

EQUITY GROUP HOLDINGS LIMITED

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2016



STATEMENT OF FINANCIAL POSITION	EQUITY BANK KENYA LIMITED		EQUITY GROUP HOLDINGS LIMITED			
	BANK		COMPANY		GROUP	
	31 st Dec 2016 Shs. '000 (Audited)	31 st Dec 2015 Shs. '000 (Audited)	31 st Dec 2016 Shs. '000 (Audited)	31 st Dec 2015 Shs. '000 (Audited)	31 st Dec 2016 Shs. '000 (Audited)	31 st Dec 2015 Shs. '000 (Audited)
A. ASSETS						
1. Cash (both Local & foreign)	4,840,798	6,284,864	8,012,137	1,890,232	11,854,456	10,540,438
2. Balances due from central Bank of Kenya	11,537,111	24,422,525	-	-	11,537,111	24,313,838
3. Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-
4. Financial Assets at fair value through profit and loss	-	-	-	-	-	-
5. Investment Securities:	93,097,439	34,330,074	-	-	100,588,954	42,775,489
a) Held to Maturity:	21,655,268	20,430,871	-	-	26,291,502	28,465,519
a. Kenya Government Securities	19,452,277	18,227,880	-	-	19,452,277	18,227,880
b. Other Securities	2,202,991	2,202,991	-	-	6,839,225	10,237,639
b) Available for sale:	71,442,171	13,899,203	-	-	74,297,451	14,309,970
a. Kenya Government securities	71,442,171	13,899,203	-	-	71,442,171	13,916,445
b. Other securities	-	-	-	-	2,855,280	393,525
6. Deposits and balances due from local banking institutions	5,000,000	2,193,439	-	-	5,316,369	2,074,349
7. Deposits and balances due from banking institutions abroad	20,747,981	14,360,868	-	-	35,738,191	33,241,361
8. Tax recoverable	-	293,547	7,807	-	150,494	838,894
9. Loans and advances to customers (net)	213,805,548	225,036,662	-	-	266,068,089	269,892,942
10. Balances due from Group Companies	3,369,966	3,303,119	704,110	8,318,078	382,615	271,751
11. Investments in associates	-	-	-	-	-	-
12. Investments in subsidiary companies	-	-	64,721,117	59,345,161	-	-
13. Investments in joint ventures	-	-	-	-	-	-
14. Investment properties	8,494	8,494	-	-	8,494	8,494
15. Property and equipment	7,334,422	8,844,622	-	-	13,754,329	14,056,498
16. Prepaid Lease Rentals	3,953	3,999	-	-	114,898	28,040
17. Intangible Assets	5,606,711	3,824,242	-	-	6,406,911	4,584,782
18. Deferred Tax Asset	2,938,970	2,783,284	-	-	3,260,243	3,019,546
19. Retirement Benefit Asset	-	-	-	-	-	-
20. Other Assets	11,437,403	15,639,579	1,074	33,459	18,531,981	22,416,093
21. TOTAL ASSETS	379,748,996	341,329,318	73,446,245	69,586,931	473,713,133	428,062,514
B. LIABILITIES						
22. Balances due to Central Bank of Kenya	-	-	-	-	-	-
23. Customer deposits	277,274,668	236,609,649	-	-	337,198,618	302,168,588
24. Deposits and balances due to Local banking institutions	5,193	565,208	-	-	5,193	1,037,200
25. Deposits and balances due to foreign banking institutions	-	-	-	-	-	-
26. Other money market deposits	-	8,577,750	-	-	198,720	8,577,750
27. Borrowed funds	43,726,761	33,587,610	-	-	45,770,072	34,316,937
28. Balances due to group Companies	-	8,108,043	2,558,355	2,475,408	-	-
29. Tax payable	313,442	-	-	137,251	506,774	269,459
30. Dividends payable	-	-	-	-	-	-
31. Deferred tax liability	-	-	-	-	177,522	59,486
32. Retirement benefit liability	-	-	-	-	-	-
33. Other Liabilities	6,087,692	6,441,445	748	11,080	7,878,937	9,496,679
34. TOTAL LIABILITIES	327,407,956	293,889,704	2,559,103	2,623,738	391,736,036	355,926,099
C. SHAREHOLDERS' FUNDS						
35. Paid up/Assigned capital	30,000,000	30,000,000	1,886,837	1,886,837	1,886,837	1,886,837
36. Share premium discount	9,964,132	9,964,132	16,062,607	16,062,607	16,062,607	16,062,607
37. Revaluation reserve	(785,889)	(1,469,084)	-	-	(7,051,002)	(7,836,506)
38. Retained earnings/Accumulated losses	11,284,120	7,495,203	45,390,349	41,466,399	60,550,117	52,217,024
39. Statutory Loan Loss Reserve	1,878,877	1,249,363	-	-	2,280,654	1,615,305
40. Other Reserves	-	-	-	-	-	-
41. Proposed dividends	-	-	7,547,350	7,547,350	7,547,350	7,547,350
42. Non Controlling Interests	-	-	-	-	700,533	643,798
43. TOTAL SHAREHOLDERS' FUNDS	52,341,039	47,439,613	70,887,143	66,963,193	81,977,096	72,136,415
44. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	379,748,996	341,329,318	73,446,245	69,586,931	473,713,133	428,062,514
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME						
1. INTEREST INCOME						
1.1 Loans and advances	35,175,592	32,940,737	-	-	43,065,889	37,909,498
1.2 Government securities	6,699,995	3,582,938	-	-	7,882,239	4,380,863
1.3 Deposits and placements with banking institutions	1,002,446	676,359	68,754	200,817	538,904	1,054,122
1.4 Other Interest Income	194,517	71,773	-	-	353,572	109,284
1.5 Total Interest Income	43,072,550	37,271,807	68,754	200,817	51,840,604	43,454,666
2. INTEREST EXPENSES						
2.2 Customer deposits	6,115,253	5,669,197	-	-	7,883,466	6,898,327
2.3 Deposits and placements from banking institutions	60,970	153,336	-	-	220,719	291,498
2.4 Other Interest Expense	1,836,594	1,922,392	-	-	1,922,526	2,141,077
2.5 Total Interest Expenses	8,012,818	7,784,925	-	-	10,026,712	9,330,902
3. NET INTEREST INCOME	35,059,732	29,486,882	68,754	200,817	41,813,893	34,123,565
4. NON-INTEREST INCOME						
4.1 Fees and commissions income on loans & advances	3,831,268	4,747,473	-	-	4,414,234	5,199,453
4.2 Other fees and commissions income	6,418,842	7,992,535	-	-	11,364,858	11,147,606
4.3 Foreign exchange trading income	1,910,435	1,901,177	-	-	3,307,113	2,946,453
4.4 Dividend Income	-	-	11,300,000	8,300,000	-	-
4.5 Other Income	1,103,549	589,009	97,214	18,078	3,130,579	2,645,347
4.6 Total Non-Interest Income	15,264,095	15,230,193	11,397,214	8,318,078	22,218,783	21,939,059
5. TOTAL OPERATING INCOME	50,323,827	44,717,076	11,465,968	8,518,896	64,032,676	56,062,624
6. OPERATING EXPENSES						
6.1 Loan Loss Provision	5,010,763	1,273,638	-	-	6,645,441	2,433,181
6.2 Staff costs	8,096,990	7,692,337	-	-	11,628,908	10,291,398
6.3 Directors' emoluments	17,276	24,977	13,372	65,117	58,727	58,727
6.4 Rental charges	1,262,656	1,186,734	-	-	2,039,914	2,270,136
6.5 Depreciation on property and equipment	2,816,348	2,641,453	-	-	3,764,250	3,257,131
6.6 Amortisation charges	705,012	573,255	-	-	974,707	683,148
6.7 Other Operating Expenses	9,637,211	8,936,728	75,494	696,722	13,987,251	13,111,215
6.8 Total Operating Expenses	27,546,255	22,329,123	88,866	696,722	39,105,794	32,104,935
7.0 Profit loss before tax and exceptional items	22,777,572	22,387,953	11,377,102	7,822,174	24,926,883	23,957,689
8.0 Exceptional items-share of profit of associate	-	-	-	-	-	-
9.0 Profit (loss) after exceptional items	22,777,572	22,387,953	11,377,102	7,822,174	24,926,883	23,957,689
10. Current tax	(7,715,023)	(6,726,532)	94,197	(60,731)	(8,582,349)	(7,272,542)
11. Deferred tax	155,486	513,933	-	-	257,995	441,853
12. Profit loss after tax and exceptional items	15,218,234	16,175,353	11,471,299	7,761,443	16,602,529	17,327,000
12.1 Minority Interest	-	-	-	-	56,735	23,562
13. Profit loss after tax and exceptional items and minority interest	15,218,234	16,175,353	11,471,299	7,761,443	16,545,794	17,303,438
14. Other Comprehensive Income						
14.1 Gains/Losses from translating the financial statements of foreign operations	-	-	-	-	99,102	(5,752,592)
14.2 Fair value changes in available for sale financial assets	683,195	(1,083,947)	-	-	686,403	(1,107,796)
14.3 Revaluation surplus on property, plant and equipment	-	-	-	-	-	-
14.4 Share of other comprehensive income of associates	-	-	-	-	-	-
14.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	-
15. Other comprehensive Income for the year net of Tax	683,195	(1,083,947)	-	-	785,505	(6,860,388)
16. Total comprehensive Income for the year	15,901,429	15,091,407	11,471,299	7,761,443	17,388,034	10,466,613
EARNINGS PER SHARE- BASIC & DILUTED	507.27	539.18	3.04	2.06	4.38	4.59
DIVIDEND PER SHARE - DECLARED	366.67	266.67	2.00	2.00	2.00	2.00
OTHER DISCLOSURES						
1) NON PERFORMING LOANS AND ADVANCES						
a) Gross non performing loans and advances	15,457,320	6,832,277	-	-	18,754,023	9,078,750
b) Less Interest in suspense	1,816,643	1,921,160	-	-	2,036,824	1,751,088
c) Total Non-Performing loans and Advances (a-b)	13,640,677	5,241,117	-	-	16,717,199	7,327,662
d) less Loan loss provision	5,416,636	2,766,282	-	-	6,959,640	3,746,234
e) Net Non - performing loans (c-d)	8,224,041	2,474,835	-	-	9,757,559	3,581,428
f) Discounted value of securities	7,296,995	2,099,497	-	-	8,829,046	3,146,485
g) Net NPLs Exposure (e-f)	927,046	375,338	-	-	928,513	434,943
2) INSIDER LOANS AND ADVANCES						
a) Directors, shareholders and associates	2,712,762	1,726,191	-	-	2,712,762	1,726,191
b) Employees	5,084,658	5,846,883	-	-	6,005,984	6,281,162
c) Total Insider Loans and Advances and Other Facilities	7,797,420	7,573,075	-	-	8,718,747	8,007,354
3) OFF BALANCE SHEET ITEMS						
a) Letter of Credit, guarantees, acceptances	32,733,625	17,740,598	-	-	35,674,396	20,435,598
b) Forwards, Swaps and Options	7,749,424	27,888,620	-	-	7,749,424	27,991,164
c) Other Contingent Liabilities	-	5,609,818	-	-	410,344	5,609,818
d) Total Contingent Liabilities	40,483,049	51,239,036	-	-	43,834,164	54,036,581
4) CAPITAL STRENGTH						
a) Core Capital	51,248,255	47,659,335	-	-	78,499,561	70,166,468
b) Minimum statutory capital	1,000,000	1,000,000	-	-	4,173,124	3,479,718
c) Excess deficiency	50,248,255	46,659,335	-	-	74,326,437	66,686,750
d) Supplementary capital	3,846,788	5,227,536	-	-	4,248,756	5,593,479
e) Total Capital (a+d)	55,095,043	52,886,871	-	-	82,748,327	75,759,947
f) Total Risk Weighted Assets	356,087,595	325,483,654	-	-	420,890,802	375,684,698
RATIOS						
g) Core Capital/ Total Deposit Liabilities	18.5%	20.1%	-	-	23.3%	23.1%
h) Minimum statutory ratio	10.5%	10.5%	-	-	10.5%	10.5%
i) Excess deficiency (g-h)	8.0%	9.6%	-	-	12.8%	12.6%
j) Core Capital Total Risk Weighted Assets	14.4%	14.6%	-	-	18.7%	18.7%