

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2016.

STATEMENT OF FINANCIAL POSITION		Bank	
		31st Dec 2015 Shs. '000' Audited	31st Dec 2016 Shs. '000' Audited
A ASSETS			
1	Cash (both Local & Foreign)	107,155	56,732
2	Balances due from Central Bank of Kenya	1,418,390	1,545,201
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	20,838,671	24,461,781
	b. Other securities	20,838,671	24,461,781
	b) Available for sale:		
	a. Kenya Government securities	399,352	-
	b. Other securities	399,352	-
6	Deposits and balances due from local banking institutions	920,803	1,112,429
7	Deposits and balances due from banking institutions abroad	363,836	382,818
8	Tax recoverable		
9	Loans and advances to customers (net)		
10	Balances due from banking institutions in the group	17,857,613	19,246,080
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	177,165	971,430
17	Intangible assets		
18	Deferred tax asset	38,931	-
19	Retirement benefit asset		
20	Other assets	41,031	38,604
21 TOTAL ASSETS		42,162,947	47,815,075
B LIABILITIES			
22	Balances due to Central Bank of Kenya		
23	Customer deposits	24,613,215	26,726,390
24	Deposits and balances due to local banking institutions	550,000	-
25	Deposits and balances due to foreign banking institutions	9,584,101	11,267,540
26	Other money market deposits		
27	Borrowed funds		
28	Balances due to banking institutions in the group		
29	Tax payable	42,979	91,446
30	Dividends payable		
31	Deferred tax liability		
32	Retirement benefit liability	104,219	1,497
33	Other liabilities	85,695	92,608
34 TOTAL LIABILITIES		34,980,209	38,278,731
C SHAREHOLDERS' FUNDS			
35	Paid up /Assigned capital	450,000	1,000,000
36	Share premium/(discount)		
37	Revaluation reserves		753,792
38	Retained earnings/Accumulated losses	6,536,738	7,573,552
39	Statutory loan loss reserves	196,000	209,000
40	Other Reserves		
41	Proposed dividends		
42	Capital grants		
43 TOTAL SHAREHOLDERS' FUNDS		7,182,738	9,536,344
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		42,162,947	47,815,075
II STATEMENT OF COMPREHENSIVE INCOME			
1.0 INTEREST INCOME			
1.1	Loans and advances	1,576,186	1,801,327
1.2	Government securities	2,122,023	2,573,093
1.3	Deposits and placements with banking institutions	44,256	47,917
1.4	Other Interest Income	265	-
1.5 Total interest income		3,742,732	4,422,337
2.0 INTEREST EXPENSE			
2.1	Customer deposits	1,893,784	1,766,955
2.2	Deposits and placement from banking institutions	40,168	177,215
2.3	Other interest expenses		
2.4 Total interest expenses		1,933,952	1,944,170
3.0 NET INTEREST INCOME/(LOSS)		1,808,780	2,478,167
4.0 NON-INTEREST INCOME			
4.1	Fees and commissions on loans and advances	112,241	98,348
4.2	Other fees and commissions	53,208	67,040
4.3	Foreign exchange trading income/(Loss)	17,586	27,452
4.4	Dividend Income		
4.5	Other income	43,661	80,345
4.6 Total Non-interest income		226,696	273,185
5.0 TOTAL OPERATING INCOME		2,035,476	2,751,352
6.0 OTHER OPERATING EXPENSES			
6.1	Loan loss provision	52,072	44,558
6.2	Staff costs	236,831	239,850
6.3	Directors' emoluments		
6.4	Rental charges	38,136	32,592
6.5	Depreciation charge on property and equipment	18,479	22,669
6.6	Amortisation charges		
6.7	Other operating expenses	220,421	226,323
6.8 Total Other Operating Expenses		565,939	565,992
7.0 Profit/(loss) before tax and exceptional items		1,469,537	2,185,360
8.0	Exceptional items		
9.0 Profit/(loss) after exceptional items		1,469,537	2,185,360
10.0	Current tax	362,405	543,700
11.0	Deferred tax	(805)	755
12.0 Profit/(loss) after tax and exceptional items		1,107,937	1,640,905
13.0 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		
13.3	Revaluation surplus on Property, plant and equipment		793,465
13.4	Share of other comprehensive income of associates		
13.5	Income tax relating to components of other comprehensive income		(39,673)
14.0	Other Comprehensive Income for the year net of tax		753,792
15.0 Total comprehensive income for the year		1,107,937	2,394,697
16.0 EARNINGS PER SHARE - BASIC & DILUTED			
17.0 DIVIDEND PER SHARE -DECLARED			
III OTHER DISCLOSURES			
1.0 NON-PERFORMING LOANS AND ADVANCES			
(a)	Gross Non-performing loans and advances	363,819	272,457
(b)	Less: Interest in Suspense	2,244	4,128
(c)	Total Non-Performing Loans and Advances (a-b)	361,575	268,329
(d)	Less: Loan Loss Provision	12,881	104,016
(e)	Net Non-Performing Loans and Advances(c-d)	248,694	164,313
(f)	Discounted Value of Securities	248,694	164,313
(g)	Net NPLs Exposure (e-f)		
2.0 INSIDER LOANS AND ADVANCES			
(a)	Directors, Shareholders and Associates		
(b)	Employees	56,981	63,056
(c)	Total Insider Loans and Advances and other facilities	56,981	63,056
3.0 OFF-BALANCE SHEET ITEMS			
(a)	Letters of credit, guarantees, acceptances	2,122,717	1,471,680
(b)	Forwards, swaps and options		
(c)	Other contingent liabilities	1,173,942	1,198,289
(d)	Total Contingent Liabilities	3,296,659	2,669,969
4.0 CAPITAL STRENGTH			
(a)	Core capital	6,947,807	8,573,552
(b)	Minimum Statutory Capital	1,000,000	1,000,000
(c)	Excess/(Deficiency)(a-b)	5,947,807	7,573,552
(d)	Supplementary Capital	196,000	397,448
(e) Total Capital (a+d)		7,143,807	8,971,000
(f)	Total risk weighted assets	16,888,917	19,614,938
(g) Core Capital/Total deposits Liabilities		26.1%	26.9%
(h)	Minimum statutory Ratio	10.5%	10.5%
(i)	Excess/(Deficiency) (g-h)	15.6%	16.4%
(j) Core Capital / total risk weighted assets		41.1%	43.7%
(k)	Minimum Statutory Ratio	10.5%	10.5%
(l)	Excess (Deficiency) (j-k)	30.6%	33.2%
(m) Total Capital/total risk weighted assets		42.3%	45.7%
(n)	Minimum statutory Ratio	14.5%	14.5%
(o)	Excess/(Deficiency) (m-n)	27.8%	31.2%
5 LIQUIDITY			
(a)	Liquidity Ratio	56.5%	61.0%
(b)	Minimum Statutory Ratio	20.0%	20.0%
(c)	Excess (Deficiency) (a-b)	36.5%	41.0%

The complete set of audited financial statements, statutory and qualitative disclosures can be accessed on the institution's website www.boikenya.com. They may also be accessed at the institutions Head Office located at: BANK OF INDIA BUILDING, KENYATTA AVENUE, NAIROBI.

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