



AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31 DECEMBER 2021

I STATEMENT OF FINANCIAL POSITION	31 December	31 December
	2020	2021
	Shs '000	Shs '000
	(Audited)	(Audited)
A ASSETS		
1 Cash (both local and foreign)	838,206	599,814
2 Balances with from Central Bank of Kenya	7,223,614	4,272,149
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	8,409,686	9,720,189
b. Other Securities	-	-
b) Available for sale	-	-
a. Kenya Government securities	502,284	509,486
b. Other Securities	570,261	9,674
6 Deposits and balances due from local banking institutions	1,757,667	2,054,260
7 Deposits and balances due from banking institutions abroad	2,406,745	903,495
8 Tax recoverable	438,004	435,093
9 Loans and advances to customers (net)	15,009,358	15,555,964
10 Balances due from banking institutions in the group	1,766,478	3,642,491
11 Investments in associates	-	-
12 Investments in subsidiary companies	-	-
13 Investments in joint ventures	-	-
14 Investment properties	-	-
15 Property, plant and equipment	1,968,044	1,660,088
16 Prepaid lease rentals	-	-
17 Intangible assets	202,580	198,183
18 Deferred tax asset	2,831,857	2,756,824
19 Retirement benefit asset	-	-
20 Other assets	992,541	1,026,912
21 TOTAL ASSETS	44,917,325	43,349,642
B LIABILITIES		
22 Balances due to Central Bank of Kenya	-	-
23 Customer deposits	27,976,537	26,592,519
24 Deposits and balances due to local banking institutions	-	1,199,293
25 Deposits and balances due to banking institutions abroad	97	4,251
26 Other money market deposits	-	-
27 Borrowed Funds	3,823,865	970,873
28 Balances due to banking institutions in the group	6,281,547	8,096,579
29 Tax payable	-	-
30 Dividends payable	-	-
31 Deferred tax liability	-	-
32 Retirement benefit liability	-	-
33 Other liabilities	1,415,892	864,842
34 TOTAL LIABILITIES	39,497,938	37,728,357
C SHAREHOLDERS' FUNDS		
35 Paid up/ Assigned capital	7,927,449	7,927,449
36 Share premium/ (discount)	1,980,356	1,980,356
37 Revaluation reserves	-	-
38 Retained earnings/ (Accumulated losses)	(4,723,886)	(5,082,101)
39 Statutory loan loss reserve	501,501	877,941
40 Other reserves	(266,033)	(82,360)
41 Proposed dividends	-	-
42 Capital grants	-	-
43 TOTAL SHAREHOLDERS' FUNDS	5,419,387	5,621,285
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	44,917,325	43,349,642
II STATEMENT OF COMPREHENSIVE INCOME		
1 INTEREST INCOME		
1.1 Loans and advances	1,641,951	1,637,957
1.2 Government securities	897,291	923,921
1.3 Deposits and placements with banking institutions	145,537	144,629
1.4 Other interest income	4,419	209
1.5 Total interest income	2,689,198	2,706,716
2 INTEREST EXPENSES		
2.1 Customer deposits	1,004,293	957,661
2.2 Deposits and placements from banking institutions	103,891	74,712
2.3 Other interest expense	589,579	311,141
2.4 Total interest expenses	1,688,763	1,343,514
3 NET INTEREST INCOME/(LOSS)	1,000,435	1,363,202
4 OTHER OPERATING INCOME		
4.1 Fees and commissions on loans and advances	131,471	123,090
4.2 Other fees and commissions	383,444	382,622
4.3 Foreign exchange trading income (loss)	474,143	525,294
4.4 Dividend income	-	-
4.5 Other income	277,756	588,079
4.6 Total other operating income	1,266,814	1,619,085
5 Total operating income	2,267,249	2,982,287
6 OPERATING EXPENSES		
6.1 Loan loss provision	688,605	654,437
6.2 Staff costs	974,865	820,270
6.3 Directors emoluments	50,288	56,985
6.4 Rental charges	70,768	49,184
6.5 Depreciation charge on property and equipment	344,896	300,816
6.6 Amortisation charges	51,639	54,579
6.7 Other operating expenses	766,007	756,402
6.8 Total operating expenses	2,947,118	2,692,673
7 Profit / (Loss) before tax and exceptional expenses	(679,869)	289,614
8 Exceptional items	-	-
9 Profit / (Loss) before tax	(679,869)	289,614
10 Current tax	286,404	(71,441)
11 Deferred tax	-	-
12 Profit / (Loss) after tax	(393,465)	218,173
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	15,458	(19,769)
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	(867)	3,494
14 Other comprehensive income for the year net of tax	14,591	(16,275)
15 Total comprehensive income for the year	(378,874)	201,898
III OTHER DISCLOSURES		
1 NON-PERFORMING LOANS AND ADVANCES		
a Gross non-performing loans and advances (a)	8,689,190	8,352,330
b Interest in suspense (b)	2,703,807	2,929,549
c Total non-performing loans and advances (a-b)	5,985,383	5,422,781
d Loan loss provisions	4,137,193	3,412,606
e Net non-performing loans (c-d)	1,848,190	2,010,175
f Discounted value of securities	(1,681,970)	(1,187,048)
g Net NPLs Exposure (e-f)	166,220	823,127
2 INSIDER LOANS AND ADVANCES		
a Shareholders, Directors, and their associates	4,217	6,114
b Employees	680,859	626,586
c Total insider loans and advances	685,076	632,700
3 OFF-BALANCE SHEET ITEMS		
a Letters of credit, guarantees and acceptances	8,526,546	8,289,367
b Forwards, swaps and options	36,047	42,174
c Other contingent liabilities	485,124	465,156
d Total contingent liabilities	9,045,717	8,794,677
4 CAPITAL STRENGTH		
a Core capital	2,245,574	2,543,216
b Minimum statutory capital	1,000,000	1,000,000
c Excess / (Deficiency)	1,245,574	1,543,216
d Supplementary Capital	1,238,247	1,212,129
e Total capital	3,483,821	3,755,345
f Total risk weighted assets	21,330,508	21,403,155
g Core capital/total deposit liabilities	6.6%	9.2%
h Minimum statutory ratio	8.0%	8.0%
i Excess / (Deficiency)	-1.4%	1.2%
j Core capital/total risk weighted assets	10.5%	11.9%
k Minimum statutory ratio	10.5%	10.5%
l Excess / (Deficiency)	0.0%	1.4%
m Total capital /total risk weighted assets	16.3%	17.5%
n Minimum statutory ratio	14.5%	14.5%
o Excess / (Deficiency)	1.8%	3.0%
Adjusted Core Capital/Total Deposit Liabilities*	10.6%	9.6%
Adjusted Core Capital/Total Risk Weighted Assets*	17.1%	12.4%
Adjusted Total Capital/Total Risk Weighted Assets*	22.9%	18.1%
5 LIQUIDITY		
a Liquidity ratio	57.5%	46.0%
b Minimum statutory ratio	20.0%	20.0%
c Excess/(Deficiency)	37.5%	26.0%

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These financial statements are extracts from the books of the institution as audited by KPMG Kenya and received an unqualified opinion. The complete set of audited 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. The financial statements were approved by the Board of Directors and were signed on its behalf by:

Amb. Dennis Awori
Chairman

Ronald Marambil
Managing Director

Susan Kasinga
Director

Anne Gitau
Company Secretary