

A) STATEMENT OF COMPREHENSIVE INCOME

	Group Audited 31-Dec-22 KShs. '000'	Group Audited 31-Dec-21 KShs. '000'	Bank Audited 31-Dec-22 KShs. '000'	Bank Audited 31-Dec-21 KShs. '000'
1.0 Income				
1.1 Interest on Loan Portfolio	173,018	146,283	173,018	146,283
1.2 Fees and Commission on Loan Portfolio	48,679	37,368	45,166	34,646
1.3 Government Securities				
1.4 Deposit and Balances with Banks and Financial Inst.	1992	737	1992	737
1.5 Other Investments				
1.6 Other Operating Income				
1.7 Non- Operating Income	383	592	383	400
1.8 Total Income	224,072	184,980	220,559	182,066
2.0 Expenses				
2.1 Interest and Fee Expense on Deposits	43,689	37,462	43,689	37,462
2.2 Other Fees and Commissions expense				
2.3 Provision for Loan Impairment	8,384	5,193	8,384	5,193
2.4 Staff Costs	35,631	29,329	34,882	28,464
2.5 Director's Emoluments	9,072	6,922	8,892	6,743
2.6 Rental Charges	684	5,267	684	5,267
2.7 Depreciation Charges	2,004	2,321	1,993	2,308
2.8 Amortization Charges	218	341	218	276
2.9 Depreciation on right-of-use assets	4,061	-	4,061	-
2.10 Other Administrative Expense	35,090	20,454	34,171	19,553
2.11 Non-Operating Expense	6,343	5,633	6,176	5,625
2.11 Total Expenses	145,176	112,922	143,150	110,891
3.0 Operating Profit	78,896	72,058	77,409	71,175
4.0 Interest and Fee Expense on Borrowings(Finance Costs)	50,740	35,337	50,740	35,337
5.0 Profit/(Loss) before tax	28,156	36,721	26,669	35,838
6.0 Current Tax	(12,016)	(11,520)	(11,588)	(11,253)
6.1 Deferred Tax	9,211	(456)	9,211	(456)
7.0 Net Profit (After Taxes and Before Donations)	25,351	24,745	24,292	24,129
8.0 Donations for Operating Expense				
9.0 Net Profit After Taxes	25,351	24,745	24,292	24,129
Other Comprehensive Income				
Surplus on revaluation of building	-	-	-	-
Deferred tax on revaluation surplus	-	-	-	-
Total Comprehensive Income	25,351	24,745	24,292	24,129

B) STATEMENT OF FINANCIAL POSITION

1.0 ASSETS				
1.1 Cash and bank balances	352,827	108,859	351,785	106,661
1.2 Short term deposits with banks	-	-	-	-
1.3 Government securities	-	-	-	-
1.4 Advances to customers	1,077,193	872,028	1,077,193	872,028
1.5 Due from related organisations	103	103	103	103
1.6 Other receivables	21,015	12,523	4,094	3,803
1.7 Deferred Tax	7,869	-	7,869	-
1.8 Other investment	-	-	-	-
1.9 Investment in associate companies	-	-	5,000	5,000
1.10 Intangible assets	1,234	1,102	1,234	1,102
Right-of-use asset	15,384	-	15,384	-
1.11 Property and equipment	16,988	17,090	16,915	17,024
1.12 Tax Refundable	-	-	-	-
1.13 Total Assets	1,492,613	1,011,705	1,479,577	1,005,721
2.0 LIABILITIES				
2.1 Cash collaterals held	337	773	773	773
2.2 Customer deposits	527,832	400,571	527,396	400,570
2.3 Borrowings	643,965	356,691	643,965	356,691
2.4 Deferred income	-	-	-	-
2.5 Deferred tax liability	-	1,342	-	1,342
2.6 Tax Payable	878	2,350	1,397	2,578
2.7 Due to related organisations	-	-	-	-
2.8 Other liabilities	22,670	26,071	12,918	22,602
2.9 Lease Liability	15,553	-	15,553	-
2.10 Total Liabilities	1,211,235	787,798	1,202,002	784,556
3.0 SHARE CAPITAL & RESERVES				
3.1 Share capital	241,219	150,808	241,219	150,808
3.2 Share premium	-	-	-	-
3.3 Retained earnings	40,159	73,099	36,356	70,357
3.4 Revaluation reserve	-	-	-	-
3.5 Statutory reserve	-	-	-	-
3.6 Total Shareholders' funds	281,378	223,907	277,575	221,165
4.0 TOTAL LIABILITIES AND EQUITY	1,492,613	1,011,705	1,479,577	1,005,721

C) OTHER DISCLOSURES

	Group Audited 31-Dec-22 KShs. '000'	Group Audited 31-Dec-21 KShs. '000'	Bank Audited 31-Dec-22 KShs. '000'	Bank Audited 31-Dec-21 KShs. '000'
1 NON-PERFORMING LOANS AND ADVANCES				
(a) Gross Non-Performing Loans and Advances	42,009	39,930	42,009	39,930
Less:				
(b) Interest in Suspense	18,482	12,401	18,482	12,401
(c) Total Non-Performing Loans and Advances (a-b)	23,527	27,529	23,527	27,529
(d) Impairment Loss Allowance	29,508	21,124	29,508	21,124
(e) Net Non-Performing Loans (c-d)	(5,981)	6,405	(5,981)	6,405
(f) Realizable Value of Securities		4,995		4,995
(g) Net NPLs Exposure (e-f)	(5,981)	1,410	(5,981)	1,410
2 INSIDER LOANS AND ADVANCES				
(a) Directors, Shareholders and Associates	3,482	9,890	3,482	9,890
(b) Employees	16,586	12,671	16,586	12,671
(c) Total Insider Loans, Advances and Other Facilities	20,068	22,561	20,068	22,561
3 OFF-BALANCE SHEET ITEMS				
(a) Guarantees and Commitments	-	-	-	-
(b) Other Contingent Liabilities	-	-	-	-
(c) Total Contingent Liabilities	-	-	-	-
4 CAPITAL STRENGTH				
(a) Core Capital	269,706	221,165	269,706	221,165
(b) Minimum Statutory Capital	60,000	60,000	60,000	60,000
(c) Excess/(Deficiency) (a-b)	209,706	161,165	209,706	161,165
(d) Supplementary Capital				
(e) Total Capital (a+b)	269,706	221,165	269,706	221,165
(f) Total Risk Weighted Assets	747,004	710,424	747,004	710,424
(g) Core Capital/ Total Deposit Liabilities	51.1%	55.1%	55.1%	55.1%
(h) Minimum Statutory Ratio	8%	8%	8%	8%
(i) Excess/(Deficiency) (g-h)	43.1%	47.1%	44.6%	47.1%
(j) Core Capital/ Total Risk Weighted Assets	36.1%	31.1%	36.1%	31.1%
(k) Minimum Statutory Ratio	10.0%	10.0%	10.0%	10.0%
(l) Excess/(Deficiency) (j-k)	26.1%	21.1%	26.2%	21.1%
(m) Total Capital/ Total Risk Weighted Assets	36.1%	31.1%	36.1%	31.1%
(n) Minimum Statutory Ratio	12.0%	12.0%	12.0%	12.0%
(o) Excess/(Deficiency) (m-n)	24.1%	19.1%	24.2%	19.1%
5 LIQUIDITY				
(a) Liquidity Ratio	66.6%	26.6%	66.6%	26.6%
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
(c) Excess/(Deficiency) (a-b)	46.6%	6.6%	46.6%	6.6%

The above statements of Profit or Loss and other Comprehensive Income and Statement of Financial Position are extracts of the Company's Financial Statements as audited by Mazars and received an Unqualified opinion.

They were approved by the Board of Directors on 6th March 2023 and signed on its behalf by:
Mr. Muturi Kamande Chairman
Dr. Joseph Kaniaru Director
Mr. Mwangi Ngigi Chief Executive Officer

U & I Microfinance Bank Ltd is Licensed and regulated by Central Bank of Kenya and a Member of Kenya Deposit Insurance Corporation.