I&M Bank LIMITED

Website: www.imbank.com | Email: invest@imbank.co.ke

STATEMENT OF FINANCIAL POSITION

		BANK			GROUP		
		UNAUDITED MAR 2018 (KSHS'000)	AUDITED DEC 2018 (KSHS'000)	UNAUDITED MAR 2019 (KSHS'000)	UNAUDITED MAR 2018 (KSHS'000)	AUDITED DEC 2018 (KSHS'000)	UNAUDITED MAR 2019 (KSHS'000)
A	**ASSETS**						
01.	Cash (both local and foreign)	1,641,715	1,502,713	1,347,010	1,919,248	1,843,558	1,751,556
02.	Balances due from central banks	6,999,864	8,607,502	13,172,479	8,279,179	10,158,473	14,333,646
03.	Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-
04.	Financial Assets at Fair Value Through Profit and Loss (FVTPL)	7,309,456	13,144,378	13,132,072	7,309,456	13,144,378	13,132,072
05.	Investment Securities:	-	-	-	-	-	-
	a) Held at amortised cost/ Held to Maturity	-	-	-	-	-	-
	a. Kenya Government securities	18,980,690	18,306,701	21,471,173	18,980,690	18,306,701	21,471,173
	b. Other securities	-	-	-	4,046,826	4,430,026	4,446,381
	b) Fair Value through Other Comprehensive Income (FVOCI)/ Available for sale:	-	-	-	-	-	-
	a. Kenya Government securities	13,847,303	9,514,653	10,007,204	13,572,303	9,514,653	10,007,204
	b. Other securities	4,583,632	4,825,263	4,825,263	4,619,895	4,429,195	4,428,644
06.	Deposits and Balances due from local banking Institutions	693,966	1,892,921	1,142,853	693,966	1,892,921	1,142,853
07.	Deposits and Balances due from banking Institutions abroad	4,622,101	28,965,362	29,036,735	5,246,999	29,312,689	29,258,376
08.	Tax recoverable	-	64,449	-	-	84,281	10,607
09.	Loans and advances to customers (net)	121,557,437	132,319,259	134,613,619	135,246,341	147,623,509	149,665,872
10.	Balances due from banking institutions in the group	22,521	768,111	861,926	420	321	554,933
11.	Investment in associates	-	-	-	-	-	-
12.	Investment in subsidiary companies	2,750,752	2,750,753	2,750,753	-	-	-
13.	Investment in joint ventures	-	-	-	-	-	-
14.	Investment properties	-	-	-	-	-	-
15.	Property and equipment	609,881	633,417	1,269,169	876,356	827,527	1,530,046
16.	Prepaid lease rentals	-	-	-	-	-	-
17.	Intangible assets	371,957	1,037,775	1,146,687	885,988	1,902,386	2,046,395
18.	Deferred tax asset	1,338,451	1,950,464	1,950,464	1,498,749	2,219,356	2,215,692
19.	Retirement benefit asset	-	-	-	-	-	-
20.	Other assets	3,758,213	2,877,413	3,510,175	3,890,963	2,949,592	3,127,122
21.	**TOTAL ASSETS**	**189,087,939**	**229,161,134**	**240,237,582**	**207,067,379**	**248,639,566**	**259,122,572**
B	**LIABILITIES**						
22.	Balances due to central banks	-	-	-	-	-	-
23.	Customer deposits	135,083,997	176,753,511	187,250,141	149,514,299	191,334,148	200,800,318
24.	Deposits and balances due to local banking institutions	149,493	69,381	161,407	149,493	69,381	161,407
25.	Deposits and balances due to foreign banking institutions	2,943,157	426,719	325,753	3,651,427	1,269,874	1,695,778
26.	Other money market deposits	-	-	-	-	-	-
27.	Borrowed funds	9,704,072	9,293,886	5,618,842	11,785,848	12,131,612	8,388,553
28.	Balances due to banking institutions in the group	34,939	48,057	239,650	507,614	166,430	60,137
29.	Tax payable	39,089	-	696,748	95,826	31,488	755,282
30.	Dividends Payable	-	-	-	-	-	-
31.	Deferred tax liability	-	-	-	-	-	-
32.	Retirement benefit liability	-	-	-	-	-	-
33.	Other liabilities	5,537,701	4,230,990	5,630,602	4,791,582	4,250,043	5,863,400
34.	**TOTAL LIABILITIES**	**153,492,448**	**190,822,544**	**199,923,143**	**170,496,089**	**209,252,976**	**217,724,875**
C	**SHAREHOLDERS' EQUITY**						
35.	Paid up/Assigned share capital	2,980,000	2,980,000	2,980,000	2,980,000	2,980,000	2,980,000
36.	Share premium/(discount)	5,531,267	5,531,267	5,531,267	5,531,267	5,531,267	5,531,267
37.	Revaluation reserves - (Building)	-	-	-	-	-	-
38.	Retained earnings/(Accumulated losses)	26,480,568	28,440,796	30,218,104	26,844,643	28,804,385	30,677,358
39.	Statutory loan loss reserves	810,588	1,441,955	1,441,955	869,506	1,656,304	1,633,648
40.	Other Reserves - (AFS Portfolio)	(206,932)	(55,428)	143,113	(199,880)	(158,278)	40,263
41.	Proposed dividends	-	-	-	-	-	-
42.	Translation reserve	-	-	-	(397,597)	(425,151)	(469,066)
43.	**TOTAL SHAREHOLDERS' EQUITY**	**35,595,491**	**38,338,590**	**40,314,439**	**35,627,939**	**38,388,527**	**40,393,470**
44.	Non controlling interest	-	-	-	943,351	998,063	1,004,227
45.	**TOTAL LIABILITIES & SHAREHOLDERS' EQUITY**	**189,087,939**	**229,161,134**	**240,237,582**	**207,067,379**	**248,639,566**	**259,122,572**

STATEMENT OF COMPREHENSIVE INCOME

		BANK			GROUP		
		UNAUDITED MAR 2018 (KSHS'000)	AUDITED DEC 2018 (KSHS'000)	UNAUDITED MAR 2019 (KSHS'000)	UNAUDITED MAR 2018 (KSHS'000)	AUDITED DEC 2018 (KSHS'000)	UNAUDITED MAR 2019 (KSHS'000)
01.	**INTEREST INCOME**						
	1.1 Loans and advances	3,311,594	16,147,964	3,925,020	3,632,973	17,727,941	4,272,916
	1.2 Government securities	1,105,162	3,894,861	782,954	1,207,667	4,313,333	885,453
	1.3 Deposits and placements with banking institutions	4,421	242,885	101,851	5,130	247,614	102,276
	1.4 Other interest income	10,064	40,819	10,064	10,064	40,819	10,064
	1.5 Total interest income	**4,431,241**	**20,324,529**	**4,819,889**	**4,855,834**	**22,329,707**	**5,270,709**
02.	**INTEREST EXPENSE**						
	2.1 Customer deposits	1,693,359	7,500,855	2,055,043	1,861,011	8,147,609	2,204,250
	2.2 Deposits and placements from banking institutions	13,466	114,355	1,450	17,449	163,546	14,791
	2.3 Other interest expenses	179,967	731,625	163,731	216,297	890,705	216,672
	2.4 Total interest expense	**1,886,792**	**8,346,835**	**2,220,224**	**2,094,757**	**9,201,860**	**2,435,713**
03.	**NET INTEREST INCOME/(LOSS)**	**2,544,449**	**11,977,694**	**2,599,665**	**2,761,077**	**13,127,847**	**2,834,996**
04.	**OTHER OPERATING INCOME**						
	4.1 Fees and commissions on loans and advances	315,697	1,385,808	301,034	336,370	1,489,321	316,564
	4.2 Other fees and commissions	479,037	1,775,618	429,148	542,422	2,082,462	521,557
	4.3 Foreign exchange trading income (Loss)	483,166	2,051,968	515,025	515,466	2,188,135	561,785
	4.4 Dividend income	15,000	57,500	-	-	-	-
	4.5 Other income	106,506	609,082	412,889	101,939	602,190	402,786
	4.6 Total non-interest income	**1,399,406**	**5,879,976**	**1,658,096**	**1,496,197**	**6,362,108**	**1,802,692**
05.	**TOTAL OPERATING INCOME**	**3,943,855**	**17,857,670**	**4,257,761**	**4,257,274**	**19,489,955**	**4,637,688**
06.	**OTHER OPERATING EXPENSES**						
	6.1 Loan loss provisions	564,273	3,415,940	178,193	536,160	3,691,665	200,851
	6.2 Staff costs	717,485	2,575,450	763,120	795,159	3,010,965	863,842
	6.3 Directors' emoluments	16,931	119,260	23,231	34,111	119,545	23,323
	6.4 Rentals charges	163,477	671,108	145,610	182,529	748,192	151,445
	6.5 Depreciation charge on property and equipment	51,835	193,337	87,021	63,379	261,919	109,610
	6.6 Amortisation charges	28,811	112,423	49,796	36,281	124,265	53,779
	6.7 Other operating expenses	448,410	2,044,826	471,778	543,853	2,355,045	546,626
	6.8 Total other Operating Expenses	**1,991,222**	**9,132,344**	**1,718,749**	**2,174,915**	**10,309,540**	**1,949,476**
07.	**PROFIT / (LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS**	**1,952,633**	**8,725,326**	**2,539,012**	**2,082,359**	**9,180,415**	**2,688,212**
08.	EXCEPTIONAL ITEMS	-	-	-	-	-	-
09.	**PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS**	1,952,633	8,725,326	2,539,012	2,082,359	9,180,415	2,688,212
10.	Current Tax	(585,790)	(2,854,705)	(761,704)	(624,765)	(3,066,842)	(806,906)
11.	Deferred Tax	-	468,235	-	-	522,458	-
12.	**PROFIT/ (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS**	**1,366,843**	**6,338,856**	**1,777,308**	**1,457,594**	**6,636,031**	**1,881,306**
13.	Non controlling interest	-	-	-	(25,460)	(83,122)	(21,580)
14.	**PROFIT/(LOSS) AFTER TAX , EXCEPTIONAL ITEMS AND NON-CONTROLLING INTEREST**	**1,366,843**	**6,338,856**	**1,777,308**	**1,432,134**	**6,552,909**	**1,859,726**
15.	**OTHER COMPREHENSIVE INCOME**						
	15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	(110,831)	(148,152)	(68,740)
	15.2 Fair value changes in financial assets at FVOCI/ available for sale	(48,665)	266,936	198,541	(48,665)	109,933	198,541
	15.3 Revaluation Surplus on Property, Plant and equipment	-	-	-	-	-	-
	15.4 Statutory credit reserve	(746,198)	-	-	(775,206)	-	-
	15.5 Income tax relating to components of other comprehensive income	-	(80,081)	-	-	(32,980)	-
16.	**OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX**	**(794,863)**	**186,855**	**198,541**	**(934,702)**	**(71,199)**	**129,801**
17.	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR**	**571,980**	**6,525,711**	**1,975,849**	**522,892**	**6,564,832**	**2,011,107**

OTHER DISCLOSURES

	BANK		
	UNAUDITED MAR 2018 (KSHS'000)	AUDITED DEC 2018 (KSHS'000)	UNAUDITED MAR 2019 (KSHS'000)
01. NON-PERFORMING LOANS AND ADVANCES			
a) Gross Non- performing Loans and advances	20,266,495	21,115,395	20,923,135
Less			
b) Interest in suspense	3,097,456	5,189,051	5,919,473
c) Total Non-performing loans and advances (a-b)	**17,169,039**	**15,926,344**	**15,003,662**
Less			
d) Loan loss provisions	4,599,315	6,926,116	6,379,394
e) Net Non Performing Loans (c-d)	**12,569,724**	**9,000,228**	**8,624,268**
f) Discounted value of securities	12,569,724	9,000,228	8,624,268
g) Net NPLs exposure (e-f)	-	-	-
02. INSIDER LOANS AND ADVANCES			
a) Directors, shareholders and associates	3,542,166	3,522,392	3,872,817
b) Employees	1,365,624	1,263,414	1,213,039
c) Total Insider Loans and Advances	**4,907,790**	**4,785,806**	**5,085,856**
03. OFF-BALANCE SHEET ITEMS			
a) Letters of Credit, Guarantees, Acceptances	39,563,382	37,917,017	39,994,308
b) Forwards, swaps and options	20,538,804	38,381,215	47,563,695
c) Other contingent liabilities	4,014,136	1,173,417	1,417,309
d) Total Contingent liabilities	**64,116,322**	**77,471,649**	**88,975,312**
04. CAPITAL STRENGTH			
a) Core capital	30,438,121	34,201,410	35,090,062
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000
c) Excess/(deficiency)	**29,438,121**	**33,201,410**	**34,090,062**
d) Supplementary capital	1,508,802	1,583,622	1,441,955
e) Total capital (a+d)	**31,946,923**	**35,785,032**	**36,532,017**
f) Total risk weighted assets	**175,301,908**	**199,699,818**	**202,566,109**
g) Core capital/Total deposit liabilities	21.73%	19.17%	18.55%
h) Minimum statutory ratio	8.00%	8.00%	8.00%
i) Excess /(Deficiency) (g-h)	**13.73%**	**11.17%**	**10.55%**
j) Core capital/Total risk weighted assets	17.36%	17.13%	17.32%
k) Minimum statutory ratio	10.50%	10.50%	10.50%
l) Excess/(Deficiency) (j-k)	**6.86%**	**6.63%**	**6.82%**
m)Total capital/Total risk weighted assets	18.22%	17.92%	18.03%
n) Minimum statutory ratio	14.50%	14.50%	14.50%
o) Excess/(Deficiency) (m-n)	**3.72%**	**3.42%**	**3.53%**
(p) Adjusted Core Capital/Total Deposit Liabilities*	21.78%	20.01%	18.30%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	17.40%	17.89%	17.09%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	18.69%	18.68%	17.80%
05. LIQUIDITY			
a) Liquidity ratio	35.66%	44.63%	45.60%
b) Minimum statutory ratio	20.00%	20.00%	20.00%
c) Excess/(Deficiency) (a-b)	**15.66%**	**24.63%**	**25.60%**

* The adjusted capital ratios include the expected credit loss provisions added back to capital in line with the CBK Guidance Note issued in April 2018 on implementation of IFRS 9.

MESSAGE FROM THE DIRECTORS

The above are extracts from the Bank's financial statements. The Group's financial statements as at 31 March 2019 includes I&M Bank (T) Limited, I&M Insurance Agency Limited and Youjays Insurance Brokers Limited.

These statements can be accessed on the institution's website www.imbank.com as well as at the registered office at I&M Bank House, 2nd Ngong Avenue, Nairobi. The financial statements were approved by the Board of Directors on 13 May 2019 and signed on its behalf by:

S B R Shah
Chairman

Kihara Maina
Chief Executive Officer

I&M Bank is regulated by the Central Bank of Kenya