



**AUDITED FINANCIAL STATEMENTS AND DISCLOSURES AS AT 31 DECEMBER 2022**

**I STATEMENT OF FINANCIAL POSITION**

	BANK 31 DEC 2021 Shs '000 (audited)	BANK 31 DEC 2022 Shs '000 (audited)	GROUP 31 DEC 2021 Shs '000 (audited)	GROUP 31 DEC 2022 Shs '000 (audited)
<b>A ASSETS</b>				
1 Cash (both local and foreign)	86,676	90,907	86,676	90,907
2 Balances due from Central Bank of Kenya	395,560	514,229	395,560	514,229
3 Kenya Government and other securities held for dealing purposes	-	-	-	-
4 Financial Assets at fair value through profit and loss	104,129	190,665	104,129	190,665
5 Investment Securities	-	-	-	-
a) Held to Maturity:	3,769,984	3,675,754	3,791,012	3,696,767
a. Kenya Government Securities	3,769,984	3,675,754	3,791,012	3,696,767
b. Other securities	-	-	-	-
b) Available for sale:	614,512	456,781	614,512	456,781
a. Kenya Government Securities	-	-	-	-
b. Other securities	614,512	456,781	614,512	456,781
6 Deposits and balances due from local banking institutions	2,170,069	1,846,850	2,170,069	1,846,850
7 Deposits and balances due from banking institutions abroad	385,802	174,734	385,802	174,734
8 Tax recoverable	-	36,598	-	38,887
9 Loans and advances to customers (net)	8,831,650	9,209,997	8,831,650	9,209,997
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	-	-
13 Investment in joint ventures	-	-	-	-
14 Investment properties	-	-	-	-
15 Property, plant and equipment	179,734	124,766	179,734	124,766
16 Prepaid lease rentals	121,851	107,348	121,851	107,348
17 Intangible assets	-	-	-	-
18 Deferred tax asset	134,449	117,264	134,660	117,050
19 Retirement benefit asset	-	-	-	-
20 Other assets	194,253	45,558	194,253	45,558
<b>21 TOTAL ASSETS</b>	<b>17,289,207</b>	<b>16,891,988</b>	<b>17,278,398</b>	<b>16,883,484</b>
<b>B LIABILITIES</b>				
22 Balances due to Central Bank of Kenya	3,331,681	3,048,644	3,331,681	3,048,644
23 Customer deposits	7,265,076	7,262,859	7,236,311	7,232,288
24 Deposits and balances due to local banking institutions	1,672,232	2,023,932	1,672,232	2,023,932
25 Deposits and balances due to foreign banking institutions	-	-	-	-
26 Other money market deposits	-	-	-	-
27 Borrowed funds	716,962	435,355	716,962	435,355
28 Balances due to banking institutions in the group	-	-	-	-
29 Tax payable	5,664	-	3,098	-
30 Dividends payable	-	-	-	-
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	474,310	383,423	475,763	384,766
<b>34 TOTAL LIABILITIES</b>	<b>13,465,925</b>	<b>13,154,213</b>	<b>13,436,047</b>	<b>13,124,985</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	542,789	392,947	542,789	392,947
38 Retained earnings	1,240,104	1,181,452	1,259,173	1,202,175
39 Statutory loan loss reserve	997,608	1,120,596	997,608	1,120,596
40 Other reserves	281	281	281	281
41 Proposed Dividends	-	-	-	-
42 Capital grants	-	-	-	-
<b>43 TOTAL SHAREHOLDERS' EQUITY</b>	<b>3,823,282</b>	<b>3,737,775</b>	<b>3,842,351</b>	<b>3,758,499</b>
44 Minority Interest	-	-	-	-
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>17,289,207</b>	<b>16,891,988</b>	<b>17,278,398</b>	<b>16,883,484</b>

**II STATEMENT OF COMPREHENSIVE INCOME**

	BANK 31 DEC 2021 Shs '000 (audited)	BANK 31 DEC 2022 Shs '000 (audited)	GROUP 31 DEC 2021 Shs '000 (audited)	GROUP 31 DEC 2022 Shs '000 (audited)
<b>1 INTEREST INCOME</b>				
1.1 Loans and advances	717,629	699,814	717,629	699,814
1.2 Government securities	445,572	413,737	447,807	415,972
1.3 Deposits and placements with banking institutions	87,958	92,326	87,958	92,326
1.4 Other interest income	-	-	-	-
<b>1.5 Total Interest Income</b>	<b>1,251,159</b>	<b>1,205,877</b>	<b>1,253,394</b>	<b>1,208,112</b>
<b>2 INTEREST EXPENSES</b>				
2.1 Customer deposits	601,783	673,167	601,222	672,607
2.2 Deposits and placements from banking institutions	248,386	240,446	248,386	248,446
2.3 Other Interest expenses	49,442	21,499	49,442	21,499
2.4 Total interest Expenses	899,611	935,112	899,050	934,552
<b>3 NET INTEREST INCOME</b>	<b>351,548</b>	<b>270,765</b>	<b>354,344</b>	<b>273,560</b>
<b>4 NON-OPERATING INCOME</b>				
4.1 Fees and commissions income on loans & advances	16,506	25,606	16,506	25,606
4.2 Other fees and commissions income	14,671	9,493	14,671	9,493
4.3 Foreign exchange trading income	21,942	24,676	21,942	24,676
4.4 Dividend income	-	-	-	-
4.5 Other income	-	65,297	-	65,297
<b>4.6 Total Non-Interest Income</b>	<b>53,119</b>	<b>125,072</b>	<b>53,119</b>	<b>125,072</b>
<b>5 TOTAL OPERATING INCOME</b>	<b>404,667</b>	<b>395,837</b>	<b>407,463</b>	<b>398,632</b>
<b>6 OTHER OPERATING EXPENSES</b>				
6.1 Loan loss provision	(92,670)	(107,145)	(92,537)	(107,385)
6.2 Staff costs	196,507	167,446	196,507	167,446
6.3 Directors' emoluments	20,815	16,419	20,915	16,519
6.4 Rental charges	-	-	-	-
6.5 Depreciation on property and equipment	76,962	99,039	76,962	99,039
6.6 Amortisation charges	-	-	-	-
6.7 Other operating expenses	138,165	141,508	138,993	142,081
<b>6.8 Total other operating Expenses</b>	<b>339,779</b>	<b>317,267</b>	<b>340,840</b>	<b>317,700</b>
<b>7 Profit before tax and exceptional items</b>	<b>64,888</b>	<b>78,571</b>	<b>66,623</b>	<b>80,933</b>
8 Exceptional items	-	-	-	-
<b>9 Profit after exceptional items</b>	<b>64,888</b>	<b>78,571</b>	<b>66,623</b>	<b>80,933</b>
10 Current tax	(24,010)	10,840	(24,561)	10,101
11 Deferred tax	11,742	(25,072)	11,772	(25,042)
<b>12 Profit after tax and exceptional items</b>	<b>52,620</b>	<b>64,339</b>	<b>53,834</b>	<b>65,992</b>
13 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>52,620</b>	<b>64,339</b>	<b>53,834</b>	<b>65,992</b>
<b>15 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	(54,733)	(157,731)	(54,733)	(157,731)
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	2,737	7,897	2,737	7,897
<b>16 Other comprehensive income for the year net of tax</b>	<b>(51,996)</b>	<b>(149,834)</b>	<b>(51,996)</b>	<b>(149,834)</b>
<b>17 Total comprehensive income for the year</b>	<b>624</b>	<b>(85,506)</b>	<b>1,838</b>	<b>(83,852)</b>

**III OTHER DISCLOSURES**

	31 DEC 2021 Shs '000 (Audited)	31 DEC 2022 Shs '000 (Audited)
<b>NON-PERFORMING LOANS AND ADVANCES</b>		
a) Gross non-performing loans and advances	2,994,872	2,992,084
less:		
b) Interest in suspense	441,002	439,431
<b>c) Total Non-Performing Loans and Advances (a-b)</b>	<b>2,553,870</b>	<b>2,552,653</b>
less:		
d) Loan loss provisions	1,645,089	1,860,890
<b>e) Net Non-performing loans and advances (c-d)</b>	<b>908,782</b>	<b>691,763</b>
f) Discounted value of securities	708,782	691,763
<b>g) Net NPLs exposure (e-f)</b>	<b>-</b>	<b>-</b>
<b>2) Insider Loans and Advances</b>		
a) Directors, shareholders and associates	518,154	459,200
b) Employees	289,493	260,438
<b>c) Total Insider Loans, Advances and other facilities</b>	<b>807,647</b>	<b>719,638</b>
<b>3) Off-Balance Sheet Items</b>		
a) Letters of credit, guarantees, acceptances	1,704,925	1,047,245
b) Forwards, swaps, and options	17,440	17,558
c) Other contingent liabilities	92	92
<b>d) Total Contingent Liabilities</b>	<b>1,722,457</b>	<b>1,064,895</b>
<b>4) Capital Strength</b>		
a) Core capital	2,282,885	2,224,233
b) Minimum Statutory Capital	1,000,000	1,000,000
c) excess	1,282,885	1,224,233
d) Supplementary capital	301,096	255,568
<b>e) Total capital (a+d)</b>	<b>2,583,981</b>	<b>2,479,801</b>
<b>f) Total risk weighted assets</b>	<b>13,231,920</b>	<b>12,586,464</b>
g) Core capital/total deposit liabilities	31.3%	30.2%
h) Minimum Statutory Ratio	8.0%	8.0%
i) excess (g-h)	23.3%	22.2%
j) Core capital/total risk weighted assets	17.3%	17.7%
k) Minimum Statutory Ratio	10.5%	10.5%
l) excess (j-k)	6.8%	7.2%
m) Total capital/total risk weighted assets	19.5%	19.7%
n) Minimum Statutory Ratio	14.5%	14.5%
o) excess (m-n)	5.0%	5.2%
p) Adjusted Core Capital/Total Deposits Liabilities	31.7%	30.6%
q) Adjusted Core Capital/Total Risk Weighted Assets	17.5%	17.9%
r) Adjusted Total Capital/Total Risk Weighted Assets	19.8%	20.0%
<b>Liquidity</b>		
a) Liquidity Ratio	25.9%	21.0%
b) Minimum Statutory Ratio	20.0%	20.0%
c) excess (a-b)	5.9%	1.0%

**Message from the Directors**

These financial statements are extracts from the books of the institution as audited by GRANT THORNTON 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:**  
JOHNSON KINITI  
CHIEF EXECUTIVE OFFICER

BARBARA LUNANI  
DIRECTOR