

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DEC 2015

I STATEMENT OF FINANCIAL POSITION		31 st Dec 2014 Shs. '000' Audited	31 st Dec 2015 Shs. '000' Audited
A	ASSETS		
1	Cash (both Local & Foreign)	112,354	107,155
2	Balances due from Central Bank of Kenya	1,342,371	1,418,390
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:	19,520,483	20,838,671
a.	Kenya Government securities	19,520,483	20,838,671
b.	Other securities		
b)	Available for sale:	399,352	399,352
a.	Kenya Government securities	399,352	399,352
b.	Other securities		
6	Deposits and balances due from local banking institutions		920,803
7	Deposits and balances due from banking institutions abroad	386,363	363,836
8	Tax recoverable	19,426	-
9	Loans and advances to customers (net)	12,375,611	17,857,613
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	128,728	177,165
16	Prepaid lease rentals		
17	Intangible assets	1,407	-
18	Deferred tax asset	38,126	38,931
19	Retirement benefit asset		
20	Other assets	46,201	41,031
21	TOTAL ASSETS	34,370,422	42,162,947
B	LIABILITIES		
22	Balances due to Central Bank of Kenya		
23	Customer deposits	24,668,023	24,613,215
24	Deposits and balances due to local banking institutions	200,000	550,000
25	Deposits and balances due to foreign banking institutions	3,246,125	9,584,101
26	Other money market deposits		
27	Borrowed funds		
28	Balances due to banking institutions in the group		
29	Tax payable		42,979
30	Dividends payable		
31	Deferred tax liability		
32	Retirement benefit liability	97,232	104,219
33	Other liabilities	84,241	85,695
34	TOTAL LIABILITIES	28,295,621	34,980,209
C	SHAREHOLDERS' FUNDS		
35	Paid up /Assigned capital	450,000	450,000
36	Share premium/(discount)		
37	Revaluation reserves		
38	Retained earnings/Accumulated losses	5,489,801	6,536,738
39	Statutory loan loss reserves	135,000	196,000
40	Other Reserves		
41	Proposed dividends		
42	Capital grants		
43	TOTAL SHAREHOLDERS' FUNDS	6,074,801	7,182,738
44	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	34,370,422	42,162,947
II STATEMENT OF COMPREHENSIVE INCOME			
1.0	INTEREST INCOME		
1.1	Loans and advances	1,337,641	1,576,186
1.2	Government securities	1,873,721	2,122,025
1.3	Deposits and placements with banking institutions	29,026	44,256
1.4	Other Interest Income	1,200	265
1.5	Total interest income	3,241,588	3,742,732
2.0	INTEREST EXPENSE		
2.1	Customer deposits	1,716,663	1,893,784
2.2	Deposits and placement from banking institutions	37,281	40,168
2.3	Other interest expenses		
2.4	Total interest expenses	1,753,944	1,933,952
3.0	NET INTEREST INCOME/(LOSS)	1,487,644	1,808,780
4.0	NON-INTEREST INCOME		
4.1	Fees and commissions on loans and advances	80,308	112,241
4.2	Other fees and commissions	62,930	53,208
4.3	Foreign exchange trading income/(Loss)	27,595	17,586
4.4	Dividend Income		
4.5	Other income	44,490	43,661
4.6	Total Non-interest income	215,323	226,696
5.0	TOTAL OPERATING INCOME	1,702,967	2,035,476
6.0	OTHER OPERATING EXPENSES		
6.1	Loan loss provision	(15,701)	52,072
6.2	Staff costs	190,372	236,831
6.3	Directors' emoluments		
6.4	Rental charges	23,465	38,136
6.5	Depreciation charge on property and equipment	14,618	18,479
6.6	Amortisation charges		
6.7	Other operating expenses	205,953	220,421
6.8	Total Other Operating Expenses	418,707	565,939
7.0	Profit/(loss) before tax and exceptional items	1,284,260	1,469,537
8.0	Exceptional items		
9.0	Profit/(loss) after exceptional items	1,284,260	1,469,537
10.0	Current tax	269,155	362,405
11.0	Deferred tax	(6,188)	(805)
12.0	Profit/(loss) after tax and exceptional items	1,021,293	1,107,937
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	13,000	-
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	13,000	-
15.0	Total comprehensive income for the year	1,034,293	1,107,937
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	71,069	363,819
(b)	Less: Interest in Suspense	1,861	2,244
(c)	Total Non-Performing Loans and Advances (a-b)	69,208	361,575
(d)	Less: Loan Loss Provision	60,809	112,881
(e)	Net Non-Performing Loans and Advances(c-d)	8,399	248,694
(f)	Discounted Value of Securities	8,399	248,694
(g)	Net NPLs Exposure (e-f)	-	-
2.0	INSIDER LOANS AND ADVANCES		
(a)	Directors, Shareholders and Associates		
(b)	Employees	49,855	56,981
(c)	Total Insider Loans and Advances and other facilities	49,855	56,981
3.0	OFF-BALANCE SHEET ITEMS		
(a)	Letters of credit,guarantees, acceptances	1,740,612	2,122,717
(b)	Forwards, swaps and options		
(c)	Other contingent liabilities	879,606	1,173,942
(d)	Total Contingent Liabilities	2,620,218	3,296,659
4.0	CAPITAL STRENGTH		
(a)	Core capital	5,901,675	6,947,807
(b)	Minimum Statutory Capital	1,000,000	1,000,000
(c)	Excess/(Deficiency)(a-b)	4,901,675	5,947,807
(d)	Supplementary Capital	135,000	196,000
(e)	Total Capital (a+d)	6,036,675	7,143,807
(f)	Total risk weighted assets	15,316,073	16,888,917
(g)	Core Capital/Total deposits Liabilities	23.9%	26.1%
(h)	Minimum statutory Ratio	10.5%	10.5%
(i)	Excess/(Deficiency) (g-h)	13.4%	15.6%
(j)	Core Capital / total risk weighted assets	38.5%	41.1%
(k)	Minimum Statutory Ratio	10.5%	10.5%
(l)	Excess (Deficiency) (j-k)	28.0%	30.6%
(m)	Total Capital/total risk weighted assets	39.4%	42.3%
(n)	Minimum statutory Ratio	14.5%	14.5%
(o)	Excess/(Deficiency) (m-n)	24.9%	27.8%
5	LIQUIDITY		
(a)	Liquidity Ratio	74.2%	56.5%
(b)	Minimum Statutory Ratio	20.0%	20.0%
(c)	Excess (Deficiency) (a-b)	54.2%	36.5%

These financial statements are extracts from the books of the institution as audited by Grant Thornton and received unqualified opinion. The complete set of audited financial statements, statutory and qualitative disclosures can be accessed on the institutions website www.boikenya.com

They may be accessed at the institutions Head Office located at: BANK OF INDIA BUILDING, KENYATTA AVENUE NAIROBI

Signed: **M. K. SRIVASTAVA**
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