

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 2016

I STATEMENT OF FINANCIAL POSITION

	GROUP				BANK			
	30-Jun-16 KShs. '000 (Un-audited)	31-Mar-16 KShs. '000 (Un-audited)	31-Dec-15 KShs. '000 Audited	30-Jun-15 KShs. '000 (Un-audited)	30-Jun-16 KShs. '000 (Un-audited)	31-Mar-16 KShs. '000 (Un-audited)	31-Dec-15 KShs. '000 Audited	30-Jun-15 KShs. '000 (Un-audited)
A ASSETS								
1 Cash (local and foreign)	7,581,964	7,978,601	9,057,746	7,508,556	7,239,780	7,821,957	8,880,989	7,179,341
2 Balances due from Central Bank of Kenya	22,989,169	21,032,758	20,397,945	15,315,765	21,456,656	19,545,749	18,292,656	12,868,445
3 Kenya Government and other securities held for dealing purposes	-	-	-	30,009	-	-	-	30,009
4 Financial Assets at fair value through profit and loss	148	148	206	508	148	148	149	508
5.a.a Investment Securities: Held to Maturity - Kenya Government Securities	41,674,100	34,286,737	36,154,555	28,752,567	41,674,100	34,286,737	35,999,971	28,582,094
5.a.b Investment Securities: Held to Maturity - Other Securities	191,762	171,327	-	-	-	-	-	-
5.b.a Investment Securities: Available for Sale - Kenya Government Securities	34,891,696	34,768,272	23,955,077	21,397,003	34,891,696	34,768,272	23,824,739	21,397,003
5.b.b Investment Securities: Available for Sale - Other Securities	4,560,868	4,742,767	4,816,792	5,064,507	4,560,868	4,742,767	4,816,792	5,064,507
6 Deposits and balances due from local banking institutions	591,791	5,538,895	9,878,262	6,808,967	444,850	5,364,839	9,770,382	6,568,800
7 Deposits and balances due from banking institutions abroad	3,942,115	1,916,075	4,098,975	10,440,630	3,942,115	1,916,075	4,098,891	10,440,630
8 Tax recoverable	10,378	-	18,380	3,932	-	-	-	-
9 Loans and advances to customers (net)	221,288,801	213,724,068	208,571,920	204,839,981	220,425,621	213,234,193	208,074,513	203,407,985
10 Balances due from banking institutions in the group	-	-	507,137	-	-	-	550,768	-
11 Investments in associates	2,211,403	2,186,927	2,267,230	1,993,781	755,118	755,118	755,118	755,118
12 Investments in subsidiary companies	-	-	-	-	2,512,920	2,512,920	2,207,370	1,955,869
13 Investment in joint ventures	-	-	-	-	-	-	-	-
14 Investment in properties	-	-	-	-	-	-	-	-
15 Property, plant and equipment	7,779,437	7,958,116	8,020,778	10,370,416	7,524,688	7,704,516	7,812,740	8,732,242
16 Prepaid lease rentals	36,964	36,964	36,964	37,570	36,964	36,964	36,964	37,570
17 Intangible assets	1,290,817	1,207,956	1,605,068	1,240,822	1,260,499	1,177,636	1,461,590	1,104,238
18 Deferring tax asset	887,472	615,562	886,055	614,297	876,614	609,156	609,156	609,156
19 Retirement benefit asset	-	-	-	-	-	-	-	-
20 Other assets	13,079,779	14,555,001	12,245,099	10,657,474	12,438,829	13,877,841	12,089,562	10,265,444
21 TOTAL ASSETS	363,008,665	350,720,175	342,518,187	325,076,787	360,041,467	348,354,889	339,549,808	318,998,960
B LIABILITIES								
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-
23 Customer deposits	278,252,423	261,703,941	265,398,587	248,347,164	276,615,244	260,532,716	263,709,415	244,891,356
24 Deposits and balances due to local banking institutions	1,299,587	4,679,066	2,914,082	4,394,016	1,299,587	4,679,066	2,905,405	4,394,016
25 Deposits and balances due to banking institutions abroad	15,421	1,066,685	507,137	13,257	15,421	1,066,685	-	13,257
26 Other money market deposits	-	-	-	-	-	-	-	-
27 Borrowed funds	14,788,908	19,822,412	19,271,212	18,677,184	14,788,908	19,822,412	19,271,212	18,677,184
28 Balances due to banking institutions in the group	-	-	-	-	-	-	-	-
29 Tax payable	959,123	1,675,776	189,707	641,113	959,423	1,628,323	157,596	614,873
30 Dividends payable	-	-	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-	-	-	-
33 Other liabilities	10,130,539	6,857,147	4,416,895	5,776,061	9,245,937	5,972,386	4,195,406	4,612,597
34 TOTAL LIABILITIES	305,446,000	295,805,028	292,697,620	277,848,795	302,924,520	293,701,589	290,239,033	273,203,282
C SHAREHOLDERS' FUNDS								
35 Paid up/Assigned capital	4,889,317	4,889,317	4,889,317	4,889,317	4,889,317	4,889,317	4,889,317	4,889,317
36 Share premium/(discount)	2,889,789	2,889,789	2,889,789	2,889,789	2,889,789	2,889,789	2,889,789	2,889,789
37 Revaluation reserve	397,057	403,407	403,407	403,407	397,057	403,407	397,057	403,407
38 Retained earnings/Accumulated losses	47,014,672	43,189,023	39,574,445	38,494,581	45,027,217	41,262,564	37,830,867	37,205,161
39 Statutory Loan Loss Reserve	717,844	717,844	784,381	717,844	717,844	717,844	717,844	717,844
40 Other Reserves	1,519,915	(1,215,801)	(1,870,841)	(836,394)	2,687,644	66,228	(1,842,869)	(836,394)
41 Proposed dividends	-	3,911,453	3,911,453	-	-	3,911,453	3,911,453	-
42 Capital grants	508,079	512,698	517,317	526,554	508,079	512,698	517,317	526,554
43 TOTAL SHAREHOLDERS' FUNDS	57,936,673	55,297,730	50,207,064	47,085,098	57,116,947	54,653,300	49,310,775	45,795,678
43.1 Non-Controlling Interest	(374,007)	(382,582)	(386,497)	(142,894)	-	-	-	-
44 TOTAL LIABILITIES & SHAREHOLDERS' FUNDS	363,008,665	350,720,175	342,518,187	325,076,787	360,041,467	348,354,889	339,549,808	318,998,960

II STATEMENT OF COMPREHENSIVE INCOME

	GROUP				BANK			
	30-Jun-16 KShs. '000 (Un-audited)	31-Mar-16 KShs. '000 (Un-audited)	31-Dec-15 KShs. '000 Audited	30-Jun-15 KShs. '000 (Un-audited)	30-Jun-16 KShs. '000 (Un-audited)	31-Mar-16 KShs. '000 (Un-audited)	31-Dec-15 KShs. '000 Audited	30-Jun-15 KShs. '000 (Un-audited)
1.0 INTEREST INCOME								
1.1 Loans and advances	16,776,762	8,313,117	30,039,822	13,560,507	16,725,478	8,294,204	29,845,776	13,474,274
1.2 Government securities	4,410,288	2,143,096	6,086,562	2,823,749	4,380,233	2,126,214	6,069,362	2,805,268
1.3 Deposits and placements with banking institutions	285,045	204,950	664,820	299,692	285,045	204,950	604,321	299,692
1.4 Other Interest Income	-	4,663	-	-	-	-	-	-
1.5 Total Interest Income	21,472,095	10,665,826	36,791,204	16,683,949	21,390,756	10,625,368	36,519,458	16,579,234
2.0 INTEREST EXPENSE								
2.1 Customer deposits	6,488,666	3,575,257	12,183,736	4,368,245	6,469,313	3,575,078	12,161,604	4,367,530
2.2 Deposits and placements from banking institutions	15,567	6,819	232,602	37,917	15,567	6,819	232,602	37,917
2.3 Other Interest Expenses	505,169	291,317	1,170,573	503,509	505,169	281,834	1,170,573	503,509
2.4 Total Interest Expenses	7,009,402	3,873,393	13,586,911	4,909,671	6,990,049	3,863,730	13,564,779	4,908,956
3.0 NET INTEREST INCOME/(LOSS)	14,462,694	6,792,433	23,204,293	11,774,278	14,400,708	6,761,638	22,954,679	11,670,278
4.0 NON-INTEREST INCOME								
4.1 Fees and commissions on loans and advances	1,199,012	686,664	2,339,680	1,114,083	1,199,012	686,664	2,339,680	1,114,083
4.2 Other Fees and commissions	3,762,607	1,740,340	7,162,155	3,557,992	3,266,447	1,475,247	6,308,056	3,083,045
4.3 Foreign exchange trading income/(loss)	969,353	498,024	3,192,469	1,010,897	891,390	459,662	1,880,617	713,210
4.4 Dividend income	73,001	9	69,407	69,406	73,001	9	69,407	69,406
4.5 Other income	845,447	538,713	421,775	217,839	834,672	534,304	475,679	214,334
4.6 Total Non-interest income	6,849,420	3,463,750	13,185,486	5,970,216	6,264,523	3,155,886	11,073,438	5,194,078
5.0 TOTAL OPERATING INCOME	21,312,114	10,256,183	36,389,778	17,744,494	20,665,231	9,917,524	34,028,117	16,864,356
6.0 OTHER OPERATING EXPENSES								
6.1 Loan loss provision	1,310,000	625,000	2,019,295	667,000	1,310,000	625,000	2,007,357	667,000
6.2 Staff costs	4,349,769	2,180,180	8,925,220	3,863,180	4,132,682	2,090,002	8,408,222	3,633,223
6.3 Directors' emoluments	75,318	19,127	148,257	61,579	75,318	19,127	107,181	43,180
6.4 Rentals charges	711,997	335,280	1,395,950	660,171	667,443	313,521	1,236,484	585,568
6.5 Depreciation charge on property and equipment	942,876	473,493	1,923,609	976,269	928,287	465,170	1,795,458	894,369
6.6 Amortisation charges	216,085	103,442	434,016	181,954	208,238	100,636	378,169	176,632
6.7 Other operating expenses	3,357,614	1,499,208	6,543,423	2,648,540	3,176,480	1,413,049	6,021,880	2,460,651
6.8 Total other operating expenses	10,963,659	5,235,730	21,389,770	9,058,693	10,478,915	5,015,100	19,954,752	8,460,623
7 Profit/(Loss) before tax and exceptional items	10,348,456	5,020,452	15,000,008	8,685,801	10,186,316	4,902,424	14,073,365	8,403,733
8 Exceptional items-Early Retirement Costs	-	-	(1,908)	-	-	-	(1,908)	-
9 Exceptional items-Share of profit of associate	97,477	(80,294)	384,991	67,112	-	-	-	-
10 Profit/(Loss) before tax	10,445,933	4,940,159	15,383,092	8,752,912	10,186,316	4,902,424	14,071,457	8,403,733
11 Current tax	3,035,849	1,505,146	3,944,959	2,512,634	2,989,965	1,470,727	3,867,317	2,462,945
12 Deferred tax	-	-	(267,426)	-	-	-	(267,457)	-
13 Profit/(loss) after tax and exceptional items	7,410,084	3,435,012	11,705,558	6,240,278	7,196,350	3,431,697	10,471,597	5,940,788
14.0 OTHER COMPREHENSIVE INCOME:								
14.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	(1,890,682)	-	-	-	-	-
14.2 Fair value changes in available-for-sale financial assets	3,390,755	1,909,096	(1,026,494)	(43,039)	4,530,512	1,909,096	(1,048,807)	(42,333)
14.3 Revaluation Surplus on property, Plant and Equipment	-	-	-	-	-	-	-	-
14.4 Share of other comprehensive income of associates	-	-	13,773	-	-	-	-	-
14.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	-	-	-
15 OTHER COMPREHENSIVE INCOME NET OF TAX	3,390,755	1,909,096	(2,903,403)	(43,039)	4,530,512	1,909,096	(1,048,807)	(42,333)
16 TOTAL COMPREHENSIVE INCOME	10,800,840	5,344,108	8,802,155	6,197,239	11,726,863	5,340,793	9,422,790	5,898,455
Basic Earnings per share	1.52	0.70	2.31	1.28	1.47			