

# COMMERCIAL BANK OF AFRICA LIMITED

## FINANCIAL STATEMENTS & DISCLOSURES - 30 JUNE 2018

### I. STATEMENT OF FINANCIAL POSITION

	GROUP				BANK			
	GROUP June 2017 Unaudited Kes '000	GROUP 31 Dec. 2017 Audited Kes '000	GROUP 31 March 2018 UnAudited Kes '000	GROUP 30 June 2018 UnAudited Kes '000	BANK June 2017 Unaudited Kes '000	BANK 31 Dec. 2017 Audited Kes '000	BANK 31 March 2018 UnAudited Kes '000	BANK 30 June 2018 UnAudited Kes '000
<b>A ASSET</b>								
1 Cash (both local and foreign)	6,566,746	6,428,121	7,342,455	7,507,161	5,094,395	5,573,597	6,173,464	6,530,977
2 Balances with Central Bank of Kenya	11,958,827	16,921,201	12,645,285	11,463,754	8,951,818	14,792,570	10,988,330	9,368,873
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	3,472
4 Financial Assets at fair value through profit and loss	297,799	438,389	438,389	438,389	297,799	438,389	438,389	438,389
5 Investment securities:								
a) Held to maturity:								
a. Kenya Government securities	41,082,901	38,125,046	43,998,299	46,975,813	41,082,901	38,125,046	43,998,299	46,975,813
b. Other securities	2,560,874	6,175,811	7,066,946	6,761,750	1,038,822	2,124,236	3,059,505	3,155,240
b) Available for sale:								
a. Kenya Government securities	20,231,116	19,673,360	19,636,396	16,590,399	20,231,116	19,673,360	19,636,396	16,590,399
b. Other securities	1,550,680	2,043,823	2,639,112	2,835,086	51,966	57,755	57,755	57,754
6 Deposits and balances due from local banking institutions	3,296,824	11,460,540	11,041,144	6,140,640	1,333,643	10,034,800	10,470,491	5,148,972
7 Deposits and balances due from banking institutions abroad	14,239,767	14,673,486	9,978,420	11,180,458	13,732,585	13,425,330	9,370,972	10,446,631
8 Tax recoverable	156,630	4,920	162,800	38,337	-	-	-	-
9 Loans and advances to customers(net)	114,311,648	113,642,338	110,739,962	113,791,076	102,066,307	101,409,798	98,788,998	101,851,443
10 Advances due from banking institutions in the group	-	-	-	-	1,802,003	2,397,842	2,335,769	-
11 Investment in associates	3,223,286	3,540,896	3,343,965	3,343,964	2,497,563	2,701,492	2,701,492	2,701,492
12 Investment in subsidiary companies	-	-	-	-	5,585,687	7,174,376	7,174,376	7,369,376
13 Investment in joint ventures	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-
15 Property and equipment	2,715,089	2,913,684	2,937,872	2,776,157	2,360,387	2,422,316	2,498,749	2,367,109
16 Prepaid lease rentals	-	-	-	-	-	-	-	-
17 Intangible assets	3,255,990	3,280,536	3,274,389	3,311,687	3,132,361	3,220,352	3,223,893	3,271,169
18 Deferred tax assets	2,146,954	2,583,217	2,505,555	2,481,998	1,248,045	1,472,608	1,463,015	1,442,879
19 Retirement benefit asset	-	-	-	-	-	-	-	-
20 Other assets	4,613,714	3,873,657	3,978,862	3,020,876	5,879,625	4,481,182	4,161,265	3,503,165
<b>21 TOTAL ASSETS</b>	<b>232,208,846</b>	<b>245,779,025</b>	<b>241,733,321</b>	<b>238,657,545</b>	<b>216,387,023</b>	<b>229,525,229</b>	<b>226,544,631</b>	<b>223,448,379</b>
<b>B LIABILITIES</b>								
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-
23 Customer Deposits	174,862,357	193,767,156	192,562,687	187,698,986	160,185,381	178,378,292	179,492,343	174,187,058
24 Deposits and balances due to local banking institutions	5,078,768	3,502,482	4,252,089	3,728,448	2,039,598	39,686	40,317	3,627,459
25 Deposits and balances due to foreign banking institutions	8,505,717	6,222,475	1,152,295	5,011,784	10,252,522	8,025,554	2,686,542	2,677,365
26 Other money market deposits	-	-	-	-	-	-	-	-
27 Borrowed funds	7,972,146	8,019,537	8,245,718	7,963,280	7,972,146	8,019,537	8,245,718	7,963,280
28 Balances due to banking institutions in the group	-	-	-	-	33,318	90,429	2,007	62,446
29 Tax payable	298,073	81,002	517,360	6,182	298,073	118,362	647,699	97,076
30 Dividends payable	-	-	-	-	-	-	-	-
31 Deferred tax liability	-	124	31,968	22,716	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-	-	-	-
33 Other liabilities	8,387,771	4,056,535	5,409,682	4,688,303	7,209,135	3,282,355	3,758,767	2,882,932
<b>34 TOTAL LIABILITIES</b>	<b>205,104,832</b>	<b>215,649,311</b>	<b>212,171,799</b>	<b>209,119,699</b>	<b>187,990,173</b>	<b>197,954,214</b>	<b>194,873,394</b>	<b>191,497,616</b>
<b>SHAREHOLDERS' FUNDS</b>								
35 Paid up/Assigned capital	5,755,468	5,755,468	5,755,468	5,755,468	5,755,468	5,755,468	5,755,468	5,755,468
36 Share premium/(Discount)	5,036,648	5,036,649	5,036,648	5,036,648	5,036,648	5,036,649	5,036,648	5,036,648
37 Revaluation reserves	-8,016	-	-	-	-	-	-	-
38 Retained earnings/Accumulated losses	14,935,695	15,875,383	16,689,856	18,060,064	16,841,317	18,035,628	19,112,631	20,766,846
39 Statutory loan loss reserve	1,877,612	2,148,226	657,537	699,733	1,151,705	1,536,187	536,585	536,586
40 Other Reserves	(493,393)	(1,077,689)	(41,860)	28,129	(388,288)	(214,594)	(191,771)	(144,785)
41 Proposed dividends	-	1,421,677	1,421,676	-	-	1,421,677	-	-
42 Capital grants	-	-	-	-	-	-	-	-
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>27,104,014</b>	<b>30,129,714</b>	<b>29,561,521</b>	<b>29,537,846</b>	<b>28,396,850</b>	<b>31,571,015</b>	<b>31,671,237</b>	<b>31,950,763</b>
<b>44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>232,208,846</b>	<b>245,779,025</b>	<b>241,733,321</b>	<b>238,657,545</b>	<b>216,387,023</b>	<b>229,525,229</b>	<b>226,544,631</b>	<b>223,448,379</b>

### II. STATEMENT OF COMPREHENSIVE INCOME

	GROUP				BANK			
	GROUP June 2017 Unaudited Kes '000	GROUP 31 Dec. 2017 Audited Kes '000	GROUP 31 March 2018 UnAudited Kes '000	GROUP 30 June 2018 UnAudited Kes '000	BANK June 2017 Unaudited Kes '000	BANK 31 Dec. 2017 Audited Kes '000	BANK 31 March 2018 UnAudited Kes '000	BANK 30 June 2018 UnAudited Kes '000
<b>INTEREST INCOME</b>								
1.1 Loans and advances	5,891,190	11,914,197	2,854,620	5,682,017	4,968,132	10,037,963	2,420,765	4,817,600
1.2 Government securities	3,144,024	6,990,981	1,790,544	3,658,557	2,902,139	6,154,577	1,632,446	3,342,930
1.3 Deposits and placements from banking institutions	285,623	401,874	118,395	233,509	207,218	482,676	100,169	189,462
1.4 Other interest income	39,144	105,006	32,215	64,788	39,144	105,006	32,215	64,788
<b>1.5 Total Interest income</b>	<b>9,359,981</b>	<b>19,412,058</b>	<b>4,795,774</b>	<b>9,638,872</b>	<b>8,116,632</b>	<b>16,780,222</b>	<b>4,185,595</b>	<b>8,414,780</b>
<b>INTEREST EXPENSES</b>								
2.1 Customer deposits	4,013,091	8,309,830	2,159,468	4,295,074	3,488,203	7,368,279	1,932,438	3,876,396
2.2 Deposits and placements from banking institutions	454,699	553,191	80,782	161,454	368,597	573,451	49,520	96,133
2.3 Other interest expenses	446,384	900,219	221,977	446,372	446,384	900,219	221,977	446,372
<b>2.4 Total Interest expenses</b>	<b>4,914,174</b>	<b>9,763,240</b>	<b>2,462,227</b>	<b>4,902,900</b>	<b>4,303,184</b>	<b>8,841,949</b>	<b>2,203,936</b>	<b>4,418,901</b>
<b>NET INTEREST INCOME/(LOSS)</b>	<b>4,445,808</b>	<b>9,648,818</b>	<b>2,333,547</b>	<b>4,735,972</b>	<b>3,813,448</b>	<b>7,938,273</b>	<b>1,981,659</b>	<b>3,995,879</b>
<b>NON OPERATING INCOME</b>								
4.1 Fees and commissions on loans and advances	3,167,855	5,799,511	1,494,532	3,081,052	2,942,783	5,641,794	1,410,048	2,870,671
4.2 Other fees and commissions	968,994	1,867,292	465,992	926,031	763,869	1,511,118	400,896	801,116
4.3 Foreign exchange trading income (loss)	1,272,742	2,347,023	578,436	1,160,404	1,183,612	2,203,856	542,662	1,081,650
4.4 Dividend income	-	83,250	-	-	-	83,250	-	-
4.5 Other income	112,543	325,852	90,430	156,351	3,310	76,756	10,433	4,199
<b>4.6 Total Non-Interest Income</b>	<b>5,522,134</b>	<b>10,422,928</b>	<b>2,629,390</b>	<b>5,323,838</b>	<b>4,893,575</b>	<b>9,516,774</b>	<b>2,364,039</b>	<b>4,757,637</b>
<b>TOTAL OPERATING INCOME</b>	<b>9,967,942</b>	<b>20,071,746</b>	<b>4,962,937</b>	<b>10,059,810</b>	<b>8,707,023</b>	<b>17,455,047</b>	<b>4,345,699</b>	<b>8,753,515</b>
<b>OTHER OPERATING EXPENSES</b>								
6.1 Loan loss provision	1,275,094	3,046,690	1,015,184	1,612,460	1,109,965	2,148,024	440,992	893,160
6.2 Staff costs	1,945,362	4,069,161	1,060,456	1,931,166	1,529,048	3,066,633	835,819	1,462,840
6.3 Directors' emoluments	83,333	292,469	38,074	72,857	73,845	131,184	33,053	59,439
6.4 Rental charges	359,187	699,444	207,813	344,258	245,724	537,967	146,963	236,468
6.5 Depreciation charge on property and equipment	205,018	432,693	120,072	251,585	141,633	296,259	78,830	161,037
6.6 Amortisation charges	259,908	1,288,448	157,908	323,388	257,192	576,311	148,667	305,064
6.7 Other operating expenses	1,907,142	3,493,471	1,292,741	2,210,443	1,450,344	3,509,300	1,055,225	1,733,769
<b>6.8 Total Other Operating Expenses</b>	<b>6,035,045</b>	<b>13,322,376</b>	<b>3,892,247</b>	<b>6,746,156</b>	<b>4,807,750</b>	<b>10,265,678</b>	<b>2,739,550</b>	<b>4,851,718</b>
<b>Profit/(loss) before tax and exceptional items</b>	<b>3,932,897</b>	<b>6,749,370</b>	<b>1,070,690</b>	<b>3,313,653</b>	<b>3,899,273</b>	<b>7,189,369</b>	<b>1,606,149</b>	<b>3,901,737</b>
Exceptional income	-	146,376	-	-	-	146,376	-	-
<b>Profit/(loss) after exceptional items</b>	<b>3,932,897</b>	<b>6,895,746</b>	<b>1,070,690</b>	<b>3,313,653</b>	<b>3,899,273</b>	<b>7,335,745</b>	<b>1,606,149</b>	<b>3,901,737</b>
Share of associate profit	-	196,931	-	-	-	-	-	-
<b>Profit/(loss) before tax</b>	<b>3,932,897</b>	<b>7,092,677</b>	<b>1,070,690</b>	<b>3,313,653</b>	<b>3,899,273</b>	<b>7,335,745</b>	<b>1,606,149</b>	<b>3,901,737</b>
Current tax	1,227,437	2,130,397	531,895	1,015,066	1,213,148	1,948,344	529,148	1,170,522
Deferred tax	-	(579,801)	(162,433)	-	-	(299,193)	-	-
<b>Profit/(loss) after tax and exceptional items</b>	<b>2,705,460</b>	<b>5,542,081</b>	<b>701,228</b>	<b>2,298,587</b>	<b>2,686,125</b>	<b>5,686,594</b>	<b>1,077,000</b>	<b>2,731,215</b>
<b>Other Comprehensive Income</b>								
13.1 Exchange differences on translating foreign operations	(302,415)	(269,391)	113,245	(113,907)	-	-	-	-
13.2 Available-for-sale financial assets	412,556	1,004,047	75,760	165,886	504,419	752,554	32,605	99,727
13.3 Gains on property revaluations	-	-	-	-	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	(123,767)	(301,160)	(22,728)	(49,766)	(151,326)	(225,766)	(9,781)	(29,918)
<b>Other comprehensive income for the year net of tax</b>	<b>(13,626)</b>	<b>433,496</b>	<b>166,277</b>	<b>2,213</b>	<b>353,093</b>	<b>526,788</b>	<b>22,824</b>	<b>69,809</b>