017	31st Mar 2018	30th June 2018	30th Sept 2018	30th Sept 2017	31st Dec 2017	31st Mar 2018	30th June 2018	30th Sept 2018
	Shs '000 (Un -Audited)	Shs '000 (Audited)	Shs '000 (Un -Audited)	Shs '000 (Audited)	Shs '000 (Un -Audited)	Shs '000 (Un - Audited)	Shs '000 (Audited)	Shs '000 (Un -Audited)	Shs '000 (Audited)	Shs '000 (Un -Audited)
1) NON-PERFORMING LOANS AND ADVANCES										
a) Gross non-performing loans and advances	1,108,675	1,420,820	1,448,156	1,599,253	2,947,530	2,211,932	2,683,667	2,655,168	2,534,665	3,898,073
Less:										
b) Interest in Suspense	226,961	278,326	316,821	323,038	381,752	506,703	596,567	533,073	490,900	584,018
c) Total Non-Performing Loans and Advances (a-b)	**881,713**	**1,142,494**	**1,131,336**	**1,276,215**	**2,565,778**	**1,705,229**	**2,087,100**	**2,122,095**	**2,043,765**	**3,314,056**
Less:										
d) Loan Loss Provisions	140,590	263,448	335,761	186,132	223,883	419,803	624,756	700,299	610,641	688,248
e) Net Non-Performing Loans (c-d)	741,123	879,046	795,574	1,090,083	2,341,895	1,285,426	1,462,343	1,421,796	1,433,124	2,625,808
f) Discounted Value of Securities	741,123	879,046	795,574	1,090,083	2,341,895	1,285,426	1,462,343	1,421,796	1,433,124	2,625,808
g) Net NPLs Exposure (e-f)	-	-	-	-	-	-	-	-	-	-
2) Insider Loans and Advances										
a)Directors, shareholders and associates	21,205	27,676	22,962	15,028	6,736	25,789	27,676	22,962	15,028	6,736
b)Employees	42,483	41,944	42,737	42,573	42,145	119,744	112,734	108,730	100,739	94,679
c)Total Insider Loans and Advances and Other Facilities	**63,687**	**69,620**	**65,699**	**57,601**	**48,881**	**145,533**	**140,410**	**131,692**	**115,767**	**101,416**
3) Off-Balance Sheet Items										
a)Letters of credit, guarantees, acceptances	1,679,141	1,879,816	1,515,772	1,603,826	1,570,953	4,172,388	5,706,025	5,216,389	5,224,093	5,087,926
b)Forwards, swaps and options	463,682	325,304	235,875	899,979	371,069	463,682	325,304	235,875	899,979	371,069
c)Other contingent liabilities	699,619	424,440	476,349	451,310	571,817	1,474,128	1,183,258	1,185,406	945,888	953,596
d)Total Contingent Liabilities	**2,842,443**	**2,629,560**	**2,227,996**	**2,955,115**	**2,513,839**	**6,110,198**	**7,214,587**	**6,637,670**	**7,069,960**	**6,412,592**
4) Capital Strength										
a)Core capital	5,104,787	5,256,521	4,798,185	5,024,053	5,049,517	8,277,802	8,287,589	8,275,836	8,372,138	8,409,343
b)Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c)Excess/(Deficiency)	4,104,787	4,256,521	3,798,185	4,024,053	4,049,517	7,277,802	7,287,589	7,275,836	7,372,138	7,409,343
d) Supplementary Capital	173,622	97,779	-	-	-	202,576	102,173	24,127	6,311	24,127
e) Total capital (a+d)	**5,278,408**	**5,354,300**	**4,798,185**	**5,024,053**	**5,049,517**	**8,480,378**	**8,389,762**	**8,299,963**	**8,378,449**	**8,433,470**
f)Total risk weighted assets	20,412,176	19,923,183	19,054,759	19,802,766	19,040,184	33,298,367	34,635,280	33,081,350	33,215,021	33,075,250
g)Core capital/total deposit liabilities	31.0%	34.7%	32.0%	30.0%	33.2%	28.9%	30.0%	29.3%	28.3%	28.8%
h)Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
i)Excess/(Deficiency)	23.0%	26.7%	24.0%	22.0%	24.2%	20.9%	22.0%	21.3%	20.3%	20.8%
j)Core capital/ total risk weighted assets	25.0%	26.4%	25.2%	25.4%	26.5%	24.9%	23.9%	25.0%	25.2%	25.4%
k)Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
l)Excess/(Deficiency) (j-k)	14.5%	15.9%	14.7%	14.9%	16.0%	14.4%	13.4%	14.5%	14.7%	14.9%
m)Total capital/ total risk weighted assets	25.9%	26.9%	25.2%	25.4%	26.5%	25.5%	24.2%	25.1%	25.2%	25.5%
n)Minimum Statutory Ratio	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%
o)Excess/(Deficiency) (m-n)	11.4%	12.4%	10.7%	10.9%	12.0%	11.0%	9.7%	10.6%	10.7%	11.0%
p) Adjusted Core Capital/Total Deposit Liabilities			35.7%	32.3%	32.8%			31.3%	29.6%	29.1%
q)Adjusted Core Capital/Total Risk Weighted Assets			28.1%	27.3%	27.0%			26.7%	26.4%	25.7%
r)Adjusted Total Capital/Total Risk Weighted Assets			28.1%	27.3%	27.0%			26.8%	26.4%	25.8%
5) Liquidity										
a)Liquidity Ratio	56.5%	55.4%	54.2%	54.5%	57.3%	52.6%	50.1%	52.5%	51.7%	53.8%
b)Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
c)Excess/(Deficiency) (a-b)	36.5%	35.4%	34.2%	34.5%	37.3%	32.6%	30.1%	32.5%	31.7%	33.8%

The un-audited financial statements are extracts from the books of the institution. The quarterly financial statements, statutory and qualitative disclosures can be accessed on the institution's website; www.gtbank.co.ke. They may also be accesssed at the institution's head office located on plot 1870 Woodvale Close-Westands. The Bank has implemented the requirements of IFRS 9 which became effective 01 January 2018 in its' books of accounts. The additional provisions have been recorded against retained earnings for all loans as at 01 January 2018 and to P&L for the facilities in 2018. The effect of implementation on capital adequacy has been shown in the disclosures above.

BAYO VERACRUZ
MANAGING DIRECTOR

MARY M'MUKINDIA
DIRECTOR