

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	30 September 2017 Shs '000 (Un-audited)	31 December 2017 Shs '000 (Un-audited)	31 March 2018 Shs '000 (Un-audited)	30 June 2018 Shs '000 (Un-audited)	30 September 2018 Shs '000 (Un-audited)
I STATEMENT OF FINANCIAL POSITION					
A ASSETS					
1 Cash (both local and foreign)	746,028	787,076	658,938	704,352	753,432
2 Balances with Central Bank of Kenya	2,620,211	4,365,815	2,773,255	2,373,214	3,087,523
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	6,033,193	4,842,043	5,107,311	6,953,417	6,813,397
b. Other Securities	95,299	77,823	75,383	60,506	42,128
b) Available for sale	-	-	-	-	-
a. Kenya Government securities	-	-	-	-	-
b. Other Securities	551,119	567,987	549,204	492,991	456,381
6 Deposits and balances due from local banking institutions	2,416,531	1,101,782	1,509,973	360,065	102,542
7 Deposits and balances due from banking institutions abroad	1,077,439	5,495,454	2,155,432	2,466,746	124,930
8 Tax recoverable	444,472	98,594	111,296	233,815	341,860
9 Loans and advances to customers (net)	28,380,568	27,380,460	23,890,792	23,537,525	23,016,402
10 Balances due from banking institutions in the group	5,362,922	2,959,913	3,187,484	1,914,971	1,806,113
11 Investments in associates	1,252,864	1,318,576	1,308,516	1,168,179	1,217,015
12 Investments in subsidiary companies	-	-	-	-	-
13 Investments in joint ventures	-	-	-	-	-
14 Investment properties	-	-	-	-	-
15 Property, plant and equipment	2,415,064	2,353,256	2,322,305	2,313,414	2,269,937
16 Prepaid lease rentals	-	-	-	-	-
17 Intangible assets	52,519	50,746	45,275	41,449	37,718
18 Deferred tax asset	1,250,435	1,682,208	1,682,208	1,682,208	1,682,208
19 Retirement benefit asset	-	-	-	-	-
20 Other assets	1,280,918	1,101,558	1,283,949	1,292,618	1,360,146
21 TOTAL ASSETS	53,979,562	54,191,291	46,661,321	45,594,970	43,111,732
B LIABILITIES					
22 Balances due to Central Bank of Kenya	-	-	-	-	-
23 Customer deposits	29,349,850	31,572,432	29,075,837	30,753,562	27,274,675
24 Deposits and balances due to local banking institutions	100,139	1,761,275	37	1,694,850	510,808
25 Deposits and balances due to banking institutions abroad	-	814	4,149	5,709	1,203,022
26 Other money market deposits	-	-	-	-	-
27 Borrowed Funds	5,466,258	5,662,402	5,482,296	4,588,730	4,598,422
28 Balances due to banking institutions in the group	9,941,823	6,136,430	5,215,185	1,672,383	2,675,541
29 Tax payable	-	-	-	-	-
30 Dividends payable	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-
33 Other liabilities	724,004	590,233	676,235	780,414	733,859
34 TOTAL LIABILITIES	45,582,074	45,723,586	40,453,739	39,495,648	36,996,327
C SHAREHOLDERS' FUNDS					
35 Paid up/ Assigned capital	6,404,949	6,404,949	6,404,949	6,404,949	6,404,949
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)	(1,533,192)	(1,869,341)	(1,902,266)	(1,863,618)	(1,856,292)
39 Statutory loan loss reserve	1,533,889	1,532,182	-	-	-
40 Other reserves	(210,514)	(200,441)	(275,457)	(422,365)	(413,608)
41 Proposed dividends	-	-	-	-	-
42 Capital grants	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	8,397,488	8,467,705	6,207,582	6,099,322	6,115,405
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	53,979,562	54,191,291	46,661,321	45,594,970	43,111,732
II STATEMENT OF COMPREHENSIVE INCOME					
1 INTEREST INCOME					
1.1 Loans and advances	2,826,112	3,359,127	793,058	1,563,597	2,067,905
1.2 Government securities	370,168	474,418	93,833	224,915	375,966
1.3 Deposits and placements with banking institutions	142,468	269,096	34,376	70,715	107,575
1.4 Other interest income	16,689	22,608	8,326	17,458	27,271
1.5 Total interest income	3,355,437	4,125,249	929,593	1,876,686	2,578,717
2 INTEREST EXPENSES					
2.1 Customer deposits	1,305,150	1,735,681	402,050	850,730	1,209,029
2.2 Deposits and placements from banking institutions	95,006	126,263	23,139	38,089	56,068
2.3 Other interest expense	813,593	1,008,270	106,320	212,175	392,881
2.4 Total interest expenses	2,213,749	2,870,214	531,509	1,100,994	1,657,978
3 NET INTEREST INCOME/(LOSS)	1,141,688	1,255,035	398,084	775,692	920,739
4 OTHER OPERATING INCOME					
4.1 Fees and commissions on loans and advances	171,227	240,017	24,032	74,555	119,070
4.2 Other fees and commissions	350,302	464,555	119,112	234,922	341,351
4.3 Foreign exchange trading income (loss)	462,572	510,022	80,763	198,483	343,370
4.4 Dividend income	16,577	16,577	-	-	-
4.5 Other income	659,984	954,240	165,384	254,439	417,845
4.6 Total other operating income	1,660,662	2,185,411	389,291	762,399	1,221,636
5 Total operating income	2,802,350	3,440,446	787,375	1,538,091	2,142,375
6 OPERATING EXPENSES					
6.1 Loan loss provision	956,221	768,335	234,281	349,751	402,643
6.2 Staff costs	856,004	1,207,969	281,425	560,138	808,100
6.3 Directors emoluments	28,119	61,502	17,436	29,836	40,563
6.4 Rental charges	17,479	259,352	46,943	97,529	142,642
6.5 Depreciation charge on property and equipment	168,853	222,250	45,808	92,527	138,297
6.6 Amortisation charges	18,202	24,060	5,463	10,521	15,264
6.7 Other operating expenses	659,063	861,793	152,187	359,030	546,001
6.8 Total operating expenses	2,865,986	3,405,261	783,543	1,498,332	2,093,510
7 Profit / (Loss) before tax and exceptional expenses	(63,636)	35,185	3,832	39,759	48,865
8 Exceptional items	-	-	-	-	-
9 Profit / (Loss) before tax	(63,636)	35,185	3,832	39,759	48,865
10 Current tax	71,110	(399,223)	12,702	15,424	13,643
11 Deferred tax	-	431,658	-	-	-
12 Profit / (Loss) after tax	7,474	67,181	16,534	55,183	62,508
13 Other Comprehensive Income					
13.1 Gains/(Losses) from translating the financial statements of foreign operations	393	(15,671)	(56,233)	(146,928)	(101,561)
13.2 Fair value changes in available-for-sale financial assets	(19,213)	(2,345)	(18,783)	(74,996)	(111,606)
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	-	117	-	-	-
14 Other comprehensive income for the year net of tax	(18,820)	(17,899)	(75,016)	(221,924)	(213,167)
15 Total comprehensive income for the year	(11,346)	49,719	(58,482)	(166,741)	(150,659)
III OTHER DISCLOSURES					
1 NON-PERFORMING LOANS AND ADVANCES					
a Gross non-performing loans and advances (a)	10,558,855	10,571,028	10,479,880	10,903,223	10,180,839
b Interest in suspense (b)	3,030,330	2,858,236	3,067,516	2,983,741	2,642,610
c Total non-performing loans and advances (a-b)	7,528,525	7,712,792	7,412,364	7,919,482	7,538,229
d Loan loss provisions	3,562,684	3,342,776	3,443,031	3,382,836	3,073,715
e Net non-performing loans (c-d)	3,965,841	4,370,017	3,969,333	4,536,646	4,464,514
f Discounted value of securities	(3,285,460)	(3,788,460)	(3,480,803)	(2,919,980)	(2,932,628)
g Net NPLs Exposure (e-f)	680,381	581,557	554,530	1,616,666	1,531,885
2 INSIDER LOANS AND ADVANCES					
a Shareholders, Directors, and their associates	20,004	19,762	19,378	19,063	18,765
b Employees	838,096	820,441	768,616	739,643	785,967
c Total insider loans and advances	858,100	840,203	787,994	758,706	804,734
3 OFF-BALANCE SHEET ITEMS					
a Letters of credit, guarantees and acceptances	10,978,160	9,947,575	9,180,977	7,574,757	7,938,199
b Forwards, swaps and options	3,361	41,445	62,196	104,310	104,680
c Other contingent liabilities	2,104,006	4,090,400	1,312,223	1,287,446	1,799,424
d Total contingent liabilities	13,085,527	14,079,410	10,554,396	8,966,513	9,839,304
4 CAPITAL STRENGTH					
a Core capital	5,278,196	4,945,786	3,712,844	3,734,101	3,738,130
b Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c Excess/ (Deficiency)	4,278,196	3,945,786	2,712,844	2,734,101	2,738,130
d Supplementary Capital	2,214,468	2,040,498	1,487,065	1,485,342	1,458,004
e Total capital	7,492,664	6,986,284	5,199,909	5,219,444	5,196,134
f Total risk weighted assets	43,896,856	44,274,616	34,995,026	33,944,762	33,869,229
g Core capital/total deposit liabilities	14.1%	13.8%	11.6%	11.3%	12.5%
h Minimum statutory ratio	8.0%	8.0%	8.0%	8.0%	8.0%
i Excess/ (Deficiency)	6.1%	5.8%	3.6%	3.3%	4.5%
j Core capital/total risk weighted assets	12.0%	11.2%	10.6%	11.0%	11.0%
k Minimum statutory ratio	10.5%	10.5%	10.5%	10.5%	10.5%
l Excess/ (Deficiency)	1.5%	0.7%	0.1%	0.5%	0.5%
m Total capital/total risk weighted assets	17.1%	15.8%	14.9%	15.4%	15.3%
n Minimum statutory ratio	14.5%	14.5%	14.5%	14.5%	14.5%
o Excess/ (Deficiency)	2.6%	1.3%	0.4%	0.9%	0.8%
p Adjusted Core Capital/Total Deposit Liabilities*	-	-	11.6%	12.5%	13.7%
q Adjusted Core Capital/Total Risk Weighted Assets*	-	-	10.5%	11.8%	11.9%
r Adjusted Total Capital/Total Risk Weighted Assets*	-	-	17.0%	16.1%	16.2%
5 LIQUIDITY					
a Liquidity ratio	27.2%	36.3%	34.3%	36.0%	29.7%
b Minimum statutory ratio	20.0%	20.0%	20.0%	20.0%	20.0%
c Excess/(Deficiency)	7.2%	16.3%	14.3%	16.0%	9.7%

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.

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