

AUDITED FINANCIAL STATEMENTS AND DISCLOSURES AS AT 31<sup>ST</sup> DECEMBER 2024

## I STATEMENT OF FINANCIAL POSITION

	BANK	BANK	GROUP	GROUP
	31 DEC 2023 Shs '000 Audited	31 DEC 2024 Shs '000 Audited	31 DEC 2023 Shs '000 Audited	31 DEC 2024 Shs '000 Audited
<b>A ASSETS</b>				
1 Cash (both local and foreign)	131,606	179,017	131,606	179,017
2 Balances due from Central Bank of Kenya	584,797	731,430	584,797	731,430
3 Kenya Government and other securities held for dealing purposes	-	-	-	-
4 Financial Assets at fair value through profit and loss	184,960	531,178	184,960	531,178
5 Investment Securities				
a) Held to Maturity:	<b>3,574,626</b>	<b>4,215,557</b>	<b>3,595,624</b>	<b>4,236,539</b>
a. Kenya Government Securities	3,574,626	4,215,557	3,595,624	4,236,539
b. Other securities	-	-	-	-
b) Available for sale:	<b>456,781</b>	<b>456,781</b>	<b>456,781</b>	<b>456,781</b>
a. Kenya Government Securities	-	-	-	-
b. Other securities	456,781	456,781	456,781	456,781
6 Deposits and balances due from local banking institutions	2,380,025	3,095,532	2,380,025	3,095,532
7 Deposits and balances due from banking institutions abroad	265,240	165,626	265,240	165,626
8 Tax recoverable	45,589	61,268	47,326	63,340
9 Loans and advances to customers (net)	10,435,215	10,944,078	10,435,215	10,944,078
10 Balances due from banking institutions in the group	-	-	-	-
11 Investments in associates	268,490	268,490	268,490	268,490
12 Investments in subsidiary companies	32,048	32,048	-	0
13 Investment in joint ventures	-	-	-	-
14 Investment properties	-	-	-	-
15 Property, plant and equipment	89,515	142,884	89,515	142,884
16 Prepaid lease rentals	109,347	109,193	109,347	109,193
17 Intangible assets	48,802	17,910	48,802	17,910
18 Deferred tax asset	129,094	124,679	129,335	124,980
19 Retirement benefit asset	-	-	-	-
20 Other assets	104,180	157,424	104,180	157,424
<b>21 TOTAL ASSETS</b>	<b>18,840,315</b>	<b>21,233,095</b>	<b>18,831,243</b>	<b>21,224,402</b>
<b>B LIABILITIES</b>				
22 Balances due to Central Bank of Kenya	3,331,055	2,975,551	3,331,055	2,975,551
23 Customer deposits	8,282,172	12,088,415	8,248,780	12,053,520
24 Deposits and balances due to local banking institutions	2,660,639	1,541,544	2,660,639	1,541,544
25 Deposits and balances due to foreign banking institutions	-	-	-	-
26 Other money market deposits	-	-	-	-
27 Borrowed funds	384,163	330,457	384,163	330,457
28 Balances due to banking institutions in the group	-	-	-	-
29 Tax payable	-	-	-	-
30 Dividends payable	-	-	-	-
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	398,596	431,767	400,185	433,868
<b>34 TOTAL LIABILITIES</b>	<b>15,056,625</b>	<b>17,367,735</b>	<b>15,024,822</b>	<b>17,334,941</b>
<b>C SHAREHOLDERS' EQUITY</b>				
35 Paid up/Assigned capital	1,042,500	1,042,500	1,042,500	1,042,500
36 Share Premium (discount)	-	-	-	-
37 Revaluation reserves	392,947	392,946	392,947	392,946
38 Retained earnings	1,234,555	1,098,621	1,257,286	1,122,722
39 Statutory loan loss reserve	1,113,407	1,331,013	1,113,407	1,331,013
40 Other reserves	281	280	281	280
41 Proposed Dividends	-	-	-	-
42 Capital grants	-	-	-	-
<b>43 TOTAL SHAREHOLDERS' EQUITY</b>	<b>3,783,690</b>	<b>3,865,360</b>	<b>3,806,421</b>	<b>3,889,461</b>
44 Minority Interest	-	-	-	-
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>18,840,315</b>	<b>21,233,095</b>	<b>18,831,243</b>	<b>21,224,402</b>
<b>DEVELOPMENT BANK OF KENYA LIMITED</b>				
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>				
1 <b>INTEREST INCOME</b>				
1.1 Loans and advances	968,971	1,265,072	968,971	1,265,072
1.2 Government securities	434,338	491,313	436,573	493,548
1.3 Deposits and placements with banking institutions	102,050	151,651	102,050	151,651
1.4 Other interest income	-	-	-	-
<b>1.5 Total Interest Income</b>	<b>1,505,359</b>	<b>1,908,036</b>	<b>1,507,594</b>	<b>1,910,271</b>
2 <b>INTEREST EXPENSES</b>				
2.1 Customer deposits	784,087	1,208,107	783,529	1,207,547
2.2 Deposits and placements from banking institutions	330,670	442,660	330,670	442,660
2.3 Other Interest expenses	38,771	36,909	38,771	36,909
<b>2.4 Total Interest Expenses</b>	<b>1,153,528</b>	<b>1,687,676</b>	<b>1,152,970</b>	<b>1,687,116</b>
<b>3 NET INTEREST INCOME</b>	<b>351,831</b>	<b>220,360</b>	<b>354,624</b>	<b>223,155</b>
4 <b>NON-OPERATING INCOME</b>				
4.1 Fees and commissions income on loans & advances	8,167	5,229	8,167	5,229
4.2 Other fees and commissions income	9,094	10,424	9,094	10,424
4.3 Foreign exchange trading income	2,647	12,435	2,647	12,435
4.4 Dividend Income	-	-	-	-
4.5 Other income	186	45,513	186	45,513
<b>4.6 Total Non-Interest Income</b>	<b>20,094</b>	<b>73,601</b>	<b>20,094</b>	<b>73,601</b>
<b>5 TOTAL OPERATING INCOME</b>	<b>371,925</b>	<b>293,961</b>	<b>374,718</b>	<b>296,756</b>
6 <b>OTHER OPERATING EXPENSES</b>				
6.1 Loan loss provision	(11,701)	(292,728)	(113,001)	(292,793)
6.2 Staff costs	183,927	214,420	183,927	214,420
6.3 Directors' emoluments	18,723	17,310	18,823	17,410
6.4 Rental charges	-	-	-	-
6.5 Depreciation on property and equipment	61,035	70,290	61,035	70,290
6.6 Amortisation charges	-	-	-	-
6.7 Other operating expenses	194,849	214,261	195,974	215,064
<b>6.8 Total other operating Expenses</b>	<b>346,833</b>	<b>223,553</b>	<b>346,758</b>	<b>224,392</b>
<b>7 Profit before tax and exceptional items</b>	<b>25,092</b>	<b>70,408</b>	<b>27,960</b>	<b>72,364</b>
8 Exceptional items	-	-	-	-
<b>9 Profit after exceptional items</b>	<b>25,092</b>	<b>70,408</b>	<b>27,960</b>	<b>72,364</b>
10 Current tax	8,991	15,679	8,131	15,063
11 Deferred tax	11,830	(4,416)	11,830	(4,386)
<b>12 Profit after tax and exceptional items</b>	<b>45,913</b>	<b>81,671</b>	<b>47,921</b>	<b>83,041</b>
13.0 Gains/(Losses) from translating the financial Gains/(Losses) from translating the financial Minority Interest	-	-	-	-
<b>14 Profit after tax, exceptional items and minority interest</b>	<b>45,913</b>	<b>81,671</b>	<b>47,921</b>	<b>83,041</b>
15 <b>Other Comprehensive Income</b>				
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	-	-	-	-
<b>16 Other comprehensive income for the year net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>17 Total comprehensive income for the year</b>	<b>45,913</b>	<b>81,671</b>	<b>47,921</b>	<b>83,041</b>
<b>III OTHER DISCLOSURES</b>				
<b>NON-PERFORMING LOANS AND ADVANCES</b>				
a) <b>Gross non-performing loans and advances</b>	2,992,084	2,673,588		
less:				
b) Interest in suspense	409,530	398,103		
c) <b>Total Non-Performing Loans and Advances (a-b)</b>	<b>2,582,554</b>	<b>2,275,485</b>		
less:				
d) Loan loss provisions	1,643,228	1,604,839		
e) <b>Net Non-performing loans and advances (c-d)</b>	<b>939,326</b>	<b>670,646</b>		
f) <b>Discounted value of securities</b>	<b>939,326</b>	<b>670,646</b>		
g) <b>Net NPLs exposure (e-f)</b>	<b>-</b>	<b>-</b>		
2) <b>Insider Loans and Advances</b>				
a) Directors, shareholders and associates	167,414	200,001		
b) Employees	286,216	288,083		
c) <b>Total Insider Loans, Advances and other facilities</b>	<b>433,630</b>	<b>488,084</b>		
<b>OFF-BALANCE SHEET ITEMS</b>				
a) Letters of credit, guarantees, acceptances	584,777	588,075		
b) Forwards, swaps, and options	350,845	18,991		
c) Other contingent liabilities	92	92		
d) <b>Total Contingent Liabilities</b>	<b>945,714</b>	<b>707,158</b>		
<b>CAPITAL STRENGTH</b>				
a) Core capital	2,277,336	2,141,401		
b) Minimum Statutory Capital	1,000,000	1,000,000		
c) excess	1,277,336	1,141,401		
d) Supplementary capital	250,464	282,181		
e) <b>Total capital (a+d)</b>	<b>2,527,800</b>	<b>2,423,582</b>		
f) <b>Total risk weighted assets</b>	<b>12,145,866</b>	<b>14,715,558</b>		
g) Core capital/total deposit liabilities	27.4%	17.7%		
h) Minimum Statutory Ratio	8.0%	8.0%		
i) excess (g-h)	19.4%	9.7%		
j) Core capital/total risk weighted assets	18.7%	14.6%		
k) Minimum Statutory Ratio	10.5%	10.5%		
l) excess (j-h)	8.2%	4.1%		
m) Total capital/total risk weighted assets	20.8%	16.5%		
n) Minimum Statutory Ratio	14.5%	14.5%		
o) excess (m-n)	6.3%	2.0%		
<b>LIQUIDITY</b>				
a) Liquidity Ratio	21.1%	35.0%		
b) Minimum Statutory Ratio	20.0%	20.0%		
c) excess (a-b)	1.1%	15.0%		

## Message from the Directors

These financial statements are extracts from the books of the institution as audited by BDO East Africa Kenya on behalf of The Auditor-General and received unqualified opinion. The complete set of audited financial statements, statutory and qualitative disclosures can be accessed on the institution's website:- [www.devbank.com](http://www.devbank.com). They may also be accessed at the institutions head office located at Finance house, Loita street, Nairobi..

SIGNED :

JOHNSON KINITI

CHIEF EXECUTIVE

BARBARA LUNANI

DIRECTOR

Development Bank of Kenya Ltd is regulated by the Central Bank of Kenya.