

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31 DECEMBER 2023

I STATEMENT OF FINANCIAL POSITION AS AT	31 Dec 2022 AUDITED Shs.'000'	31 Dec 2023 AUDITED Shs.'000'
A ASSETS		
1 Cash (both local and foreign)	173,127	249,942
2 Balances due from Central Bank of Kenya	881,458	1,680,145
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:		
(i) Kenya Government securities	4,422,569	4,304,250
(ii) Other securities	-	-
b) Available for sale:		
(i) Kenya Government securities	-	-
(ii) Other securities	-	-
6 Deposits and balances due from local banking institutions	603,510	4,564
7 Deposits and balances due from banking institutions abroad	491,461	1,050,218
8 Tax recoverable	-	92,466
9 Loans and advances to customers (net)	5,788,334	10,742,644
10 Balances due from banking institutions in the group	-	-
11 Investments in associates	-	-
12 Investments in subsidiary companies	-	-
13 Investment in joint ventures	-	-
14 Investment properties	-	-
15 Property and equipment	197,006	243,766
16 Prepaid Lease rentals	69,583	68,618
17 Intangible assets - (computer software)	30,450	37,465
18 Deferred tax asset	146,389	156,452
19 Retirement benefit asset	-	-
20 Other assets	158,301	217,773
21 TOTAL ASSETS	12,962,188	18,848,303
B LIABILITIES		
22 Balances due to Central Bank of Kenya	1,103,334	1,144,334
23 Customer deposits	9,326,192	12,479,931
24 Deposits and balances due to local banking institutions	-	1,217,988
25 Deposits and balances due to foreign banking institutions	-	-
26 Other money market deposits	-	-
27 Borrowed funds	408,246	1,616,864
28 Balances due to group companies	-	-
29 Tax payable	93,592	-
30 Dividends payable	-	-
31 Deferred tax liability	-	-
32 Retirement benefit liability	-	-
33 Other liabilities	237,448	250,416
34 TOTAL LIABILITIES	11,168,812	16,709,533
C SHAREHOLDERS' FUNDS		
35 Paid up/Assigned capital	506,831	506,831
36 Share premium/(discount)	-	-
37 Revaluation reserves	-	-
38 Retained earnings /Accumulated losses	1,211,018	1,516,928
39 Statutory Loan Loss Reserve	65,527	105,011
40 Other Reserves	-	-
41 Proposed dividends	10,000	10,000
42 Capital Grants	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,793,376	2,138,770
44 Minority Interest	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	12,962,188	18,848,303

II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED	31 Dec 2022 AUDITED Shs.'000'	31 Dec 2023 AUDITED Shs.'000'
1.0 INTEREST INCOME		
1.1 Loans and advances	776,799	1,118,641
1.2 Government securities	422,279	522,388
1.3 Deposits and placements with banking institutions	17,354	13,402
1.4 Other Interest Income	-	-
1.5 Total Interest income	1,216,432	1,654,431
2.0 INTEREST EXPENSE		
2.1 Customer deposits	633,500	742,016
2.2 Deposits and placements from banking institutions	36,370	178,241
2.3 Other Interest expense	2,011	63,754
2.4 Total Interest Expense	671,881	984,011
3.0 NET INTEREST INCOME/(LOSS)	544,551	670,420
4.0 OTHER OPERATING INCOME		
4.1 Fees and commissions on loans and advances	182,691	199,524
4.2 Other fees and commission	24,823	30,222
4.3 Foreign exchange trading income/(loss)	106,748	173,773
4.4 Dividend income	-	-
4.5 Other income	281,966	37,600
4.6 Total Non-Interest Income	596,228	441,119
5.0 TOTAL OPERATING INCOME	1,140,779	1,111,539
6.0 OPERATING EXPENSES		
6.1 Loan Loss Provision	34,500	48,971
6.2 Staff costs	251,342	269,174
6.3 Directors' emoluments	44,175	58,468
6.4 Rentals Charges	1,945	2,061
6.5 Depreciation charge on property and equipment	33,087	46,409
6.6 Amortization Charge	8,867	10,100
6.7 Other operating expenses	222,522	254,744
6.8 Total Operating Expenses	596,438	689,927
7.0 Profit/(Loss) before Tax and Exceptional items	544,341	421,612
8.0 Exceptional items	-	-
9.0 Profit/(Loss) after Exceptional items	544,341	421,612
10.0 Current tax	155,466	76,281
11.0 Deferred tax	(14,432)	(10,063)
12.0 Profit/(loss) after Tax and Exceptional items	403,307	355,394
13.0 Minority Interest	-	-
14.0 Profit/(loss) after tax, exceptional items and Minority Interest	403,307	355,394
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	-	-
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	-	-
17.0 Total Comprehensive Income for the year	403,307	355,394
18.0 Earnings Per Share - Basic & Diluted	15.91	14.02
19.0 Dividend Per Share - Declared	0.39	0.39

III OTHER DISCLOSURES AS AT	31 Dec 2022 AUDITED Shs.'000'	31 Dec 2023 AUDITED Shs.'000'
1.0 Non-Performing Loans and Advances		
a) Gross non-performing loans and advances	420,688	2,257,400
b) Less: interest in suspense	61,910	187,565
c) Total Non-Performing Loans and Advances (a-b)	358,778	2,069,835
d) Less: loan loss provision	281,273	321,765
e) Net Non-Performing Loans and Advances (c-d)	77,505	1,748,070
f) Discounted value of Securities	77,505	1,748,070
g) Net NPLs Exposure (e-f)	-	-
2.0 Insider Loans and Advances		
a) Directors, shareholders and associates	488,596	633,681
b) Employees	158,089	142,225
c) Total Insider Loans and Advances and Other Facilities	646,685	775,906
3.0 Off-Balance Sheet Items		
a) Letters of credit, guarantees, acceptances	2,031,315	2,794,296
b) Forward, swaps and options	-	-
c) Other contingent liabilities	2,649	297,260
d) Total Contingent Liabilities	2,033,964	3,091,556
4.0 Capital Strength		
a) Core capital	1,693,030	1,998,939
b) Minimum Statutory Capital	1,000,000	1,000,000
c) Excess/(Deficiency)	693,030	998,939
d) Supplementary capital	65,527	105,011
e) Total capital (a+d)	1,758,557	2,103,950
f) Total risk weighted assets	6,277,369	10,289,417
g) Core capital/total deposit liabilities	18.2%	16.0%
h) Minimum Statutory Ratio	8.0%	8.0%
i) Excess/(Deficiency)	10.2%	8.0%
j) Core capital/total risk weighted assets	27.0%	19.4%
k) Minimum Statutory Ratio	10.5%	10.5%
l) Excess/(Deficiency)	16.5%	8.9%
m) Total capital/total risk weighted assets	28.0%	20.4%
n) Minimum Statutory Ratio	14.5%	14.5%
o) Excess/(Deficiency)	13.5%	5.9%
5.0 Liquidity		
a) Liquidity Ratio	49.9%	38.5%
b) minimum statutory ratio	20.0%	20.0%
c) Excess/(Deficiency)	29.9%	18.5%



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Experience exceptional banking services
at our **upgraded location in Eldoret**

📍 Aziz akabar building, Kenyatta street

Monday – Friday : 9 AM – 4PM

Saturday : 9 AM – 11:30AM

Sundays & public holidays: closed

2023 Financial performance

Shs 18BN+ Balance sheet size

Shs 12BN+ Customer deposits

Shs 10BN+ Gross loans

30,000 E-banking customers

41.6x Growth in customer base

Shs 345M Growth in capital

Notes

The above statement of comprehensive income and statement of financial position are extracts from the Banks financial statements which have been audited by PricewaterhouseCoopers and have received an unqualified opinion.

The complete set of financial statements, statutory and qualitative disclosures can be accessed on our website: www.mebkenya.com

They may also be accessed at the Bank's Head Office located at Mebank Tower, Jakaya Kikwete Road, Nairobi.

A A K Esmail
Chairman

Isaac Mwise
Managing Director