

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30 SEPTEMBER 2022

I STATEMENT OF FINANCIAL POSITION	30 September 2021 Shs '000 (Un-audited)	31 December 2021 Shs '000 (Audited)	31 March 2022 Shs '000 (Un-audited)	30 June 2022 Shs '000 (Un-audited)	30 September 2022 Shs '000 (Un-audited)
A ASSETS					
1 Cash (both local and foreign)	575,541	599,814	590,158	605,876	607,895
2 Balances with from Central Bank of Kenya	1,295,217	4,277,149	3,037,058	1,157,152	1,728,373
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	9,459,114	9,720,189	11,015,349	11,704,470	12,411,668
b. Other Securities	-	-	-	-	-
b) Available for sale	-	-	-	-	-
a. Kenya Government securities	536,425	509,486	516,717	496,410	500,083
b. Other Securities	404,355	9,674	9,674	9,674	9,674
6 Deposits and balances due from local banking institutions	1,759,237	2,054,260	1,039,438	1,315,846	2,813,892
7 Deposits and balances due from banking institutions abroad	809,762	903,495	502,889	1,277,474	1,311,365
8 Tax recoverable	436,043	435,093	410,719	383,199	372,943
9 Loans and advances to customers (net)	15,001,584	15,555,984	16,776,182	17,324,014	18,382,489
10 Balances due from banking institutions in the group	2,881,117	3,642,491	5,126,936	3,007,183	3,885,353
11 Investments in associates	-	-	-	-	-
12 Investments in subsidiary companies	-	-	-	-	-
13 Investments in joint ventures	-	-	-	-	-
14 Investment properties	-	-	-	-	-
15 Property, plant and equipment	1,739,768	1,660,088	1,595,645	1,539,478	1,469,605
16 Prepaid lease rentals	-	-	-	-	-
17 Intangible assets	181,348	198,183	182,895	168,120	159,670
18 Deferred tax asset	2,831,857	2,756,824	2,756,824	2,756,824	2,756,824
19 Retirement benefit asset	-	-	-	-	-
20 Other assets	1,297,365	1,026,912	1,131,783	927,882	853,607
21 TOTAL ASSETS	39,208,733	43,349,642	44,692,267	42,673,602	47,263,441
B LIABILITIES					
22 Balances due to Central Bank of Kenya	-	-	-	-	-
23 Customer deposits	26,831,622	26,592,519	28,024,250	29,709,990	31,346,493
24 Deposits and balances due to local banking institutions	1,283,358	1,199,293	60,008	235,819	103,430
25 Deposits and balances due to banking institutions abroad	3,938	4,251	73,282	1,453	14,812
26 Other money market deposits	-	-	-	-	-
27 Borrowed Funds	957,215	970,873	957,341	927,642	881,438
28 Balances due to banking institutions in the group	3,416,014	8,096,579	8,997,279	5,107,907	8,313,279
29 Tax payable	-	-	-	-	-
30 Dividends payable	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-
33 Other liabilities	1,292,622	864,842	909,172	956,145	844,045
34 TOTAL LIABILITIES	33,784,769	37,728,357	39,021,332	36,938,956	41,503,497
C SHAREHOLDERS' FUNDS					
35 Paid up/ Assigned capital	7,927,449	7,927,449	7,927,449	7,927,449	7,927,449
36 Share premium/ (discount)	1,980,356	1,980,356	1,980,356	1,980,356	1,980,356
37 Revaluation reserves	-	-	-	-	-
38 Retained earnings/ (Accumulated losses)	(4,719,309)	(5,082,101)	(5,025,232)	(4,956,670)	(4,920,272)
39 Statutory loan loss reserve	501,501	877,941	877,941	877,941	877,941
40 Other reserves	(266,033)	(82,360)	(89,579)	(94,430)	(105,530)
41 Proposed dividends	-	-	-	-	-
42 Capital grants	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	5,423,964	5,621,285	5,670,935	5,734,646	5,759,944
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	39,208,733	43,349,642	44,692,267	42,673,602	47,263,441
II STATEMENT OF COMPREHENSIVE INCOME					
1 INTEREST INCOME					
1.1 Loans and advances	1,173,377	1,637,957	399,993	849,290	1,278,972
1.2 Government securities	663,780	923,921	279,753	595,432	927,310
1.3 Deposits and placements with banking institutions	98,829	144,629	35,551	77,488	133,349
1.4 Other interest income	54	209	4	4	4
1.5 Total interest income	1,936,040	2,706,716	715,301	1,522,214	2,339,635
2 INTEREST EXPENSES					
2.1 Customer deposits	722,639	957,661	233,858	491,099	785,363
2.2 Deposits and placements from banking institutions	60,447	74,712	23,585	39,369	53,284
2.3 Other interest expense	231,517	311,141	99,832	201,811	265,220
2.4 Total interest expenses	1,014,603	1,343,514	357,275	732,279	1,103,867
3 NET INTEREST INCOME/(LOSS)	921,437	1,363,202	358,026	789,935	1,235,768
4 OTHER OPERATING INCOME					
4.1 Fees and commissions on loans and advances	98,830	123,090	40,088	71,928	90,751
4.2 Other fees and commissions	283,119	382,622	94,061	188,660	277,041
4.3 Foreign exchange trading income (loss)	356,524	525,294	152,616	337,066	565,341
4.4 Dividend income	-	-	-	-	11,205
4.5 Other income	171,065	588,079	9,860	25,868	36,385
4.6 Total other operating income	909,538	1,619,085	296,625	623,522	980,723
5 Total operating income	1,830,975	2,982,287	654,651	1,413,457	2,216,491
6 OPERATING EXPENSES					
6.1 Loan loss provision	276,769	654,437	68,120	205,501	417,530
6.2 Staff costs	617,621	820,270	198,801	407,398	620,395
6.3 Directors emoluments	38,511	56,985	12,382	24,708	37,652
6.4 Rental charges	38,438	49,184	11,136	22,097	33,631
6.5 Depreciation charge on property and equipment	240,195	300,816	66,483	132,598	197,420
6.6 Amortisation charges	40,510	54,579	15,793	31,400	47,151
6.7 Other operating expenses	572,393	756,402	200,690	410,562	636,325
6.8 Total operating expenses	1,824,437	2,692,673	573,405	1,234,264	1,990,104
7 Profit / (Loss) before tax and exceptional expenses	6,538	289,614	81,246	179,193	226,387
8 Exceptional items	-	-	-	-	-
9 Profit / (Loss) before tax	6,538	289,614	81,246	179,193	226,387
10 Current tax	(1,961)	-	(24,374)	(53,758)	(64,555)
11 Deferred tax	-	(71,441)	-	-	-
12 Profit / (Loss) after tax	4,577	218,173	56,872	125,435	161,832
13 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	-	(19,769)	(7,219)	(12,070)	(23,170)
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	-	3,494	2,166	3,621	6,951
14 Other comprehensive income for the year net of tax	-	(16,275)	(5,053)	(8,449)	(16,219)
15 Total comprehensive income for the year	4,577	201,898	51,819	116,986	145,613

III OTHER DISCLOSURES	30 September 2021 Shs '000 (Un-audited)	31 December 2021 Shs '000 (Audited)	31 March 2022 Shs '000 (Un-audited)	30 June 2022 Shs '000 (Un-audited)	30 September 2022 Shs '000 (Un-audited)
1 NON-PERFORMING LOANS AND ADVANCES					
a Gross non-performing loans and advances (a)	8,938,237	8,352,330	8,534,564	8,764,721	5,225,931
b Interest in suspense (b)	3,032,861	2,929,549	3,089,292	3,231,578	1,494,718
c Total non-performing loans and advances (a-b)	5,905,376	5,422,781	5,445,272	5,533,143	3,731,213
d Loan loss provisions	4,502,392	3,412,606	3,693,078	3,933,835	2,637,364
e Net non-performing loans (c-d)	1,402,984	2,010,175	1,752,194	1,599,308	1,093,849
f Discounted value of securities	(1,155,024)	(1,187,048)	(921,503)	(887,406)	(964,753)
g Net NPLs Exposure (e-f)	247,960	823,127	830,691	711,902	129,096
2 INSIDER LOANS AND ADVANCES					
a Shareholders, Directors, and their associates	3,074	6,114	9,766	9,026	6,636
b Employees	609,507	626,586	607,992	581,907	539,383
c Total insider loans and advances	612,581	632,700	617,759	590,934	546,019
3 OFF-BALANCE SHEET ITEMS					
a Letters of credit, guarantees and acceptances	7,719,085	8,289,367	9,147,371	7,538,485	8,482,831
b Forwards, swaps and options	55,144	42,174	131,171	79,016	1,073
c Other contingent liabilities	891,657	463,136	1,126,574	871,913	586,867
d Total contingent liabilities	8,665,886	8,794,677	10,405,116	8,489,414	9,070,771
4 CAPITAL STRENGTH					
a Core capital	2,430,588	2,543,216	2,574,492	2,612,203	2,632,220
b Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c Excess/ (Deficiency)	1,430,588	1,543,216	1,574,492	1,612,203	1,632,220
d Supplementary Capital	1,221,010	1,212,129	1,232,692	1,198,997	1,169,169
e Total capital	3,651,598	3,755,345	3,807,184	3,811,200	3,801,389
f Total risk weighted assets	21,975,890	21,403,155	23,161,201	22,698,153	24,377,574
g Core capital/total deposit liabilities	8.8%	9.2%	8.9%	8.6%	8.1%
h Minimum statutory ratio	8.0%	8.0%	8.0%	8.0%	8.0%
i Excess/ (Deficiency)	0.8%	1.2%	0.9%	0.6%	0.1%
j Core capital/total risk weighted assets	11.1%	11.9%	11.1%	11.5%	10.8%
k Minimum statutory ratio	10.5%	10.5%	10.5%	10.5%	10.5%
l Excess/ (Deficiency)	0.6%	1.4%	0.6%	1.0%	0.3%
m Total capital/total risk weighted assets	16.6%	17.5%	16.4%	16.8%	15.6%
n Minimum statutory ratio	14.5%	14.5%	14.5%	14.5%	14.5%
o Excess/ (Deficiency)	1.9%	3.0%	1.9%	2.3%	1.1%
Adjusted Core Capital/Total Deposit Liabilities*	9.2%	9.6%	9.3%	9.0%	8.5%
Adjusted Core Capital/Total Risk Weighted Assets*	11.9%	12.4%	11.7%	12.1%	11.3%
Adjusted Total Capital/Total Risk Weighted Assets*	17.5%	18.1%	17.0%	17.3%	16.1%
5 LIQUIDITY					
a Liquidity ratio	46.0%	46.0%	44.8%	47.3%	47.0%
b Minimum statutory ratio	20.0%	20.0%	20.0%	20.0%	20.0%
c Excess/(Deficiency)	26.0%	26.0%	24.8%	27.3%	27.0%

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.boakenya.com. They may also be accessed at the institution's head office located at BOA House, School lane, Westlands, Nairobi.

Ronald Marambii
Managing Director

Amb. Dennis Awori
Chairman

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