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

AUDITED FINANCIAL STATEMENTS AND OTHE								
	KCB KE 31-Dec-23	NYA BANK 31-Dec-22	NATIONAL B 31-Dec-23	ANK OF KENYA 31-Dec-22	KCB GROUP 31-Dec-23	PLC COMPANY 31-Dec-22	KCB GROUP PLO 31-Dec-23	CONSOLIDATED 31-Dec-22
I STATEMENT OF FINANCIAL POSITION	Kshs 000 Audited	Kshs 000 Audited	Kshs 000 Audited	Kshs 000 Audited	Kshs 000 Audited	Kshs 000 Audited	Kshs 000 Audited	Kshs 000 Audited
A. ASSETS 1. Cash (both Local & Foreign)	12,004,831	10,332,230	2,093,761	1,432,365	-	-	33,872,211	29,290,313
 Balances due from Central Bank of Kenya Kenya Government and other securities held for dealing purposes 	37,025,707	32,017,676	6,115,301	3,806,747	-	-	43,141,008 -	35,824,423 17,403,315
 Financial Assets at fair value through profit and loss Investment securities: Construction of the securities 	-	-			-	-		-
5. a) Held at armotized cost: a. Kenya Government securities b. Other securities	141,142,941 - 160,391,132	126,184,144	23,798,376 295,081	24,564,568 295,081	-	-	165,397,160 31,530,068	151,200,443 13,321,996
b) Fair value through OCI: a. Kenya Government securities b. Other securities	1,962,601	77,640,039 2,065,406 1,700,652	22,212,977 - 6,095,778	23,831,380 - 1,722,415	- - 926,902	711,662	183,500,472 16,774,484 6,095,778	102,147,970 11,349,927 1,722,415
6. Deposits and balances due from local banking institutions 7. Deposits and balances due from banking institutions abroad 8. Tax recoverable	222,625,002	23,430,225 2,306,005	2,457,670 275,374	856,588	- 113,188	- 90,291	423,412,352	187,926,359 336,465
9. Loans and advances to customers (net) 10. Balances due from group companies	740,241,723 8,151,025	613,892,181 10,228,308	79,483,476 29,692	71,188,674 20,504	4,685,722	-	1,095,933,214	863,268,077
11. Investments in associates 12. Investments in subsidiary companies	590,558	446,875	989,304 5,000	630,147 24,963	- 114,280,238	- 114,270,238	1,579,861	1,077,022
13. Investments in joint ventures 14. Investment properties	- 12,600,607	- 12,600,607	-	-	-	-	- 19,190,742	- 12,600,607
15. Property and equipment 16. Prepaid lease rentals	11,388,392 114,532	9,812,222 117,027	1,890,183	2,107,445	840,667	828,090	26,885,118 119,789	29,729,053 122,313
17. Intangible assets 18. Deferred tax asset	3,155,620 29,773,610	3,439,459 20,130,483	995,902 6,786,926	413,519 4,423,855	1,491 77,956	3,545 109,865	19,324,498 38,463,248	21,214,824 25,757,832
19. Retirement benefit asset 20. Other assets	44,201,546	25,009,222	7,581,563	7,415,390	88,959	61,405	65,653,989	49,736,614
21. TOTAL ASSETS B. LIABILITIES	1,425,369,827	971,352,761	161,106,364	142,769,274	121,015,123	116,075,096	2,170,873,992	1,554,029,968
22. Balances due to Central Bank of Kenya 23. Customer deposits	44,054,813 1,116,875,397	37,227,730 694,515,583	10,022,068 118,307,630	- 105,675,307	-	-	57,374,970 1,690,908,411	37,227,730 1,135,417,382
 Deposits and balances due to local banking institutions Deposits and balances due to foreign banking institutions 	2,841,913 9,571,500	14,203,190 11,388,422	1,437,359 3,721,647	12,276,816 6,213,529	-	-	6,833,383 23,601,108	24,466,261 31,093,170
26. Other money market deposits 27. Borrowed funds	- 75,277,742	- 54,574,726	- 5,509,747	- 628,790	-	-	- 88,658,067	- 63,609,957
28. Balances due to group companies 29. Tax payable	1,072,354 1,265,190	1,321,852	103,494	38,104	9,886,278	2,360,330	- 3,667,590	-
30. Dividends payable 31. Deferred tax liability	-	3,213,463	-	-	-	-	3,459,000	4,492,295
32. Retirement benefit liability 33. Other liabilities 4. TOTAL LIABILITIES	601,000 35,092,114	585,000 30,928,460	- 11,431,352	2,846,796	625,186	765,947	1,150,492 58,863,076	585,000 50,861,910
C. SHAREHOLDERS'FUNDS	1,286,652,023	847,958,426	150,533,297	127,679,342	10,511,464	3,126,277	1,934,516,097	1,347,753,705
35. Paid up /Assigned capital 36. Share premium/(discount)	53,986,100 -	53,986,100	12,683,038 3,141,319	12,683,038 3,141,319	3,213,463 27,690,149	3,213,463 27,690,149	3,213,463 27,690,149	3,213,463 27,690,149
 Revaluation reserves Retained earnings/ Accumulated losses Statiutary lang loss reserve 	77,018,593 17,609,858	- 42,463,463 26,755,145	(6,939,156) 3,647,302	(4,324,159) 4,374,215	79,600,047	75,618,281	(9,605) 191,563,019 17,628,544	2,487,666 147,205,910 26,707,228
 Statutory loan loss reserve Other Reserves/Re-measurement of defined benefit asset/liability Proposed dividends 	(9,896,747)	(4,195,571)	(1,959,436)	(784,481)	-	6,426,926	(11,765,532)	(13,530,926)
41. Capital grants 43. TOTAL SHAREHOLDERS' FUNDS	138,717,804	4,385,198 - 	10,573,067	15,089,932	110,503,659		228,320,038	6,426,926 - - 200,200,416
44. Minority Interest 45. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	1,425,369,827	971,352,761	- 161,106,364	- 142,769,274	- 121,015,123	- 116,075,096	8,037,857 2,170,873,992	6,075,847 1,554,029,968
II. STATEMENT OF COMPREHENSIVE INCOME 1. INTEREST INCOME	1/120/007/027	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	101,00,001	1-12/7-07/27-1				
11 Loans and advances 1.2 Government securities	74,671,015 32,498,604	59,625,463 23,482,989	7,590,011 5,642,888	7,499,952 5,616,106	-	-	121,633,439 42,685,815	84,174,056 32,860,929
13 Deposits and placements with banking institutions 14 Other Interest Income	2,629,985	222,611	125,673 35,501	40,017 35,501	33,709 218,051	19,383 -	3,855,694	716,455
1.5 Total interest income 2. INTEREST EXPENSE	109,799,604	83,331,063	13,394,073	13,191,576	251,760	19,383	168,174,948	117,751,440
21 Customer deposits 22 Deposits and placement from banking institutions	32,241,049 12,492,319	17,834,494 3,777,636	3,912,421 1,186,173	3,123,059 853,860	-	-	41,824,359 18,544,986	25,213,637 5,415,481
2.3 Other interest expenses 2.4 Total interest expenses	291,444 45,024,812	337,545 21,949,675	391,432 5,490,026	171,048 4,147,967	218,051 218,051	-	471,620 60,840,965	469,013 31,098,131
3. NET INTEREST INCOME/(LOSS) 4. OTHER OPERATING INCOME	64,774,792	61,381,388	7,904,047	9,043,609	33,709	19,383	107,333,983	86,653,309
41 Fees and commissions on loans and advances 4.2 Other fees and commissions	10,072,187 11,644,226	9,687,992 7,489,825	302,143 1,366,559	182,740 781,435	-	-	11,400,891 27,027,250	10,639,803 12,347,508
4.3 Foreign exchange trading income 4.4 Dividend Income	7,276,984	8,916,989	952,087 51,144	964,611 -	31,446 1,091,168	13,504 32,824,414	10,844,304	11,078,891
4.5 Other income 4.6 Total other operating income	4,332,503 33,325,900	5,274,148 31,368,954	596,877 3,268,810	390,978 2,319,764	1,328,965 2,451,579	1,412,053 34,249,971	8,632,280 57,904,725	9,185,313 43,251,515
5. TOTAL OPERATING INCOME 6. OTHER OPERATING EXPENSES	98,100,692	92,750,342	11,172,857	11,363,373	2,485,288	34,269,354	165,238,708	129,904,824
61 Loan loss provision 62 Staff costs	25,063,168 19,851,859	8,560,331 18,518,101	3,057,378 4,564,411	2,003,475 4,694,743	613,127	1,210,780	33,635,567 38,143,333	13,206,881 30,262,179
6.3 Directors' emoluments 6.4 Rental charges	488,337 236,405	433,849 185,795	25,998 190,589	35,038 123,551	348,150	78,244	670,453 414,837	536,697 464,550
6.5 Depreciation charge on property and equipment 6.6 Amortisation charges 6.7 Other according average	2,364,178 1,672,743	2,169,789 1,517,741	534,061 162,032	589,774 285,536	17,913 2,054 702 207	15,693 2,026	7,055,594 2,273,074	3,990,091 2,624,814
6.7 Other operating expenses 6.8 Total other operating expenses 7. Profit/(loss) before tax and exceptional items	15,171,823 64,848,513	12,453,787 43,839,393	6,207,380 14,741,849	2,783,626 10,515,743	702,207 1,683,451	840,816 2,147,559	34,593,750 116,786,608	21,488,259 72,573,471
A Proint/ross) before tax and exceptional items Exceptional items Proint/(loss) after exceptional items	33,252,179 - 33,252,179	48,910,949 - 48,910,949	(3,568,992) (708,394) (4,277,386)	847,630 - 847,630	801,837 - 801,837	32,121,795 - 32,121,795	48,452,100 - 48,452,100	57,331,353 - 57,331,353
10. Current tax 11. Deferred tax	(15,493,212) 7,651,047	(14,684,118)	(924,045)	(553,222) 425,371	(1,625) (31,909)	(34,419)	(21,595,476) 10,604,916	(17,034,861) 541,243
12. Profit/(loss) after tax and exceptional items 3. Minority Interest	25,410,014	34,736,113	(3,341,913)	719,779	768,303	32,204,248	37,461,540 1,285,591	40,837,735 224,219
Profit/(loss) after tax and exceptional items and Minority Interest Other Comprehensive income:	25,410,014	34,736,113	(3,341,913)	719,779	768,303	32,204,248	37,461,540	40,837,735
151. Gains/(Losses) from translating the financial statements of foreign operations 152 Fair value changes in available-for-sale financial assets	- (8,228,538)	- (4,281,932)	(1,678,508)	- (1,134,300)	-	-	5,861,396 (9,221,163)	787,000 (4,218,406)
15.3 Re-measurement of defined benefit pension fund 15.4 Share of other comprehensive income of associates	84,000	(218,000)	-	-	-	-	84,000	(218,000)
15.5 Income tax relating to components of other comprehensive income 16. Other comprehensive income for the year net of tax	2,443,361 (5,701,177)	1,349,980 (3,149,952)	503,552 (1,174,956)	340,290 (794,010)	-	-	2,741,149 (534,618)	1,330,922
17. Total comprehensive income for the year 18. EARNINGS PER SHARE- DILUTED & BASIC KSHS	19,708,837	31,586,161 0.64	(4,516,869) (0.71)	(74,231)	768,303 0.24	32,204,248 10.02	36,926,922 11.66	38,519,251
19. DIVIDEND PER SHARE - DECLARED KSHS III. OTHER DISCLOSURES	-	0.58	-	-	-		-	2.00
1. NON-PERFORMING LOANS AND ADVANCES a) Gross Non-performing loans and advances	166,261,943	129,110,413	25,186,337	18,495,986			208,298,144	161,204,092
b) Less Interest in Suspense c) Total Non-Performing Loans and Advances (a-b)	19,536,792 146,725,151	10,700,324 118,410,089	2,719,289 22,467,048	2,434,820 16,061,166			22,851,247 185,446,897	13,847,979 147,356,113
d) Less Loan Loss Provision e) Net Non-Performing Loans and Advances(c-d)	83,222,474 63,502,677	52,055,838 66,354,251	11,773,029 10,694,019	10,227,482 5,833,684			107,322,266 78,124,631	70,613,860 76,742,253
f) Discounted Value of Securities g) Net NPLs Exposure (e-f)	51,484,289 12,018,388	62,146,449 4,207,802	9,814,256 879,763	5,575,691 257,994			65,970,265 12,154,366	65,844,558 10,897,695
2. INSIDER LOANS AND ADVANCES a) Directors, Shareholders and Associates	- 20,758,516	10,588,373	78	19			24,725,772	11,567,155
b) Employees c) Total Insider Laans and Advances and other facilities	14,114,560 34,873,076	14,749,609 25,337,982	5,126,033 5,126,111	5,725,588 5,725,607			22,637,840 47,363,612	23,209,465 34,776,620
3. OFF-BALANCE SHEET ITEMS a) Letters of credit, guarantees, acceptances b) Equivalent control of the second secon	452,930,457	111,462,201	16,359,516	8,622,735			526,316,695	157,031,406
b) Forwards, swaps and options c) Other contingent liabilities	5,181,610	4,928,705	15,700	6,121,453			5,383,047	12,399,606
d) Total Contingent Liabilities 4. CAPITAL STRENGTH	458,112,067 114,331,552	116,390,906 85,964,036	16,375,216 8,183,125	14,744,188 11,034,430			209,384,441	169,431,012 143,624,523
a) Core capital b) Minimum Statutory Capital c) Excess (a-b)	114,331,552 1,000,000 113,331,552	1,000,000 84,964,036	8,183,125 1,000,000 7,183,125	1,034,430 1,000,000 10,034,430			209,384,441 1,000,000 208,384,441	143,624,523 1,000,000 142,624,523
c) EXCess (a-b) d) Supplementary Capital e) Total Capital (a+d)	39,256,396 153,587,948	84,964,036 34,786,348 120,750,384	7,183,125 5,457,095 13,640,220	10,034,430 1,129,549 12,163,978			208,384,441 48,401,957 257,786,398	142,624,523 36,249,184 179,873,707
e) Total Capital (4+a) f) Total risk weighted assets g) Core Capital/Total deposits Liabilities	971,783,711 10.1%	792,142,822 12.2%	13,640,220 109,242,549 6.7%	90,363,905 10.0%			1,477,535,129 14.2%	1/9,8/3,/0/ 992,084,739 15.6%
b) Minimum statutory Ratio 1) Excess	8.0%	8.0%	8.0%	8.0%			8.0%	8.0%
i) Core Capital / total risk weighted assets k) Minimum Statutory Ratio	11.8% 10.5%	10.9%	7.5% 10.5%	12.2% 10.5%			12.2% 10.5%	14.5% 10.5%
N Philipping Constant	1.3%	0.4%	-3.0% 12.5%	1.7%			1.7% 1.7%	4.0%
n) Minimum statutory Ratio o) Excess (m-n)	14.5%	14.5%	14.5%	14.5%			14.5%	14.5%
5. LIQUIDITY a) Liquidity Ratio	46.2%	29.9%	43.5%	40.5%			48.5%	38.5%
b) Minimum Statutory Ratio c) Excess (α-b)	20.0% 26.2%	20.0% 9.9%	20.0% 23.5%	20.0% 20.5%			20.0% 28.5%	20.0% 18.5%

MESSAGE FROM THE DIRECTORS
The above financial statements are extracts from the Group's, Bank's and Company's financial statements which have been audited by Pricewaterhouse Coopers LLP 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.kcbgroup.com. They may also be accessed from the institution's Head Office located at Kencom House, Moi Avenue, Nairobi. The financial statements were approved by the Board of Directors on 20 March 2024 and were signed on its behalf by:
FCS Dr. Joseph Kinyua, EGH - Group Chairman | Paul Russo - Group Chief Executive Officer