

EQUITY GROUP HOLDINGS PLC

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER, 2017



	EQUITY BANK (KENYA) LIMITED		EQUITY GROUP HOLDINGS PLC			
	BANK		COMPANY		GROUP	
	31 st Dec 2016	31 st Dec 2017	31 st Dec 2016	31 st Dec 2017	31 st Dec 2016	31 st Dec 2017
	KShs. '000' (Audited)	Shs. '000' (Audited)	KShs. '000' (Audited)	KShs. '000' (Audited)	KShs. '000' (Audited)	KShs. '000' (Audited)
STATEMENT OF FINANCIAL POSITION AS AT						
A. ASSETS	93,097,439	115,449,191	100,588,954	128,001,775	128,001,775	128,001,775
1. Cash (both local & foreign)	4,840,798	8,817,113	8,012,137	8,318,168	11,854,456	11,039,112
2. Balances due from Central Bank of Kenya	11,537,111	15,635,640	-	-	11,537,111	15,635,640
3. Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-
4. Financial assets at fair value through profit and loss	-	-	-	-	-	-
5. Investment Securities:	71,442,171	88,132,192	71,442,171	88,132,192	71,442,171	88,132,192
a) Held to Maturity:	21,655,268	20,350,034	21,655,268	20,350,034	21,655,268	20,350,034
a. Kenya Government securities	19,452,277	18,347,044	19,452,277	18,347,044	19,452,277	18,347,044
b. Other securities	2,202,991	2,002,991	2,202,991	2,002,991	2,202,991	2,002,991
b) Available for Sale:	49,786,903	67,782,158	49,786,903	67,782,158	49,786,903	67,782,158
a. Kenya Government securities	71,442,171	88,132,192	71,442,171	88,132,192	71,442,171	88,132,192
b. Other securities	-	-	-	-	-	-
6. Deposits and balances due from local banking institutions	5,000,000	6,966,965	5,000,000	6,966,965	5,000,000	6,966,965
7. Deposits and balances due from banking institutions abroad	20,767,981	14,556,710	20,767,981	14,556,710	20,767,981	14,556,710
8. Tax recoverable	-	2,065,436	7,807	-	150,494	2,193,237
9. Loans and advances to customers (net)	213,805,548	214,484,733	213,805,548	214,484,733	213,805,548	214,484,733
10. Balances due from Group companies	3,369,966	4,121,975	704,110	312,764	266,068,089	279,091,669
11. Investments in associates	-	-	-	-	382,615	449,019
12. Investments in subsidiary companies	-	-	64,721,117	65,760,617	-	-
13. Investments in joint ventures	-	-	-	-	-	-
14. Investment properties	8,494	8,494	-	-	8,494	8,494
15. Property and equipment	7,334,622	6,004,819	-	-	13,754,329	10,865,247
16. Prepaid lease rentals	3,953	3,698	-	-	114,898	554,718
17. Intangible assets	5,606,711	6,366,242	-	-	6,406,911	6,996,028
18. Deferred tax asset	2,938,970	2,413,059	-	-	3,260,243	2,706,182
19. Retirement benefit asset	-	-	-	-	-	-
20. Other assets	11,437,403	6,967,136	1,074	-	18,531,981	13,978,734
21. TOTAL ASSETS	379,748,996	406,402,486	73,446,245	74,391,550	473,713,133	524,465,745
B. LIABILITIES	327,407,956	344,496,096	2,559,103	2,929,248	391,736,037	431,322,809
22. Balances due to Central Bank of Kenya	-	-	-	-	-	-
23. Customer deposits	277,274,668	298,702,851	-	-	337,198,618	373,143,247
24. Deposits and balances due to local banking institutions	5,193	-	-	-	5,193	-
25. Deposits and balances due to foreign banking institutions	-	-	-	-	-	-
26. Other money market deposits	-	-	-	-	198,920	1,735,822
27. Borrowed funds	43,726,761	39,494,907	-	-	45,770,072	46,137,632
28. Balances due to Group companies	-	199,395	2,558,355	2,667,097	-	-
29. Tax payable	313,642	-	-	3,304	506,774	411,712
30. Dividends payable	-	-	-	-	-	-
31. Deferred tax liability	-	-	-	-	177,522	64,374
32. Retirement benefit liability	-	-	-	-	-	-
33. Other liabilities	6,087,692	6,098,943	748	258,847	7,878,937	9,830,021
34. TOTAL LIABILITIES	327,407,956	344,496,096	2,559,103	2,929,248	391,736,037	431,322,809
C. SHAREHOLDERS' FUNDS	52,341,039	61,906,391	70,887,143	71,462,301	81,977,096	93,142,935
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	16,062,606
37. Revaluation reserve	(785,889)	441,394	(785,889)	(785,889)	(7,051,002)	(7,255,865)
38. Retained earnings/Accumulated losses	11,284,120	19,233,437	45,390,349	45,965,507	60,550,117	71,535,063
39. Statutory loan loss reserve	1,878,677	2,267,428	-	-	2,280,654	2,617,569
40. Other reserves	-	-	-	-	-	-
41. Proposed dividends	-	-	7,547,350	7,547,350	7,547,350	7,547,350
42. Non-controlling interests	-	-	-	-	700,533	749,375
43. TOTAL SHAREHOLDERS' FUNDS	52,341,039	61,906,391	70,887,143	71,462,301	81,977,096	93,142,935
44. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	379,748,996	406,402,486	73,446,245	74,391,550	473,713,133	524,465,745
STATEMENT OF COMPREHENSIVE INCOME						
1. INTEREST INCOME	43,072,550	37,795,663	68,754	229,458	51,840,604	48,410,471
1.1 Loans and advances	35,175,592	24,976,130	-	-	43,065,889	33,880,635
1.2 Government securities	6,699,995	12,214,987	-	-	7,882,239	13,393,880
1.3 Deposits and placements with banking institutions	1,002,444	505,429	68,754	229,458	538,904	916,204
1.4 Other interest income	194,517	99,115	-	-	353,572	219,752
2. INTEREST EXPENSES	8,012,818	8,533,911	-	-	10,026,712	10,840,862
2.1 Customer deposits	6,115,253	6,488,314	-	-	7,883,466	8,075,892
2.2 Deposits and placements from banking institutions	60,970	78,808	-	-	220,719	346,274
2.3 Other interest expenses	1,836,594	1,966,789	-	-	1,922,526	2,418,697
3. NET INTEREST INCOME	35,059,732	29,261,752	68,754	229,458	41,813,893	37,569,609
4. NON-INTEREST INCOME	15,264,095	18,465,821	11,397,214	8,328,771	22,218,783	27,591,699
4.1 Fees and commissions income on loans & advances	3,831,268	5,251,307	-	-	4,416,234	5,914,035
4.2 Other fees and commissions income	8,418,842	9,432,345	-	-	11,364,858	13,365,790
4.3 Foreign exchange trading income	1,910,435	2,194,774	-	-	3,307,113	4,110,964
4.4 Dividend income	-	-	11,300,000	8,300,000	-	-
4.5 Other income	1,103,549	1,586,824	97,214	28,771	3,130,579	4,200,910
5. TOTAL OPERATING INCOME	50,323,827	47,727,003	11,465,968	8,558,229	64,032,676	65,161,308
6. OPERATING EXPENSES	27,546,255	24,641,160	88,866	357,677	39,105,794	38,278,885
6.1 Loan loss provision	5,010,763	2,333,386	-	-	6,645,641	3,431,331
6.2 Staff costs	8,096,990	7,814,102	-	-	11,628,908	11,475,853
6.3 Directors' emoluments	17,276	13,953	13,372	27,799	65,117	68,888
6.4 Rental charges	1,262,656	1,318,736	-	-	2,039,919	2,170,945
6.5 Depreciation on property and equipment	2,816,348	2,607,468	-	-	3,764,250	3,540,729
6.6 Ammortisation charges	705,012	812,976	-	-	974,707	1,280,987
6.7 Other operating expenses	9,637,211	9,740,538	75,494	329,878	13,987,251	16,310,153
7.0 Profit/(loss) before tax and exceptional items	22,777,572	23,085,843	11,377,102	8,200,552	24,926,883	26,882,423
8.0 Exceptional items-share of profit of associate	-	-	-	-	-	-
9.0 Profit/(loss) after exceptional items	22,777,572	23,085,843	11,377,102	8,200,552	24,926,883	26,882,423
10. Current tax	(7,715,023)	(6,411,033)	94,197	(76,969)	(8,582,349)	(7,712,627)
11. Deferred tax	155,686	(336,742)	-	-	257,995	(251,744)
12. Profit/(loss) after tax and exceptional items	15,218,234	16,338,068	11,471,299	8,123,582	16,602,529	18,918,051
12.1 Minority interest	-	-	-	-	56,735	48,842
13. Profit/(loss) after tax and exceptional items and minority interest	15,218,234	16,338,068	11,471,299	8,123,582	16,545,794	18,869,209
14. OTHER COMPREHENSIVE INCOME	683,195	1,227,284	-	-	785,505	(204,863)
14.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	99,102	(1,502,098)
14.2 Fair value changes in available for sale financial assets	683,195	1,227,284	-	-	686,403	1,297,235
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	1,227,284	-	-	785,505	(204,863)
16. Total Comprehensive Income for the year	15,901,429	17,565,352	11,471,299	8,123,582	17,331,299	18,713,188
EARNINGS PER SHARE - BASIC & DILUTED	507.67	544.60	3.04	2.15	4.38	5.00
DIVIDEND PER SHARE - DECLARED	366.67	333.33	2.00	2.00	2.00	2.00
OTHER DISCLOSURES						
1) NON-PERFORMING LOANS AND ADVANCES	15,457,320	14,757,622	-	-	18,754,023	17,984,680
a) Gross non-performing loans and advances	1,816,643	2,218,181	-	-	2,036,824	2,542,267
b) Less interest in suspense	13,640,677	12,539,442	-	-	16,717,199	15,442,413
c) Net non-performing loans and advances (a-b)	5,416,636	4,978,739	-	-	6,959,660	6,509,901
d) Less loan loss provision	8,224,041	7,544,668	-	-	9,757,559	8,932,512
e) Net non-performing loans(c-d)	7,296,995	7,904,969	-	-	8,829,046	9,283,679
f) Discounted value of securities	927,046	(360,301)	-	-	928,513	(351,167)
2) INSIDER LOANS AND ADVANCES	2,712,762	3,199,639	-	-	2,712,762	3,243,982
a) Directors, shareholders and associates	5,084,658	4,568,199	-	-	6,005,984	5,662,202
b) Employees	-	-	-	-	-	-
3) OFF BALANCE SHEET ITEMS	32,733,625	37,189,926	-	-	36,086,740	41,300,140
a) Letter of Credit, Guarantees and Acceptances	7,749,424	17,136,211	-	-	7,749,424	17,136,211
b) Forwards, Swaps and Options	-	-	-	-	-	-
c) Other contingent liabilities	-	-	-	-	-	-
4) Total Contingent Liabilities	40,483,049	53,498,629	-	-	43,836,164	58,436,351
4) CAPITAL STRENGTH	51,248,255	59,197,568	-	-	78,499,561	87,572,831
a) Core Capital	1,000,000	1,000,000	-	-	4,173,124	4,173,124
b) Minimum statutory capital	50,248,255	58,197,568	-	-	74,326,437	83,399,708
c) Excess/(deficiency)	3,846,788	2,704,894	-	-	4,487,666	3,055,035
d) Supplementary capital	55,095,043	61,902,462	-	-	82,248,327	90,627,866
e) Total Capital (a+d)	356,087,595	374,209,300	-	-	420,890,802	444,102,519
f) Total Risk Weighted Assets	-	-	-	-	-	-
Ratios						
g) Core Capital/Total Deposit Liabilities	18.5%	19.8%	-	-	23.3%	23.5%