



UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES

I STATEMENT OF FINANCIAL POSITION

	31-03-2018 Shs 000 (Unaudited)	31-12-2018 Shs 000 (Audited)	31-03-2019 Shs 000 (Unaudited)
A ASSETS			
1 Cash (both Local & Foreign)	294,906	362,931	342,165
2 Balances due from Central Bank of Kenya	441,737	745,976	389,970
3 Kenya Government and other securities held for dealing purposes		1,110	
4 Financial Assets at fair value through profit and loss			
5 Investment Securities:			
a) Held to Maturity:			
a. Kenya Government securities	1,630,439	1,614,217	1,635,967
b. Other securities	1,630,439	1,614,217	1,635,967
b) Available for sale:			
a. Kenya Government securities	-	-	535,494
b. Other securities	-	-	535,494
6 Deposits and balances due from local banking institutions	179,257	205,963	556,371
7 Deposits and balances due from banking institutions abroad	54,148	5,385	6,039
8 Tax recoverable	6,131	28,985	28,985
9 Loans and advances to customers (net)	6,740,819	6,625,522	6,290,296
10 Balances due from banking institutions in the group			
11 Investments in associates			
12 Investments in subsidiary companies			
13 Investments in joint ventures			
14 Investment properties			
15 Property and equipment	165,315	133,857	122,975
16 Prepaid lease rentals			
17 Intangible assets	29,872	53,043	48,913
18 Deferred tax asset	122,731	170,608	170,608
19 Retirement benefit asset			
20 Other assets	311,821	287,927	364,956
21 TOTAL ASSETS	9,977,176	10,235,524	10,492,739
B LIABILITIES			
22 Balances due to Central Bank of Kenya			
23 Customer deposits	7,573,578	8,018,770	8,344,960
24 Deposits and balances due to local banking institutions	120,665	63,990	28,495
25 Deposits and balances due to foreign banking institutions			
26 Other money market deposits			
27 Borrowed funds			
28 Balances due to banking institutions in the group			
29 Tax payable			
30 Dividends payable			
31 Deferred tax liability			
32 Retirement benefit liability			
33 Other liabilities	229,109	224,178	207,799
34 TOTAL LIABILITIES	7,923,352	8,306,938	8,581,254
C SHAREHOLDERS' FUNDS			
35 Paid up /Assigned capital	1,000,000	1,000,000	1,000,000
36 Share premium/(discount)	42,236	42,236	42,236
37 Revaluation reserves			
38 Retained earnings/Accumulated losses	943,274	732,593	715,492
39 Statutory loan loss reserves	68,414	153,757	153,757
40 Other Reserves			
41 Proposed dividends			
42 Capital grants			
43 TOTAL SHAREHOLDERS' FUNDS	2,053,824	1,928,586	1,911,485
44 Minority Interest			
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	9,977,176	10,235,524	10,492,739

II PROFIT AND LOSS ACCOUNT

	31-03-2018 Shs 000 (Unaudited)	31-12-2018 Shs 000 (Audited)	31-03-2019 Shs 000 (Unaudited)
1.0 INTEREST INCOME			
1.1 Loans and advances	238,116	851,608	221,684
1.2 Government securities	36,825	153,679	37,129
1.3 Deposits and placements with banking institutions	2,428	5,952	1,920
1.4 Other Interest Income			
1.5 Total interest income	277,369	1,011,239	260,733
2.0 INTEREST EXPENSE			
2.1 Customer deposits	98,887	434,035	108,064
2.2 Deposits and placement from banking institutions	7,619	9,067	5,095
2.3 Other interest expenses	185	315	305
2.4 Total interest expenses	106,691	443,102	113,475
3.0 NET INTEREST INCOME/(LOSS)	170,678	568,137	147,258
4.0 NON-INTEREST INCOME			
4.1 Fees and commissions on loans and advances	28,778	117,132	24,878
4.2 Other fees and commissions	33,474	124,066	32,886
4.3 Foreign exchange trading income/(Loss)	7,095	17,175	3,371
4.4 Dividend Income			
4.5 Other income	2,383	6,861	10,524
4.6 Total Non-interest income	71,730	265,234	70,959
5.0 TOTAL OPERATING INCOME	242,408	833,371	218,217
6.0 OTHER OPERATING EXPENSES			
6.1 Loan loss provision	27,460	63,391	32,845
6.2 Staff costs	102,930	388,284	92,165
6.3 Directors' emoluments	3,540	16,992	3,363
6.4 Rental charges	20,117	82,308	21,514
6.5 Depreciation charge on property and equipment	16,703	6,740	13,814
6.6 Amortisation charges	6,740	36,569	5,696
6.7 Other operating expenses	52,785	287,148	65,936
6.8 Total Other Operating Expenses	230,275	931,834	235,333
7.0 Profit/(Loss) Before Tax and Exceptional Items	12,133	(98,463)	(17,117)
8.0 Exceptional Items			
9.0 Profit/(Loss) After Exceptional Items	12,133	(98,463)	(17,117)
10.0 Current Tax	3,640		
11.0 Deferred Tax			
12.0 Profit/(Loss) After Tax and Exceptional Items	8,493	(71,841)	(17,117)
13.0 Minority Interest			
14.0 Profit/(loss) after tax, exceptional items and Minority Interest	8,493	(71,841)	(17,117)
15.0 Other Comprehensive Income			
15.1 Gains/(Losses) from translating the financial statements of foreign operations			
15.2 Fair value changes in available for sale financial assets			
15.3 Revaluation surplus on Property, plant and equipment			
15.4 Share of other comprehensive income of associates			
15.5 Income tax relating to components of other comprehensive income			
16.0 Other Comprehensive Income for the year net of tax	-	-	-
17.0 Total comprehensive income for the year	8,493	(71,841)	(17,117)
18.0 EARNINGS PER SHARE- BASIC & DILUTED	0.09	(0.36)	(0.09)
19.0 DIVIDEND PER SHARE -DECLARED	-	-	-

III OTHER DISCLOSURES

	31-03-2018 Shs 000 (Unaudited)	31-12-2018 Shs 000 (Audited)	31-03-2019 Shs 000 (Unaudited)
1.0 NON-PERFORMING LOANS AND ADVANCES			
(a) Gross Non-performing loans and advances	1,547,522	1,850,062	1,843,792
(b) Less: Interest in Suspense	235,645	385,106	398,880
(c) Total Non-Performing Loans and Advances (a-b)	1,311,877	1,464,956	1,444,912
(d) Less: Loan Loss Provision	521,381	635,052	666,286
(e) Net Non-Performing Loans and Advances(c-d)	790,696	829,904	778,626
(f) Discounted Value of Securities	790,696	609,277	763,083
(g) Net NPLs Exposure (e-f)	-	220,627	15,543
2.0 INSIDER LOANS AND ADVANCES			
(a) Directors, Shareholders and Associates	664,077	630,384	535,410
(b) Employees	307,644	325,518	308,607
(c) Total Insider Loans and Advances and other facilities	971,721	955,902	844,017
3.0 OFF-BALANCE SHEET ITEMS			
(a) Letters of credit, guarantees, acceptances	559,244	250,544	272,557
(b) Forwards, swaps and options	196,430	141,278	192,729
(c) Other contingent liabilities		228,069	
(d) Total Contingent Liabilities	755,674	619,891	465,286
4.0 CAPITAL STRENGTH			
(a) Core capital	1,977,624	1,640,141	1,595,670
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency)(a-b)	977,624	640,141	595,670
(d) Supplementary Capital	68,314	153,757	153,757
(e) Total Capital (a+d)	2,045,938	1,793,898	1,749,427
(f) Total risk weighted assets	9,895,291	9,136,177	8,953,155
(g) Core Capital/Total deposits Liabilities	26.1%	20.5%	19.1%
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)	18.1%	12.5%	11.1%
(j) Core Capital / total risk weighted assets	20.0%	18.0%	17.8%
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%
(l) Excess (Deficiency) (j-k)	9.5%	7.5%	7.3%
(m) Total Capital/total risk weighted assets	20.7%	19.6%	19.5%
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	6.2%	5.1%	5.0%
(p) Adjusted Core Capital/Total Deposit Liabilities*	26.5%	21.0%	19.5%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	20.3%	18.4%	18.2%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	21.3%	20.0%	19.5%
14 LIQUIDITY			
14.1 (a) Liquidity Ratio	31.9%	34.8%	40.2%
14.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%
14.3 (c) Excess (Deficiency) (a-b)	11.9%	14.8%	20.2%

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 the institutions website: www.tnbl.co.ke
 They may also be accessed at the Institution's Head Office located at Transnational Plaza, City Hall Way.

Signed: **SAMMY LANG'AT** CHIEF EXECUTIVE OFFICER
Prof. HENRY KIPLANGAT CHAIRMAN
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Transnational Bank is regulated by the Central Bank of Kenya.