



Bank of Baroda (Kenya) Ltd

The Board of Directors is pleased to announce the audited financial statements and other disclosures for the bank as at December 31, 2018

I STATEMENT OF FINANCIAL POSITION AS AT		Audited 31st Dec, 2017 Shs. '000'	Audited 31st Dec, 2018 Shs. '000'
A ASSETS			
1	Cash (both Local & Foreign)	398,001	484,186
2	Balances due from Central Bank of Kenya	3,975,943	5,905,928
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:	40,113,118	49,861,264
	a. Kenya Government securities	40,113,118	49,861,264
	b. Other securities	-	-
	b) Available for sale:	6,530,894	10,983,017
	a. Kenya Government securities	6,436,501	10,927,393
	b. Other securities	94,393	55,624
6	Deposits and balances due from local banking institutions	68,602	349,788
7	Deposits and balances due from banking institutions abroad	1,945,074	12,662,394
8	Tax recoverable	-	29,276
9	Loans and advances to customers (net)	42,207,280	41,570,848
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	224,598	209,439
16	Prepaid lease rentals	-	-
17	Intangible assets	4,312	3,049
18	Deferred tax asset	69,694	72,221
19	Retirement benefit asset	-	-
20	Other assets	594,584	882,991
21	TOTAL ASSETS	96,132,100	123,014,401
B LIABILITIES			
22	Balances due to Central Bank of Kenya	-	-
23	Customer deposits	73,004,885	101,958,339
24	Deposits and balances due to local banking institutions	-	-
25	Deposits and balances due to foreign banking institutions	4,688,938	48,491
26	Other money market deposits	-	-
27	Borrowed funds	-	-
28	Balances due to banking institutions in the group	-	-
29	Tax payable	145,121	-
30	Dividends payable	-	-
31	Deferred tax liability	-	-
32	Retirement benefit liability	-	-
33	Other liabilities	393,220	592,746
34	TOTAL LIABILITIES	78,232,164	102,599,576
C SHAREHOLDERS' FUNDS			
35	Paid up /Assigned capital	989,717	989,717
36	Share premium/(discount)	-	-
37	Revaluation reserves	-	-
38	Retained earnings/Accumulated losses	15,282,811	17,636,225
39	Statutory loan loss reserves	706,320	162,252
40	Other Reserves	(68,629)	142,056
41	Proposed dividends	989,717	1,484,575
42	Capital grants	-	-
43	TOTAL SHAREHOLDERS' FUNDS	17,899,936	20,414,825
44	Minority Interest	-	-
45	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	96,132,100	123,014,401
II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED			
		Audited 31st Dec, 2017	Audited 31st Dec, 2018
1.0 INTEREST INCOME			
1.1	Loans and advances	5,170,282	5,123,781
1.2	Government securities	5,233,465	6,351,589
1.3	Deposits and placements with banking institutions	28,327	41,154
1.4	Other Interest Income	13,481	186,120
1.5	Total interest income	10,445,555	11,702,644
2.0 INTEREST EXPENSE			
2.1	Customer deposits	4,587,709	5,209,729
2.2	Deposits and placement from banking institutions	81,842	55,664
2.3	Other interest expenses	459	-
2.4	Total interest expenses	4,670,010	5,265,393
3.0	NET INTEREST INCOME/(LOSS)	5,775,545	6,437,251
4.0 NON-INTEREST INCOME			
4.1	Fees and commissions on loans and advances	-	-
4.2	Other fees and commissions	166,123	192,801
4.3	Foreign exchange trading income/(Loss)	90,477	135,452
4.4	Dividend Income	803	829
4.5	Other income	522,828	115,512
4.6	Total Non-interest income	780,231	444,595
5.0	TOTAL OPERATING INCOME	6,555,775	6,881,846
6.0 OTHER OPERATING EXPENSES			
6.1	Loan loss provision	363,837	429,094
6.2	Staff costs	594,901	641,007
6.3	Directors' emoluments	16,303	14,789
6.4	Rental charges	147,390	158,548
6.5	Depreciation charge on property and equipment	34,892	38,975
6.6	Amortisation charges	2,458	3,786
6.7	Other operating expenses	342,562	436,571
6.8	Total Other Operating Expenses	1,502,343	1,722,771
7.0	Profit/(loss) Before Tax and Exceptional Items	5,053,433	5,159,075
8.0	Exceptional Items	-	-
9.0	Profit/(Loss) After Exceptional Items	5,053,433	5,159,075
10.0	Current Tax	1,146,648	1,232,023
11.0	Deferred Tax	(16,211)	(2,528)
12.0	Profit/(Loss) After Tax and Exceptional Items	3,922,996	3,929,580
13.0	Minority Interest	-	-
14.0	Profit/(loss) after tax, exceptional items and Minority Interest	3,922,996	3,929,580
15.0	Other Comprehensive Income	-	-
15.1	Gains/(Losses) from translating the financial statements of foreign operations	-	-
15.2	Fair value changes in available for sale financial assets	246,891	210,685
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	246,891	210,685
17.0	Total comprehensive income for the year	4,169,887	4,140,265
18.0	EARNINGS PER SHARE- BASIC & DILUTED	79.28	79.41
19.0	DIVIDEND PER SHARE -DECLARED	20.00	30.00

III OTHER DISCLOSURES		Audited 31st Dec, 2017 Shs. '000'	Audited 31st Dec, 2018 Shs. '000'
1.0 NON-PERFORMING LOANS AND ADVANCES			
	(a) Gross Non-performing loans and advances	2,665,782	3,903,308
	(b) Less: Interest in Suspense	190,760	235,016
	(c) Total Non-Performing Loans and Advances (a-b)	2,475,022	3,668,292
	(d) Less: Loan Loss Provision	1,545,445	1,633,371
	(e) Net Non-Performing Loans and Advances(c-d)	929,577	2,034,921
	(f) Discounted Value of Securities	929,577	2,034,921
	(g) Net NPLs Exposure (e-f)	-	-
2.0 INSIDER LOANS AND ADVANCES			
	(a) Directors, Shareholders and Associates	24,002	-
	(b) Employees	396,127	476,410
	(c) Total Insider Loans and Advances and other facilities	420,129	476,410
3.0 OFF-BALANCE SHEET ITEMS			
	(a) Letters of credit, guarantees, acceptances	5,167,269	6,325,177
	(b) Forwards, swaps and options	418,563	132,454
	(c) Other contingent liabilities	1,073,616	1,431,761
	(d) Total Contingent Liabilities	6,659,448	7,889,391
4.0 CAPITAL STRENGTH			
	(a) Core capital	16,202,834	20,038,296
	(b) Minimum Statutory Capital	1,000,000	1,000,000
	(c) Excess/(Deficiency) (a-b)	15,202,834	19,038,296
	(d) Supplementary Capital	706,320	162,252
	(e) Total Capital (a+d)	16,909,154	20,200,548
	(f) Total risk weighted assets	52,364,642	58,280,792
	(g) Core Capital/Total deposits Liabilities	22.2%	19.7%
	(h) Minimum statutory Ratio	8.0%	8.0%
	(i) Excess/(Deficiency) (g-h)	14.2%	11.7%
	(j) Core Capital / total risk weighted assets	30.9%	34.4%
	(k) Minimum Statutory Ratio	10.5%	10.5%
	(l) Excess (Deficiency) (j-k)	20.4%	23.9%
	(m) Total Capital/total risk weighted assets	32.3%	34.7%
	(n) Minimum statutory Ratio	14.5%	14.5%
	(o) Excess/(Deficiency) (m-n)	17.8%	20.2%
	(p) Adjusted Core Capital/Total Deposit Liabilities*	-	20.5%
	(q) Adjusted Core Capital/Total Risk Weighted Assets*	-	35.9%
	(r) Adjusted Total Capital/Total Risk Weighted Assets*	-	36.1%
14.0 LIQUIDITY			
14.1	(a) Liquidity Ratio	65.6%	78.1%
14.2	(b) Minimum Statutory Ratio	20.0%	20.0%
14.3	(c) Excess (Deficiency) (a-b)	45.6%	58.1%

*The adjusted capital ratios include 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.

MESSAGE FROM THE DIRECTORS

These financial statements are extracts from audited books of the institution. The financial statements were audited by M/s Grant Thornton and received an unqualified opinion. The Directors recommended payment of final dividend of Kshs. 30.00 per share.

The full set of published financial statements were approved by the shareholders at the Annual General Meeting and can be accessed at the institution's Head Office located at; **Baroda House, 29 Koinange Street, Nairobi**. The complete set of the financial statements, statutory and qualitative disclosures can also be assessed on the institutions website: www.bankofbarodakenya.com

(Yogendra Singh Saini)
Executive Director

(Saravanakumar A.)
Managing Director

