

## AUDITED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

### A) STATEMENT OF COMPREHENSIVE INCOME

	31-Dec-16	Restated
	KShs. '000'	31-Dec-15
		KShs. '000'
<b>1.0 Income</b>		
1.1 Interest on Loan Portfolio	40,231	40,157
1.2 Fees and Commission on Loan Portfolio	15,667	8,802
1.3 Government Securities	-	-
1.4 Deposit and Balances with Banks and Financial Inst.	-	-
1.5 Other Investments	-	-
1.6 Other Operating Income	496	1,010
1.7 Non- Operating Income	-	-
<b>1.8 Total Income</b>	<b>56,394</b>	<b>49,969</b>
<b>2.0 Expenses</b>		
2.1 Interest and Fee Expense on Deposits	493	3,881
2.2 Other Fees and Commissions expense	-	-
2.3 Provision for Loan Impairment	7,529	5,672
2.4 Staff Costs	16,969	18,028
2.5 Director's Emoluments	905	1,601
2.6 Rental Charges	5,046	5,778
2.7 Depreciation Charges	3,514	2,176
2.8 Amortization Charges	1,917	2,680
2.9 Other Administrative Expense	16,580	12,074
2.1 Non-Operating Expense	-	-
<b>2.11 Total Expenses</b>	<b>52,953</b>	<b>51,890</b>
<b>3.0 Operating Profit</b>	<b>3,441</b>	<b>(1,921)</b>
4.0 Interest and Fee Expense on Borrowings(Finance Costs)	-	-
<b>5.0 Profit/(Loss) before tax</b>	<b>3,441</b>	<b>(1,921)</b>
6.0 Current Tax	-	(1,025)
6.1 Deferred Tax	666	(1,770)
<b>7.0 Net Profit (After Taxes and Before Donations)</b>	<b>4,107</b>	<b>(4,716)</b>
8.0 Donations for Operating Expense	-	-
<b>9.0 Net Profit After Taxes</b>	<b>4,107</b>	<b>(4,716)</b>
Surplus on revaluation of building	-	-
Deferred tax on revaluation surplus	-	-
<b>Total comprehensive income</b>	<b>4,107</b>	<b>(4,716)</b>

### B) STATEMENT OF FINANCIAL POSITION

<b>1.0 ASSETS</b>		
1.1 Cash and bank balances	13,350	97,047
1.2 Short term deposits with banks	-	-
1.3 Government securities	-	-
1.4 Advances to customers	165,707	96,383
1.5 Due from related organisations	-	-
1.6 Other receivables	11,843	9,831
1.7 Tax recoverable	297	-
1.8 Deferred tax Asset	2,666	2,000
1.9 Other investment	-	-
1.10 Investment in associate companies	-	-
1.11 Intangible assets	4,630	4,016
1.12 Property and equipment	15,601	15,782
<b>1.13 Total Assets</b>	<b>214,094</b>	<b>225,059</b>
<b>2.0 LIABILITIES</b>		
2.1 Cash collaterals held	-	-
2.2 Customer deposits	28,735	41,088
2.3 Borrowings	-	-
2.4 Deposit & balances due to banking institutions	-	46
2.5 Deferred tax liability	-	709

2.6 Due to related organisations	-	-
2.7 Other liabilities	6,857	8,821
<b>2.8 Total Liabilities</b>	<b>35,592</b>	<b>50,664</b>
<b>3.0 SHARE CAPITAL &amp; RESERVES</b>		
3.1 Share capital	197,037	154,816
3.2 Share premium	-	42,221
3.3 Retained earnings	(18,535)	(22,642)
3.4 Revaluation reserve	-	-
3.5 Statutory reserve	-	-
<b>3.6 Total Shareholders' funds</b>	<b>178,502</b>	<b>174,395</b>
<b>4.0 TOTAL LIABILITIES AND EQUITY</b>	<b>214,094</b>	<b>225,059</b>

### C) OTHER DISCLOSURES

<b>1 NON-PERFORMING LOANS AND ADVANCES</b>		
(a) Gross Non-Performing Loans and Advances	73,667	43,145
Less:		
(b) Interest in Suspense	-	10,473
(c) Total Non-Performing Loans and Advances (a-b)	73,667	32,671
(d) Impairment Loss Allowance	8,168	12,292
(e) Net Non-Performing Loans (c-d)	65,499	20,379
(f) Realizable Value of Securities	-	-
(g) Net NPLs Exposure (e-f)	65,499	20,379.27
<b>2 INSIDER LOANS AND ADVANCES</b>		
(a) Directors, Shareholders and Associates	870	-
(b) Employees	678	4181
(c) Total Insider Loans, Advances and Other Facilities	1,548	4,181
<b>3 OFF-BALANCE SHEET ITEMS</b>		
(a) Guarantees and Commitments	-	-
(b) Other Contingent Liabilities	-	-
(c) Total Contingent Liabilities	-	-
<b>4 CAPITAL STRENGTH</b>		
(a) Core Capital	178,502	174,394
(b) Minimum Statutory Capital	60,000	60,000
(c) Excess/(Deficiency) (a-b)	118,502	114,394
(d) Supplementary Capital	-	-
(e) Total Capital (a+d)	178,502	174,394
(f) Total Risk Weighted Assets	199,111	142,289
(g) Core Capital/ Total Deposit Liabilities	621%	425%
(h) Minimum Statutory Ratio	8%	8%
(i) Excess/(Deficiency) (g-h)	613.2%	417%
(j) Core Capital/ Total Risk Weighted Assets	89.60%	122%
(k) Minimum Statutory Ratio	10%	10%
(l) Excess/(Deficiency) (j-k)	79.6%	112%
(m) Total Capital/ Total Risk Weighted Assets	89.60%	122%
(n) Minimum Statutory Ratio	12%	12%
(o) Excess/(Deficiency) (m-n)	77.60%	110%
<b>5 LIQUIDITY</b>		
(a) Liquidity Ratio	48.9%	217%
(b) Minimum Statutory Ratio	20%	20%
(c) Excess/(Deficiency) (a-b)	28.9%	197%

These financial statements are extracts from the books of the institution as audited by Crowe Horwath and approved by board of directors on 6th March, 2017. The complete set is also available on the company's website at [www.uwezombank.com](http://www.uwezombank.com)