

PARAMOUNT BANK LTD

ANNUAL FINANCIAL STATEMENTS AND DISCLOSURES

I	STATEMENT OF FINANCIAL POSITION AS AT 31st Dec 2016	GROUP		BANK	
		31st Dec 16	31st Dec 15	31st Dec 16	31st Dec 15
		Current Year Shs '000' Audited	Previous Year Shs '000' Audited	Current Year Shs '000' Audited	Previous Year Shs '000' Audited
A	ASSETS				
1	Cash (both local & foreign)	104,398	73,166	104,398	73,166
2	Balances due from Central Bank of Kenya	661,020	934,707	661,020	934,707
3	Kenya Government and other securities held for dealing purposes				
4	Financial Assets at fair value through the profit and loss		1,521,596		1,521,596
5	Investment Securities:				
a.	Held to Maturity :				
a.	Kenya Government Securities	2,213,025	1,375,057	2,213,025	1,375,057
b.	Other Securities	114,445	155,701	114,445	155,701
b.	Available for sale				
a.	Kenya Government Securities	91,294		91,294	
b.	Other Securities				
6	Deposits and balances due from local banking institutions	51,318	133,952	51,318	133,952
7	Deposits and balances due from banking institutions abroad	133,965	244,990	133,965	244,990
8	Tax Recoverable	17,453	3,230	17,418	3,195
9	Loans and advances to customers (net)	5,799,443	5,871,717	5,799,443	5,871,717
10	Balances due from group companies				
11	Investments in associates				
12	Investments in subsidiary companies			1,000	1,000
13	Investments in joint ventures				
14	Investment properties				
15	Property and Equipment	71,785	76,384	71,785	76,384
16	Prepaid lease rentals				
17	Intangible assets	13,961	4,692	13,872	4,573
18	Deferred Tax asset	6,517	4,960	6,380	4,758
19	Retirement benefit asset				
20	Other assets	149,217	127,256	147,568	124,913
21	TOTAL ASSETS	9,427,841	10,527,408	9,426,931	10,525,709
B	LIABILITIES				
22	Balances due to Central Bank of Kenya				
23	Customer deposits	7,665,713	8,065,202	7,667,902	8,067,107
24	Deposits and balances due to banking institutions	51,334	684,515	51,334	684,515
25	Deposits and balances due to foreign banking institutions				
26	Other money market deposits		199,522		199,522
27	Borrowed funds				
28	Balances due to group companies				
29	Tax payable				
30	Dividends payable				
31	Deferred Tax liability				
32	Retirement Benefit liability				
33	Other liabilities	66,904	42,354	63,486	38,280
34	TOTAL LIABILITIES	7,783,951	8,991,593	7,782,722	8,989,424
C	SHAREHOLDERS' EQUITY				
35	Paid up/Assigned capital	1,000,000	1,000,000	1,000,000	1,000,000
36	Share premium/(discount)				
37	Regulation reserves	1,636		1,636	
38	Retained earnings/Accumulated losses	559,770	454,118	560,089	454,588
39	Statutory Reserves	82,484	81,697	82,484	81,697
40	Proposed dividends				
41	Capital grants				
42	TOTAL SHAREHOLDERS' EQUITY	1,643,890	1,535,815	1,644,209	1,536,285
43	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	9,427,841	10,527,408	9,426,931	10,525,709

II	STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD END 31ST DEC 2016	GROUP		BANK	
		31st Dec 16	31st Dec 15	31st Dec 16	31st Dec 15
		Current Year Shs '000' Audited	Previous Year Shs '000' Audited	Current Year Shs '000' Audited	Previous Year Shs '000' Audited
1	INTEREST INCOME				
1.1	Loans and advances	941,906	945,037	941,906	945,037
1.2	Government securities	218,431	346,667	218,431	346,667
1.3	Deposits and placements with banking institutions	12,030	36,723	12,030	36,723
1.4	Other Interest Income	9,802	12,775	9,802	12,775
1.5	Total Interest Income	1,182,169	1,341,202	1,182,169	1,341,202
2	INTEREST EXPENSES				
2.1	Customer deposits	868,091	757,044	868,091	757,044
2.2	Deposits and placements from banking Institutions	18,230	27,726	18,230	27,726
2.3	Other Interest Expenses				
2.4	Total Interest Expenses	886,321	784,770	886,321	784,770
3	NET INTEREST INCOME/(LOSS)	295,848	556,432	295,848	556,432
4	OTHER OPERATING INCOME				
4.1	Fees and commissions on loans & advances	13,364	11,566	10,414	9,806
4.2	Other fees & commissions	30,982	38,686	30,982	38,686
4.3	Foreign exchange trading income(Loss)	12,242	13,251	12,242	13,251
4.4	Other Income	128,833	(105,904)	128,833	(105,904)
4.5	Total Non-Interest Income	185,421	(42,401)	182,471	(44,161)
5	TOTAL OPERATING INCOME	481,269	514,031	478,319	512,271
6	OTHER OPERATING EXPENSES				
6.1	Loan loss provisions	60,333	12,345	60,333	12,345
6.2	Staff costs	141,102	126,210	141,102	126,210
6.3	Directors' emoluments	26,192	21,407	26,192	21,407
6.4	Rentals charges	37,920	46,701	37,920	46,701
6.5	Depreciation charge on property and equipment	21,153	20,546	21,153	20,546
6.6	Amortisation charges	1,525	1,574	1,525	1,574
6.7	Other operating expenses	88,162	117,044	85,248	114,612
6.8	Total Other Operating expenses	376,387	345,827	373,653	343,395
7	Profit/(Loss) before tax and exceptional items	104,882	168,204	104,666	168,876
8	Exceptional items				
9	Profit/(Loss) after Exceptional items	104,882	168,204	104,666	168,876
10	Current tax	(1,557)	10,649	(1,622)	10,851
11	Deferred tax				
12	Profit/(Loss) after tax and exceptional items	106,439	157,555	106,288	158,025
13	Other Comprehensive Income :				
13.1	Gains/ (Losses) from translating Financial statements of foreign operations				
13.2	Fair value changes in available for sale financial assets	1,636		1,636	
13.4	Revaluation Surplus on Property, plant and equipments				
13.5	Share of other comprehensive income of associates				
13.6	Income tax relating to components of other comprehensive income				
14	Other Comprehensive Income for the year net of tax				
15	Total Comprehensive income for the year	108,075	157,555	107,924	158,025

III	OTHER DISCLOSURES	GROUP		BANK	
		31st Dec 16	31st Dec 15	31st Dec 16	31st Dec 15
		Current Year Shs '000' Audited	Previous Year Shs '000' Audited	Current Year Shs '000' Audited	Previous Year Shs '000' Audited
1)	NON-PERFORMING LOANS AND ADVANCES				
a)	Gross Non-Performing loans and advances	778,375	814,626	778,375	814,626
	Less:				
b)	Interest in suspense	298,414	509,735	298,414	509,735
c)	Total Non-Performing Loans & Advances (a-b)	479,961	304,891	479,961	304,891
	Less:				
d)	Loan loss provisions	144,991	103,692	144,991	103,692
e)	Net Non-Performing Loans (c-d)	334,970	201,199	334,970	201,199
f)	Realizable Value of Securities	334,970	201,199	334,970	201,199
g)	Net NPLs Exposure (e-f)	-	-	-	-
2)	INSIDER LOANS AND ADVANCES				
a)	Directors, shareholders and associates	363,687	448,080	363,687	448,080
b)	Employees	72,994	43,352	72,994	43,352
c)	Total Insider loans,advances & Other Facilities	436,681	491,432	436,681	491,432
3)	OFF-BALANCE SHEET ITEMS				
a)	Letters of credit, guarantees, acceptances	344,443	470,601	344,443	470,601
b)	Other contingent liabilities				
c)	Total contingent Liabilities	344,443	470,601	344,443	470,601
4)	CAPITAL STRENGTH				
a)	Core capital	1,555,345	1,449,830	1,555,345	1,449,830
b)	Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
c)	Excess/(Deficiency)	555,345	449,830	555,345	449,830
d)	Supplementary capital	82,484	81,697	82,484	81,697
e)	Total Capital (a+d)	1,637,829	1,531,527	1,637,829	1,531,527
f)	Total risk weighted assets	5,979,323	6,350,780	5,978,413	6,349,081
g)	Core capital/total deposit liabilities	20.3%	18.0%	20.3%	18.0%
h)	Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%
i)	Excess/(Deficiency)(g-h)	12.3%	10%	12.3%	10%
j)	Core Capital/total risk weighted assets	26.0%	22.8%	26.0%	22.8%
k)	Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
l)	Excess/(Deficiency)(j-k)	15.5%	12.3%	15.5%	12.3%
m)	Total Capital/total risk weighted assets	27.4%	24.1%	27.4%	24.1%
n)	Minimum Statutory Ratio	14.5%	14.5%	14.5%	14.5%
o)	Excess/(Deficiency)(m-n)	12.9%	9.6%	12.9%	9.6%
5)	Liquidity				
a)	Liquidity Ratio	43.0%	42.0%	43.0%	42.0%
b)	Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
c)	Excess/(Deficiency)(a-b)	23.0%	22.0%	23.0%	22.0%

These financial statements are extracts from the books of the institution as audited by Deloitte & Touche and received an unqualified opinion. The complete set of annual financial statements, statutory and qualitative disclosures can be accessed on the institution's website
 They may also be accessed at the institutions head office.