

**AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2020**

I STATEMENT OF FINANCIAL POSITION		BANK	
		31st December 2019	31st December 2020
		Shs. '000'	Shs. '000'
		Audited	Audited
<b>A ASSETS</b>			
1	Cash (both Local & Foreign)	95,903	63,533
2	Balances due from Central Bank of Kenya	2,573,276	2,107,475
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:	43,252,190	50,556,674
a.	Kenya Government securities	43,252,190	50,556,674
6	Deposits and balances due from local banking institutions	-	5,245,372
7	Deposits and balances due from banking institutions abroad	2,338,661	1,451,829
8	Tax recoverable	249,384	291,192
9	Loans and advances to customers (net)	12,870,025	14,229,162
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	800,492	744,128
16	Prepaid lease rentals		
17	Intangible assets	-	-
18	Deferred tax asset	209,933	254,775
19	Retirement benefit asset		
20	Other	153,380	185,070
21	<b>TOTAL ASSETS</b>	<b>62,543,244</b>	<b>75,129,210</b>
<b>B LIABILITIES</b>			
22	Balances due to Central Bank of Kenya		
23	Customer deposits	46,557,568	48,874,073
24	Deposits and balances due to local banking institutions		100,017
25	Deposits and balances due to foreign banking institutions	197,513	7,937,744
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	61,735	63,845
33	Other liabilities	193,959	300,339
34	<b>TOTAL LIABILITIES</b>	<b>47,010,775</b>	<b>57,276,018</b>
<b>C SHAREHOLDERS' FUNDS</b>			
35	Paid up /Assigned capital	1,000,000	1,000,000
36	Share premium/(discount)		
37	Revaluation reserves	719,334	708,418
38	Retained earnings/Accumulated losses	13,801,939	16,122,662
39	Statutory loan loss reserves		
40	Other Reserves	11,196	22,112
41	Proposed dividends		
42	Capital grants		
43	<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>15,532,469</b>	<b>17,853,192</b>
44	Minority Interest		
45	<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>62,543,244</b>	<b>75,129,210</b>
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>			
<b>1.0 INTEREST INCOME</b>			
1.1	Loans and advances	1,470,148	1,225,228
1.2	Government securities	4,318,697	4,842,454
1.3	Deposits and placements with banking institutions	105,662	95,107
1.4	Other Interest Income	-	-
1.5	<b>Total interest income</b>	<b>5,894,507</b>	<b>6,162,819</b>
<b>2.0 INTEREST EXPENSE</b>			
2.1	Customer deposits	2,511,193	2,632,472
2.2	Deposits and placement from banking institutions	144,676	32,319
2.3	Other interest expenses	1,670	5,164
2.4	<b>Total interest expenses</b>	<b>2,657,539</b>	<b>2,669,945</b>
3.0	<b>NET INTEREST INCOME/(LOSS)</b>	<b>3,236,968</b>	<b>3,492,874</b>
<b>4.0 NON-INTEREST INCOME</b>			
4.1	Fees and commissions on loans and advances	76,052	77,146
4.2	Other fees and commissions	80,305	55,235
4.3	Foreign exchange trading income/(Loss)	22,948	37,681
4.4	Dividend Income		
4.5	Other income	91,783	86,386
4.6	<b>Total Non-interest income</b>	<b>271,088</b>	<b>256,448</b>
5.0	<b>TOTAL OPERATING INCOME</b>	<b>3,508,056</b>	<b>3,749,322</b>
<b>6.0 OTHER OPERATING EXPENSES</b>			
6.1	Loan loss provision	147,647	408,761
6.2	Staff costs	258,732	247,026
6.3	Directors' emoluments		
6.4	Rental charges	34,776	8,296
6.5	Depreciation charge on property and equipment	58,455	80,929
6.6	Amortisation charges	-	-
6.7	Other operating expenses	209,826	271,485
6.8	<b>Total Other Operating Expenses</b>	<b>709,436</b>	<b>1,016,497</b>
7.0	<b>Profit/(loss) before tax and exceptional items</b>	<b>2,798,620</b>	<b>2,732,825</b>
8.0	Exceptional items		
9.0	<b>Profit/(loss) after exceptional items</b>	<b>2,798,620</b>	<b>2,732,825</b>
10.0	Current tax	453,411	456,945
11.0	Deferred tax	4,118	(44,843)
12.0	<b>Profit/(loss) after tax and exceptional items</b>	<b>2,341,091</b>	<b>2,320,723</b>
13.0	Minority Interest		
14.0	<b>Profit/(loss) after tax, exceptional items and Minority Interest</b>	<b>2,341,091</b>	<b>2,320,723</b>
15.0	<b>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	-	-
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	<b>Total comprehensive income for the year</b>	<b>2,341,091</b>	<b>2,320,723</b>
18.0	<b>EARNINGS PER SHARE - BASIC &amp; DILUTED</b>		
19.0	<b>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	1,212,460	996,402
(b)	Less: Interest in Suspense	8,348	8,216
(c)	<b>Total Non-Performing Loans and Advances (a-b)</b>	<b>1,204,112</b>	<b>988,186</b>
(d)	Less: Loan Loss Provision	729,470	675,601
(e)	<b>Net Non-Performing Loans and Advances(c-d)</b>	<b>474,642</b>	<b>312,585</b>
(f)	Discounted Value of Securities	474,642	312,585
(g)	<b>Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>-</b>
<b>2.0 INSIDER LOANS AND ADVANCES</b>			
(a)	Directors, Shareholders and Associates		
(b)	Employees	73,540	94,642
(c)	<b>Total Insider Loans and Advances and other facilities</b>	<b>73,540</b>	<b>94,642</b>
<b>3.0 OFF-BALANCE SHEET ITEMS</b>			
(a)	Letters of credit, guarantees, acceptances	1,282,043	1,350,025
(b)	Forwards, swaps and options	-	-
(c)	Other contingent liabilities	708,636	190,469
(d)	<b>Total Contingent Liabilities</b>	<b>1,990,679</b>	<b>1,540,494</b>
<b>4.0 CAPITAL STRENGTH</b>			
(a)	Core capital	14,813,135	17,144,774
(b)	Minimum Statutory Capital	1,000,000	1,000,000
(c)	Excess/(Deficiency) (a-b)	13,813,135	16,144,774
(d)	Supplementary Capital	179,834	177,105
(e)	<b>Total Capital (a+d)</b>	<b>14,992,969</b>	<b>17,321,879</b>
(f)	<b>Total risk weighted assets</b>	<b>30,964,343</b>	<b>35,692,620</b>
(g)	<b>Core Capital/Total deposits Liabilities</b>	<b>31.8%</b>	<b>35.1%</b>
(h)	Minimum statutory Ratio	8.0%	8.0%
(i)	Excess/(Deficiency) (g-h)	23.8%	27.1%
(j)	<b>Core capital / total risk weighted assets</b>	<b>47.8%</b>	<b>48.0%</b>
(k)	Minimum Statutory Ratio	10.5%	10.5%
(l)	Excess (Deficiency) (j-k)	37.3%	37.5%
(m)	<b>Total Capital/total risk weighted assets</b>	<b>48.4%</b>	<b>48.5%</b>
(n)	Minimum statutory Ratio	14.5%	14.5%
(o)	Excess/(Deficiency) (m-n)	33.9%	34.0%
(p)	Adjusted Core Capital/Total Deposit Liabilities*	32.9%	36.6%
(q)	Adjusted Core Capital/Total Risk Weighted Assets*	49.5%	50.2%
(r)	Adjusted Total Capital/Total Risk Weighted Assets*	50.1%	50.7%
<b>5 LIQUIDITY</b>			
(a)	<b>Liquidity Ratio</b>	<b>103.2%</b>	<b>105.1%</b>
(b)	Minimum Statutory Ratio	20.0%	20.0%
(c)	Excess (Deficiency) (a-b)	83.2%	85.1%

**Notes**

\* The Adjusted Capital Ratio 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 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](http://www.boikenya.com)

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

Signed:  
**V. N. UPAKARI**  
ASSISTANT GENERAL MANAGER

Signed:  
**S. B. RAI**  
CHIEF EXECUTIVE  
KENYA BRANCHES