

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST MARCH 2020

1. STATEMENT OF FINANCIAL POSITION

	31.03.2019 Kshs.'000. Un- Audited	31.12.2019 Kshs.'000. Audited	31.03.2020 Kshs.'000. Un- Audited
A. ASSETS			
1 Cash balances (both local and foreign)	170,717	222,569	175,348
2 Balances with Central Bank of Kenya	808,055	837,118	569,969
3 Kenya Government and other securities held for dealing purposes	-	-	-
4 Financial Assets at fair value through profit and loss	24,754	24,625	22,910
5 Investment Securities:			
a). Held to Maturity:			
a. Kenya Government Securities	1,304,970	2,145,839	2,199,882
b. Other securities	-	-	-
b) Available for sale:			
a. Kenya Government Securities	-	-	-
b. Other securities	-	-	-
6 Deposits and balances due from local banking institutions	51,627	669,504	840,362
7 Deposits and balances due from banking institutions abroad	180,574	1,203,873	804,819
8 Tax recoverable	-	-	-
9 Loans and advances to customers (net)	7,423,389	6,811,799	6,945,048
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	83,560	64,535	57,254
16 Prepaid lease rentals	-	-	-
17 Intangible assets	7,792	5,348	4,361
18 Deferred tax asset	300,042	214,324	213,382
19 Retirement benefit assets	-	-	-
20 Other assets	115,441	194,242	232,003
21 TOTAL ASSETS	10,470,921	12,393,776	12,065,338
B. LIABILITIES			
22 Balances due to Central Bank of Kenya	-	-	-
23 Customer deposits	7,316,666	9,187,522	8,821,240
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	80,583	163,083	194,904
34 TOTAL LIABILITIES	7,397,249	9,350,605	9,016,144
C. SHAREHOLDERS' FUNDS			
35 Paid up/ Assigned capital	2,491,151	2,490,811	2,490,811
36 Scheme Conversions & Contributions pending allotments	9,189	9,189	9,189
37 Share premium (discount)	412,819	412,819	412,819
38 Revaluation reserve	-	-	-
39 Retained earnings/ (Accumulated losses)	(28,575)	(91,652)	(92,832)
40 Statutory loan loss reserve	189,428	222,004	229,207
41 Other Reserves	-	-	-
42 Proposed dividends	-	-	-
43 Capital grants	-	-	-
44 TOTAL SHAREHOLDERS' FUNDS	3,074,012	3,043,171	3,049,194
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	10,471,261	12,393,776	12,065,338

2. STATEMENT OF COMPREHENSIVE INCOME

1.0 INTEREST INCOME			
1.1 Loans and advances	194,920	811,399	169,835
1.2 Government securities	19,887	147,851	46,208
1.3 Deposits and placements with banking institutions	4,059	31,733	7,779
1.4 Other interest income	151	353	-
1.5 Total interest income	219,017	991,336	223,822
2.0 INTEREST EXPENSES			
2.1 Customer deposits	134,413	599,967	153,973
2.2 Deposits and placements from banking institutions	3	3	-
2.3 Other interest expenses	-	10,182	-
2.4 Total interest expenses	134,416	610,152	153,973
3.0 NET INTEREST INCOME (LOSS)	84,601	381,185	69,849
4.0 OTHER OPERATING INCOME			
4.1 Fees and commissions on loans & advances	49,120	227,359	57,537
4.2 Other fees and commissions	4,030	16,024	3,676
4.3 Foreign exchange trading income (loss)	2,079	9,634	3,971
4.4 Dividend income	1,066	1,577	129
4.5 Other income	(4,139)	(332)	(1,495)
4.6 Total other operating income	52,156	254,263	63,819
5.0 TOTAL OPERATING INCOME	136,757	635,447	133,668
6.0 OPERATING EXPENSES			
6.1 Loan loss provision	14,945	131,941	14,431
6.2 Staff costs	53,541	216,398	56,990
6.3 Directors' emoluments	1,919	5,146	1,569
6.4 Rental charges	11,037	34,381	11,873
6.5 Depreciation charge on property and equipment	9,192	35,312	7,281
6.6 Amortisation charges	1,134	4,274	987
6.7 Other operating expenses	35,752	143,542	33,897
6.8 Total Operating Expenses	127,520	570,994	127,025
7.0 Profit/(loss) before tax and exceptional items	9,237	64,453	6,638
8.0 Exceptional items	-	-	-
9.0 Profit/(loss) after exceptional items	9,237	64,453	6,638
9.0.0 Current tax	-	-	-
9.0.1 Deferred tax	683	86,401	942
12.0 Profit/(loss) after tax and exceptional items	8,554	(21,948)	5,697
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	8,554	(21,948)	5,697

3. OTHER DISCLOSURES

1.0 NON-PERFORMING LOANS AND ADVANCES			
a) Gross non-performing loans and advances	1,248,085	1,410,502	1,418,040
b) Less interest in suspense	94,807	94,901	94,923
c) Total Non-Performing Loans and Advances (a-b)	1,153,278	1,315,601	1,323,117
d) Less loan loss provisions	468,351	548,640	570,253
e) Net non-performing loans and advances (c-d)	684,927	766,961	752,864
f) Discounted value of securities	684,927	766,961	752,864
g) Net NPLs exposure (e-f)	-	-	-
2.0 INSIDER LOANS AND ADVANCES			
a) Directors, shareholders and associates	1,328,861	1,303,987	1,312,336
b) Employees	37,919	36,099	34,850
c) Total Insider Loans, Advances & Other Facilities	1,366,780	1,340,086	1,347,186
3.0 OFF-BALANCE SHEET ITEMS			
a) Letters of credit, guarantees and acceptances	443,755	355,209	436,925
b) Forwards, swaps and options	-	-	-
c) Other contingent liabilities	680,733	744,988	608,421
c) Total Contingent Liabilities	1,124,488	1,100,197	1,045,346
4.0 CAPITAL STRENGTH			
a) Core capital	2,579,925	2,606,842	2,603,756
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000
c) Excess (deficiency) (a-b)	1,579,925	1,606,842	1,603,756
d) Supplementary capital	103,970	98,233	99,837
e) Total capital (a+d)	2,683,895	2,705,075	2,703,593
f) Total risk weighted assets	8,317,612	7,858,628	7,986,997
g) Core capital/ total deposit liabilities	35.26%	33.37%	29.52%
h) Minimum statutory ratio	8.00%	8.00%	8.00%
i) Excess (deficiency) (g-h)	27.26%	20.37%	21.52%
j) Core capital/ total risk weighted assets	31.02%	33.17%	32.60%
k) Minimum statutory ratio	10.50%	10.50%	10.50%
l) Excess (deficiency) (j-k)	20.52%	22.67%	22.10%
m) Total capital/ total risk weighted assets	32.27%	34.42%	33.85%
n) Minimum statutory ratio	14.50%	14.50%	14.50%
o) Excess (deficiency) (m-n)	17.77%	19.92%	19.35%
(p) Adjusted Core Capital/Total Deposit Liabilities*	36.42%	28.90%	29.97%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	32.04%	33.78%	33.10%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	33.29%	35.03%	34.35%
5.0 LIQUIDITY			
a) Liquidity Ratio	34.37%	55.28%	52.00%
b) Minimum statutory ratio	20.00%	20.00%	20.00%
c) Excess or deficiency (a-b)	14.37%	35.28%	32.00%

*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 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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