

# EQUITY BANK GROUP

## UN-AUDITED FINANCIAL STATEMENTS

### AND OTHER DISCLOSURES AS AT 30TH SEPTEMBER 2010



	GROUP 30/9/10 Shs. 000 (Un-audited)	GROUP 30/6/10 Shs. 000 (Un-audited)	GROUP 31/3/10 Shs. 000 (Un-audited)	GROUP 31/12/09 Shs. 000 Audited	GROUP 30/9/09 Shs. 000 (Un-audited)	BANK 30/9/10 Shs. 000 (Un-audited)	BANK 30/6/10 Shs. 000 (Un-audited)	BANK 31/3/10 Shs. 000 Audited	BANK 31/12/09 Shs. 000 (Un-audited)	BANK 30/9/09 Shs. 000 (Un-audited)
<b>BALANCE SHEET</b>										
<b>A. ASSETS</b>										
1. Cash (both Local & foreign)	9,132,306	7,950,821	5,812,004	4,359,233	4,906,919	4,139,343	4,751,136	4,239,912	2,773,165	3,725,143
2. Balances due from central Bank of Kenya	6,209,185	4,020,309	3,276,472	3,739,749	2,786,220	6,209,185	4,020,309	3,276,472	3,739,749	2,786,220
3. Kenya Government securities	12,145,274	9,733,187	7,771,577	5,016,507	5,314,085	12,145,274	9,733,187	7,771,577	5,016,507	5,314,085
4. Foreign Currency Treasury Bills and Bonds	104,896	90,575	194,038	308,760	67,695	-	-	-	-	-
5. Deposits and balances due from banking institutions	1,532,153	789,441	2,100,849	3,378,988	2,905,359	1,324,088	658,243	2,025,261	3,263,290	2,774,776
6. Deposits and balances due from banking institutions abroad	1,548,049	1,327,247	1,492,412	1,516,384	1,815,851	913,171	456,148	412,351	227,433	528,223
7. Government and other securities held for dealing purposes	21,207,650	16,566,950	10,603,450	6,827,150	6,987,150	21,207,650	16,566,950	10,603,450	6,827,150	6,987,150
8. Tax recoverable	31,992	28,004	19,242	74,519	10,792	-	-	-	-	-
9. Loans and advances to customers (net)	70,904,578	68,251,013	66,160,578	63,378,232	58,143,947	66,755,803	65,176,064	63,276,592	59,868,232	55,029,009
10. Investment securities	57,591	62,760	39,405	32,305	26,270	-	-	-	-	-
11. Balances due from group companies	65,098	48,995	-	9,608	-	928,764	601,685	1,559,225	2,022,379	2,096,920
12. Investments in associates	1,246,669	1,249,816	1,231,900	1,213,872	1,192,415	1,246,669	1,249,816	1,231,900	1,213,872	1,155,562
13. Investments in subsidiary companies	-	-	-	-	1,100	4,880,691	4,880,691	3,437,691	3,437,691	3,371,191
14. Investments in joint ventures	-	-	-	-	-	-	-	-	-	-
15. Investment properties	8,494	8,494	8,494	8,494	11,269	8,494	8,494	8,494	8,494	11,269
16. Property and equipment	6,462,475	6,628,279	6,549,065	6,441,969	6,315,741	5,277,620	5,432,428	5,342,984	5,192,719	5,223,259
17. Prepaid lease rentals	4,007	4,007	4,011	30,892	4,588	4,007	4,007	4,011	4,069	4,588
18. Intangible assets	1,897,709	1,808,550	1,741,443	1,762,930	1,853,435	724,983	631,062	557,118	569,795	293,942
19. Deferred tax asset	5,536	5,536	5,536	5,536	-	5,536	5,536	5,536	5,536	-
20. Retirement benefit asset	-	-	-	-	-	-	-	-	-	-
21. Other assets	4,020,790	3,925,111	3,572,139	2,706,623	5,079,806	3,484,575	3,402,505	2,804,611	2,341,644	3,166,852
<b>22. TOTAL ASSETS</b>	<b>136,584,452</b>	<b>122,499,096</b>	<b>110,582,616</b>	<b>100,811,750</b>	<b>97,422,640</b>	<b>129,255,854</b>	<b>117,578,261</b>	<b>106,557,186</b>	<b>96,511,725</b>	<b>92,468,189</b>
<b>B. LIABILITIES</b>										
23. Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-	-	-
24. Customer deposits	98,810,268	87,816,821	77,448,989	69,842,963	65,660,674	91,312,166	82,091,656	72,925,916	65,824,732	62,757,511
25. Deposits and balances due to Local banking institutions	-	-	-	-	-	-	-	-	-	-
26. Deposits and balances due to Foreign banking institutions	464,296	-	76,030	-	18,489	-	-	-	-	18,489
27. Other money market deposits	-	-	-	-	-	-	-	-	-	-
28. Borrowed funds	7,089,409	6,466,750	6,790,347	6,486,123	7,444,326	6,983,396	6,451,492	6,773,032	6,114,047	6,087,155
29. Balances due to group companies	-	-	-	-	-	-	-	-	-	-
30. Tax payable	420,242	870,593	427,125	20,231	3,349	420,242	849,622	427,125	20,231	3,349
31. Dividends payable	70,921	70,874	679,694	1,052	1,013	70,921	70,874	679,694	1,052	1,013
32. Deferred tax liability	-	-	25,397	-	92,583	-	-	-	-	67,024
33. Retirement benefit liability	-	-	-	-	-	-	-	-	-	-
34. Other liabilities	1,656,121	1,548,659	1,766,862	1,552,512	1,765,255	1,334,745	1,294,913	1,351,146	1,214,223	1,446,699
<b>35. TOTAL LIABILITIES</b>	<b>108,511,256</b>	<b>96,773,697</b>	<b>87,214,445</b>	<b>77,902,880</b>	<b>74,985,689</b>	<b>100,121,471</b>	<b>90,758,556</b>	<b>82,156,914</b>	<b>73,174,285</b>	<b>70,381,239</b>
<b>C. SHAREHOLDERS' FUNDS</b>										
36. Paid up/Assigned capital	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388
37. Share premium/ (discount)	12,161,021	12,161,021	12,161,021	12,161,021	12,157,307	12,161,021	12,161,021	12,161,021	12,161,021	12,157,307
38. Revaluation reserve	1,417,851	1,173,211	664,964	(142,193)	119,985	1,898,562	1,643,308	1,011,214	112,871	66,479
39. Retained earnings/ Accumulated losses	12,306,411	10,141,783	8,354,273	7,108,066	7,999,855	10,827,463	9,040,124	7,394,523	7,394,523	7,394,523
40. Statutory Loan Loss reserve	336,525	397,996	336,525	449,477	308,416	336,525	336,525	336,525	336,525	308,416
41. Proposed dividends	-	-	-	1,481,111	-	-	-	-	1,481,111	-
42. Capital grants	-	-	-	-	-	-	-	-	-	-
<b>43. TOTAL SHAREHOLDERS' FUNDS</b>	<b>28,073,196</b>	<b>25,725,400</b>	<b>23,368,171</b>	<b>22,908,870</b>	<b>22,436,951</b>	<b>29,134,383</b>	<b>26,819,705</b>	<b>24,400,272</b>	<b>23,337,440</b>	<b>22,086,950</b>
<b>44. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>136,584,452</b>	<b>122,499,096</b>	<b>110,582,616</b>	<b>100,811,750</b>	<b>97,422,640</b>	<b>129,255,854</b>	<b>117,578,261</b>	<b>106,557,186</b>	<b>96,511,725</b>	<b>92,468,189</b>
<b>PROFIT AND LOSS ACCOUNT</b>										
<b>INTEREST INCOME</b>										
1.1 Loans and advances	8,381,051	5,528,025	2,712,472	9,483,873	6,706,799	7,757,022	5,112,092	2,500,342	8,286,601	5,889,804
1.2 Government securities	3,554,104	1,748,170	599,947	1,275,115	1,009,209	3,544,475	1,740,237	594,463	1,263,406	1,002,066
1.3 Deposits and placements with banking institutions	46,072	36,865	40,621	33,197	123,586	82,213	75,865	60,717	141,309	94,998
1.4 Other	-	-	-	-	-	-	-	-	-	-
<b>1.5 Total Interest income</b>	<b>11,981,228</b>	<b>7,313,060</b>	<b>3,353,041</b>	<b>10,792,186</b>	<b>7,839,595</b>	<b>11,383,711</b>	<b>6,928,194</b>	<b>3,155,522</b>	<b>9,691,317</b>	<b>6,986,868</b>
<b>INTEREST EXPENSES</b>										
2.1 Customer deposits	1,027,969	681,786	337,075	815,157	559,886	898,954	584,402	287,376	675,534	468,500
2.2 Deposits and placements from banking institutions	7,522	4,009	3,201	4,426	12,463	4,952	2,409	1,638	4,296	2,316
2.3 Other Interest expense	458,146	321,968	175,229	802,536	557,687	458,146	321,968	159,491	733,935	557,687
<b>2.4 Total interest Expenses</b>	<b>1,493,636</b>	<b>1,007,763</b>	<b>515,505</b>	<b>1,622,119</b>	<b>1,130,035</b>	<b>1,362,053</b>	<b>908,779</b>	<b>448,505</b>	<b>1,413,764</b>	<b>1,028,502</b>
<b>NET INTEREST INCOME</b>	<b>10,487,592</b>	<b>6,305,297</b>	<b>2,837,536</b>	<b>9,170,067</b>	<b>6,709,559</b>	<b>10,021,658</b>	<b>6,019,415</b>	<b>2,707,016</b>	<b>8,277,552</b>	<b>5,958,366</b>
<b>OTHER OPERATING INCOME</b>										
4.1 Fees and commissions income on loans & advances	1,804,850	1,139,828	565,694	2,106,760	1,470,868	1,724,465	1,092,028	543,727	1,977,386	1,377,030
4.2 Other Fees and commissions income	3,277,604	2,138,665	1,019,204	3,928,382	2,775,086	3,043,292	2,010,312	967,279	3,791,506	2,686,010
4.3 Foreign exchange trading income	597,322	290,316	113,747	222,150	149,996	244,498	116,831	40,236	161,211	119,114
4.4 Dividend Income	-	-	-	17,181	17,181	-	-	-	17,181	17,181
4.5 Other income	339,215	247,585	117,882	231,630	146,681	85,848	66,588	23,722	48,324	38,544
<b>4.6 Total Non-Interest Income</b>	<b>6,018,991</b>	<b>3,816,394</b>	<b>1,816,527</b>	<b>6,506,103</b>	<b>4,559,812</b>	<b>5,098,103</b>	<b>3,285,759</b>	<b>1,574,963</b>	<b>5,995,608</b>	<b>4,237,879</b>
<b>TOTAL OPERATING INCOME</b>	<b>16,506,583</b>	<b>10,121,691</b>	<b>4,654,063</b>	<b>15,676,169</b>	<b>11,269,371</b>	<b>15,119,762</b>	<b>9,305,174</b>	<b>4,281,980</b>	<b>14,273,161</b>	<b>10,196,244</b>
<b>OPERATING EXPENSES</b>										
6.1 Loan Loss Provision	1,833,705	920,457	506,748	1,035,328	452,047	1,558,118	642,191	224,005	880,436	405,032
6.2 Staff costs	3,737,742	2,428,369	1,099,330	4,295,321	3,068,221	3,156,432	2,038,923	903,308	3,561,197	2,559,578
6.3 Directors' emoluments	18,443	12,201	5,491	17,459	9,450	14,100	9,450	4,575	24,557	14,942
6.4 Rental charges	541,148	328,628	159,609	645,389	447,814	401,126	262,850	124,576	471,330	351,946
6.5 Depreciation on property and equipment	991,617	664,542	349,534	1,035,732	728,940	835,217	560,138	296,290	921,927	655,673
6.6 Ammortisation charges	105,766	70,253	24,887	138,315	98,097	90,768	60,342	20,110	120,494	84,997
6.7 Other operating expenses	2,814,478	1,853,600	848,243	3,262,839	2,239,645	2,275,254	1,484,954	674,331	2,723,657	1,921,039
<b>6.8 Total Operating Expenses</b>	<b>10,042,900</b>	<b>6,278,050</b>	<b>2,993,842</b>	<b>10,456,349</b>	<b>7,052,223</b>	<b>8,331,015</b>	<b>5,058,847</b>	<b>2,247,194</b>	<b>8,703,597</b>	<b>5,993,208</b>
<b>Profit/(loss) before tax and exceptional items</b>	<b>6,463,683</b>	<b>3,843,641</b>	<b>1,660,221</b>	<b>5,219,821</b>	<b>4,217,148</b>	<b>6,788,747</b>	<b>4,246,327</b>	<b>2,034,786</b>	<b>5,569,564</b>	<b>4,203,036</b>
Exceptional items-share of profit of associate	61,369	35,881	18,028	58,310	36,852	61,369	35,881	18,028	58,310	36,852
<b>Profit/(loss) after exceptional items</b>	<b>6,525,052</b>	<b>3,879,522</b>	<b>1,678,249</b>	<b>5,278,130</b>	<b>4,254,001</b>	<b>6,850,116</b>	<b>4,282,208</b>	<b>2,052,813</b>	<b>5,627,874</b>	<b>4,239,889</b>
Current tax	(1,399,470)	(869,127)	(431,764)	(1,116,703)	(869,528)	(1,357,749)	(849,265)	(406,957)	(1,137,302)	(840,607)
Deferred tax	-	-	-	72,561	-					