

PARAMOUNT BANK LTD
ANNUAL FINANCIAL STATEMENTS AND DISCLOSURES

I STATEMENT OF FINANCIAL POSITION AS AT 31 ST DEC 2015		31 ST Dec 15 Current Year Shs '000' Audited	31 ST Dec 14 Previous Year Shs '000' Audited
A ASSETS			
1 Cash (both local & foreign)		73,166	72,798
2 Balances due from Central Bank of Kenya		934,707	427,271
3 Kenya Government and other securities held for dealing purposes			
4 Financial Assets at fair value through the profit and loss		1,521,596	1,543,167
5 Investment Securities:			
a). Held to Maturity :			
a. Kenya Government Securities		1,375,057	2,285,391
b. Other Securities		155,701	198,315
b). Available for sale			
a. Kenya Government Securities			
b. Other Securities			
6 Deposits and balances due from local banking institutions		133,952	951,062
7 Deposits and balances due from banking institutions abroad		244,990	239,798
8 Tax Recoverable		3,195	16,125
9 Loans and advances to customers (net)		5,871,717	4,447,615
10 Balances due from group companies			
11 Investments in associates			
12 Investments in subsidiary companies			
13 Investments in joint ventures			
14 Investment properties			
15 Property and Equipment		76,384	89,640
16 Prepaid lease rentals			
17 Intangible assets		4,573	5,810
18 Deferred Tax asset		4,758	2,679
19 Retirement benefit asset			
20 Other assets		125,913	122,655
21 TOTAL ASSETS		10,525,709	10,402,326
B LIABILITIES			
22 Balances due to Central Bank of Kenya		199,522	
23 Customer deposits		8,067,107	8,048,012
24 Deposits and balances due to banking institutions		684,515	936,243
25 Deposits and balances due to foreign banking institutions			
26 Other money market deposits			
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		38,280	39,811
34 TOTAL LIABILITIES		8,989,424	9,024,066
C SHAREHOLDERS' EQUITY			
35 Paid up/Assigned capital		1,000,000	1,000,000
36 Share premium/(discount)			
37 Revaluation reserves			
38 Retained earnings/Accumulated losses		454,588	316,832
39 Statutory Reserves		81,697	61,428
40 Proposed dividends			
41 Capital grants			
42 TOTAL SHAREHOLDERS' EQUITY		1,536,285	1,378,260
43 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		10,525,709	10,402,326

II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD END 31 ST DEC 2015		31 ST Dec 15 Current Year Shs '000' Audited	31 ST Dec 14 Previous Year Shs '000' Audited
1 INTEREST INCOME			
1.1 Loans and advances		945,037	668,058
1.2 Government securities		346,667	298,402
1.3 Deposits and placements with banking institutions		36,723	35,101
1.4 Other Interest Income		12,775	17,105
1.5 Total Interest Income		1,341,202	1,018,666
2 INTEREST EXPENSES			
2.1 Customer deposits		757,044	677,837
2.2 Deposits and placements from banking Institutions		27,726	3,189
2.3 Other Interest Expenses			
2.4 Total Interest Expenses		784,770	681,026
3 NET INTEREST INCOME		556,432	337,640
4 OTHER OPERATING INCOME			
4.1 Fees and commissions on loans & advances		9,806	10,883
4.2 Other fees & commissions		38,686	36,549
4.3 Foreign exchange trading income		13,251	9,754
4.4 Other Income		(105,904)	63,061
4.5 Total Non-Interest Income		(44,161)	120,247
5 TOTAL OPERATING INCOME		512,271	457,887
6 OTHER OPERATING EXPENSES			
6.1 Loan loss provisions		12,345	10,314
6.2 Staff costs		126,210	105,993
6.3 Directors' emoluments		21,407	19,886
6.4 Rentals charges		46,701	42,240
6.5 Depreciation charge on property and equipment		20,546	15,287
6.6 Amortisation charges		1,574	1,303
6.7 Other operating expenses		114,612	101,993
6.8 Total Other Operating expenses		343,395	297,016
7 Profit before tax and exceptional items		168,876	160,871
8 Exceptional items			
9 Profit/(Loss) after Exceptional items		168,876	160,871
10 Current tax		10,851	13,025
11 Deferred tax			
12 Profit after tax and exceptional items		158,025	147,846
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		-	-
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		158,025	147,846

III. OTHER DISCLOSURES		31 ST Dec 15 Current Year Shs '000' Audited	31 ST Dec 14 Previous Year Shs '000' Audited
1) NON-PERFORMING LOANS AND ADVANCES			
a) Gross Non-Performing loans and advances		814,626	1,062,852
Less:			
b) Interest in suspense		509,735	769,021
c) Total Non-Performing Loans & Advances (a-b)		304,891	293,831
Less:			
d) Loan loss provisions		103,692	172,099
e) Net Non-Performing Loans (c-d)		201,199	121,732
f) Realizable Value of Securities		201,199	121,732
g) Net NPLs Exposure (e-f)		-	-
2) INSIDER LOANS AND ADVANCES			
a) Directors, shareholders and associates		448,080	524,554
b) Employees		43,352	33,082
c) Total Insider loans, advances & Other Facilities		491,432	557,636
3) OFF-BALANCE SHEET ITEMS			
a) Letters of credit, guarantees, acceptances		470,601	560,186
b) Other contingent liabilities			
c) Total contingent Liabilities		470,601	560,186
4) CAPITAL STRENGTH			
a) Core capital		1,449,830	1,314,153
b) Minimum Statutory Capital		1,000,000	1,000,000
c) Excess/(Deficiency)		449,830	314,153
d) Supplementary capital		81,697	61,428
e) Total Capital (a+d)		1,531,527	1,375,581
f) Total risk weighted assets		6,349,081	5,404,156
g) Core capital/total deposit liabilities		18.0%	16.3%
h) Minimum Statutory Ratio		8.0%	8.0%
i) Excess/(Deficiency)(g-h)		10.0%	8.3%
j) Core Capital/total risk weighted assets		22.8%	24.3%
k) Minimum Statutory Ratio		10.5%	10.5%
l) Excess/(Deficiency)(j-k)		12.3%	13.8%
m) Total Capital/total risk weighted assets		24.1%	25.5%
n) Minimum Statutory Ratio		14.5%	14.5%
o) Excess/(Deficiency)(m-n)		9.6%	11.0%
5) LIQUIDITY			
a) Liquidity Ratio		42.0%	56.6%
b) Minimum Statutory Ratio		20.0%	20.0%
c) Excess/(Deficiency)(a-b)		22.0%	36.6%

These financial statements are extracts from the books of the institution. The complete set of annual financial statements, statutory and qualitative disclosures can be accessed on the institutions website. They may also be accessed at the institutions head office.