

**AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST DECEMBER 2019**

	31st Dec. 2018 Shs. '000' (Audited)	31st Dec. 2019 Shs. '000' (Audited)
<b>I. STATEMENT OF FINANCIAL POSITION</b>		
<b>A ASSETS</b>		
1 Cash (both Local & Foreign)	89,291	87,835
2 Balances due from Central Bank of Kenya	439,523	563,823
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:	-	-
a. Kenya Government securities	-	-
b. Other securities	-	-
b) Available for sale:	966,007	1,432,366
a. Kenya Government securities (Available for sale:)	966,007	1,432,366
b. Other securities (Available for sale:)	-	-
6 Deposits and balances due from local banking institutions	1,089,906	1,081,593
7 Deposits and balances due from banking institutions abroad	542,253	218,990
8 Tax recoverable	-	-
9 Loans and advances to customers (net)	3,183,627	4,602,441
10 Balances due from banking institutions in the group	-	-
11 Investments in associates	-	-
12 Investments in subsidiary companies	-	-
13 Investments in joint ventures	-	-
14 Investment properties	-	-
15 Property and equipment	341,793	456,311
16 Prepaid lease rentals	-	-
17 Intangible assets	159,872	120,907
18 Deferred tax asset	-	-
19 Retirement benefit asset	-	-
20 Other assets	44,300	88,209
<b>21 TOTAL ASSETS</b>	<b>6,856,572</b>	<b>8,652,475</b>
<b>B LIABILITIES</b>		
22 Balances due to Central Bank of Kenya	-	-
23 Customer deposits	5,603,108	7,270,221
24 Deposits and balances due to local banking institutions	-	-
25 Deposits and balances due to foreign banking institutions	11,589	22,732
26 Other money market deposits	-	-
27 Borrowed funds	-	-
28 Balances due to banking institutions in the group	-	-
29 Tax payable	-	-
30 Dividends payable	-	-
31 Deferred tax liability	-	-
32 Retirement benefit liability	-	-
33 Other liabilities	222,007	319,657
<b>34 TOTAL LIABILITIES</b>	<b>5,836,704</b>	<b>7,612,610</b>
<b>C SHAREHOLDERS' FUNDS</b>		
35 Paid up /Assigned capital	1,917,000	2,300,000
36 Share premium/(discount)	-	-
37 Revaluation reserves	974	3,850
38 Retained earnings/Accumulated losses	(898,106)	(1,263,985)
39 Statutory loan loss reserves	-	-
40 Other Reserves	-	-
41 Proposed dividends	-	-
42 Capital grants	-	-
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>1,019,868</b>	<b>1,039,865</b>
44 Minority Interest	-	-
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>6,856,572</b>	<b>8,652,475</b>
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>		
<b>1.0 INTEREST INCOME</b>		
1.1 Loans and advances	167,175	459,513
1.2 Government securities	137,296	86,454
1.3 Deposits and placements with banking institutions	44,160	67,982
1.4 Other Interest Income	322	-
<b>1.5 Total Interest Income</b>	<b>348,953</b>	<b>613,949</b>
<b>2.0 INTEREST EXPENSE</b>		
2.1 Customer deposits	244,244	436,488
2.2 Deposits and placement from banking institutions	5	145
2.3 Other interest expenses	-	-
<b>2.4 Total Interest Expenses</b>	<b>244,249</b>	<b>436,633</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>	<b>104,704</b>	<b>177,316</b>
<b>4.0 NON-INTEREST INCOME</b>		
4.1 Fees and commissions on loans and advances	20,570	24,255
4.2 Other fees and commissions	10,208	18,282
4.3 Foreign exchange trading income/(Loss)	18,018	31,124
4.4 Dividend Income	-	-
4.5 Other income	113,268	5
<b>4.6 Total Non-interest income</b>	<b>162,063</b>	<b>73,666</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>266,768</b>	<b>250,982</b>
<b>6.0 OTHER OPERATING EXPENSES</b>		
6.1 Loan loss provision	50,184	13,119
6.2 Staff costs	213,340	269,164
6.3 Directors' emoluments	4,443	7,964
6.4 Rental charges	27,271	-
6.5 Depreciation charge on property and equipment	76,343	114,714
6.6 Amortisation charges	43,991	45,209
6.7 Other operating expenses	118,849	166,632
<b>6.8 Total Other Operating Expenses</b>	<b>534,421</b>	<b>616,861</b>
<b>7.0 Profit/(Loss) Before Tax and Exceptional Items</b>	<b>(267,653)</b>	<b>(365,879)</b>
8.0 Exceptional Items	-	-
<b>9.0 Profit/(Loss) After Exceptional Items</b>	<b>(267,653)</b>	<b>(365,879)</b>
10.0 Current Tax	-	-
11.0 Deferred Tax	-	-
<b>12.0 Profit/(Loss) After Tax and Exceptional Items</b>	<b>(267,653)</b>	<b>(365,879)</b>
13.0 Minority Interest	-	-
<b>14.0 Profit/(loss) after tax, exceptional items and Minority Interest</b>	<b>(267,653)</b>	<b>(365,879)</b>
<b>15.0 Other Comprehensive Income</b>		
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-
15.2 Fair value changes in available for sale financial assets	707	2,876
15.3 Revaluation surplus on Property, plant and equipment	-	-
15.4 Share of other comprehensive income of associates	-	-
15.5 Income tax relating to components of other comprehensive income	-	-
<b>16.0 Other Comprehensive Income for the year net of tax</b>	<b>707</b>	<b>2,876</b>
<b>17.0 Total comprehensive income for the year</b>	<b>(266,946)</b>	<b>(363,003)</b>
<b>18.0 EARNINGS PER SHARE- BASIC &amp; DILUTED</b>	-	-
<b>19.0 DIVIDEND PER SHARE -DECLARED</b>	-	-
<b>III OTHER DISCLOSURES</b>		
<b>1.0 NON-PERFORMING LOANS AND ADVANCES</b>		
(a) Gross Non-performing loans and advances	-	66,769
(b) Less: Interest in Suspense	-	1,380
<b>(c) Total Non-Performing Loans and Advances (a-b)</b>	-	<b>65,389</b>
(d) Less: Loan Loss Provision	-	2,026
<b>(e) Net Non-Performing Loans and Advances(c-d)</b>	-	<b>63,363</b>
(f) Discounted Value of Securities	-	63,363
<b>(g) Net NPLs Exposure (e-f)</b>	-	-
<b>2.0 INSIDER LOANS AND ADVANCES</b>		
(a) Directors, Shareholders and Associates	518,308	770,551
(b) Employees	43,959	69,893
<b>(c) Total Insider Loans and Advances and other facilities</b>	<b>562,267</b>	<b>840,444</b>
<b>3.0 OFF-BALANCE SHEET ITEMS</b>		
(a) Letters of credit, guarantees, acceptances	62,935	278,207
(b) Forwards, swaps and options	101,340	304,050
(c) Other contingent liabilities	-	-
<b>(d) Total Contingent Liabilities</b>	<b>164,275</b>	<b>582,257</b>
<b>4.0 CAPITAL STRENGTH</b>		
(a) Core capital	1,018,894	1,036,015
(b) Minimum Statutory Capital	1,000,000	1,000,000
<b>(c) Excess/(Deficiency) (a-b)</b>	<b>18,894</b>	<b>36,015</b>
(d) Supplementary Capital	-	-
<b>(e) Total Capital (a+d)</b>	<b>1,018,894</b>	<b>1,036,015</b>
(f) Total risk weighted assets	4,303,343	5,836,904
<b>(g) Core Capital/Total deposits Liabilities</b>	<b>18.2%</b>	<b>14.2%</b>
(h) Minimum statutory Ratio	8.0%	8.0%
<b>(i) Core Capital / Total risk weighted assets</b>	<b>10.2%</b>	<b>6.2%</b>
(j) Minimum Statutory Ratio	10.5%	10.5%
(k) Excess (Deficiency) (j-k)	13.2%	7.2%
<b>(m) Total Capital/total risk weighted assets</b>	<b>23.7%</b>	<b>17.7%</b>
(n) Minimum statutory Ratio	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	9.2%	3.2%
(p) Adjusted Core Capital/Total Deposit Liabilities*	19.1%	14.5%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	24.8%	18.1%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	24.8%	18.1%
<b>14 LIQUIDITY</b>		
14.1 (a) Liquidity Ratio	54.6%	45.6%
14.2 (b) Minimum Statutory Ratio	20.0%	20.0%
14.3 (c) Excess (Deficiency) (a-b)	34.6%	25.6%

These financial statements are extracts from the books of the institution as audited by Deloitte & Touche and received an unqualified opinion. The complete set of audited financial statements, statutory and qualitative disclosures can be accessed on the institutions website [www.mayfair-bank.com](http://www.mayfair-bank.com).

They may also be accessed at the institutions head office located at KAM House Building, Mezzanine Floor, Mwanzi Road Westlands.

\* 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.

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