

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30 JUNE 2019

I STATEMENT OF FINANCIAL POSITION	30 June	31 December	31 March	30 June
	2018	2018	2019	2019
	Shs '000	Shs '000	Shs '000	Shs '000
	(Un-audited)	(Audited)	(Un-audited)	(Un-audited)
A ASSETS				
1 Cash (both local and foreign)	704,352	760,143	740,725	703,931
2 Balances with from Central Bank of Kenya	2,373,214	9,167,200	4,960,627	6,936,995
3 Kenya Government and other securities held for dealing purposes	-	-	-	514,654
4 Financial Assets at fair value through profit and loss	-	-	-	-
5 Investment securities	-	-	-	-
a) Held to Maturity	-	-	-	-
a. Kenya Government securities	6,953,417	6,469,212	8,101,208	7,101,771
b. Other Securities	60,500	43,433	-	-
b) Fair Value through Other Comprehensive Income (FVOCI) / Available for sale	-	-	-	-
a. Kenya Government securities	492,991	283,027	283,027	283,027
b. Other Securities	360,065	19,308	992	154,839
6 Deposits and balances due from local banking institutions	2,466,246	2,853,198	1,747,620	688,574
7 Deposits and balances due from banking institutions abroad	233,815	438,004	463,449	447,858
8 Tax recoverable	23,537,525	21,188,115	21,578,442	20,978,279
9 Loans and advances to customers (net)	1,914,971	1,012,283	1,405,103	1,088,509
10 Balances due from banking institutions in the group	1,168,179	1,311,749	1,370,959	1,409,911
11 Investments in associates	-	-	-	-
12 Investments in subsidiary companies	-	-	-	-
13 Investments in joint ventures	-	-	-	-
14 Investment properties	2,313,414	1,857,393	1,771,901	1,725,405
15 Property, plant and equipment	-	-	-	-
16 Prepaid lease rentals	41,449	40,129	36,574	32,032
17 Intangible assets	1,682,208	2,327,064	2,327,064	2,327,064
18 Deferred tax asset	-	-	-	-
19 Retirement benefit asset	1,292,618	1,310,601	1,569,770	1,798,411
20 Other assets	-	-	-	-
21 TOTAL ASSETS	45,594,970	49,080,859	46,357,461	46,211,260
B LIABILITIES				
22 Balances due to Central Bank of Kenya	-	-	-	-
23 Customer deposits	30,753,562	30,122,457	32,151,245	30,383,607
24 Deposits and balances due from local banking institutions	1,694,850	37	2,001,513	1,859,334
25 Deposits and balances due from banking institutions abroad	5,709	58,022	110,584	444,084
26 Other money market deposits	-	-	-	-
27 Borrowed Funds	4,588,730	4,683,357	1,411,078	1,474,519
28 Balances due to banking institutions in the group	1,672,383	6,860,714	3,274,367	4,619,785
29 Tax payable	-	-	-	-
30 Dividends payable	-	-	-	-
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	780,414	620,090	672,654	618,580
34 TOTAL LIABILITIES	39,495,648	42,344,677	39,621,441	39,399,909
C SHAREHOLDERS' FUNDS				
35 Paid up/ Assigned capital	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
37 Revaluation reserves	-	-	-	-
38 Retained earnings/ (Accumulated losses)	(1,863,618)	(1,608,282)	(1,578,321)	(1,493,902)
39 Statutory loan loss reserve	-	486,296	486,296	486,296
40 Other reserves	(422,365)	(527,137)	(527,260)	(566,348)
41 Proposed dividends	-	-	-	-
42 Capital grants	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	6,099,322	6,736,182	6,736,020	6,811,351
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	45,594,970	49,080,859	46,357,461	46,211,260
II STATEMENT OF COMPREHENSIVE INCOME				
	Period Ended	Period Ended	Period Ended	Period Ended
	30 June	31 December	31 March	30 June
	2018	2018	2019	2019
	Shs '000	Shs '000	Shs '000	Shs '000
	(Un-audited)	(Audited)	(Un-audited)	(Un-audited)
1 INTEREST INCOME				
1.1 Loans and advances	1,563,597	2,713,067	585,241	1,164,272
1.2 Government securities	224,915	508,207	137,691	288,897
1.3 Deposits and placements with banking institutions	70,716	130,068	22,468	41,521
1.4 Other interest income	17,458	38,346	3,225	3,174
1.5 Total interest income	1,876,686	3,389,688	748,625	1,497,864
2 INTEREST EXPENSES				
2.1 Customer deposits	850,730	1,528,426	317,436	611,388
2.2 Deposits and placements from banking institutions	38,089	75,363	25,207	60,528
2.3 Other interest expense	212,175	603,026	84,271	211,261
2.4 Total interest expenses	1,100,994	2,206,815	426,914	883,177
3 NET INTEREST INCOME/(LOSS)	775,692	1,182,873	321,711	614,687
4 OTHER OPERATING INCOME				
4.1 Fees and commissions on loans and advances	74,555	162,106	36,259	68,355
4.2 Other fees and commissions	234,922	457,829	110,152	209,345
4.3 Foreign exchange trading income (loss)	198,483	436,126	230,678	461,127
4.4 Dividend income	-	12,043	-	-
4.5 Other income	254,439	646,501	94,024	232,770
4.6 Total other operating income	762,399	1,714,605	471,113	971,597
5 Total operating income	1,538,091	2,897,478	792,824	1,586,284
6 OPERATING EXPENSES				
6.1 Loan loss provision	349,751	403,608	156,680	261,237
6.2 Staff costs	560,138	1,069,304	274,399	518,301
6.3 Directors emoluments	28,839	46,719	18,776	30,942
6.4 Rental charges	97,529	205,524	66,398	133,343
6.5 Depreciation charge on property and equipment	92,527	179,156	40,830	81,957
6.6 Amortisation charges	10,521	19,911	4,601	9,143
6.7 Other operating expenses	359,030	763,695	226,624	446,835
6.8 Total operating expenses	1,498,332	2,687,917	788,308	1,481,758
7 Profit / (Loss) before tax and exceptional expenses	39,759	209,561	4,516	104,526
8 Exceptional items	-	-	-	-
9 Profit / (Loss) before tax	39,759	209,561	4,516	104,526
10 Current tax	15,424	-	25,445	9,854
11 Deferred tax	-	(36,488)	-	-
12 Profit / (Loss) after tax	55,183	173,073	29,961	114,380
13 Other Comprehensive Income				
13.1 Gains/(Losses) from translating the financial statements of foreign operations	(146,928)	(77,326)	(30,123)	(39,211)
13.2 Fair value changes in available-for-sale financial assets	(74,996)	(284,960)	-	-
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	-	14,248	-	-
14 Other comprehensive income for the year net of tax	(221,924)	(348,038)	(30,123)	(39,211)
15 Total comprehensive income for the year	(166,741)	(174,965)	(162)	75,169
III OTHER DISCLOSURES				
	Period Ended	Period Ended	Period Ended	Period Ended
	30 June	31 December	31 March	30 June
	2018	2018	2019	2019
	Shs '000	Shs '000	Shs '000	Shs '000
	(Un-audited)	(Audited)	(Un-audited)	(Un-audited)
1 NON-PERFORMING LOANS AND ADVANCES				
a Total non-performing loans and advances (a)	10,903,223	9,508,974	9,648,413	9,145,675
b Interest in suspense (b)	2,983,741	2,340,240	2,430,366	2,221,483
c Gross non-performing loans and advances (a-b)	7,919,482	7,168,734	7,205,407	6,924,192
d Loan loss provisions	3,384,536	2,727,110	2,956,345	2,776,890
e Net non-performing loans (c-d)	4,534,946	4,441,624	4,248,702	4,147,302
f Discounted value of securities	(2,919,980)	(3,953,571)	(3,738,672)	(3,604,815)
g Net NPLs Exposure (e-f)	1,614,966	488,053	510,030	542,487
2 INSIDER LOANS AND ADVANCES				
a Shareholders, Directors, and their associates	19,063	23,303	22,413	17,464
b Employees	739,643	749,751	768,032	738,295
c Total insider loans and advances	758,706	773,054	790,445	755,759
3 OFF-BALANCE SHEET ITEMS				
a Letters of credit, guarantees and acceptances	7,574,757	8,083,318	6,922,133	6,445,903
b Forwards, swaps and options	104,310	83,067	220,813	323,274
c Other contingent liabilities	1,287,446	1,183,212	1,839,359	1,546,490
d Total contingent liabilities	8,966,513	9,349,597	8,982,306	8,315,667
4 CAPITAL STRENGTH				
a Core capital	3,734,101	3,423,941	3,416,943	3,463,373
b Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000
c Excess/ (Deficiency)	2,734,101	2,423,941	2,416,943	2,463,373
d Supplementary Capital	1,485,342	1,535,496	1,241,470	1,263,789
e Total capital	5,219,443	4,959,437	4,658,413	4,727,163
f Total risk weighted assets	33,944,762	30,952,640	31,091,419	30,326,244
g Core capital/total deposit liabilities	11.5%	9.3%	9.8%	9.9%
h Minimum statutory ratio	8.0%	8.0%	8.0%	8.0%
i Excess/ (Deficiency)	3.5%	1.3%	1.8%	1.9%
j Core capital/total risk weighted assets	11.0%	11.1%	11.0%	11.4%
k Minimum statutory ratio	10.5%	10.5%	10.5%	10.5%
l Excess/ (Deficiency)	0.5%	0.6%	0.5%	0.9%
m Total capital /total risk weighted assets	15.4%	16.0%	15.0%	15.6%
n Minimum statutory ratio	14.5%	14.5%	14.5%	14.5%
o Excess/ (Deficiency)	0.9%	1.5%	0.5%	1.1%
Adjusted Core Capital/Total Deposit Liabilities*	12.5%	10.3%	10.6%	11.0%
Adjusted Core Capital/Total Risk Weighted Assets*	11.8%	12.4%	11.9%	12.6%
Adjusted Total Capital/Total Risk Weighted Assets*	16.1%	17.4%	15.9%	16.8%
5 LIQUIDITY				
a Liquidity ratio	36.0%	43.7%	35.4%	33.3%
b Minimum statutory ratio	20.0%	20.0%	20.0%	20.0%
c Excess/ (Deficiency)	16.0%	23.7%	15.4%	13.3%

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.