

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31 MARCH 2019

	31 Mar 2018 Un-Audited	31 Dec 2018 Audited	31 March 2019 Un-Audited
	SHS '000	SHS '000	SHS '000
STATEMENT OF FINANCIAL POSITION			
A Assets			
1 Cash (both local and foreign)	83,688	111,745	110,770
2 Balances due from Central Bank of Kenya	1,255,296	2,528,443	2,987,784
3 Kenya Government and other securities held for dealing purposes	-	-	-
4 Financial Assets at fair value through profit and loss	-	-	-
5 Investment Securities:			
a) Held to Maturity:	1,785,516	1,767,275	1,995,948
a. Kenya Government securities	1,675,535	1,657,397	1,885,747
b. Other securities	111,981	109,878	110,201
b) Available for sale:	1,624,133	2,501,698	3,132,457
a. Kenya Government securities	1,281,269	2,156,920	2,791,065
b. Other securities	342,864	344,778	341,392
6 Deposits and balances due from local banking institutions	515,104	306,833	3,794
7 Deposits and balances due from banking institutions abroad	969,255	1,397,972	1,467,122
8 Tax recoverable	-	14,961	-
9 Loans and advances to customers (Net)	20,139,725	22,586,671	22,440,478
10 Balances due from banking institutions in the group	-	-	-
11 Investments in associates	297,064	310,620	310,620
12 Investments in subsidiary companies	-	-	-
13 Investments in joint ventures	-	-	-
14 Investment properties	-	-	-
15 Property and equipment	202,119	213,341	202,595
16 Prepaid lease rentals	-	-	-
17 Intangible assets	24,049	33,034	30,441
18 Deferred tax asset	15,435	131,502	124,115
19 Retirement benefit asset	-	-	-
20 Other assets	407,634	432,860	482,910
21 Total assets	27,319,018	32,336,955	33,289,034
B Liabilities			
22 Balances due to Central Bank of Kenya	-	-	-
23 Customer deposits	19,639,560	23,764,638	24,397,409
24 Deposits and balances due to local banking institutions	-	-	-
25 Deposits and balances due to foreign banking institutions	268,905	573,987	672,349
26 Other money market deposits	-	-	-
27 Borrowed funds	1,388,286	1,940,093	1,844,276
28 Balances due to banking institutions in the group	-	-	-
29 Tax payable	68,521	-	41,546
30 Dividends payable	-	-	-
31 Deferred tax liability	-	-	-
32 Retirement benefit liability	-	-	-
33 Other liabilities	176,123	95,339	230,419
34 Total liabilities	21,541,395	26,374,057	27,185,999
C Shareholders' funds			
35 Paid up / Assigned share capital	838,494	838,494	838,494
36 Share premium / (discount)	1,321,289	1,321,289	1,321,289
37 Revaluation reserves	137,000	137,000	137,000
38 Retained earnings/Accumulated losses	3,346,390	3,635,300	3,758,200
39 Statutory loan loss reserve	116,528	-	-
40 Other Reserves	17,922	30,815	48,052
41 Proposed dividends	-	-	-
42 Capital grants	-	-	-
43 Total shareholders' funds	5,777,623	5,962,898	6,103,035
44 Total liabilities and total shareholders' funds	27,319,018	32,336,955	33,289,034
STATEMENT OF COMPREHENSIVE INCOME			
1 Interest income			
1.1 Loans and advances	628,012	2,580,428	656,648
1.2 Government securities	75,616	368,481	117,560
1.3 Deposits and placements with banking institutions	11,005	33,157	6,721
1.4 Other interest income	2,898	9,445	1,631
1.5 Total interest income	717,531	2,991,511	782,560
2 Interest expense			
2.1 Customer deposits	369,401	1,541,522	394,391
2.2 Deposits and placements from banking institutions	-	181	109
2.3 Other interest expense	25,047	156,936	50,502
2.4 Total interest expense	394,448	1,698,639	445,002
3.0 Net interest income/(loss)	323,083	1,292,872	337,558
4 Non interest income			
4.1 Fees and commissions on loans and advances	43,552	207,265	58,802
4.2 Other fees and commissions	30,331	124,283	28,196
4.3 Foreign exchange trading income/(loss)	9,608	47,572	4,654
4.4 Dividend income	-	5,236	0
4.5 Other income	8,894	44,090	22,847
4.6 Total non interest income	92,385	428,446	114,499
5.0 Total operating income	415,468	1,721,318	452,057
6 Other operating expenses			
6.1 Loan loss provisions	5,519	371,204	56,011
6.2 Staff costs	91,675	374,423	98,541
6.3 Directors' emoluments	29,100	94,516	30,468
6.4 Rental charges	5,827	29,822	3,873
6.5 Depreciation charge on property and equipment	10,669	49,209	15,817
6.6 Amortization charges	2,137	9,446	2,892
6.7 Other operating expenses	54,716	227,603	56,099
6.8 Total other operating expenses	199,643	1,156,223	263,701
7.0 Profit/(loss) before tax and exceptional items	215,825	565,095	188,356
8.0 Exceptional items	-	-	-
9.0 Profit/(loss) after exceptional items	215,825	565,095	188,356
10.0 Current tax	(61,800)	(252,760)	(56,507)
11.0 Deferred tax	-	124,669	-
12.0 Profit/(loss) after tax and exceptional items	154,025	437,004	131,849
13 Other Comprehensive Income			
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-
13.2 Fair value changes in available for sale financial assets	26,158	39,051	17,237
13.3 Revaluation surplus on Property, plant and equipment	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-
14.0 Other Comprehensive Income for the year net of tax	26,158	39,051	17,237
15.0 Total comprehensive income for the year	180,183	476,055	149,086
16.0 Earnings per share - Basic & diluted	3.67	10.42	3.14
17.0 Dividend Per share	-	2.53	-

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OTHER DISCLOSURES			
1 Non-performing loans and advances			
a) Gross non-performing loans and advances	17,438	696,424	712,407
b) Less: Interest in suspense	2,581	51,558	72,161
c) Total non-performing loans and advances (a - b)	14,857	644,866	640,246
d) Less: Loan loss provisions	14,857	172,062	182,062
e) Net non-performing loans and advances (c - d)	-	472,804	458,184
f) Less: Discounted value of securities	-	472,804	458,184
g) Net non-performing loans exposure (e - f)	-	-	-
2 Insider loans and advances			
a) Directors, shareholders and associates	287,022	438,638	290,740
b) Employees	80,908	65,121	51,913
c) Total insider loans, advances and other facilities	367,930	503,759	342,653
3 Off-balance sheet items			
a) Letters of credit, guarantees, acceptances	3,387,147	3,228,957	2,527,583
b) Forwards, swaps and options	28,620	114,890	117,213
c) Other contingent liabilities	147,661	11,645	126,676
d) Total contingent liabilities	3,563,428	3,355,492	2,771,472
4 Capital strength			
a) Core capital	5,413,725	5,663,581	5,727,944
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
c) Excess (a-b)	4,413,725	4,663,581	4,727,944
d) Supplementary capital	150,778	543,481	538,000
e) Total capital (a + d)	5,564,503	6,207,062	6,265,944
f) Total risk weighted assets	26,453,685	29,424,874	28,816,099
g) Core capital / total deposit liabilities	27.60%	23.80%	23.50%
h) Minimum Statutory Ratio	8.00%	8.00%	8.00%
i) Excess (g - h)	19.60%	15.80%	15.50%
j) Core capital / total risk weighted assets	20.50%	19.20%	19.90%
k) Minimum Statutory Ratio	10.50%	10.50%	10.50%
l) Excess (j - k)	10.00%	8.70%	9.40%
m) Total capital / total risk weighted assets	21.00%	21.10%	21.70%
n) Minimum Statutory Ratio	14.50%	14.50%	14.50%
o) Excess (m - n)	6.50%	6.60%	7.20%
p) Adjusted Core capital / total deposit liabilities*	27.60%	26.00%	23.60%
q) Adjusted Core capital / total risk weighted assets*	20.50%	19.40%	20.00%
r) Adjusted Total capital / total risk weighted assets*	21.00%	21.20%	21.90%
5 Liquidity			
a) Liquidity Ratio	26.60%	31.10%	33.70%
b) Minimum Statutory Ratio	20.00%	20.00%	20.00%
c) Excess (a - b)	6.60%	11.10%	13.70%

* The Adjusted Capital Ratios includes 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 Statement of Financial Position and Statement of Comprehensive income are extracts from the financial records of the bank. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the bank's website www.victoriabank.co.ke and at our head office located at Victoria Towers, Mezzanine Floor, Kilimanjaro Avenue Upper hill, Nairobi, Kenya.

SIGNED

Ketaki Sheth
CHAIR OF THE BOARD

Yogesh K Pattni Ph.D
CHIEF EXECUTIVE OFFICER

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TERMS AND CONDITIONS APPLY

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