

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31 DECEMBER 2020

		BANK		GROUP CONSOLIDATED	
I STATEMENT OF FINANCIAL POSITION AS AT		31-Dec-19	31-Dec-20	31-Dec-19	31-Dec-20
		Audited Shs. '000	Audited Shs. '000	Audited Shs. '000	Audited Shs. '000
A ASSETS					
1 Cash (both Local & Foreign)		870,112	1,069,934	870,112	1,069,934
2 Balances due from Central Bank of Kenya		2,436,549	1,646,241	2,436,549	1,646,241
3 Kenya Government and other securities held for dealing purposes		934,543	613,537	934,543	613,537
4 Financial Assets at fair value through profit and loss		318,195	56,885	318,195	56,885
5 Investment Securities:					
a) Held to Maturity:					
a. Kenya Government securities		2,300,990	6,309,440	2,300,990	6,309,440
b. Other securities		-	-	-	-
b) Available for sale:					
a. Kenya Government securities		-	-	-	-
b. Other securities		-	-	-	-
6 Deposits and balances due from local banking institutions		239,503	292,173	239,503	292,173
7 Deposits and balances due from banking institutions abroad		1,503,723	1,611,149	1,503,723	1,611,149
8 Tax recoverable		4,566	62,127	7,401	65,664
9 Loans and advances to customers (net)		14,526,066	18,997,464	14,526,066	18,997,464
10 Balances due from banking institutions in the group		-	-	-	-
11 Investments in associates		-	-	-	-
12 Investments in subsidiary companies		1,000	1,000	-	-
13 Investments in joint ventures		-	-	-	-
14 Investment properties		-	-	-	-
15 Property and equipment		1,353,950	1,193,603	1,353,974	1,193,765
16 Prepaid lease rentals		-	-	-	-
17 Intangible assets		289,132	252,946	293,682	257,392
18 Deferred tax asset		666,147	625,648	665,310	625,446
19 Retirement benefit asset		-	-	-	-
20 Other assets		1,007,162	767,456	1,010,021	769,427
21 TOTAL ASSETS		26,451,638	33,499,603	26,460,069	33,508,517
B LIABILITIES					
22 Balances due to Central Bank of Kenya		-	-	-	-
23 Customer deposits		17,268,392	22,767,783	17,197,726	22,739,618
24 Deposits and balances due to local banking institutions		745,245	1,002,693	745,245	1,002,693
25 Deposits and balances due to foreign banking institutions		-	-	-	-
26 Other money market deposits		-	-	-	-
27 Borrowed funds		2,882,177	4,086,255	2,882,177	4,086,255
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		1,537,841	1,562,440	1,554,683	1,580,938
34 TOTAL LIABILITIES		22,433,655	29,419,171	22,379,831	29,409,504
C SHAREHOLDERS' FUNDS					
35 Paid up /Assigned capital		2,046,198	2,046,198	2,046,198	2,046,198
36 Share premium/(discount)		1,246,599	1,246,599	1,246,599	1,246,599
37 Revaluation reserves		50,206	50,034	50,206	50,034
38 Retained earnings/accumulated losses		674,980	444,216	737,235	462,797
39 Statutory loan loss reserves		-	293,385	-	293,385
40 Other reserves		-	-	-	-
41 Proposed dividends		-	-	-	-
42 Capital grants		-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS		4,017,983	4,080,432	4,080,238	4,099,013
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		26,451,638	33,499,603	26,460,069	33,508,517
II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED		31-Dec-19	31-Dec-20	31-Dec-19	31-Dec-20
		Audited Shs. '000	Audited Shs. '000	Audited Shs. '000	Audited Shs. '000
1.0 INTEREST INCOME					
1.1 Loans and advances		1,768,893	2,000,884	1,768,893	2,000,884
1.2 Government securities		305,339	439,613	305,339	439,613
1.3 Deposits and placements with banking institutions		59,138	46,659	59,138	46,659
1.4 Other Interest Income		-	-	-	-
1.5 Total interest income		2,133,370	2,487,156	2,133,370	2,487,156
2.0 INTEREST EXPENSE					
2.1 Customer deposits		838,283	1,029,950	838,283	1,029,950
2.2 Deposits and placement from banking institutions		103,205	165,009	103,205	165,009
2.3 Other interest expenses		257,974	433,568	257,974	433,568
2.4 Total interest expenses		1,199,462	1,628,527	1,199,462	1,628,527
3.0 NET INTEREST INCOME/(LOSS)		933,908	858,629	933,908	858,629
4.0 NON-INTEREST INCOME					
4.1 Fees and commissions on loans and advances		482,096	558,734	482,096	558,734
4.2 Other fees and commissions		434,483	465,899	537,495	528,747
4.3 Foreign exchange trading income/(loss)		265,243	37,390	265,243	37,390
4.4 Dividend income		-	80,000	-	-
4.5 Other income		164,977	198,370	164,986	203,416
4.6 Total Non-interest income		1,346,799	1,340,393	1,449,820	1,328,287
5.0 TOTAL OPERATING INCOME		2,330,707	2,199,022	2,383,728	2,186,916
6.0 OTHER OPERATING EXPENSES					
6.1 Loan loss provision		402,867	187,044	402,867	187,044
6.2 Staff costs		824,932	843,129	837,545	854,551
6.3 Directors' emoluments		63,435	64,372	63,435	64,372
6.4 Rental charges		212,435	209,948	213,128	210,796
6.5 Depreciation charge on property and equipment		74,876	56,141	74,891	56,211
6.6 Amortisation charges		103,514	99,936	104,114	100,540
6.7 Other operating expenses		584,159	634,671	588,103	641,268
6.8 Total other operating expenses		2,266,218	2,095,241	2,284,084	2,114,782
7.0 Profit/(loss) before tax and exceptional items		64,489	103,781	99,644	72,134
8.0 Exceptional items		-	-	-	-
9.0 Profit/(loss) after exceptional items		64,489	103,781	99,644	72,134
10.0 Current tax		(109,339)	(833)	(119,891)	(13,495)
11.0 Deferred tax		134,265	(40,499)	132,735	(39,864)
12.0 Profit/(loss) after tax and exceptional items		89,415	62,449	112,488	18,775
13.0 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		-	-	-	-
13.3 Revaluation (deficit)/surplus on property,plant and equipment		(5,000)	-	(5,000)	-
13.4 Share of other comprehensive income of associates		-	-	-	-
13.5 Income tax relating to components of other comprehensive income		250	-	250	-
14.0 Other comprehensive income for the year net of tax		(4,750)	-	(4,750)	-
15.0 Total comprehensive income for the year		84,665	62,449	107,738	18,775
III OTHER DISCLOSURES		31-Dec-19	31-Dec-20		
		Audited Shs. '000	Audited Shs. '000		
1.0 NON-PERFORMING LOANS AND ADVANCES					
(a) Gross non-performing loans and advances		3,258,027	2,337,489		
(b) Less: interest in suspense		398,659	297,155		
(c) Total non-performing loans and advances (a-b)		2,859,368	2,040,333		
(d) Less: loan loss provision		921,360	909,900		
(e) Net non-performing loans and advances (c-d)		1,938,008	1,130,433		
(f) Discounted value of securities		1,900,467	1,112,783		
(g) Net NPLs exposure (e-f)		37,541	17,650		
2.0 INSIDER LOANS AND ADVANCES					
(a) Directors, shareholders and associates		158,036	505,794		
(b) Employees		498,280	632,331		
(c) Total insider loans and advances and other facilities		656,316	1,138,125		
3.0 OFF-BALANCE SHEET ITEMS					
(a) Letters of credit,guarantees, acceptances		11,898,896	12,076,027		
(b) Forwards, swaps and options		12,662,114	7,755,392		
(c) Other contingent liabilities		246,986	437,662		
(d) Total contingent liabilities		24,807,996	20,269,081		
4.0 CAPITAL STRENGTHH					
(a) Core capital		3,698,408	3,506,291		
(b) Minimum statutory capital		1,000,000	1,000,000		
(c) Excess/(deficiency)(a-b)		2,698,408	2,506,291		
(d) Supplementary capital		1,228,752	1,616,894		
(e) Total capital (a+d)		4,927,160	5,123,185		
(f) Total risk weighted assets		27,479,534	31,046,820		
(g) Core capital/total deposits liabilities		21.4%	15.4%		
(h) Minimum statutory ratio		3.0%	2.0%		
(i) Excess/(deficiency) (g-h)		13.4%	7.4%		
(j) Core capital / total risk weighted assets		13.5%	11.3%		
(k) Minimum statutory ratio		10.5%	10.5%		
(l) Excess (deficiency) (j-k)		3.0%	0.8%		
(m) Total capital/total risk weighted assets		17.9%	16.5%		
(n) Minimum statutory ratio		14.5%	14.5%		
(o) Excess/(deficiency) (m-n)		3.4%	2.0%		
(p) Adjusted core capital/total deposits liabilities*		23.0%	16.3%		
(q) Adjusted core capital/total risk weighted assets*		14.5%	12.0%		
(r) Adjusted total capital/total risk weighted assets*		19.0%	17.2%		
5.0 LIQUIDITY					
(a) Liquidity ratio		42.0%	45.0%		
(b) Minimum statutory ratio		20.0%	20.0%		
(c) Excess (deficiency) (a-b)		22.0%	25.0%		

* 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. These financial statements are extracts from the books of the institution as audited by PricewaterhouseCoopers 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.sidianbank.co.ke. They may also be accessed at the institution's head office located at K-Rep Centre, Wood Avenue, Kilimani, Nairobi.

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