

UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR PERIOD ENDED 30th SEPTEMBER 2018

I STATEMENT OF FINANCIAL POSITION	BANK				
	30 th Sept 2017 Shs. '000' Unaudited	31 st Dec 2017 Shs. '000' Audited	31 st March 2018 Shs. '000' Unaudited	30 th June 2018 Shs. '000' Unaudited	30 th Sept 2018 Shs. '000' Unaudited
A ASSETS					
1 Cash (both Local & Foreign)	93,643	69,114	91,440	76,769	65,229
2 Balances due from Central Bank of Kenya	2,131,325	2,145,709	2,228,916	2,956,662	2,607,663
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:					
i. Kenya Government securities	28,443,157	30,079,138	-	-	-
ii. Other securities	28,443,157	30,079,138	-	-	-
b) Available for sale:					
i. Kenya Government securities	-	-	31,312,226	34,293,665	37,707,467
ii. Other securities	-	-	31,312,226	34,293,665	37,707,467
6 Deposits and balances due from local banking institutions	774,354	2,064,634	-	-	-
7 Deposits and balances due from banking institutions abroad	543,834	587,022	1,471,925	6,812,432	1,986,748
8 Tax receivable	-	25,242	-	-	31,030
9 Loans and advances to customers (net)	24,277,256	20,641,381	19,237,174	18,965,929	19,168,838
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					
16 Prepaid lease rentals	968,935	915,152	888,564	879,876	866,524
17 Intangible assets	-	-	-	-	-
18 Deferred tax asset	-	-	-	-	-
19 Retirement benefit asset	-	-	-	-	-
20 Other assets	64,968	105,264	98,303	92,869	130,419
21 TOTAL ASSETS	57,297,472	56,630,656	55,328,548	64,098,285	62,563,918
B LIABILITIES					
22 Balances due to Central Bank of Kenya					
23 Customer deposits	30,341,702	31,285,769	32,163,816	41,732,633	40,926,219
24 Deposits and balances due to local banking institutions					
25 Deposits and balances due to foreign banking institutions	15,778,550	13,538,960	11,300,450	10,173,824	8,896,972
26 Other money market deposits					
27 Borrowed funds					
28 Balances due to banking institutions in the group					
29 Tax payable	51,593	-	136,758	-	-
30 Dividends payable					
31 Deferred tax liability	1,497	2,841	2,842	2,842	2,842
32 Retirement benefit liability	106,049	97,789	95,890	87,262	81,992
33 Other liabilities	97,683	80,282	126,671	147,591	194,303
34 TOTAL LIABILITIES	46,377,074	45,005,641	43,826,427	52,144,152	50,102,328
C SHAREHOLDERS' FUNDS					
35 Paid up /Assigned capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
36 Share premium/(discount)					
37 Revaluation reserves	743,180	742,014	742,014	742,014	742,014
38 Retained earnings/Accumulated losses	8,926,218	9,665,001	9,760,107	10,212,119	10,719,576
39 Statutory loan loss reserves	2,954,000	2,180,000			
40 Other Reserves					
41 Proposed dividends					
42 Capital grants					
43 TOTAL SHAREHOLDERS' FUNDS	10,920,398	11,625,015	11,502,121	11,954,133	12,461,590
44 Minority Interest	-	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	57,297,472	56,630,656	55,328,548	64,098,285	62,563,918
II STATEMENT OF COMPREHENSIVE INCOME					
1.0 INTEREST INCOME					
1.1 Loans and advances	1,462,235	1,992,411	453,679	920,302	1,392,532
1.2 Government securities	2,285,891	3,127,370	861,340	1,785,442	2,815,767
1.3 Deposits and placements with banking institutions	41,374	65,436	16,902	36,807	63,555
1.4 Other Interest Income	-	-	-	-	-
1.5 Total interest income	3,789,500	5,185,217	1,331,921	2,742,551	4,271,854
2.0 INTEREST EXPENSE					
2.1 Customer deposits	1,341,001	1,845,574	505,135	1,047,998	1,677,850
2.2 Deposits and placement from banking institutions	237,678	327,433	81,356	169,206	252,955
2.3 Other interest expenses					
3.0 Total interest expenses	1,578,679	2,173,007	586,491	1,216,704	1,930,805
3.0 NET INTEREST INCOME/(LOSS)	2,210,821	3,012,210	745,430	1,525,847	2,341,049
4.0 NON-INTEREST INCOME					
4.1 Fees and commissions on loans and advances	93,208	112,803	23,403	43,387	54,802
4.2 Other fees and commissions	62,377	83,634	16,706	31,596	47,552
4.3 Foreign exchange trading income/(Loss)	21,409	27,280	6,952	19,148	29,508
4.4 Dividend Income					
4.5 Other income	34,509	104,079	8,833	15,342	20,426
4.6 Total Non-interest income	211,503	327,796	55,894	109,473	152,288
5.0 TOTAL OPERATING INCOME	2,422,324	3,340,006	801,324	1,635,320	2,493,337
6.0 OTHER OPERATING EXPENSES					
6.1 Loan loss provision	94,264	94,393	5,387	84,809	88,171
6.2 Staff costs	213,998	273,178	70,944	135,626	208,168
6.3 Directors' emoluments					
6.4 Rental charges	26,732	35,720	9,174	18,245	27,075
6.5 Depreciation charge on property and equipment	36,711	62,025	16,166	30,953	45,672
6.6 Amortisation charges					
6.7 Other operating expenses	145,952	199,509	61,940	110,957	227,064
6.8 Total Other Operating Expenses	517,657	664,825	163,606	380,590	596,150
7.0 Profit/(loss) before tax and exceptional items	1,904,667	2,675,181	637,718	1,254,730	1,897,187
8.0 Exceptional items					
9.0 Profit/(loss) after exceptional items	1,904,667	2,675,181	637,718	1,254,730	1,897,187
10.0 Current tax	510,000	585,165	160,000	325,000	460,000
11.0 Deferred tax		1,345			
12.0 Profit/(loss) after tax and exceptional items	1,394,667	2,088,671	477,718	929,730	1,437,187
13.0 Minority Interest					
14.0 Profit/(loss) after tax, exceptional items and Minority Interest	1,394,667	2,088,671	477,718	929,730	1,437,187
15.0 Other Comprehensive Income					
15.1 Gains/(Losses) from translating the financial statements of foreign operations					
15.2 Fair value changes in available for sale financial assets					
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					
16.0 Other Comprehensive Income for the year net of tax					
17.0 Total comprehensive income for the year	1,394,667	2,088,671	477,718	929,730	1,437,187
18.0 EARNINGS PER SHARE - BASIC & DILUTED					
19.0 DIVIDEND PER SHARE - DECLARED					
III OTHER DISCLOSURES					
1.0 NON-PERFORMING LOANS AND ADVANCES					
(a) Gross Non-performing loans and advances	753,124	435,156	463,228	760,783	760,261
(b) Less: Interest in Suspense	18,432	7,493	7,446	15,272	15,680
(c) Total Non-Performing Loans and Advances (a-b)	734,692	427,663	455,782	745,511	744,581
(d) Less: Loan Loss Provision	186,693	122,428	127,660	205,974	209,305
(e) Net Non-Performing Loans and Advances (c-d)	547,999	305,235	328,022	539,537	535,276
(f) Discounted Value of Securities	547,999	305,235	328,022	539,537	535,276
(g) Net NPLs Exposure (e-f)	-	-	-	-	-
2.0 INSIDER LOANS AND ADVANCES					
(a) Directors, Shareholders and Associates					
(b) Employees	70,340	74,252	72,537	71,731	68,511
(c) Total Insider Loans and Advances and other facilities	70,340	74,252	72,537	71,731	68,511
3.0 OFF-BALANCE SHEET ITEMS					
(a) Letters of credit, guarantees, acceptances	1,722,813	1,659,993	1,502,847	1,294,630	1,220,578
(b) Forwards, swaps and options					
(c) Other contingent liabilities	1,509,360	1,078,991	1,286,285	982,279	984,312
(d) Total Contingent Liabilities	3,032,173	2,738,984	2,789,132	2,276,909	2,204,890
4.0 CAPITAL STRENGTH					
(a) Core capital	9,189,212	10,665,001	10,521,248	10,747,254	11,000,982
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency) (a-b)	8,189,212	9,665,001	9,521,248	9,747,254	10,000,982
(d) Supplemental Capital	446,713	403,504	185,504	185,504	185,504
(e) Total Capital (a+d)	9,635,925	11,068,505	10,706,752	10,932,758	11,186,486
(f) Total risk weighted assets	20,424,152	20,508,454	29,331,093	30,562,158	29,678,385
(g) Core Capital/Total deposits Liabilities	30.3%	34.1%	32.7%	25.8%	26.9%
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)	22.3%	26.1%	24.7%	17.8%	18.9%
(j) Core Capital / total risk weighted assets	45.0%	52.0%	35.9%	35.2%	37.1%
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%	10.5%
(l) Excess/(Deficiency) (j-k)	34.5%	41.5%	25.4%	24.7%	26.6%
(m) Total Capital/total risk weighted assets	47.2%	54.0%	36.5%	35.8%	37.7%
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	32.7%	39.5%	22.0%	21.3%	23.2%
(p) Adjusted Core Capital/Total Deposit Liabilities*			33.9%	26.7%	27.7%
(q) Adjusted Core Capital/Total Risk Weighted Assets*			37.1%	36.4%	38.2%
(r) Adjusted Total Capital/Total Risk Weighted Assets*			38.5%	37.0%	38.9%
5 LIQUIDITY					
(a) Liquidity Ratio	53.4%	68.4%	74.0%	81.4%	81.8%
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%	20.0%
(c) Excess (Deficiency) (a-b)	33.4%	48.4%	54.0%	61.4%	61.8%

Notes
* 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.

These financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institution's website www.boikenya.com They may be accessed at the institution's head office located at: BANK OF INDIA BUILDING, KENYATTA AVENUE NAIROBI

Signed:
S. K. GUPTA
CHIEF MANAGER
NAIROBI BRANCH

A. K. AZAD
CHIEF EXECUTIVE
KENYA BRANCHES