

FAMILY BANK LIMITED

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST DECEMBER 2022

STATEMENT OF FINANCIAL POSITION	BANK		GROUP	
	31-Dec-21 Audited Shs. '000	31-Dec-22 Audited Shs. '000	31-Dec-21 Audited Shs. '000	31-Dec-22 Audited Shs. '000
A ASSETS				
1 Cash (both Local & Foreign)	3,960,569	3,984,702	3,960,569	3,984,702
2 Balances with Central Bank of Kenya	4,252,348	5,007,337	4,252,348	5,007,337
3 Kenya Government & other Securities held for dealing purposes	-	-	-	-
4 Financial Assets at Fair Value through Profit & Loss	-	-	-	-
5 Investment Securities:				
(i) Held to Maturity:				
(a) Kenya Government Securities	13,573,762	14,063,735	13,584,768	14,074,247
(b) Other Securities	-	-	-	-
(ii) Available for Sale:				
(a) Kenya Government Securities	11,115,877	11,680,439	11,115,877	11,680,439
(b) Other Securities	-	-	-	-
6 Deposits and balances due from local banking institutions	1,132,819	4,797,883	1,132,819	4,797,883
7 Deposits and balances due from banking institutions abroad	3,154,408	791,192	3,154,408	791,192
8 Tax recoverable	-	-	3,336	8,702
9 Loans and advances to customers (net)	66,901,824	81,380,510	66,901,824	81,380,510
10 Balances due from Banking Institutions in the Group	-	-	-	-
11 Investments in associates	-	-	-	-
12 Investments in subsidiary companies	10,000	10,000	-	-
13 Investments in joint ventures	-	-	-	-
14 Investment properties	23,400	28,600	23,400	28,600
15 Property and equipment	2,980,793	2,767,435	2,981,384	2,767,840
16 Prepaid lease rentals	132,553	127,916	132,553	127,916
17 Intangible assets	315,250	291,624	326,111	298,282
18 Deferred tax asset	1,805,110	1,771,064	1,805,110	1,771,452
19 Retirement benefit asset	-	-	-	-
20 Other assets	2,324,352	1,763,001	2,362,488	1,794,011
TOTAL ASSETS	111,683,065	128,465,438	111,736,995	128,513,113
B LIABILITIES				
21 Balances due to Central Bank of Kenya	-	2,997,544	-	2,997,544
22 Customer deposits	82,430,538	89,343,232	81,911,523	88,903,786
23 Deposits and balances due to local banking institutions	2,281,200	6,419,589	2,281,200	6,419,589
24 Deposits and balances due to foreign banking institutions	-	-	-	-
25 Other money market deposits	-	-	-	-
26 Borrowed funds	8,241,794	10,532,651	8,241,794	10,532,651
27 Balances due to Banking Institutions Group Companies	-	-	-	-
28 Tax payable	263,147	25,324	263,148	25,324
29 Dividends payable	4,845	32,068	4,845	32,068
30 Deferred tax liability	-	-	761	-
31 Retirement benefit liability	-	-	-	-
32 Other liabilities	3,297,260	3,374,596	3,441,378	3,491,122
TOTAL LIABILITIES	96,518,784	112,725,004	96,144,649	112,402,084
C SHAREHOLDERS' FUNDS				
33 Paid up /Assigned capital	1,287,108	1,287,108	1,287,108	1,287,108
34 Share premium	5,874,662	5,874,662	5,874,662	5,874,662
35 Revaluation reserves	92,086	(534,642)	92,086	(534,642)
36 Retained Earnings	6,453,626	6,541,110	6,881,691	6,911,705
37 Statutory loan reserves	369,161	1,777,282	369,161	1,777,282
38 Other Reserves	-	-	-	-
39 Proposed dividends	1,087,638	794,914	1,087,638	794,914
40 Capital grants	-	-	-	-
TOTAL SHAREHOLDERS' FUNDS	15,164,281	15,740,434	15,592,346	16,111,029
41 Minority Interest	-	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	111,683,065	128,465,438	111,736,995	128,513,113

STATEMENT OF COMPREHENSIVE INCOME	BANK		GROUP	
	31-Dec-21 Audited Shs. '000	31-Dec-22 Audited Shs. '000	31-Dec-21 Audited Shs. '000	31-Dec-22 Audited Shs. '000
INTEREST INCOME				
1 Loans and advances	8,402,188	10,017,675	8,402,188	10,017,675
2 Government securities	2,337,312	3,035,268	2,337,312	3,035,268
3 Deposits and placements with banking institutions	29,319	60,377	29,319	60,377
4 Other Interest Income	-	-	-	-
Total interest income	10,768,819	13,113,320	10,768,819	13,113,320
INTEREST EXPENSE				
5 Customer deposits	2,474,224	3,247,346	2,442,127	3,205,810
6 Deposits and placement from banking institutions	95,563	372,122	95,563	372,122
7 Other interest expenses	468,657	946,072	468,657	946,071
Total interest expenses	3,038,444	4,565,540	3,006,347	4,524,003
NET INTEREST INCOME	7,730,375	8,547,780	7,762,472	8,589,317
OTHER OPERATING INCOME				
8 Fees and commissions on loans and advances	205,498	109,500	205,498	109,500
9 Other fees and commissions	2,064,042	2,092,059	2,064,042	2,092,059
10 Foreign exchange trading income	297,421	664,659	297,421	664,659
11 Dividend Income	-	200,000	-	-
12 Other income	238,040	254,403	468,883	491,839
Total non-interest income	2,805,001	3,320,621	3,035,844	3,358,057
TOTAL OPERATING INCOME	10,535,376	11,868,401	10,798,316	11,947,374
OPERATING EXPENSES				
13 Loan loss provision	768,184	495,104	768,184	495,104
14 Staff costs	2,529,477	3,375,300	2,579,703	3,430,205
15 Directors' emoluments	105,417	134,607	117,637	142,246
16 Rental charges	612,080	610,946	612,080	610,946
17 Depreciation charge on property and equipment	428,482	409,123	433,241	414,313
18 Amortisation charges	138,027	128,694	138,027	128,694
19 Other operating expenses	2,809,040	2,972,657	2,812,597	2,980,874
Total operating expenses	7,390,707	8,126,431	7,461,469	8,202,382
Profit Before Tax and Exceptional Items	3,144,669	3,741,970	3,336,847	3,744,992
20 Exceptional items	-	-	-	-
Profit After Exceptional Items	3,144,669	3,741,970	3,336,847	3,744,992
21 Current tax	(1,277,555)	(1,436,741)	(1,337,416)	(1,498,383)
22 Deferred tax	308,163	(34,047)	309,215	(32,897)
Profit After Tax and Exceptional Items	2,175,277	2,271,182	2,308,646	2,213,712
Other Comprehensive Income:				
23 Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-	-	-	-
24 Fair Value changes in Available-fo-sale Financial Assets	(172,561)	(626,729)	(172,561)	(626,729)
25 Revaluation Surplus on Property, Plant and Equipment	-	-	-	-
26 Share of other Comprehensive Income of Associates	-	-	-	-
27 Income Tax Relating to Components of other Comprehensive Income	-	-	-	-
Other Comprehensive Income for the Year Net of Tax	(172,561)	(626,729)	(172,561)	(626,729)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,002,716	1,644,453	2,136,085	1,586,983
EARNINGS PER SHARE - BASIC & DILUTED	1.56	1.76	1.66	1.72
DIVIDEND PER SHARE -DECLARED				

OTHER DISCLOSURES	BANK		GROUP	
	31-Dec-21 Audited Shs. '000	31-Dec-22 Audited Shs. '000	31-Dec-21 Audited Shs. '000	31-Dec-22 Audited Shs. '000
1.0 NON-PERFORMING LOANS AND ADVANCES				
1.1 (a) Gross Non-performing loans and advances	11,056,249	12,431,239	11,056,249	12,431,239
1.2 (b) Less Interest in Suspense	1,555,254	1,388,899	1,555,254	1,388,899
1.3 (c) Total Non-Performing Loans and Advances (a-b)	9,500,995	11,042,340	9,500,995	11,042,340
1.4 (d) Less Loan Loss Provision	4,707,934	5,367,803	4,707,934	5,367,803
1.5 (e) Net Non-Performing Loans and Advances(c-d)	4,793,061	5,674,537	4,793,061	5,674,537
1.6 (f) Discounted Value of Securities	4,106,208	5,067,839	4,106,208	5,067,839
1.7 (g) Net NPLs Exposure (e-f)	686,853	606,698	686,853	606,698
2.0 INSIDER LOANS AND ADVANCES				
2.1 (a) Directors, Shareholders and Associates	1,648,634	2,677,896	1,648,634	2,677,896
2.2 (b) Employees	1,230,908	1,512,909	1,230,908	1,512,909
2.3 (c) Total Insider Loans and Advances and other facilities	2,879,542	4,190,805	2,879,542	4,190,805
3.0 OFF-BALANCE SHEET ITEMS				
3.1 (a) Letters of credit, guarantees, acceptances	8,585,144	9,755,783	8,585,144	9,755,783
3.2 (b) Forwards Swaps & Options	893,233	639,740	893,233	639,740
3.3 (c) Other contingent liabilities	266,071	283,480	266,071	283,480
3.4 (d) Total Contingent Liabilities	9,744,448	10,679,003	9,744,448	10,679,003
4.0 CAPITAL STRENGTH				
4.1 (a) Core capital	12,984,932	13,254,449	12,984,932	13,254,449
4.2 (b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
4.3 (c) Excess (a-b)	11,984,932	12,254,449	11,984,932	12,254,449
4.4 (d) Supplementary Capital	4,369,161	5,182,357	4,369,161	5,182,357
4.5 (e) Total Capital (a+d)	17,354,093	18,436,806	17,354,093	18,436,806
4.6 (f) Total risk weighted assets	83,080,132	94,588,542	83,080,132	94,588,542
4.7 (g) Core Capital/Total deposits Liabilities	15.8%	14.8%	15.8%	14.8%
4.8 (h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%
4.9 (i) Excess	7.8%	6.8%	7.8%	6.8%
4.10 (j) Core Capital / Total risk weighted assets	15.6%	14.0%	15.6%	14.0%
4.11 (k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
4.12 (l) Excess (j-k)	5.1%	3.5%	5.1%	3.5%
4.13 (m) Total Capital/Total risk weighted assets	20.9%	19.5%	20.9%	19.5%
4.14 (n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
4.15 (o) Excess (m-n)	6.4%	5.0%	6.4%	5.0%
4.16 (p) Core Capital/Total deposits Liabilities*	15.8%	14.8%	15.8%	14.8%
4.17 (q) Core Capital / total risk weighted assets*	15.6%	14.0%	15.6%	14.0%
4.18 (r) Total Capital/total risk weighted assets*	20.9%	19.5%	20.9%	19.5%
5.0 LIQUIDITY				
5.1 (a) Liquidity Ratio	43.4%	34.6%	43.4%	34.6%
5.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
5.3 (c) Excess (a-b)	23.4%	14.6%	23.4%	14.6%

* The adjusted capital ratios include the expected credit loss provisions added back to capital in line with Central Bank of Kenya

Message from the Directors

The directors of Family Bank Limited have recommended a payment of the first and final dividend of ksh 0.62 per share for the year ended 31 December 2022. The above Financial statements are extracts from the Group's Financial Statements which have been audited by PricewaterhouseCoopers LLP and received unqualified opinion. The complete set of audited Financial Statements, statutory and qualitative disclosures can be accessed on the institution's website www.familybank.co.ke. They may also be accessed from the institution's Head Office located at Family Bank Towers, Muindi Mbingu Street, Nairobi.

Signed: Lazarus Muema
Director

Rebecca Mbithi
Managing Director & CEO



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