

U & I MICROFINANCE BANK LTD AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES

FOR THE YEAR ENDED 31st DECEMBER 2023

A) STATEMENT OF COMPREHENSIVE INCOME

		Group	Group	Bank	Bank
	1	Audited	Audited	Audited	Audited
		31-Dec-23	31-Dec-22	31-Dec-23 KShs. '000'	31-Dec-22
1.0	Income	K315. 000	N3115, UUU	K3115. 000	N3115. 000
11	Interest on Loan Portfolio	226,994	173,018	226,994	173 018
12	Fees and Commission on Loan Portfolio	69,496	48,679	65,441	173,018 45,166
1.1 1.2 1.3	Government Securities	00,100	10,070	00,111	10,100
1.4	Deposit and Balances with Banks and	9.772	1.992	9.772	1992
	Financial Inst.	-,		-,	
1.5	Other Investments				
1.6	Other Operating Income				-
1.7	Non-Operating Income	1,267	383	1267	383
1.8	Total Income	307,529	224,072	303,474	220,559
2.0	Expenses				
2.1	Interest and Fee Expense on Deposits	45,316	43,689	45,316	43,689
2.2	Other Fees and Commissions expense				
2.3	Provision for Loan Impairment	13,955	8,384	13,955	8,384
2.2 2.3 2.4 2.5 2.6 2.7	Staff Costs	39,767	35,631	38,932	34,882
2.5	Director's Emoluments	9,072	9,072	8,892	8,892
2.6	Rental Charges Depreciation Charges	979 2,414	684 2,004	979 2,403	684 1,993
2.7	Depreciation Charges	2,414		2,403	1,993
2.8	Amortization Charges	248	218	248	218
<u>2.9</u> 2.10	Depreciation on right-of-use assets	4,123	4,061	4,123 69,122	4,06
2.10	Other Administrative Expense	69,379 6,260	35,090	69,122	34,17
2.11	Non-Operating Expense		6,343	6,260	6,176
2.11 3.0	Total Expenses	191,514	145,176	190,231 113,243	143,150
3.0		116,015	78,896	113,243	77,40 9
4.0	Interest and Fee Expense on	75,503	50,740	75,476	50,/4l
	Borrowings(Finance Costs)				
5.0	Profit/(Loss) before tax	40,512	28,156	37,767	26,669
6.0	Current Tax	(20,154)	(2,805)	[19,342]	[2,377
6.1	Deferred Tax				
7.0	Net Profit (After Taxes and Before	20,358	25,351	18,425	24,292
	Donations)				
8.0	Donations for Operating Expense				
9.0	Net Profit After Taxes	20,358	25,351	18,425	24,292
	Other Comprehensive Income				
	Surplus on revaluation of building				
	Deferred tax on revaluation surplus	00.050	05.051	10 (05	0/ 000
D) C	Total Comprehensive Income	20,358	25,351	18,425	24,292
B) S	TATEMENT OF FINANCIAL POSITION ASSETS	1			
1.0 1.1	Cash and bank balances	197,283	352,827	192,384	351,785
1.2	Short term deposits with banks	137,203	332,027	102,004	001,700
13	Government securities				
14	Advances to customers	1,351,679	1,077,193	1,351,679	1,077,193
1.3 1.4 1.5	Due from related organisations	103	103	103	103
1.6	Other receivables	36.810	21.015	12,994	4.094
1.7	Deferred Tax	16.292	7.869	16.292	7.869
1.8	Other investment	IO LOL	,,000	I DIE OL	,,000
1.9	Investment in associate companies			5,000	5,000
1.10	Intangible assets	986	1,234	986	1,234
	Right-of-use asset	986 11,299	1,234 15,384	986 11,299	1,234
	Descent and an instant	05 170		05 110	16,915
1.11	iProperty and equipment	25.1/6	16.988	25.113	
1.12	Property and equipment Tax Refundable	25,176 519	16,988	25,113	
1.12	ITax Refundable	25,1/6 519 1,640,145	16,988 1,492,613	-	
1.12 1.13 2.0	Tax Refundable Tax Refundable LIABILITIES	519		-	
1.12 1.13 2.0 2.1	Tax Refundable Total Assets	519 1,640,145 10,666	1,492,613	- 1,615,850 10,666	1,479,57
1.12 1.13 2.0 2.1	Tax Refundable Total Assets LIABILITIES	519 1,640,145 10,666 455.049	1,492,613 337 527.832	- 1,615,850 10,666 455,049	1,479,57 773 527,396
1.12 1.13 2.0 2.1	Tax Refundable Total Assets LIABILITIES Cash collaterals held Customer deposits Borrowings	519 1,640,145 10,666	1,492,613	- 1,615,850 10,666	1,479,57 773 527,396
1.12 1.13 2.0 2.1	Tax Refundable Total Assets LIABILITIES Cash collaterals held Customer deposits Borrowings Deferred income	519 1,640,145 10,666 455.049	1,492,613 337 527.832	- 1,615,850 10,666 455,049	1,479,57 773 527,396
1.12 1.13 2.0 2.1	Tax Refundable Total Assets LIABILITIES Cash collaterals held Customer deposits Borrowings Deferred income Deferred ax liability	519 1,640,145 10,666 455,049 832,051	1,492,613 337 527,832 643,965	- 1,615,850 10,666 455,049 832,051	1,479,57 773 527,396 643,965
1.12 1.13 2.0 2.1	Tax Arefundable Total Assets LIABILITIES Cash collaterais.held Customer deposits Borrowings Deferred income Deferred tax.liability. Tax Payable	519 1,640,145 10,666 455.049	1,492,613 337 527.832	- 1,615,850 10,666 455,049	1,479,57 773 527,396 643,965
1.12 1.13 2.0 2.1 2.2 2.3 2.4 2.5 2.6 2.7	Tax Refundable Table Standable LIABILITIES Cash collaterals held Customer deposits Borrowings Deferred income Deferred tax liability Tax Pavable Due to related organisations	519 1,640,145 10,666 455,049 832,051 - - 3,401	1,492,613 337 527,832 643,965 - 878	- 1,615,850 10,666 455,049 832,051 - - 2,971 -	1,479,57 773 527,396 643,965 1,39
1.12 1.13 2.0 2.1 2.2 2.3 2.4 2.5 2.6 2.7	Tax Archundable Taxa Jasets LIABILITIES Cash collaterals held Customer deposits Borrowings Deferred income Deferred tax liability Tax Payable Due for related organisations Other liabilities	519 1,640,145 10,666 455,049 832,051 - - 3,401	1,492,613 337 527,832 643,965 - 878	- 1,615,850 10,666 455,049 832,051 - - 2,971 -	1,479,57 773 527,396 643,965 1,39
1.12 1.13 2.0 2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9	Tax Refundable Tatal Assets LIABILITIES Cash collaterais held Customer deposits Borrowings Deferred nax liability Tax Pavable Due to related organisations Other liability Tease Liability	519 1,640,145 10,666 455,049 832,051 	1,492,613 337 527,832 643,965 - 878 - 22,670 15,553	- 1,615,850 10,666 455,049 832,051 - - - - 11,977 11,352	1,479,57 77: 527,396 643,965 1,39 1,39 12,918 15,555
1.12 2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9 2.9 2.9 2.9	Tax Refundable Tax Iassets LIABILITIES Cash collaterals held Customer deposits Borrowings Deferred income Deferred tax liability Tax Parable Due to related organisations Other liabilities Lease Liability Total Liabilities	519 1,640,145 10,666 455,049 832,051 - - 3,401	1,492,613 337 527,832 643,965 - 878	- 1,615,850 10,666 455,049 832,051 - - 2,971 -	1,479,577 773 527,396 643,965 1,397 1,397 12,918 15,553
1.12 2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9 2.9 3.0	Tax Refundable Tax Isandable LIABILITIES Cash collaterals held Customer deposits Borrowings Deferred income Deferred tax liability Tax Pavable Due to related organisations Other liabilities Lease Liabilities Itas Eitabilities SHARE CAPITAL & RESERVES	519 1,640,145 10,666 455,049 832,051 - - 3,401 - - - - - - - - - - - - -	1,492,613 337 527,832 643,965 - 878 - 22,670 15,553 1,211,235	- 1,615,850 10,666 455,049 832,051 - 2,971 - 11,977 11,352 1,324,067	1,479,57 773 527,396 643,965 1,39 1,39 12,918 15,553 1,202,002
1.12 2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9 2.9 3.0	Tax Refundable Tax Isandable LIABILITIES Cash collaterals held Customer deposits Borrowings Deferred income Deferred tax liability Tax Pavable Due to related organisations Other liabilities Lease Liabilities Itas Eitabilities SHARE CAPITAL & RESERVES	519 1,640,145 10,666 455,049 832,051 	1,492,613 337 527,832 643,965 - 878 - 22,670 15,553	- 1,615,850 10,666 455,049 832,051 - - - - 11,977 11,352	1,479,57 773 527,396 643,965 1,39 1,39 12,918 15,553 1,202,002
1.12 2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9 2.9 3.0	Tax Refundable Tax Isandable LIABILITIES Cash collaterals held Customer deposits Borrowings Deferred tax liability Tax Payable Due to related organisations Other liabilities Lease Liabilities Share capital Share capital Share capital Share partian	519 1,640,145 10,666 455,049 832,051 	1,492,613 337 527,832 643,965 - 878 - 22,670 15,553 1,211,235 241,219	- 1,615,850 10,666 455,049 832,051 - - 2,971 - - 11,977 11,352 1,324,067 261,223	1,479,57 77; 527,39(643,965 1,39) 12,918 15,555 1,202,002 241,215
1.12 1.13 2.0 2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9 2.10 3.0 3.1 3.2 3.3	Tax Refundable Tax lassets LIABILITIES Cash collaterais held Customer deposits Borrowings Deferred tax liability Tax Pavable Due to related organisations Other liabilities Lease Liability Total Llabilities Share Capital Share premium Retained aarnings	519 1,640,145 10,666 455,049 832,051 - - 3,401 - - - - - - - - - - - - -	1,492,613 337 527,832 643,965 - 878 - 22,670 15,553 1,211,235	- 1,615,850 10,666 455,049 832,051 - 2,971 - 11,977 11,352 1,324,067	1,479,57 77; 527,39(643,965 1,39) 12,918 15,555 1,202,002 241,215
1.12 1.13 2.0 2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9 2.10 3.0 3.1 3.2 3.3	Tax Refundable Tax I Tax I assets LIABILITIES Cash collaterals held Customer deposits Borrowings Deferred tax liability Tax Pavable Due to related organisations Other liabilities Lease Liabilities Share capital Share capital Share partiam Retained earnings Revaluation reserve	519 1,640,145 10,666 455,049 832,051 	1,492,613 337 527,832 643,965 - 878 - 22,670 15,553 1,211,235 241,219	- 1,615,850 10,666 455,049 832,051 - - 2,971 - - 11,977 11,352 1,324,067 261,223	1,479,57 77; 527,39(643,965 1,39) 12,918 15,555 1,202,002 241,215
1.12 2.0 2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9 2.10 3.1 3.2 3.1 3.2 3.3 3.4 3.5	Tax Refundable Tax lassets LIABILITIES Cash collaterais held Customer deposits Borrowings Deferred tax liability Tax Pavable Due to related organisations Other liabilities Lease Liability Tat Liabilities Share capital Share premium Retained arnings Revaluation reserve Statutory reserve Statutory reserve	519 1,640,145 10,666 455,049 - - - - - - - - - - - - -	1,492,613 337 527,832 643,965 - - 22,670 15,553 1,211,235 241,219 40,159	- 1,615,850 10,666 455,049 832,051 - 2,977 1,977 11,977 11,977 11,952 1,324,067 261,223 30,560	1,479,577 773 527,396 643,965 1,397 12,916 15,553 1,202,002 241,215 36,356
2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9 2.9 2.10	Tax Refundable Tax I Tax I assets LIABILITIES Cash collaterals held Customer deposits Borrowings Deferred tax liability Tax Pavable Due to related organisations Other liabilities Lease Liabilities Share capital Share capital Share partiam Retained earnings Revaluation reserve	519 1,640,145 10,666 455,049 832,051 	1,492,613 337 527,832 643,965 - 878 - 22,670 15,553 1,211,235 241,219	- 1,615,850 10,666 455,049 832,051 - - 2,971 - - 11,977 11,352 1,324,067 261,223	1,479,577 773 527,396 643,965 1,397 12,918 15,553 1,202,002 241,219 36,356 277,575

C) OTHER DISCLOSURES								
		Group	Group	Bank	Bank			
		Audited	Audited	Audited	Audited			
		31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22			
		KShs. '000'	KShs. '000'	KShs. '000'	KShs. '000'			
1	NON-PERFORMING LOANS AND Advances							
(a)	Gross Non-Performing Loans and Advances	52,240	42,009	52,240	42,009			
	Less:							
(b)	Interest in Suspense	29,855	18,482	29,855	18,482			
(c)	Total Non-Performing Loans and Advances (a-b)	22,384	23,527	22,384	23,527			
(d)	Impairment Loss Allowance	42,673	29,508	42,673	29,508			
(e)	Net Non-Performing Loans (c-d)	-	-	-	-			
(f)	Realizable Value of Securities	-		-				
(g)	Net NPLs Exposure (e-f)	-	-	-	-			
2	INSIDER LOANS AND ADVANCES							
(a)	Directors, Shareholders and Associates	7,485	3,482	7,485	3,482			
(b)	Employees	21,134	16,586	21,134	16,586			
(c)	Total Insider Loans, Advances and Other Facilities	28,619	20,068	28,619	20,068			
3	OFF-BALANCE SHEET ITEMS							
(a)	Guarantees and Commitments							
(b)	Other Contingent Liabilities							
(c)	Total Contigent Liabilities							
4	CAPITAL STRENGTH							
(a)	Core Capital	275,491	269,706	275,491	269,706			
(b)	Minimum Statutory Capital	60,000	60,000	60,000	60,000			
(c)	Excess/(Deficiency) (a-b)	215,491	209,706	215,491	209,706			
(d)	Supplementary Capital	-		-				
(e)	Total Capital (a+b)	275,491	269,706	275,491	269,706			
(f)	Total Risk Weighted Assets	1,383,309	747,004	1,383,309	747,004			
(g)	Core Capital/ Total Deposit Liabilities	59%	51%	59%	51%			
(h)	Minimum Statutory Ratio	8%	8%	8%	8%			
(i)	Excess/(Deficiency) (g-h)	51%	43%	51%	43%			
(j)	Core Capital/ Total Risk Weighted Assets	20%	36%	20%	36%			
(k)	Minimum Statutory Ratio	10%	10%	10%	10%			
(I)	Excess/(Deficiency) (j-k)	10%	26%	10%	26%			
(m)	Total Capital/ Total Risk Weighted Assets	20%	36%	20%	36%			
(n)	Minimum Statutory Ratio	12%	12%	12%	12%			
(0)	Excess/(Deficiency) (m-n)	8%	24%	8%	24%			
5	LIQUIDITY							
(a)	Liquidity Ratio	41.3%	66.6%	41.3%	66.6%			
(b)	Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%			
(c)	Excess/(Deficiency) (a-b)	21.3%	46.6%	21.3%	46.6%			

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 Kreston KM & Company LLP and received an Unqualified optimion.

 They were approved by the Board of Directors on 27th February 2024 and signed on its behalf by;

 Mr. Muturi Kamande
 Dr. Joseph Kaniaru
 Mr. Mwangi Ngigi

 Chairman
 Director
 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.