

EQUITY GROUP HOLDINGS LIMITED
AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31ST DEC 2015

STATEMENT OF FINANCIAL POSITION AS AT	Equity Bank (Kenya) Limited		Equity Group Holdings Limited			
	BANK		COMPANY	GROUP CONSOLIDATED		
	31st Dec 2015 Shs. '000' (Audited)	31st Dec 2014 Shs. '000' (Audited)	31st Dec 2015 Shs. '000' (Audited)	31st Dec 2014 Shs. '000' (Audited)	31st Dec 2015 Shs. '000' (Audited)	31st Dec 2014 Shs. '000' (Audited)
A. ASSETS						
1. Cash (both Local & foreign)	6,284,864	5,213,116	-	-	10,540,438	8,440,563
2. Balances due from central Bank of Kenya	24,422,525	6,103,763	-	-	24,313,838	6,103,763
3. Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-
4. Financial Assets at fair value through profit and loss	-	-	-	-	-	-
5. Investment Securities:	34,330,074	36,654,815	-	-	42,775,489	48,369,008
a) Held to Maturity:	20,430,871	21,388,050	-	-	28,465,519	34,890,897
a. Kenya Government securities	18,227,880	19,288,900	-	-	18,227,880	19,288,900
b. Other securities	2,202,991	2,099,150	-	-	10,237,639	15,601,997
b) Available for sale:	13,899,203	13,266,765	-	-	14,309,970	13,478,111
a. Kenya Government securities	13,899,203	13,266,765	-	-	13,916,445	13,266,765
b. Other securities	-	-	-	-	393,525	211,346
6. Deposits and balances due from local banking institutions	2,193,439	10,146,632	1,890,232	8,417,995	2,074,349	10,146,632
7. Deposits and balances due from banking institutions abroad	14,360,868	6,758,072	-	-	33,241,361	23,527,785
8. Tax recoverable	-	293,547	-	-	838,894	123,483
9. Loans and advances to customers (net)	225,036,662	187,976,229	-	-	269,892,942	214,170,424
10. Balances due from banking institutions in the group	3,303,119	1,039,752	8,318,079	-	271,751	188,903
11. Investments in associates	-	-	-	-	-	-
12. Investments in subsidiary companies	-	-	59,345,161	54,799,197	-	-
13. Investments in joint ventures	-	-	-	-	-	-
14. Investment properties	8,494	8,494	-	-	8,494	8,494
15. Property and equipment	8,844,622	7,383,658	-	-	14,056,498	10,528,298
16. Prepaid lease rentals	3,999	4,045	-	-	28,040	106,040
17. Intangible assets	3,824,242	2,774,689	-	-	4,584,782	3,424,894
18. Deferred tax asset	2,783,284	2,269,352	-	-	3,019,546	2,573,932
19. Retirement benefit asset	-	-	-	-	-	-
20. Other assets	15,639,579	11,783,110	33,459	-	22,416,092	16,859,430
21. TOTAL ASSETS	341,329,318	276,115,727	69,586,931	63,217,192	428,062,514	344,571,649
B. LIABILITIES						
22. Balances due to Central Bank of Kenya	-	-	-	-	-	-
23. Customer deposits	236,609,649	202,484,759	-	-	302,168,588	245,383,135
24. Deposits and balances due to Local banking institutions	565,208	199,136	-	-	1,037,200	199,136
25. Deposits and balances due to Foreign banking institutions	-	-	-	-	-	-
26. Other money market deposits	8,577,750	336,134	-	-	8,577,750	336,184
27. Borrowed funds	33,587,610	29,745,328	-	-	34,316,937	29,905,810
28. Balances due to group companies	8,108,043	-	2,475,408	420,000	-	-
29. Tax payable	-	-	137,250	460,935	269,459	462,900
30. Dividends payable	-	-	-	22,577	-	22,577
31. Deferred tax liability	-	-	-	-	59,486	2,148
32. Retirement benefit liability	-	-	-	-	-	-
33. Other liabilities	6,441,444	3,617,026	11,080	-	9,496,679	4,683,963
34. TOTAL LIABILITIES	293,889,704	236,382,383	2,623,738	903,612	355,926,099	280,795,953
C. SHAREHOLDERS' FUNDS						
35. Paid up/Assigned capital	30,000,000	30,000,000	1,886,837	1,851,388	1,886,837	1,851,388
36. Share premium/ (discount)	9,964,132	9,733,344	16,062,607	12,161,021	16,062,607	12,161,021
37. Revaluation reserve	(1,469,084)	-	-	-	(7,836,506)	(977,286)
38. Retained earnings/ Accumulated losses	7,695,203	-	41,466,399	41,636,172	52,217,024	43,054,995
39. Statutory Loan Loss Reserve	1,249,362	769,212	-	-	1,615,305	1,020,579
40. Other Reserves	-	(769,212)	-	-	-	-
41. Proposed dividends	-	-	-	-	-	-
42. Non Controlling Interests	-	-	7,547,350	6,664,999	7,547,350	6,664,999
43. TOTAL SHAREHOLDERS' FUNDS	47,439,613	39,733,344	66,963,193	62,313,580	72,136,415	63,775,696
44. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	341,329,318	276,115,727	69,586,931	63,217,192	428,062,514	344,571,649
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		Note 1				
1. INTEREST INCOME						
1.1 Loans and advances	32,940,737	-	-	27,585,823	37,909,498	30,999,140
1.2 Government securities	3,582,938	-	-	3,281,734	4,380,863	3,858,292
1.3 Deposits and placements with banking institutions	676,359	-	200,817	266,774	1,054,122	370,503
1.4 Other Interest Income	71,773	-	-	6,052	109,983	138,953
1.5 Total Interest income	37,271,807	-	200,817	31,140,023	43,454,466	35,366,888
2. INTEREST EXPENSES						
2.1 Customer deposits	5,669,197	-	-	3,534,022	6,898,327	4,666,626
2.2 Deposits and placements from banking institutions	153,336	-	-	34,416	291,498	72,690
2.3 Other Interest expense	1,943,392	-	-	1,412,016	2,141,076	1,452,935
2.4 Total Interest Expenses	7,766,925	-	-	4,980,454	9,330,901	6,192,251
3. NET INTEREST INCOME	29,484,882	-	200,817	26,159,569	34,123,565	29,174,637
4. NON-INTEREST INCOME						
4.1 Fees and commissions income on loans & advances	4,747,473	-	-	4,918,631	5,199,653	5,214,734
4.2 Other Fees and commissions income	7,992,535	-	-	7,497,093	11,147,606	8,841,541
4.3 Foreign exchange trading income	1,901,177	-	-	1,204,900	2,946,453	2,344,899
4.4 Dividend Income	-	-	8,300,000	900,223	-	104,156
4.5 Other income	589,009	-	18,079	485,978	2,645,347	1,968,712
4.6 Total Non-Interest Income	15,230,194	-	8,318,079	15,006,825	21,939,059	18,474,042
5. TOTAL OPERATING INCOME	44,711,076	-	8,518,896	41,166,394	56,062,624	47,648,679
6. OPERATING EXPENSES						
6.1 Loan Loss Provision	1,273,638	-	-	1,159,054	2,433,181	1,590,863
6.2 Staff costs	7,692,337	-	-	8,769,508	10,291,398	10,775,752
6.3 Directors' emoluments	24,977	-	-	21,152	58,727	37,855
6.4 Rental charges	1,186,734	-	-	1,087,789	2,270,136	1,591,137
6.5 Depreciation on property and equipment	2,641,453	-	-	2,049,378	3,257,131	2,637,901
6.6 Ammortisation charges	573,255	-	-	518,987	683,148	546,572
6.7 Other operating expenses	8,936,729	-	696,722	7,448,944	13,111,214	9,168,403
6.8 Total Operating Expenses	22,329,123	-	696,722	21,054,812	32,104,935	26,368,483
Profit/(loss) before tax and exceptional items	22,381,953	-	7,822,174	20,111,582	23,957,689	21,300,196
Gain on disposal of associate	-	-	-	1,667,272	-	1,063,737
Exceptional item-Share of profit of associate	-	-	-	-	-	-
Profit/(loss) after exceptional items	22,381,953	-	7,822,174	21,778,854	23,957,689	22,363,933
10. Current tax	(6,726,532)	-	(60,731)	(6,510,867)	(7,272,542)	(6,843,239)
11. Deferred tax	513,933	-	1,568,003	641,853	641,853	1,630,671
12. Profit / (loss) after tax and exceptional items	16,175,353	-	7,761,443	16,835,990	17,327,000	17,151,365
Minority Interest	-	-	-	-	23,562	-
13. Profit / (loss) after tax and exceptional items and minority interest	16,175,353	-	7,761,443	16,835,990	17,303,438	17,151,365
14. Other Comprehensive Income						
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	(5,752,592)	136,631
13.2 Fair value changes in available for sale financial assets	(1,083,947)	-	-	344,921	(1,107,796)	344,921
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	-	-	-	-	-	142,148
15. Other Comprehensive Income for the year net of tax	(1,083,947)	-	-	344,921	(6,860,388)	623,700
16. Total comprehensive income for the year	15,091,406	-	7,761,443	17,180,911	10,443,050	17,775,065
EARNINGS PER SHARE- BASIC & DILUTED	-	-	-	4.55	4.65	4.63
DIVIDEND PER SHARE -DECLARED	-	-	-	1.80	2.00	1.80
OTHER DISCLOSURES						
1) NON PERFORMING LOANS AND ADVANCES						
a) Gross non performing loans and advances	6,832,277	7,469,299	-	-	9,078,750	9,343,596
b) Less Interest in suspense	1,591,160	1,792,184	-	-	1,751,088	1,993,988
c) Total Non-Performing loans and advances (a-b)	5,241,117	5,677,115	-	-	7,327,662	7,349,608
d) Less Loan loss provision	2,766,282	3,204,272	-	-	3,746,234	4,028,980
e) Net non-performing loans(c-d)	2,474,835	2,472,843	-	-	3,581,428	3,320,628
f) Discounted value of securities	2,099,497	2,006,848	-	-	3,146,485	2,854,633
g) Net NPLs Exposure (e-f)	375,338	465,995	-	-	434,943	465,995
2) INSIDER LOANS AND ADVANCES						
a) Directors, shareholders and associates	1,726,192	1,150,610	-	-	1,726,192	1,150,610
b) Employees	5,846,883	5,852,490	-	-	6,281,162	6,280,775
c) Total insider Loans and Advances and other Facilities	7,573,075	7,003,100	-	-	8,007,354	7,431,385
3) OFF BALANCE SHEET ITEMS						
a) Letter of Credit, guarantees, acceptances	17,740,598	19,966,165	-	-	20,435,598	23,074,076
b) Forwards, Swaps and Options	27,888,620	3,583	-	-	27,991,165	3,583
c) Other contingent Liabilities	5,609,818	3,911,635	-	-	5,609,818	3,911,635
d) Total contingent Liabilities	51,239,036	23,881,383	-	-	54,036,581	26,989,294
4) CAPITAL STRENGTH						
a) Core Capital	47,659,335	39,733,344	-	-	70,166,468	57,067,404
b) Minimum statutory capital	1,000,000	1,000,000	-	-	3,679,718	3,679,718
c) Excess / (deficiency) (a-b)	46,659,335	38,733,344	-	-	66,486,750	53,387,685
d) Supplementary capital	5,227,536	6,818,647	-	-	5,593,479	7,069,579
e) Total Capital (a+d)	52,886,871	46,551,991	-	-	75,759,947	64,136,983
f) Total Risk Weighted Assets	325,483,654	268,517,818	-	-	375,684,698	302,592,112
Ratios						
g) Core Capital/ Total Deposit Liabilities	20.1%	19.6%	-	-	23.1%	23.2%
h) Minimum statutory ratio	8%	-	-	-	8.0%	8.0%
i) Excess / (deficiency) (g-h)	12.1%	11.6%	-	-	15.1%	15.2%
j) Core Capital/ Total Risk Weighted Assets	14.6%	14.8%	-	-	18.7%	18.9%
k) Minimum statutory Ratio	10.5%	10.5%	-	-	10.5%	10.5%
l) Excess / (deficiency) (j-k)	4.1%	4.3				