

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31 DECEMBER 2022

I STATEMENT OF FINANCIAL POSITION		Bank		Group	
AS AT 31 DECEMBER 2022		31.12.2021	31.12.2022	31.12.2021	31.12.2022
A. ASSETS		Audited (Ksh'000)	Audited (Ksh'000)	Audited (Ksh'000)	Audited (Ksh'000)
1 Cash balances (both local and foreign)	538,629	544,451	538,629	544,451	544,451
2 Balances due from Central Bank of Kenya Kenya Government and other securities held for dealing purposes	1,805,104	1,563,593	1,805,104	1,563,593	1,563,593
4 Financial Assets at fair value through profit and loss	-	-	-	-	-
5 Investment Securities:					
a) Held to Maturity:					
a. Kenya Government securities	1,825,422	3,779,143	1,825,422	3,779,143	3,779,143
b. Other securities	1,825,422	3,779,143	1,825,422	3,779,143	3,779,143
b) Available for sale:					
a. Kenya Government securities	4,724,746	4,760,994	4,724,746	4,760,994	4,760,994
b. Other securities	4,724,746	4,760,994	4,724,746	4,760,994	4,760,994
6 Deposits and balances due from local banking institutions	90,256	41,914	90,256	41,914	41,914
7 Deposits and balances due from banking institutions abroad	307,396	47,326	307,396	47,326	47,326
8 Tax recoverable	221,861	225,496	342,746	365,267	365,267
9 Loans and advances to customers (net)	35,910,642	36,909,331	34,692,625	36,299,175	36,299,175
10 Balances due from banking institutions in the group	-	-	-	-	-
11 Investments in associates	-	-	-	-	-
12 Investments in subsidiary companies	-	-	-	-	-
13 Investment in Joint ventures	198,141	194,220	1,544,339	1,613,173	1,613,173
14 Investment properties	698,782	780,000	963,387	1,849,000	1,849,000
15 Property and equipment	1,585,615	573,449	1,590,454	579,410	579,410
16 Prepaid operating lease rentals	-	-	-	-	-
17 Intangible assets	519,150	331,846	519,873	332,592	332,592
18 Deferred tax asset	1,389,605	1,383,142	1,612,447	1,614,992	1,614,992
19 Retirement benefit asset	-	-	-	-	-
20 Other assets	-	-	-	-	-
21 TOTAL ASSETS	2,282,887	4,033,466	2,653,001	3,604,823	3,604,823
B. LIABILITIES					
22 Balances due to Central Bank of Kenya	-	499,777	-	499,777	499,777
23 Customer deposits	37,793,023	39,861,732	37,714,914	39,796,941	39,796,941
24 Deposits and balances due to local banking institutions	601,606	24,317	601,606	24,317	24,317
25 Deposits and balances due to foreign banking institutions	-	-	-	-	-
26 Other money market deposits	-	-	-	-	-
27 Borrowed funds	4,351,209	4,370,617	4,351,209	4,370,617	4,370,617
28 Balances due to banking institutions in the group	-	-	-	-	-
29 Tax payable	-	-	-	-	-
30 Dividends payable	-	-	246	246	246
31 Deferred tax liability	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-
33 Other liabilities	-	-	-	-	-
34 TOTAL LIABILITIES	1,486,806	2,049,245	2,267,255	3,534,326	3,534,326
C. SHAREHOLDERS' FUNDS					
35 Paid up /Assigned capital	5,000,000	5,090,000	1,923,071	1,923,071	1,923,071
36 Share premium/(discount)	3,513,662	3,513,662	4,343,512	4,343,512	4,343,512
37 Revaluation reserves	310,662	593,667	1,012,125	1,295,128	1,295,128
38 Retained earnings/Accumulated losses	(4,367,005)	(4,471,841)	(2,430,793)	(2,448,283)	(2,448,283)
39 Statutory loan loss reserves	3,413,517	3,696,575	3,413,517	3,696,575	3,696,575
40 Other Reserves	(5,244)	(59,380)	13,763	(40,373)	(40,373)
41 Proposed dividends	-	-	-	-	-
42 Capital grants	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	7,865,592	8,362,683	8,275,195	8,769,630	8,769,630
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	52,098,236	55,168,371	53,210,425	56,995,854	56,995,854
II STATEMENT OF COMPREHENSIVE INCOME		Bank		Group	
FOR THE PERIOD ENDED 31 DECEMBER 2022		31.12.2021	31.12.2022	31.12.2021	31.12.2022
1 INTEREST INCOME		Audited (Ksh'000)	Audited (Ksh'000)	Audited (Ksh'000)	Audited (Ksh'000)
1.1 Loans and advances	3,408,434	3,470,344	3,237,689	3,321,592	3,321,592
1.2 Government securities	663,636	937,923	663,636	937,884	937,884
1.3 Deposits and placements with banking institutions	21,768	10,522	21,768	10,522	10,522
1.5 Total interest income	4,093,838	4,418,788	3,923,093	4,269,998	4,269,998
2 INTEREST EXPENSES					
2.1 Customer deposits	1,529,199	1,588,292	1,529,199	1,588,292	1,588,292
2.2 Deposits and placement from banking institutions	168,375	159,304	168,375	148,740	148,740
2.3 Other interest expenses	406,868	373,337	397,664	373,337	373,337
2.4 Total interest expenses	2,104,442	2,120,933	2,095,238	2,110,369	2,110,369
3 NET INTEREST INCOME/(LOSS)	1,989,396	2,297,856	1,827,855	2,159,629	2,159,629
4 OTHER OPERATING INCOME					
4.1 Fees and commissions on loans and advances	130,434	171,073	130,434	171,073	171,073
4.2 Other fees and commissions	133,071	131,311	177,912	131,311	131,311
4.3 Foreign exchange trading income/(Loss)	48,350	136,332	48,350	136,332	136,332
4.4 Dividend Income	-	-	-	-	-
4.5 Other income	82,100	189,492	181,430	440,978	440,978
4.6 Total Non-interest income	393,955	628,208	538,126	879,693	879,693
5 TOTAL OPERATING INCOME	2,383,351	2,926,064	2,365,981	3,039,322	3,039,322
6 OPERATING EXPENSES					
6.1 Loan loss provision	345,688	194,130	280,645	194,130	194,130
6.2 Staff costs	1,078,966	1,174,123	1,182,536	1,330,440	1,330,440
6.3 Directors' emoluments	18,327	25,713	30,041	38,801	38,801
6.4 Rental charges	61,154	51,895	147,377	53,957	53,957
6.5 Depreciation charge on property and equipment	213,315	146,166	224,829	148,105	148,105
6.6 Amortisation charges	230,985	239,860	231,139	239,973	239,973
6.7 Other operating expenses	1,089,314	993,506	1,218,882	837,256	837,256
6.8 Total Other Operating Expenses	3,037,748	2,825,392	3,315,449	2,842,662	2,842,662
7 Profit/(loss) before tax and exceptional items	(654,397)	100,671	(949,468)	196,660	196,660
8 Exceptional items	(9,930)	(3,921)	(15,740)	(6,265)	(6,265)
9 Profit/(loss) after exceptional items	(664,327)	96,751	(965,209)	190,394	190,394
10 Current tax	(11,989)	(10,152)	(24,992)	(25,582)	(25,582)
11 Deferred tax	295,010	91,624	307,454	100,758	100,758
12 Profit/(loss) after tax and exceptional items	(381,306)	178,223	(682,746)	265,570	265,570
13 Other Comprehensive Income					
Gains/(Losses) from translating the financial statements of foreign operations	(299)	(77,337)	(299)	(77,337)	(77,337)
Fair value changes in available for sale financial assets	-	404,292	-	404,292	404,292
Revaluation surplus on Property, plant and equipment	-	-	-	-	-
Share of other comprehensive income of associates	-	-	-	-	-
Income tax relating to components of other comprehensive income	90	(98,087)	90	(98,087)	(98,087)
14 Other Comprehensive Income for the year net of tax	(209)	228,869	(209)	228,869	228,869
15 Total comprehensive income for the year	(381,515)	407,091	(682,955)	494,439	494,439
Earnings per share	(76,26)	46.69	(1.54)	0.92	0.92
Dividend per share	-	-	-	-	-

III DISCLOSURES		Bank		Group Consolidated	
AS AT 31 DECEMBER 2022		31.12.2021	Audited (Ksh'000)	31.12.2022	Audited (Ksh'000)
1 Non-Performing Loans and Advances					
a) Gross non-performing loans and advances	8,672,760	8,486,934	8,672,760	8,486,934	8,486,934
b) Less: Interest in Suspense	2,817,043	2,780,355	2,817,043	2,780,355	2,780,355
c) Total non-Performing loans and advances (a-b)	5,855,716	5,706,580	5,855,716	5,706,580	5,706,580
d) Less: Loan loss provisions	3,567,006	3,910,868	3,567,006	3,910,868	3,910,868
e) Net non-performing loans and advances(c-d)	2,288,710	1,795,712	2,288,710	1,795,712	1,795,712
f) Discounted value of securities	2,288,710	1,795,712	2,288,710	1,795,712	1,795,712
g) Net Exposure(e-f)	-	-	-	-	-
2 Insider loans and advances					
a) Directors, shareholders and associates	2,322,805	1,784,069	2,322,805	1,784,069	1,784,069
b) Employees	772,400	1,049,491	772,400	1,049,491	1,049,491
c) Total insider Loans and Advances	3,095,205	2,833,560	3,095,205	2,833,560	2,833,560
3 Off-Balance Sheet items					
a) Letters of credit, guarantees and acceptances	1,145,634	1,935,097	1,145,634	1,935,097	1,935,097
b) Forwards, swaps and options	2,507,776	1,815,854	2,507,776	1,815,854	1,815,854
c) Other contingent liabilities	3,653,410	3,750,951	3,653,410	3,750,951	3,750,951
4 Capital Strength					