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Enablii	ng You	Reach	Your	Peak

Head Office/Westlands branch
Sound Plaza, Westlands P.O. Box 14001 - 00800
Nairobi, Kenya Tel: 4449266/7/8, 0723564254, 0734258020 Fax: 4449265 Email: info@paramountbank.co.ke

Koinange Street Branch Paramount House, Koinange Street
P.O. Box 42363 - 00100
Nairobi, Kenya
Tel: 2215467/8/9, 0732445508, 0732445590
Fax: 2215470
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Parklands Branch Diamond House, New Wing P.O. Box 13677 - 00800 Nairobi, Kenya Tei: 3753444/5, 0733600119, 0724255325 Fax: 3751716 Email: parklandsbranch@paramountbank.co.ke Mombasa Branch Jubilee Building, Ground Floor, Moi Avenue P.O. Box 88775 - 80100 Mombasa, Kena Tel: 239635/6/7, 0738998976, 0728606652 Fax: 2319638 Email: msbaranch@paramountbank.co.ke

Eldoret Branch Oloo street, Karim Building P.O. Box 4362-30100 Eldoret, Kenya. Tel: +254704385731, +254736445507 Email: eldbranch@paramountbank.co.ke Industrial Area Branch Ambija House, Dar-es-Salam Road PO.Box 1400 - 00800 Nairobi, Kenya Tel: 44449266/1/8, 0723564254, 0735445507 Fax:4449265 Email: Indivanch@paramountbank.co.ke

## PARAMOUNT UNIVERSAL BANK LTD

## ANNUAL FINANCIAL STATEMENTS AND DISCLOSURES

1	STATEMENT OF FINANCIAL POSITION	31st Dec 13	31st Dec 14
÷.,		Previous Year	Current Year
	AS AT 31ST DEC 2014	Shs '000'	Shs '000'
1		Audited	Audited
Α	ASSETS		
1	Cash (both local & foreign)	67,233	72,798
2	Balances due from Central Bank of Kenya	341,891	427,271
3	Kenya Government and other securities held for dealing purposes		
4	Financial Assets at fair value through the profit and loss		
5	Investment Securities:		
	a). Held to Maturity :		
	a. Kenya Government Securities	1,523,167	2,285,391
	b. Other Securities	242,214	198,315
	b). Available for sale		
	a. Kenya Government Securities	1,259,431	1,543,167
	b. Other Securities		
6	Deposits and balances due from local banking institutions	816,206	951.062
7	Deposits and balances due from banking institutions abroad	293,507	239,798
8	Tax Recoverable	21,221	16.125
9	Loans and advances to customers (net)	3,272,190	4,447,615
10	Balances due from group companies	5,272,1770	1,111,015
11	Investments in associates		
12	Investments in subsidiary companies		
13	Investments in joint ventures		
14	Investment properties		
15	Property and Equipment	58.337	89.640
16	Prepaid lease rentals	50,557	0,010
17	Intangible assets	4.630	5,810
18	Deffered Tax asset	10.608	2,679
19	Retirement benefit asset	10,000	2,077
20	Other assets	118.242	122,655
21	TOTAL ASSETS	8.028.877	10,402,326
B	LIABILITIES	0,020,077	10,402,520
22	Balances due to Central Bank of Kenya		
23	Customer deposits	6.600.517	8.048.012
24	Deposits and balances due to banking institutions	135.676	936,243
25	Deposits and balances due to foreign banking institutions	135,070	750,245
26	Other money market deposits		
27	Borrowed funds		
28	Balances due to group companies		
29	Tax payable		
30	Dividends payable		
31	Deffered Tax liability		
32	Retirement Benefit liability		
33	Other liabilities	62.270	39,811
34	TOTAL LIABILITIES	6,798,463	9,024,066
54 C	SHAREHOLDERS' EQUITY	0,/98,405	5,024,000
<b>L</b> 35	Paid up/Assigned capital	1.000.000	1,000,000
36	Share premium/(discount)	1,000,000	1,000,000
37	Revaluation reserves		
37	Retained earnings/Accumulated losses	186.044	316,832
38 39	Statutory Reserves	44,370	61,428
39 40	Proposed dividends	44,370	01,428
40	Capital grants		
41 42		1 220 414	1 370 3/0
42	TOTAL SHAREHOLDERS' EQUITY TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,230,414 8,028,877	1,378,260
43	TOTAL LIADILITIES AND SHAKEHOLDERS' EQUITY	8,028,877	10,402,326

Ш	STATEMENT OF COMPREHENSIVE INCOME FOR	31st Dec 13	31st Dec 14
TU	E PERIOD END 31ST DEC 2014	Previous Year	Current Year
	E PERIOD END SIST DEC 2014	Shs '000'	Shs '000'
		Audited	Audited
1	INTEREST INCOME		
_	1.1 Loans and advances	615,513	668,058
_	1.2 Government securities	318,235	298,402
	1.3 Deposits and placements with banking institutions	23,209	35,101
_	1.4 Other Interest Income	20,125	17,105
	1.5 Total Interest Income	977,082	1,018,666
2	INTEREST EXPENSES		
	2.1 Customer deposits	666,333	677,837
	2.2 Deposits and placements from banking Institutions	317	3,189
	2.3 Other Interest Expenses		
	2.4 Total Interest Expenses	666,650	681,026
3	NET INTEREST INCOME/(LOSS)	310,432	337,640
4	OTHER OPERATING INCOME		
	4.1 Fees and commissions on loans & advances	7,818	10,883
	4.2 Other fees & commissions	25,072	36,549
	4.3 Foreign exchange trading income(Loss)	7,181	9,754
	4.4 Other Income	(22,006)	39,020
	4.5 Total Non-Interest Income	18,065	96,206
5	TOTAL OPERATING INCOME	328,497	433,846
6	OTHER OPERATING EXPENSES		
	6.1 Loan loss provisions	10,156	10,314
	6.2 Staff costs	82,044	105,993
	6.3 Directors' emoluments	17,522	19,886
	6.4 Rentals charges	37,177	42,240
	6.5 Depreciation charge on property and equipment	14,979	15,287
	6.6 Amortisation charges	1,009	1,303
	6.7 Other operating expenses	66,503	101,993
	6.8 Total Other Operating expenses	229,390	297,016
7	Profit/(Loss) before tax and exceptional items	99,107	136,830
8	Exceptional items		
9	Profit/(Loss) after Exceptional items	99,107	136,830
10	Current tax	11,158	13,025
11	Deffered tax		
12	Profit/(Loss) after tax and exceptional items	87,949	123,805
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	6,709	24.041
	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		
14	Total Comprehensive income for the year	94.658	147.846
1.0	For a complementative income for the year	74,038	147,040

1) NON-PERFORMING LOANS AND ADVANCES a) Gross Non-Performing loans and advances Less: b) Interest in suspense	Previous Year           Shs '000'           Audited           946,834	Current Yea Shs '000 Audited
a) Gross Non-Performing loans and advances Less:	Audited	Audite
a) Gross Non-Performing loans and advances Less:		
a) Gross Non-Performing loans and advances Less:	946,834	10/205
Less:	946,834	10/205
		1,062,85
b) Interest in suspense		
	611,062	769,02
c) Total Non-Performing Loans & Advances (a-b)	335,772	293,83
Less:		
d) Loan loss provisions	162,386	172,09
e) Net Non-Performing Loans (c-d)	173,386	121,73
f) Realizable Value of Securities	173,386	121,73
g) Net NPLs Exposure (e-f)	-	
2) INSIDER LOANS AND ADVANCES		
a) Directors, shareholders and associates	325,092	524,55
b) Employees	22,794	33,08
c) Total Insider Ioans,advances & Other Facilities	347,886	557,63
3) OFF-BALANCE SHEET ITEMS	224.440	5/0.40
a) Letters of credit, guarantees, acceptances	236,119	560,18
b) Other contingent liabilities		
c) Total contingent Liabilities 4) CAPITAL STRENGH	236,119	560,18
a) Core capital	1,175,436	1.314.15
b) Minimum Statutory Capital	1,000,000	1,000,00
c) Excess/(Defficiency)	1,000,000	314,15
d) Supplementary capital	44,369	61,42
e) Total Capital (a+d)	1.219.805	1.375.58
f) Total risk weighted assets	2.914.374	5.404.15
g) Core capital/total deposit liabilities	18.0%	16.39
h) Minimum Statutory Ratio	8.0%	10.59
I) Excess/(Defficiency)(g-h)	10.0%	5.89
j) Core Capital/total risk weighted assets	40.3%	24.39
k) Minimum Statutory Ratio	8.0%	10.59
I) Excess/(Defficiency)(i-k)	32.3%	13.89
m) Total Capital/total risk weighted assets	42.0%	25.59
n) Minimum Statutory Ratio	12.0%	14.59
o) Excess/(Defficiency)(m-n)	30.0%	11.09
5) Liquidity		
a) Liquidity Ratio	63.0%	56.69
b) Minimum Statutory Ratio	20.0%	20.09
c) Excess/(Defficiency)(a-b)	43.0%	36.69

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 institution's website. They may also be accessed at the institutions head office.

Ayaz Merali A N Padany Chief Executive Chairman	
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