

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST MARCH 2019

1. STATEMENT OF FINANCIAL POSITION			
	31.03.2018 Kshs.'000. Un- Audited	31.12.2018 Kshs.'000. Audited	31.03.2019 Kshs.'000. Un- Audited
A. ASSETS			
1 Cash balances (both local and foreign)	170,660	191,660	170,777
2 Balances with Central Bank of Kenya	551,934	969,384	808,055
3 Kenya Government and other securities held for dealing purposes	-	-	-
4 Financial Assets at fair value through profit and loss	43,257	29,804	24,754
5 Investment Securities:			
a). Held to Maturity:			
a. Kenya Government Securities	1,283,151	538,131	1,304,970
b. Other securities	-	-	-
b) Available for sale:			
a. Kenya Government Securities	-	200,137	-
b. Other securities	-	-	-
6 Deposits and balances due from local banking institutions	502,725	380,404	51,627
7 Deposits and balances due from banking institutions abroad	100,607	215,683	180,574
8 Tax recoverable	-	-	-
9 Loans and advances to customers (net)	7,509,619	7,502,022	7,423,389
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	110,267	92,453	83,560
16 Prepaid lease rentals	-	-	-
17 Intangible assets	7,627	8,041	7,792
18 Deferred tax asset	298,589	300,725	300,042
19 Retirement benefit assets	-	-	-
20 Other assets	96,622	86,571	115,441
21 TOTAL ASSETS	10,675,058	10,515,015	10,470,921
B. LIABILITIES			
22 Balances due to Central Bank of Kenya	-	-	-
23 Customer deposits	7,600,700	7,404,674	7,316,666
24 Deposits and balances due to local banking institutions	-	-	-
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	92,367	45,222	80,583
34 TOTAL LIABILITIES	7,693,067	7,449,896	7,397,249
C. SHAREHOLDERS' FUNDS			
35 Paid up/ Assigned capital	2,490,811	2,490,811	2,490,811
Scheme Conversions & Contributions pending allotments	9,189	9,189	9,189
Share premium (discount)	412,819	412,819	412,819
37 Revaluation reserve	-	-	-
38 Retained earnings/ (Accumulated losses)	(113,046)	(37,073)	(28,575)
39 Statutory loan loss reserve	182,218	189,373	189,428
40 Other Reserves	-	-	-
41 Proposed dividends	-	-	-
42 Capital grants	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	2,981,991	3,065,119	3,073,672
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	10,675,058	10,515,015	10,470,921
2. STATEMENT OF COMPREHENSIVE INCOME			
1.0 INTEREST INCOME			
1.1 Loans and advances	228,044	961,496	194,920
1.2 Government securities	31,466	104,739	19,887
1.3 Deposits and placements with banking institutions	8,003	22,940	4,059
1.4 Other interest income	101	-	151
1.5 Total interest income	267,614	1,089,412	219,017
2.0 INTEREST EXPENSES			
2.1 Customer deposits	153,753	567,855	134,413
2.2 Deposits and placements from banking institutions	36	6,299	3
2.3 Other interest expenses	-	-	-
2.4 Total Interest Expenses	153,789	574,154	134,416
3.0 NET INTEREST INCOME (LOSS)	113,825	515,258	84,601
4.0 OTHER OPERATING INCOME			
4.1 Fees and commissions on loans & advances	24,931	159,262	49,120
4.2 Other fees and commissions	4,858	19,916	4,030
4.3 Foreign exchange trading income (loss)	3,327	11,493	2,079
4.4 Dividend income	215	640	1,066
4.5 Other Income	(1,853)	(5,398)	(4,139)
4.6 Total other operating income	31,478	185,913	52,156
5.0 TOTAL OPERATING INCOME	145,303	701,171	136,757
6.0 OPERATING EXPENSES			
6.1 Loan loss provision	14,468	148,618	14,945
6.2 Staff costs	55,236	221,101	53,541
6.3 Directors' emoluments	658	5,775	1,919
6.4 Rental charges	10,176	40,706	11,037
6.5 Depreciation charge on property and equipment	9,484	37,997	9,192
6.6 Amortisation charges	740	4,122	1,134
6.7 Other operating expenses	28,946	137,536	35,752
6.8 Total Operating Expenses	119,708	595,858	127,520
7.0 Profit/ (loss) before tax and exceptional items	25,595	105,313	9,237
8.0 Exceptional items	-	-	-
9.0 Profit/ (loss) after exceptional items	25,595	105,313	9,237
10.0 Current tax	-	-	-
11.0 Deferred tax	5,577	22,867	683
12.0 Profit/ (loss) after tax and exceptional items	20,018	82,446	8,554
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	20,018	82,446	8,554
3. OTHER DISCLOSURES			
1.0 NON-PERFORMING LOANS AND ADVANCES			
a) Gross non-performing loans and advances	790,634	773,122	1,248,085
b) Less interest in suspense	68,098	68,017	94,807
c) Total Non-Performing Loans and Advances (a-b)	722,536	705,105	1,153,278
d) Less loan loss provisions	396,195	448,355	468,351
e) Net non-performing loans and advances (c-d)	326,341	256,750	684,927
f) Discounted value of securities	326,341	256,750	684,927
g) Net NPLs exposure (e-f)	-	-	-
2.0 INSIDER LOANS AND ADVANCES			
a) Directors, shareholders and associates	715,035	1,099,027	1,328,861
b) Employees	36,848	40,227	37,919
c) Total Insider Loans, Advances & Other Facilities	751,883	1,139,254	1,366,780
3.0 OFF-BALANCE SHEET ITEMS			
a) Letters of credit, guarantees and acceptances	509,070	457,673	443,755
b) Forwards, swaps and options	-	-	-
c) Other contingent liabilities	507,422	890,060	680,733
c) Total Contingent Liabilities	1,016,492	1,347,733	1,124,488
4.0 CAPITAL STRENGTH			
a) Core capital	2,491,176	2,575,020	2,579,925
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000
c) Excess (deficiency) (a-b)	1,491,176	1,575,020	1,579,925
d) Supplementary capital	106,056	108,436	103,970
e) Total capital (a+d)	2,597,232	2,683,456	2,683,895
f) Total risk weighted assets	8,484,510	8,674,913	8,317,612
g) Core capital/ total deposit liabilities	34.78%	34.78%	35.26%
h) Minimum statutory ratio	8.00%	8.00%	8.00%
i) Excess (deficiency) (g-h)	22.28%	26.78%	27.26%
j) Core capital/ total risk weighted assets	29.36%	29.36%	31.02%
k) Minimum statutory ratio	10.50%	10.50%	10.50%
l) Excess (deficiency) (j-k)	18.86%	19.18%	20.52%
m) Total capital/ total risk weighted assets	30.61%	30.93%	32.27%
n) Minimum statutory ratio	14.50%	14.50%	14.50%
o) Excess (deficiency) (m-n)	16.11%	16.43%	17.77%
(p) Adjusted Core Capital/Total Deposit Liabilities*	32.86%	36.03%	36.42%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	29.43%	30.75%	32.04%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	30.68%	32.00%	33.29%
5.0 LIQUIDITY			
a) Liquidity Ratio	34.30%	33.70%	34.37%
b) Minimum statutory ratio	20.00%	20.00%	20.00%
c) Excess or deficiency (a-b)	14.30%	13.70%	14.37%

*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 Koinange Street, or our branches at:-
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Regulated by the Central Bank of Kenya

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