

# THE CO-OPERATIVE BANK OF KENYA LIMITED

The Board of Directors is pleased to announce the Un-audited results of the Group and the Bank for the Period ended 30 June 2019

## I STATEMENT OF FINANCIAL POSITION

	GROUP				BANK			
	30-Jun-19 KSHS.'000 (Un-audited)	31-Mar-19 KSHS.'000 (Un-audited)	31-Dec-18 KSHS.'000 Audited	30-Jun-18 KSHS.'000 (Un-audited)	30-Jun-19 KSHS.'000 (Un-audited)	31-Mar-19 KSHS.'000 (Un-audited)	31-Dec-18 KSHS.'000 Audited	30-Jun-18 KSHS.'000 (Un-audited)
<b>A ASSETS</b>								
1 Cash (local and foreign)	6,190,519	6,125,220	9,809,390	6,513,169	5,722,451	5,687,933	9,064,099	6,110,657
2 Balances due from Central Bank Of Kenya	28,357,486	19,572,813	22,669,211	16,709,620	28,357,486	19,572,813	20,820,071	16,709,620
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	-	1,069,155	-	151	-	-	-	151
5.a.a Investment Securities: Held at amortised cost-Kenya Government Securities	63,795,154	71,145,373	49,701,030	51,716,232	63,640,557	70,991,001	49,544,242	51,559,860
5.a.b Investment Securities: Held at amortised cost- Other Securities	-	-	-	-	-	-	-	-
5.b.a Investment Securities: Fair Value through OCI- Kenya Government Securities	31,175,951	32,781,133	30,572,358	28,468,170	31,147,551	32,749,853	30,572,358	28,431,370
5.b.b Investment Securities: Fair Value through OCI- Other Securities	2,024,282	2,182,188	2,555,201	2,944,295	2,024,282	2,182,188	2,426,271	2,944,295
6 Deposits and balances due from local banking institutions	4,006,174	348,810	7,879,632	3,397,345	2,704,251	181,411	6,997,990	2,500,655
7 Deposits and balances due from banking institutions abroad	12,748,269	14,836,157	10,202,016	10,055,747	10,289,821	12,323,109	10,598,377	8,296,135
8 Tax recoverable	273,514	15,787	18,173	67,128	10,289,821	12,323,109	10,598,377	8,296,135
9 Loans and advances to customers (net)	257,563,635	251,628,561	245,410,302	251,110,256	255,814,491	249,798,926	243,546,383	249,279,734
10 Balances due from banking institutions in the group	-	-	-	-	-	-	-	-
11 Investments in associates	2,121,436	2,181,456	2,161,475	2,272,335	939,560	955,118	755,118	755,118
12 Investments in subsidiary companies	-	-	-	-	2,512,920	2,512,920	2,512,920	2,512,920
13 Investment in joint ventures	-	-	-	-	-	-	-	-
14 Investment in properties	-	-	-	-	-	-	-	-
15 Property, plant and equipment	5,406,955	5,867,870	6,614,048	6,959,656	5,256,119	5,722,128	5,971,546	6,795,353
16 Prepaid lease rentals	36,964	35,232	35,132	36,964	36,964	35,232	35,132	36,964
17 Intangible assets	2,503,759	2,370,465	2,497,243	1,323,922	2,467,991	2,330,401	2,093,951	1,272,161
18 Deferred tax asset	3,195,079	3,195,079	2,944,937	1,104,235	3,129,344	3,129,344	3,129,344	1,081,823
19 Retirement benefit asset	-	-	-	-	-	-	-	-
20 Other assets	10,192,061	12,318,962	20,343,067	15,747,772	9,556,530	11,826,102	20,235,823	15,090,828
<b>21 TOTAL ASSETS</b>	<b>429,591,235</b>	<b>425,674,260</b>	<b>413,413,215</b>	<b>398,426,995</b>	<b>423,857,656</b>	<b>419,998,477</b>	<b>408,303,625</b>	<b>393,427,494</b>
<b>B LIABILITIES</b>								
22 Balances due to Central Bank Of Kenya	-	-	-	-	-	-	-	-
23 Customer deposits	323,599,694	317,770,079	306,117,046	296,964,959	321,191,201	315,177,831	303,753,161	294,721,240
24 Deposits and balances due to local banking institutions	1,416,171	1,586,886	443,260	2,777,354	1,416,171	1,586,886	839,621	2,777,354
25 Deposits and balances due to banking institutions abroad	78,297	564,556	-	416,421	78,297	564,556	-	416,421
26 Other money market deposits	-	-	-	-	-	-	-	-
27 Borrowed funds	21,465,132	23,731,554	23,949,611	18,425,852	21,465,132	23,731,554	23,949,611	18,425,852
28 Balances due to banking institutions in the group	-	-	-	-	-	-	-	-
29 Tax payable	5,355	1,790,242	321,453	801	-	1,735,946	294,555	-
30 Dividends payable	-	-	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-	-	-	-
33 Other liabilities	10,633,798	6,056,246	11,364,739	11,053,800	9,554,853	5,183,307	11,147,659	10,335,739
<b>34 TOTAL LIABILITIES</b>	<b>357,198,447</b>	<b>351,499,563</b>	<b>342,196,110</b>	<b>329,639,186</b>	<b>353,705,654</b>	<b>347,980,079</b>	<b>339,984,607</b>	<b>326,676,606</b>
<b>C SHAREHOLDERS' FUNDS</b>								
35 Paid up/Assigned capital	5,867,180	5,867,180	5,867,180	5,867,180	5,867,180	5,867,180	5,867,180	5,867,180
36 Share premium/(discount)	1,911,925	1,911,925	1,911,925	1,911,925	1,911,925	1,911,925	1,911,925	1,911,925
37 Revaluation reserve	1,212,531	1,198,143	1,292,736	1,241,681	1,198,143	1,198,143	1,198,143	1,227,293
38 Retained earnings/ Accumulated losses	62,226,613	58,534,408	53,976,280	59,404,623	59,434,539	55,742,221	52,376,127	56,731,944
39 Statutory Loan Loss Reserve	935,514	935,514	1,013,587	935,514	935,514	935,514	935,514	935,514
40 Other Reserves	(1,600,119)	(1,968,141)	(526,771)	(878,255)	352,048	38,963	(298,942)	541,419
41 Proposed dividends	-	5,867,180	5,867,180	-	5,867,180	5,867,180	5,867,180	471,128
42 Capital grants	452,652	457,271	461,890	471,128	452,652	457,271	461,890	471,128
43 TOTAL SHAREHOLDERS' FUNDS	71,006,297	72,803,481	69,864,008	68,018,281	70,152,002	72,018,398	68,319,018	66,750,889
43.1 Non-Controlling Interest	1,386,490	1,371,216	1,353,098	769,528	-	-	-	-
<b>44 TOTAL LIABILITIES &amp; SHAREHOLDERS' FUNDS</b>	<b>429,591,235</b>	<b>425,674,260</b>	<b>413,413,215</b>	<b>398,426,995</b>	<b>423,857,656</b>	<b>419,998,477</b>	<b>408,303,625</b>	<b>393,427,494</b>

## II STATEMENT OF COMPREHENSIVE INCOME

	GROUP				BANK			
	30-Jun-19 KSHS.'000 (Un-audited)	31-Mar-19 KSHS.'000 (Un-audited)	31-Dec-18 KSHS.'000 Audited	30-Jun-18 KSHS.'000 (Un-audited)	30-Jun-19 KSHS.'000 (Un-audited)	31-Mar-19 KSHS.'000 (Un-audited)	31-Dec-18 KSHS.'000 Audited	30-Jun-18 KSHS.'000 (Un-audited)
<b>1.0 INTEREST INCOME</b>								
1.1 Loans and advances	14,671,366	7,177,059	32,946,490	16,132,752	14,501,989	7,091,982	32,597,365	15,961,713
1.2 Government securities	5,532,914	2,785,925	9,789,407	4,548,123	5,521,962	2,762,316	9,769,263	4,539,345
1.3 Deposits and placements with banking institutions	221,168	118,856	288,966	98,819	183,874	118,856	218,057	71,266
1.4 Other Interest Income	-	4,597	-	-	-	-	-	-
1.5 Total Interest Income	20,425,448	10,086,438	43,024,863	20,779,695	20,207,826	9,973,154	42,584,684	20,572,323
<b>2.0 INTEREST EXPENSE</b>								
2.1 Customer deposits	5,355,826	2,765,763	10,890,477	5,364,583	5,334,818	2,765,621	10,851,097	5,344,734
2.2 Deposits and placements from banking institutions	20,973	3,178	133,813	28,406	20,973	3,178	133,813	28,406
2.3 Other Interest Expenses	794,881	389,725	1,215,825	572,795	794,881	380,982	1,215,825	572,795
2.4 Total Interest Expenses	6,171,680	3,158,665	12,240,115	5,965,784	6,150,672	3,149,781	12,200,735	5,945,934
<b>3 NET INTEREST INCOME/(LOSS)</b>	<b>14,253,768</b>	<b>6,927,772</b>	<b>30,784,748</b>	<b>14,813,911</b>	<b>14,057,154</b>	<b>6,823,373</b>	<b>30,383,949</b>	<b>14,626,389</b>
<b>4 NON-INTEREST INCOME</b>								
4.1 Fees and commissions on loans and advances	1,069,094	542,034	575,852	802,720	1,069,094	542,034	575,852	802,720
4.2 Other Fees and commissions	6,005,175	2,877,061	8,941,686	4,321,378	5,221,354	2,458,056	7,569,878	3,677,486
4.3 Foreign exchange trading income/(loss)	952,441	637,826	2,284,887	1,222,313	845,484	596,073	2,052,864	1,128,239
4.4 Dividend income	86,757	-	83,288	83,287	86,757	-	83,288	83,287
4.5 Other income	638,041	131,792	1,007,790	565,417	610,115	116,401	879,936	532,053
4.6 Total Non-interest income	8,751,509	4,188,712	12,893,502	6,995,115	7,832,804	3,712,564	11,161,817	6,223,784
<b>5.0 TOTAL OPERATING INCOME</b>	<b>23,005,277</b>	<b>11,116,485</b>	<b>43,678,250</b>	<b>21,809,026</b>	<b>21,889,958</b>	<b>10,535,937</b>	<b>41,545,767</b>	<b>20,850,173</b>
<b>6.0 OTHER OPERATING EXPENSES</b>								
6.1 Loan loss provision	1,181,163	501,454	1,840,728	1,093,122	1,159,835	494,992	1,825,313	1,050,000
6.2 Staff costs	5,707,042	2,783,907	11,449,964	5,343,888	5,426,681	2,647,650	10,953,108	5,102,297
6.3 Directors' emoluments	97,317	17,198	198,843	88,272	73,196	5,583	150,169	63,875
6.4 Rentals charges	884,807	430,220	1,711,800	850,524	816,438	395,176	1,602,542	790,104
6.5 Depreciation charge on property and equipment	699,480	342,726	1,817,946	846,584	686,646	336,383	1,612,198	840,421
6.6 Amortisation charges	260,192	110,545	562,938	271,301	252,286	106,592	489,001	263,428
6.7 Other operating expenses	3,765,406	1,837,847	8,110,316	3,480,824	3,547,433	1,740,857	7,326,679	3,294,515
6.8 Total other operating expenses	12,595,406	6,023,896	25,692,535	11,974,515	11,962,514	5,727,323	23,959,011	11,404,640
7 Profit/(Loss) before tax and exceptional items	10,409,871	5,092,588	17,985,715	9,834,512	9,927,444	4,808,705	17,586,756	9,445,532
8 Exceptional Items-Early Retirement Costs	-	-	-	-	-	-	-	-
8 Exceptional Items-Share of profit of associate	26,736	19,981	171,416	141,326	-	-	-	-
9 Profit/(Loss) before tax	10,436,607	5,112,569	18,157,131	9,975,837	9,927,444	4,808,705	17,586,756	9,445,532
10 Current tax	2,967,127	1,513,460	5,943,318	2,835,677	2,869,032	1,442,612	5,688,303	2,730,001
11 Deferred tax	-	-	(518,673)	-	-	-	(510,622)	-
12 Profit/(loss) after tax and exceptional items	7,469,480	3,599,109	12,732,487	7,140,160	7,058,411	3,366,094	12,409,075	6,715,532
<b>13.0 OTHER COMPREHENSIVE INCOME:</b>								
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	-	-	-
13.2 Fair value changes in available-for-sale financial assets	365,542	338,305	253,869	(153,107)	650,990	337,905	326,672	1,167,033
13.3 Revaluation Surplus on property, Plant and Equipment	-	-	-	-	-	-	-	-

	GROUP				BANK			
	30-Jun-19 KSHS.'000 (Un-audited)	31-Mar-19 KSHS.'000 (Un-audited)	31-Dec-18 KSHS.'000 Audited	30-Jun-18 KSHS.'000 (Un-audited)	30-Jun-19 KSHS.'000 (Un-audited)	31-Mar-19 KSHS.'000 (Un-audited)	31-Dec-18 KSHS.'000 Audited	30-Jun-18 KSHS.'000 (Un-audited)
13.4 Share of other comprehensive income of associates	-	-	(39,609)	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	-	-	-
14 OTHER COMPREHENSIVE INCOME NET OF TAX	365,542	338,305	214,260	(153,107)	650,990	337,905	326,672	1,167,033
15 TOTAL COMPREHENSIVE INCOME	7,835,022	3,937,414	12,946,747	6,987,053	7,709,402	3,703,999	12,735,747	7,882,565