FINA BANK

Come talk to the preferred Regional SME and Business Bank

Your Partner in Growth and Development

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH SEPTEMBER 2011

STATEMENT OF FINANCIAL POSITION

		GROUP					BANK				
		30th Sep 2010 Shs '000 (Un-Audited)	31st Dec 2010 Shs '000 (Audited)	31st March 2011 Shs '000 (Un-Audited)	30th June 2011 Shs '000 (Un-Audited)	30th Sept 2011 Shs '000 (Un-Audited)	30th Sep 2010 Shs '000 (Un-Audited)	31st Dec 2010 Shs '000 (Audited)	31st March 2011 Shs '000 (Un-Audited)	30th June 2011 Shs '000 (Un-Audited)	30th Sept 2011 Shs '000 (Un-Audited)
A.	**ASSETS**										
1	Cash (both local and foreign)	679,003	1,071,603	828,639	754,398	878,669	195,764	235,700	209,240	197,762	224,158
2	Balances due from Central Bank of Kenya	532,073	662,829	572,618	636,123	1,058,238	532,073	662,829	572,618	636,123	1,058,238
3	Cash and balance with Banque Nationale du Rwanda	306,497	181,013	1,223,384	534,631	408,757	-	-	-	-	-
4	Kenya Government securities	3,876,141	3,746,811	3,683,366	3,684,762	4,600,621	3,876,141	3,746,809	3,683,366	3,684,762	4,600,621
5	Foreign Currency Treasury Bills and Bonds	967,038	1,589,713	1,225,810	1,618,314	1,851,460	-	-	-	-	-
6	Deposits and balances due from local banking institutions	61,845	57,504	288,186	120,886	296,034	61,845	57,504	288,186	120,886	296,034
7	Deposits and balances due from banking institutions abroad	1,234,612	795,209	871,483	795,615	851,672	266,193	333,536	333,794	241,975	215,695
8	Kenya Government and other securities held for dealing purposes	1,593,734	1,306,359	1,831,740	1,723,576	570,150	1,593,734	1,306,359	1,831,740	1,723,576	570,150
9	Tax recoverable	5,465	-	-	-	-	5,465	-	-	-	-
10	Loans and advances to customers (net)	9,497,750	10,165,285	10,082,806	10,852,831	11,958,762	6,143,920	6,718,235	6,412,563	6,639,471	7,255,182
11	Investment securities	331,378	335,239	322,378	322,378	317,378	331,378	335,239	322,378	322,378	317,378
12	Balances due from group companies	-	-	-	-	-	6,581	9,112	1,845	3,548	8,172
13	Investments in associates	-	-	-	-	-	31,123	31,123	31,123	31,123	31,123
14	Investments in subsidiary companies	-	-	-	-	-	164,039	164,039	164,039	164,039	164,039
15	Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-
16	Investment properties	-	-	-	-	-	-	-	-	-	-
17	Property and equipment	583,726	578,500	599,650	630,541	713,431	228,118	219,281	215,767	213,992	214,645
18	Prepaid lease rentals	-	-	-	-	-	-	-	-	-	-
19	Intangible assets	62,131	49,642	44,286	37,922	38,907	3,300	11,170	10,043	8,707	13,045
20	Deferred tax asset	54,732	6,257	5,876	82,341	19,433		4,436	3,991	80,365	17,190
21	Retirement benefit asset	-	-	-	-	-	-	-	-	-	-
22	Other assets	976,975	397,971	896,391	1,103,617	664,349	517,061	276,993	565,621	505,191	454,856
23	**TOTAL ASSETS**	**20,763,100**	**20,943,933**	**22,476,614**	**22,897,935**	**24,227,861**	**13,956,735**	**14,112,365**	**14,646,315**	**14,573,900**	**15,440,527**
B.	**LIABILITIES**										
24	Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-	-	-
25	Customer deposits	16,317,488	16,888,926	18,465,162	19,412,194	20,873,307	11,375,944	11,590,423	12,380,552	12,628,140	13,384,327
26	Deposits and balances due to local banking institutions	514,929	350,592	159,391	149,403	20,475	514,929	350,592	159,391	149,403	20,475
27	Deposits and balances due to banking institutions abroad	1,086,881	940,800	484,136	590,116	241,655	388,534	274,338	189,170	222,139	241,655
28	Other money market deposits	-	-	-	-	-	-	-	-	-	-
29	Borrowed funds	261,145	422,156	380,903	255,347	263,528	261,145	422,156	380,903	194,800	194,800
30	Balances due to group companies	-	-	-	-	-	-	-	-	-	-
31	Tax payable	24,475	20,147	41,596	43,109	66,284	-	13,222	36,387	14,982	27,555
32	Dividends Payable	-	-	-	-	-	-	-	-	-	-
33	Deferred tax liability	41,903	-	-	-	-	41,903	-	-	-	-
34	Retirement benefit liability	-	-	-	-	-	-	-	-	-	-
35	Other liabilities	472,394	297,334	844,508	376,296	342,504	68,711	125,511	127,606	107,813	115,206
36	**TOTAL LIABILITIES**	**18,719,215**	**18,919,955**	**20,375,696**	**20,826,465**	**21,807,753**	**12,651,166**	**12,776,242**	**13,274,008**	**13,317,276**	**13,984,018**
C.	**SHAREHOLDERS' EQUITY**										
37	Paid up/Assigned capital	528,308	528,308	528,308	528,308	528,308	528,308	528,308	528,308	528,308	528,308
38	Share premium/(discount)	154,922	154,922	154,922	154,922	154,922	154,922	154,922	154,922	154,922	154,922
39	Revaluation reserves/Translation Reserve	119,600	36,134	35,702	(112,798)	110,247	91,750	14,781	(3,087)	(177,168)	(29,760)
40	Retained earnings/Accumulated Losses	701,693	885,152	949,288	1,026,351	1,064,978	509,756	633,325	692,164	746,705	777,997
41	Statutory Loan Loss Reserve	44,699	30,162	25,375	29,231	50,417	20,834	4,787	-	3,856	25,042
42	Proposed dividends	-	-	-	-	-	-	-	-	-	-
43	Non controlling Interest	494,663	389,300	407,322	445,458	511,236	-	-	-	-	-
44	Capital grants	-	-	-	-	-	-	-	-	-	-
45	**TOTAL SHAREHOLDERS' FUNDS**	**2,043,885**	**2,023,978**	**2,100,918**	**2,071,471**	**2,420,108**	**1,305,569**	**1,336,123**	**1,372,306**	**1,256,623**	**1,456,509**
46	**TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS**	**20,763,100**	**20,943,933**	**22,476,614**	**22,897,935**	**24,227,861**	**13,956,735**	**14,112,365**	**14,646,315**	**14,573,900**	**15,440,527**

STATEMENT OF COMPREHENSIVE INCOME

1.0	**INTEREST INCOME**										
1.1	Loans and advances	1,149,737	1,525,369	366,617	768,190	1,208,592	699,659	938,427	230,353	467,894	716,869
1.2	Government securities	327,466	488,877	109,915	229,080	347,418	320,187	424,711	101,396	215,334	328,835
1.3	Deposits and placements with banking institutions	68,870	46,077	20,835	49,309	75,076	18,443	24,277	2,477	4,813	7,458
1.4	Other Interest Income	29,382	40,329	13,618	24,160	34,510	29,382	40,329	13,618	24,160	34,510
1.5	**Total Interest Income**	**1,575,455**	**2,100,652**	**510,985**	**1,070,740**	**1,665,596**	**1,067,671**	**1,427,745**	**347,844**	**712,201**	**1,087,672**
2.0	**INTEREST EXPENSES**										
2.1	Customer deposits	653,583	847,820	196,999	401,570	622,431	494,845	637,742	143,080	289,645	442,735
2.2	Deposits and placements from banking institutions	54,691	74,009	16,200	27,763	39,315	14,338	18,771	3,131	6,238	13,287
2.3	Other Interest Expenses	22,261	27,050	6,508	19,242	25,618	22,261	25,146	6,508	16,545	21,209
2.4	**Total Interest Expenses**	**730,536**	**948,880**	**219,707**	**448,576**	**687,364**	**531,444**	**681,659**	**152,719**	**312,427**	**477,232**
3.0	**NET INTEREST INCOME**	**844,918**	**1,151,772**	**291,279**	**622,164**	**978,233**	**536,227**	**746,085**	**195,125**	**399,774**	**610,440**
4.0	**OTHER OPERATING INCOME**										
4.1	Fees and commissions on loans and advances	74,416	91,076	31,881	62,754	110,955	33,616	47,777	11,404	23,696	48,273
4.2	Other Fees and Commissions	242,556	222,980	84,390	170,630	271,853	135,228	190,088	39,594	84,494	121,409
4.3	Foreign exchange trading income	121,975	141,677	43,990	84,678	169,300	42,728	52,145	14,692	30,864	69,586
4.4	Dividend Income	-	-	-	-	-	-	-	-	-	-
4.5	Other income	177,755	456,470	85,608	133,445	185,543	119,699	202,409	38,030	65,764	105,122
4.6	**Total Non-Interest Income**	**616,702**	**912,204**	**245,868**	**451,507**	**737,651**	**331,270**	**492,419**	**103,719**	**204,819**	**344,390**
5.0	**TOTAL OPERATING INCOME**	**1,461,620**	**2,063,976**	**537,147**	**1,073,671**	**1,715,884**	**867,497**	**1,238,504**	**298,844**	**604,593**	**954,831**
6.0	**OPERATING EXPENSES**										
6.1	Loan Loss Provision	356,030	431,865	75,838	115,314	275,503	317,593	373,412	26,433	52,292	116,557
6.2	Staff costs	544,106	704,636	201,238	398,732	605,948	269,672	372,311	110,203	218,374	326,659
6.3	Directors' emoluments	25,573	35,570	12,109	22,191	41,132	18,735	25,618	7,932	14,419	29,025
6.4	Rentals Charges	44,836	59,654	15,591	32,549	47,748	31,886	42,481	10,577	21,309	32,091
6.5	Depreciation charge on property and equipment	49,025	62,651	17,549	35,754	55,525	22,479	30,694	8,117	16,376	24,844
6.6	Amortization Charges	19,810	27,544	6,894	14,482	22,528	1,077	1,777	1,126	2,212	3,349
6.7	Other operating expenses	316,717	515,588	116,162	217,291	334,932	168,917	240,899	57,240	118,982	186,697
6.8	Share of Loss/(Profit) of Associate	-	-	-	-	-	-	-	-	-	-
6.9	**Total Other Operating Expenses**	**1,356,097**	**1,837,509**	**445,381**	**836,313**	**1,383,315**	**830,359**	**1,087,192**	**221,628**	**443,963**	**719,222**
7.0	**Profit/(Loss) before tax and exceptional items**	**105,523**	**226,467**	**91,767**	**237,358**	**332,569**	**37,138**	**151,313**	**77,217**	**160,630**	**235,608**
8.0	Exceptional items	-	-	-	-	-	-	-	-	-	-
9.0	**Profit/(Loss) after exceptional items**	**105,523**	**226,467**	**91,767**	**237,358**	**332,569**	**37,138**	**151,313**	**77,217**	**160,630**	**235,608**
10.0	Current tax	39,863	106,003	28,258	75,037	104,618	11,141	31,402	23,165	48,181	70,682
11.0	Deferred tax	-	(13,609)	-	-	-	-	(13,609)	-	-	-
12.0	**Profit/(Loss) after tax and exceptional items**	**65,660**	**134,073**	**63,509**	**162,321**	**227,951**	**25,997**	**133,520**	**54,052**	**112,448**	**164,926**
	Attributable to:										
	Minority Interest	**17,539**	**245**	**4,182**	**22,053**	**27,868**					
	Equity Holders of the Parent	**48,121**	**133,829**	**59,327**	**140,268**	**200,083**					

OTHER DISCLOSURES

		BANK						BANK				
		30th Sep 2010 Shs '000 (Un-Audited)	31st Dec 2010 Shs '000 (Audited)	31st March 2011 Shs '000 (Un-Audited)	30th June 2011 Shs '000 (Un-Audited)	30th Sept 2011 Shs '000 (Un-Audited)		30th Sep 2010 Shs '000 (Un-Audited)	31st Dec 2010 Shs '000 (Audited)	31st March 2011 Shs '000 (Un-Audited)	30th June 2011 Shs '000 (Un-Audited)	30th Sept 2011 Shs '000 (Un-Audited)
1)	**NON-PERFORMING LOANS AND ADVANCES**						**4)**	**Capital Strength**				
a)	Gross non-performing loans and advances	1,415,269	1,072,386	996,732	624,563	630,167	**a)**	**Core capital**	**984,825**	**1,121,394**	**1,153,205**	**1,178,549**	**1,183,601**
	Less:						b)	Minimum Statutory Capital	350,000	500,000	500,000	500,000	500,000
b)	Interest in Suspense	157,776	129,927	127,697	136,424	133,483	**c)**	**Excess/(Deficiency)**	**634,825**	**621,394**	**653,205**	**678,549**	**683,601**
c)	**Total Non-Performing Loans and Advances**	**1,257,493**	**942,460**	**869,035**	**488,139**	**496,685**	d)	Supplementary Capital	20,834	199,587	194,800	198,656	219,842
	(a-b)Less:						**e)**	**Total capital (a+d)**	**1,005,658**	**1,320,980**	**1,348,005**	**1,377,205**	**1,403,443**
d)	Loan Loss Provisions	779,528	445,574	429,237	219,784	259,895	f)	Total risk weighted assets	7,385,820	7,743,021	7,565,622	7,831,292	8,493,197
e)	Net Non-Performing Loans (c-d)	477,966	496,885	439,798	268,355	236,790	g)	Core capital/total deposit liabilities	9%	10%	9%	9%	9%
f)	Discounted Value of Securities	377,328	360,385	390,784	268,355	236,790	h)	Minimum Statutory Ratio	8%	8%	8%	8%	8%
g)	**Net NPLs Exposure (e-f)**	**100,638**	**136,500**	**49,014**	**-**	**-**	i)	Excess/(Deficiency)	1%	2%	1%	1%	1%
2)	Insider Loans and Advances						j)	Core capital/ total risk weighted assets	13%	14%	15%	15%	14%
a)	Directors, shareholders and associates	97,024	96,674	90,052	115,974	121,211	k)	Minimum Statutory Ratio	8%	8%	8%	8%	8%
b)	Employees	86,594	85,018	69,710	51,898	69,607	l)	Excess/(Deficiency) (j-k)	5%	6%	7%	7%	6%
c)	**Total Insider Loans and Advances and Other Facilities**	**183,618**	**181,692**	**159,762**	**167,872**	**190,818**	m)	Total capital/ total risk weighted assets	14%	17%	18%	18%	17%
3)	**Off-Balance Sheet Items**						n)	Minimum Statutory Ratio	12%	12%	12%	12%	12%
a)	Letters of credit, guarantees, acceptances	876,564	1,118,330	1,119,642	1,380,487	1,348,666	o)	Excess/(Deficiency) (m-n)	2%	5%	6%	6%	5%
b)	Other contingent liabilities	1,037,104	965,977	1,717,142	1,210,526	1,547,140	5)	Liquidity					
c)	**Total Contingent Liabilities**	**1,913,668**	**2,084,307**	**2,836,783**	**2,591,013**	**2,895,806**	a)	Liquidity Ratio	48%	48%	52%	49%	49%
							b)	Minimum Statutory Ratio	20%	20%	20%	20%	20%
							c)	Excess/(Deficiency) (a-b)	28%	28%	32%	29%	29%

The financial statements are extracts from the books of the Institution

NALIN N. SHAH
DIRECTOR

BHASKAR GHOSE
MANAGING DIRECTOR & CEO