

I. STATEMENT OF FINANCIAL POSITION

	31.03.2017 Kshs.'000. Un-Audited	31.12.2017 Kshs.'000. Audited	31.03.2018 Kshs.'000. Un-Audited
A. ASSETS			
1 Cash balances (both local and foreign)			
2 Balances with Central Bank of Kenya	170,197	151,804	170,660
3 Kenya Government and other securities held for dealing purposes	655,454	822,778	551,934
4 Financial Assets at fair value through profit and loss	40,739	45,698	43,257
5 Investment Securities:			
a). Held to Maturity:			
a. Kenya Government Securities	1,117,649	1,207,628	1,283,151
b. Other securities	-	-	-
b) Available for sale:			
a. Kenya Government Securities	-	-	-
b. Other securities	-	-	-
6 Deposits and balances due from local banking institutions	516,105	327,158	502,725
7 Deposits and balances due from banking institutions abroad	121,405	234,764	100,607
8 Tax recoverable	-	-	-
9 Loans and advances to customers (net)	6,864,709	7,288,835	7,509,619
10 Balances due from banking institutions in the group	-	-	-
11 Investments in associates	-	-	-
12 Investments in subsidiary companies	-	-	-
13 Investment in joint ventures	-	-	-
14 Investment properties	-	-	-
15 Property, plant and equipment	75,002	119,289	110,267
16 Prepaid lease rentals	-	-	-
17 Intangible assets	4,108	4,854	7,627
18 Deferred tax asset	318,103	304,167	298,589
19 Retirement benefit assets	-	-	-
20 Other assets	122,372	69,550	96,622
21 TOTAL ASSETS	10,005,843	10,576,525	10,675,058
B. LIABILITIES			
22 Balances due to Central Bank of Kenya	-	-	-
23 Customer deposits	6,997,988	7,463,416	7,600,700
24 Deposits and balances due to local banking institutions	5,532	-	-
25 Deposits and balances due to banking institutions abroad	-	-	-
26 Other money market deposits	-	-	-
27 Borrowed funds	-	-	-
28 Balances due to banking institutions in the group	-	-	-
29 Tax payable	-	-	-
30 Dividends payable	-	-	-
31 Deferred tax liability	-	-	-
32 Retirement benefit liability	-	-	-
33 Other liabilities	47,073	85,111	92,367
34 TOTAL LIABILITIES	7,050,593	7,548,527	7,693,067
C. SHAREHOLDERS' FUNDS			
35 Paid up/ Assigned capital	2,490,811	2,490,811	2,491,151
Scheme Conversions & Contributions pending allotments	9,189	9,189	8,849
36 Share premium (discount)	412,819	412,819	412,819
37 Revaluation reserve	-	-	-
38 Retained earnings/ (Accumulated losses)	(190,946)	(132,528)	(113,046)
39 Statutory loan loss reserve	233,378	247,707	182,218
40 Other Reserves	-	-	-
41 Proposed dividends	-	-	-
42 Capital grants	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	2,955,250	3,027,998	2,981,991
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	10,005,843	10,576,525	10,675,058

2. STATEMENT OF COMPREHENSIVE INCOME

	31.03.2017 Kshs.'000. Un-Audited	31.12.2017 Kshs.'000. Audited	31.03.2018 Kshs.'000. Un-Audited
1.0 INTEREST INCOME			
1.1 Loans and advances	212,172	974,278	228,044
1.2 Government securities	29,786	120,173	31,466
1.3 Deposits and placements with banking institutions	19,031	49,418	8,003
1.4 Other interest income	508	1,947	101
1.5 Total interest income	261,497	1,145,816	267,614
2.0 INTEREST EXPENSES			
2.1 Customer deposits	133,108	575,334	153,753
2.2 Deposits and placements from banking institutions	-	1,368	36
2.3 Other interest expenses	-	-	-
2.4 Total Interest Expenses	133,108	576,702	153,789
3.0 NET INTEREST INCOME (LOSS)	128,389	569,114	113,825
4.0 OTHER OPERATING INCOME			
4.1 Fees and commissions on loans & advances	28,587	178,526	24,931
4.2 Other fees and commissions	5,167	17,586	4,858
4.3 Foreign exchange trading income (loss)	4,468	13,452	3,327
4.4 Dividend income	1,232	1,698	215
4.5 Other income	6,623	28,832	(1,853)
4.6 Total other operating income	46,077	240,095	31,476
5.0 TOTAL OPERATING INCOME	174,466	809,209	145,303
6.0 OPERATING EXPENSES			
6.1 Loan loss provision	19,000	177,294	14,468
6.2 Staff costs	57,679	235,485	55,236
6.3 Directors' emoluments	2,400	6,556	658
6.4 Rental charges	11,097	40,698	10,176
6.5 Depreciation charge on property and equipment	7,742	34,161	9,484
6.6 Amortisation charges	409	1,852	740
6.7 Other operating expenses	45,996	197,148	28,946
6.8 Total Operating Expenses	144,323	695,194	119,708
7.0 Profit/(loss) before tax and exceptional items	30,143	116,015	25,595
8.0 Exceptional items	-	-	-
9.0 Profit/(loss) after exceptional items	30,143	116,015	25,595
10.0 Current tax	-	-	-
11.0 Deferred tax	5,569	19,505	5,577
12.0 Profit/(loss) after tax and exceptional items	24,574	96,510	20,018
13.0 Other Comprehensive Income:			
13.1 Gains/(Losses) from translating the financial statement of foreign operations	-	-	-
13.2 Fair value changes in available-for-sale financial assets	-	-	-
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	-	-	-
14.0 Other Comprehensive Income for the year net of tax	-	-	-
15.0 Total Comprehensive Income for the year net of tax	24,574	96,510	20,018

3. OTHER DISCLOSURES

1.0 NON-PERFORMING LOANS AND ADVANCES			
a) Gross non-performing loans and advances	848,213	808,524	790,634
b) Less interest in suspense	86,552	67,882	68,098
c) Total Non-Performing Loans and Advances (a-b)	761,661	740,642	722,536
d) Less loan loss provisions	383,985	384,662	356,195
e) Net non-performing loans and advances (c-d)	377,676	355,980	326,341
f) Discounted value of securities	377,676	355,980	326,341
g) Net NPLs exposure (e-f)	-	-	-
2.0 INSIDER LOANS AND ADVANCES			
a) Directors, shareholders and associates	704,690	765,083	715,035
b) Employees	47,873	36,846	36,848
c) Total Insider Loans, Advances & Other Facilities	752,563	801,929	751,883
3.0 OFF-BALANCE SHEET ITEMS			
a) Letters of credit, guarantees and acceptances	502,858	441,320	509,070
b) Forwards, swaps and options	-	-	-
c) Other contingent liabilities	584,300	664,135	507,422
c) Total Contingent Liabilities	1,087,158	1,105,455	1,016,492
4.0 CAPITAL STRENGTH			
a) Core capital	2,709,585	2,780,291	2,491,176
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000
c) Excess (deficiency) [a-b]	1,709,585	1,780,291	1,491,176
d) Supplementary capital	92,113	106,323	106,056
e) Total capital [a+d]	2,801,698	2,886,614	2,597,232
f) Total risk weighted assets	7,369,029	8,505,879	8,484,510
g) Core capital/ total deposit liabilities	38.72%	37.25%	32.78%
h) Minimum statutory ratio	8.00%	10.50%	10.50%
i) Excess (deficiency) [g-h]	30.72%	26.75%	22.28%
j) Core capital/ total risk weighted assets	36.77%	32.69%	29.36%
k) Minimum statutory ratio	10.50%	10.50%	10.50%
l) Excess (deficiency) [j-k]	20.22%	22.19%	18.86%
m) Total capital/ total risk weighted assets	38.02%	33.94%	30.61%
n) Minimum statutory ratio	14.50%	14.50%	14.50%
o) Excess (deficiency) [m-n]	23.52%	19.44%	16.11%
(p) Adjusted Core Capital/Total Deposit Liabilities*	38.72%	37.25%	32.86%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	36.77%	32.69%	29.43%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	38.02%	33.94%	30.68%
5.0 LIQUIDITY			
a) Liquidity Ratio	36.80%	36.77%	34.30%
b) Minimum statutory ratio	20.00%	20.00%	20.00%
c) Excess or deficiency [a-b]	16.80%	16.77%	14.30%

*The adjusted capital ratios include the expected credit loss provisions added back to capital in line with the CBK guidance note issued in April 2018 on implementation of IFRS 9

The above financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institution's website: www.moriental.co.ke.

They can also be accessed at the institution's Head Office at Finance House Koingane Street, or our branches at:-

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Koingane Street
Tel: 020 2228461/2

Sameer Business Park,
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Nkrumah Road
Tel: 041 2220723/4

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Regulated by the Central Bank of Kenya

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