

AUDITED FINANCIAL STATEMENTS AND DISCLOSURES AS AT 31 DECEMBER 2020
I STATEMENT OF FINANCIAL POSITION

	BANK 31 DEC 2019 Shs '000 (Audited)	BANK 31 DEC 2020 Shs '000 (Audited)	GROUP 31 DEC 2019 Shs '000 (Audited)	GROUP 31 DEC 2020 Shs '000 (Audited)
A ASSETS				
1 Cash (both local and foreign)	34,130	88,319	34,130	88,319
2 Balances due from Central Bank of Kenya	327,289	594,556	327,289	594,556
3 Kenya Government and other securities held for dealing purposes	-	-	-	-
4 Financial Assets at fair value through profit and loss	101,767	103,177	101,767	103,177
5 Investment Securities	-	-	-	-
a) Held to Maturity:	4,532,494	3,931,826	4,553,553	3,952,870
a. Kenya Government Securities	4,532,494	3,931,826	4,553,553	3,952,870
b. Other securities	-	-	-	-
b) Available for sale:	825,413	669,245	825,413	669,245
a. Kenya Government Securities	-	-	-	-
b. Other securities	825,413	669,245	825,413	669,245
6 Deposits and balances due from local banking institutions	867,864	2,240,047	867,864	2,240,047
7 Deposits and balances due from banking institutions abroad	55,531	342,881	55,531	342,881
8 Tax recoverable	27,118	27,118	30,057	29,926
9 Loans and advances to customers (net)	7,911,046	8,609,289	7,911,046	8,609,289
10 Balances due from banking institutions in the group	-	-	-	-
11 Investments in associates	-	-	-	-
12 Investments in subsidiary companies	32,048	32,048	-	-
13 Investment in joint ventures	-	-	-	-
14 Investment properties	-	-	-	-
15 Property, plant and equipment	164,727	161,880	164,727	161,880
16 Prepaid lease rentals	150,856	136,354	150,856	136,354
17 Intangible assets	-	-	-	-
18 Deferred tax asset	101,690	111,198	101,841	111,379
19 Retirement benefit asset	-	-	-	-
20 Other assets	226,096	174,274	226,096	174,274
21 TOTAL ASSETS	15,358,069	17,222,212	15,350,170	17,214,197
B LIABILITIES				
22 Balances due to Central Bank of Kenya	4,429,079	3,833,194	4,429,079	3,833,194
23 Customer deposits	5,090,079	6,201,947	5,064,685	6,174,965
24 Deposits and balances due to local banking institutions	939,205	2,077,535	939,205	2,077,535
25 Deposits and balances due to foreign banking institutions	-	-	-	-
26 Other money market deposits	-	-	-	-
27 Borrowed funds	448,089	839,339	448,089	839,339
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	501,178	447,539	502,069	448,651
34 TOTAL LIABILITIES	11,407,630	13,399,554	11,383,127	13,373,684
C SHAREHOLDERS' EQUITY				
35 Paid up/Assigned capital	1,042,500	1,042,500	1,042,500	1,042,500
36 Share Premium (discount)	-	-	-	-
37 Revaluation reserves	743,145	594,785	743,145	594,785
38 Retained earnings	1,606,267	1,352,202	1,622,871	1,370,404
39 Statutory loan loss reserve	558,246	832,890	558,246	832,543
40 Other reserves	281	281	281	281
41 Proposed Dividends	-	-	-	-
42 Capital grants	-	-	-	-
43 TOTAL SHAREHOLDERS' EQUITY	3,950,439	3,822,658	3,967,043	3,840,513
44 Minority Interest	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	15,358,069	17,222,212	15,350,170	17,214,197

II STATEMENT OF COMPREHENSIVE INCOME

1 INTEREST INCOME				
1.1 Loans and advances	775,571	657,666	775,571	657,666
1.2 Government securities	524,232	469,934	526,467	472,169
1.3 Deposits and placements with banking institutions	34,046	84,090	34,046	84,090
1.4 Other interest income	-	-	-	-
1.5 Total interest income	1,333,849	1,211,690	1,336,084	1,213,925
2 INTEREST EXPENSES				
2.1 Customer deposits	475,810	498,193	475,247	497,633
2.2 Deposits and placements on banking institutions	416,484	319,194	416,484	319,194
2.3 Other interest expenses	37,069	31,994	37,069	31,994
2.4 Total interest expenses	929,363	849,381	928,800	848,821
3 NET INTEREST INCOME	404,486	362,309	407,284	365,104
4 NON-OPERATING INCOME				
4.1 Fees and commissions income on loans & advances	3,995	7,984	3,995	7,984
4.2 Other fees and commissions income	11,886	14,247	11,886	14,247
4.3 Foreign exchange trading income	28,814	81,150	28,814	81,150
4.4 Dividend income	-	-	-	-
4.5 Other income	1,098,759	610	1,099,009	610
4.6 Total non-interest income	1,143,454	103,991	1,143,704	103,991
5 TOTAL OPERATING INCOME	1,547,940	466,300	1,550,988	469,095
6 OTHER OPERATING EXPENSES				
6.1 Loan loss provision	8,138	30,779	8,128	31,246
6.2 Staff costs	218,095	207,477	218,095	207,477
6.3 Directors' emoluments	14,953	17,508	15,053	17,608
6.4 Rental charges	-	-	-	-
6.5 Depreciation on property and equipment	23,268	70,788	23,268	70,788
6.6 Amortisation charges	-	-	-	-
6.7 Other operating expenses	146,662	120,868	147,252	121,435
6.8 Total other operating expenses	411,116	447,420	411,796	448,554
7 Profit before tax and exceptional items	1,136,824	18,880	1,139,192	20,541
8 Exceptional items	-	-	-	-
9 Profit after exceptional items	1,136,824	18,880	1,139,192	20,541
10 Current tax	(43,438)	-	(44,178)	(44,000)
11 Deferred tax	(14,271)	1,699	(14,241)	1,729
12 Profit after tax and exceptional items	1,079,115	20,579	1,080,773	21,830
13 Gains/(Losses) from translating the financial Gains/(losses) from translating the financial Minority Interest	-	-	-	-
14 Profit after tax, exceptional items and minority interest	1,079,115	20,579	1,080,773	21,830
15 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	-	(156,168)	-	(156,168)
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	-	7,808	-	7,808
16 Other comprehensive income for the year net of tax	-	(148,360)	-	(148,360)
17 Total comprehensive income for the year	1,079,115	(127,781)	1,080,773	(126,530)

III OTHER DISCLOSURES

	31 DEC 2019 Shs '000 (Audited)	31 DEC 2020 Shs '000 (Audited)
1) NON-PERFORMING LOANS AND ADVANCES		
a) Gross non-performing loans and advances	3,365,446	3,419,763
less:		
b) Interest in suspense	417,877	456,448
c) Total Non-Performing Loans and Advances (a-b)	2,947,569	2,963,315
less:		
d) Loan loss provisions	1,472,050	1,798,827
e) Net Non-performing loans and advances (c-d)	1,475,519	1,164,488
f) Discounted value of securities	1,475,519	1,164,488
g) Net NPLs exposure (e-f)	-	-
2) Insider Loans and Advances		
a) Directors, shareholders and associates	707,526	764,575
b) Employees	288,228	292,957
c) Total Insider Loans, Advances and other facilities	995,754	1,057,532
3) Off-Balance Sheet Items		
a) Letters of credit, guarantees, acceptances	774,512	966,270
b) Forwards, swaps, and options	24,673	47,808
c) Other contingent liabilities	92	92
d) Total Contingent Liabilities	799,277	1,014,170
4) Capital Strength		
a) Core capital	2,649,048	2,394,983
b) Minimum Statutory Capital	1,000,000	1,000,000
c) excess	1,649,048	1,394,983
d) Supplementary capital	303,055	300,127
e) Total capital (a+d)	2,952,103	2,695,110
f) Total risk weighted assets	9,381,519	12,114,422
g) Core capital/total deposit liabilities	50.9%	38.3%
h) Minimum Statutory Ratio	8.0%	8.0%
i) excess (g-h)	42.9%	30.3%
j) Core capital/total risk weighted assets	28.2%	19.8%
k) Minimum Statutory Ratio	10.5%	10.5%
l) excess (j-k)	17.7%	9.3%
m) Total capital/total risk weighted assets	31.5%	22.2%
n) Minimum Statutory Ratio	14.5%	14.5%
o) excess (m-n)	17.0%	7.7%
p) Adjusted Core Capital/Total Deposits Liabilities	52.7%	38.9%
q) Adjusted Core Capital/Total Risk Weighted Assets	29.2%	20.1%
r) Adjusted Total Capital/Total Risk Weighted Assets	32.5%	22.6%
5) Liquidity		
a) Liquidity Ratio	9.4%	22.4%
b) Minimum Statutory Ratio	20.0%	20.0%
c) excess (a-b)	-10.6%	2.4%

Message from the Directors

These financial statements are extracts from the books of the institution as audited by KPMG 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. They may also be accessed at the institutions head office located at Finance House Loita street, Nairobi.

SIGNED:
VICTOR KIDIWA
 CHIEF EXECUTIVE

SAMMY CHEPKWONY
 DIRECTOR