

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES

I STATEMENT OF FINANCIAL POSITION		31-12-2017 Shs 000 Audited	31-12-2018 Shs 000 Audited	II STATEMENT OF COMPREHENSIVE INCOME FOR PERIOD ENDED		31-12-2017 Shs 000 Audited	31-12-2018 Shs 000 Audited	III OTHER DISCLOSURES		31-12-2017 Shs 000 Audited	31-12-2018 Shs 000 Audited
A ASSETS				1.0 INTEREST INCOME				1.0 NON-PERFORMING LOANS AND ADVANCES			
1 Cash (both Local & Foreign)	419,599	362,931	1.1 Loans and Advances	938,182	851,608	(a) Gross Non-Performing Loans and Advances	1,595,247	1,850,062			
2 Balances with Central Bank of Kenya	524,657	745,976	1.2 Government Securities	162,620	153,679	(b) Less Interest in Suspense	224,141	385,106			
3 Kenya Government & other Securities held for dealing purposes	-	-	1.3 Deposits and Placements with Banking Institutions	21,475	5,952	(c) Total Non-Performing Loans and Advances (a-b)	1,371,106	1,464,956			
4 Financial Assets at Fair Value through Profit & Loss	-	1,110	1.4 Other Interest Income	-	-	(d) Less Loan Losses Provision	503,621	635,052			
5 Investment Securities:	-	-	1.5 Total Interest Income	1,122,277	1,011,239	(e) Net Non-Performing Loans and Advances(c-d)	867,485	829,904			
(i) Held to Maturity:	-	-				(f) Discounted Value of Securities	867,485	609,277			
(a) Kenya Government Securities	1,630,439	1,614,217	2.0 INTEREST EXPENSE			(g) Net NPLs Exposure (e-f)	-	220,627			
(b) Other Securities	-	-	2.1 Customer Deposits	423,920	434,035						
(ii) Available for Sale:	-	-	2.2 Deposits and Placement from Banking Institutions	9,892	9,067	2.0 INSIDER LOANS AND ADVANCES					
(a) Kenya Government Securities	-	-	2.3 Other Interest Expenses	1,581	-	(a) Directors, Shareholders and Associates	742,034	630,384			
(b) Other Securities	-	-	2.4 Total Interest Expenses	435,393	443,102	(b) Employees	295,915	325,518			
6 Deposits and Balances due from Local Banking Institutions	480,749	205,963	3.0 NET INTEREST INCOME/(LOSS)	686,884	568,137	(c) Total Insider Loans and Advances and other facilities	1,037,949	955,902			
7 Deposits and Balances due from Banking Institutions Abroad	20,836	5,385									
8 Tax Recoverable	6,131	28,985	4.0 NON INTEREST INCOME			3.0 OFF-BALANCE SHEET ITEMS					
9 Loans and Advances to Customers (Net)	6,637,482	6,625,522	4.1 Fees and Commissions on Loans and Advances	85,158	117,132	(a) Letters of credit, Guarantees & Acceptances	641,799	250,544			
10 Balances due from Banking Institutions in the Group	-	-	4.2 Other Fees and Commissions	150,011	124,066	(b) Forwards Swaps & Options	325,650	141,278			
11 Investments in Associates	-	-	4.3 Foreign Exchange Trading Income / (Loss)	30,322	17,175	(c) Other Contingent Liabilities	-	228,069			
12 Investments in Subsidiary Companies	-	-	4.4 Dividend Income	-	-	(d) Total Contingent Liabilities	967,449	619,891			
13 Investments in Joint ventures	-	-	4.5 Other Income	19,673	6,861						
14 Investment Properties	-	-	4.6 Total Non-Interest Income	285,164	265,234	4.0 CAPITAL STRENGTH					
15 Property, Plant and Equipment	178,258	133,857	5.0 TOTAL OPERATING INCOME	972,048	833,371	(a) Core capital	1,887,831	1,640,141			
16 Prepaid Lease Rentals	-	-				(b) Minimum Statutory Capital	1,000,000	1,000,000			
17 Intangible Assets	38,370	53,043	6.0 OPERATING EXPENSES			(c) Excess/ (Deficiency) (a-b)	887,831	640,141			
18 Deferred Tax Asset	122,731	170,608	6.1 Loan Loss Provision	80,248	63,391	(d) Supplementary Capital	121,774	153,757			
19 Retirement Benefit Asset	-	-	6.2 Staff Costs	406,420	388,284	(e) Total Capital (a+d)	2,009,605	1,793,898			
20 Other Assets	236,100	287,927	6.3 Directors' Emoluments	16,619	16,992	(f) Total risk weighted assets	6,662,951	9,136,177			
21 TOTAL ASSETS	10,295,352	10,235,524	6.4 Rental Charges	80,735	82,308	(g) Core Capital/Total Deposit Liabilities	24.0%	20.5%			
			6.5 Depreciation Charge on Property and Equipment	53,939	57,142	(h) Minimum Statutory Ratio	8.0%	8.0%			
B LIABILITIES			6.6 Amortisation Charges	5,451	36,569	(i) Excess/ (Deficiency) (g-h)	16.0%	12.5%			
22 Balances due to Central Bank of Kenya	-	-	6.7 Other Operating Expenses	274,652	287,148	(j) Core Capital / Total Risk Weighted Assets	28.3%	18.0%			
23 Customer Deposits	7,873,819	8,018,770	6.8 Total Operating Expenses	918,064	931,834	(k) Minimum Statutory Ratio	10.5%	10.5%			
24 Deposits and Balances due to Local Banking Institutions	76,302	63,990	7.0 Profit/(Loss) Before Tax and Exceptional Items	53,984	(98,463)	(l) Excess/(Deficiency) (j-k)	17.8%	7.5%			
25 Deposits and Balances due to Foreign Banking Institutions	-	-	8.0 Exceptional Items	-	-	(m) Total Capital/Total Risk Weighted Assets	30.2%	19.6%			
26 Other Money Market Deposits	-	-	9.0 Profit/(Loss) After Exceptional Items	53,984	(98,463)	(n) Minimum statutory Ratio	14.5%	14.5%			
27 Borrowed Funds	-	-	10.0 Current tax	17,551	26,622	(o) Excess/(Deficiency) (m-n)	15.7%	5.1%			
28 Balances due to Banking Institutions Group Companies	-	-	11.0 Deferred tax	-	-	(p) Adjusted Core Capital/Total Deposit Liabilities*	-	21.0%			
29 Tax Payable	-	-	12.0 Profit/(Loss) After Tax and Exceptional Items	36,433	(71,841)	(q) Adjusted Core Capital/Total Risk Weighted Assets*	-	18.4%			
30 Dividends Payable	-	-	13.0 Minority Interest	-	-	(r) Adjusted Total Capital/Total Risk Weighted Assets*	-	20.1%			
31 Deferred Tax Liability	-	-	14.0 Profit/(Loss) After Tax, Exceptional Items & Minority Interest	36,433	(71,841)						
32 Retirement Benefit Liability	-	-	15.0 Other Comprehensive Income:								
33 Other liabilities	212,895	224,178	15.1 Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-	-						
34 TOTAL LIABILITIES	8,163,016	8,306,938	15.2 Fair Value changes in Available-for-sale Financial Assets	-	-						
			15.3 Revaluation Surplus on Property, Plant and Equipment	-	-						
C SHAREHOLDERS' FUNDS			15.4 Share of other Comprehensive Income of Associates	-	-						
35 Paid Up/ Assigned Capital	1,000,000	1,000,000	15.5 Income Tax Relating to Components of other Comprehensive Income	-	-						
36 Share Premium (Discount)	42,235	42,236	16.0 Other Comprehensive Income for the Year Net of Tax	-	-						
37 Revaluation Reserves	-	-	17.0 TOTAL COMPREHENSIVE INCOME FOR THE YEAR	36,433	(71,841)						
38 Retained Earnings/Accumulated Losses	968,327	732,593									
39 Statutory Loan Reserves	121,774	153,757	18.0 EARNINGS PER SHARE- BASIC & DILUTED	18.0%	(36.0%)						
40 Other Reserves	-	-									
41 Proposed Dividends	-	-	19.0 DIVIDEND PER SHARE- DECLARED	-	-						
42 Capital Grants	-	-									
43 TOTAL SHAREHOLDERS' FUNDS	2,132,336	1,928,586									
44 Minority Interest	-	-									
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	10,295,352	10,235,524									

These Financial statements are extracts from the books of the institution as audited by Ernst and Young (EY) and received an unqualified opinion.

The complete set of this financial statements, statutory and qualitative disclosures can be accessed on the institution's website: www.tnbl.co.ke. They may also be accessed at the Institution's Head Office located at Trans National Plaza, City Hall Way.

Signed: **SAMMY LANG'AT**
CHIEF EXECUTIVE OFFICER

Prof. **HENRY KPLANGAT**
CHAIRMAN