

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2022

I STATEMENT OF FINANCIAL POSITION AS AT		31 st December	31 st December
		Previous Year	Current Year
		Shs. '000'	Shs. '000'
		(Audited)	(Audited)
A	ASSETS		
1	Cash (both Local & Foreign)	192,158	108,111
2	Balances due from Central Bank of Kenya	2,380,242	1,277,365
3	Kenya Government and other securities held for dealing purposes	-	-
4	Financial Assets at fair value through profit and loss	-	-
5	Investment Securities:		
	a) Held to Maturity:	6,804,629	5,564,378
	a. Kenya Government securities	6,804,629	5,564,378
	b. Other securities	-	-
	b) Available for sale:	-	-
	a. Kenya Government securities	-	-
	b. Other securities	-	-
6	Deposits and balances due from local banking institutions	98,963	943,008
7	Deposits and balances due from banking institutions abroad	352,926	196,780
8	Tax recoverable	47,013	47,013
9	Loans and advances to customers (net)	6,953,431	6,376,480
10	Balances due from banking institutions in the group	-	-
11	Investments in associates	-	-
12	Investments in subsidiary companies	-	-
13	Investments in joint ventures	-	-
14	Investment properties	-	-
15	Property and equipment	52,017	49,434
16	Prepaid lease rentals	210,080	202,081
17	Intangible assets	31,807	29,285
18	Deferred tax asset	234,692	273,989
19	Retirement benefit asset	-	-
20	Other assets	378,442	590,201
21	TOTAL ASSETS	17,736,400	15,658,126
B	LIABILITIES		
22	Balances due to Central Bank of Kenya	-	-
23	Customer deposits	14,347,923	11,875,847
24	Deposits and balances due to local banking institutions	-	-
25	Deposits and balances due to foreign banking institutions	-	-
26	Other money market deposits	-	-
27	Borrowed funds	-	-
28	Balances due to banking institutions in the group	-	-
29	Tax payable	-	24,057
30	Dividends payable	-	-
31	Deferred tax liability	-	-
32	Retirement benefit liability	-	-
33	Other liabilities	399,427	519,363
34	TOTAL LIABILITIES	14,747,350	12,419,267
C	SHAREHOLDERS' FUNDS		
35	Paid up /Assigned capital	450,375	450,375
36	Share premium/(discount)	-	-
37	Revaluation reserves	-	-
38	Retained earnings/Accumulated losses	2,304,989	2,511,064
39	Statutory loan loss reserves	233,686	277,420
40	Other Reserves	-	-
41	Proposed dividends	-	-
42	Capital grants	-	-
43	TOTAL SHAREHOLDERS' FUNDS	2,989,050	3,238,859
44	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	17,736,400	15,658,126
II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED		31 st December	31 st December
		Previous Year	Current Year
		Shs. '000'	Shs. '000'
		(Audited)	(Audited)
1.0	INTEREST INCOME		
1.1	Loans and advances	1,004,957	930,654
1.2	Government securities	516,743	601,279
1.3	Deposits and placements with banking institutions	15,252	25,710
1.4	Other Interest Income	16,403	2,952
1.5	Total interest income	1,553,354	1,560,594
2.0	INTEREST EXPENSE		
2.1	Customer deposits	742,826	695,168
2.2	Deposits and placement from banking institutions	58	-
2.3	Other interest expenses	31,005	32,017
2.4	Total interest expenses	773,889	727,185
3.0	NET INTEREST INCOME/(LOSS)	779,465	833,409
4.0	NON-INTEREST INCOME		
4.1	Fees and commissions on loans and advances	77,094	54,087
4.2	Other fees and commissions	10,989	11,540
4.3	Foreign exchange trading income/(Loss)	53,361	124,457
4.4	Dividend Income	-	-
4.5	Other income	39,777	15,717
4.6	Total Non-interest income	181,221	205,801
5.0	TOTAL OPERATING INCOME	960,687	1,039,210
6.0	OTHER OPERATING EXPENSES		
6.1	Loan loss provision	167,073	112,621
6.2	Staff costs	372,586	346,338
6.3	Directors' emoluments	15,043	18,987
6.4	Rental charges	10,148	11,259
6.5	Depreciation charge on property and equipment	39,217	39,980
6.6	Amortisation charges	9,976	10,521
6.7	Other operating expenses	211,379	227,117
6.8	Total Other Operating Expenses	825,420	766,823
7.0	Profit/(loss) before tax and exceptional items	135,266	272,387
8.0	Exceptional items	-	-
9.0	Profit/(loss) after exceptional items	135,266	272,387
10.0	Current tax	(19,767)	22,578
11.0	Deferred tax	-	-
12.0	Profit/(loss) after tax and exceptional items	115,499	249,909
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 surplus on Property, plant and equipment	-	-
13.4	Share of other comprehensive income of associates	-	-
13.5	Income tax relating to components of other comprehensive income	-	-
14.0	Other Comprehensive Income for the year net of tax	-	-
15.0	Total comprehensive income for the year	115,499	249,909
III OTHER DISCLOSURES		31 st December	31 st December
		Previous Year	Current Year
		Shs. '000'	Shs. '000'
		(Audited)	(Audited)
1.0	NON-PERFORMING LOANS AND ADVANCES		
(a)	Gross Non-performing loans and advances	1,257,497	1,208,259
(b)	Less: Interest in Suspense	352,863	350,592
(c)	Total Non-Performing Loans and Advances [a-b]	904,634	857,667
(d)	Less: Loan Loss Provision	518,191	291,069
(e)	Net Non-Performing Loans and Advances [c-d]	386,443	566,599
(f)	Discounted Value of Securities	367,425	566,599
(g)	Net NPLs Exposure [e-f]	19,018	-
2.0	INSIDER LOANS AND ADVANCES		
(a)	Directors, Shareholders and Associates	87,948	139,580
(b)	Employees	17,929	17,520
(c)	Total Insider Loans and Advances and other facilities	105,877	157,100
3.0	OFF-BALANCE SHEET ITEMS		
(a)	Letters of credit, guarantees, acceptances	728,672	680,727
(b)	Forwards, swaps and options	153,592	52,506
(c)	Other contingent liabilities	16,801	-
(d)	Total Contingent Liabilities	899,065	733,233
4.0	CAPITAL STRENGTH		
(a)	Core capital	2,755,363	2,961,439
(b)	Minimum Statutory Capital	1,000,000	1,000,000
(c)	Excess/(Deficiency) [a-b]	1,755,363	1,961,439
(d)	Supplementary Capital	233,686	277,420
(e)	Total Capital [a-d]	2,989,049	3,238,859
(f)	Total risk weighted assets	11,323,683	11,127,423
(g)	Core Capital/Total deposits Liabilities	19.3%	25.0%
(h)	Minimum statutory Ratio	8.0%	8.0%
(i)	Excess/(Deficiency) [g-h]	11.3%	17.0%
(j)	Core Capital / total risk weighted assets	24.3%	26.6%
(k)	Minimum Statutory Ratio	10.5%	10.5%
(l)	Excess (Deficiency) [j-k]	13.8%	16.1%
(m)	Total Capital/total risk weighted assets	26.4%	29.1%
(n)	Minimum statutory Ratio	14.5%	14.5%
(o)	Excess/(Deficiency) [m-n]	11.9%	14.6%
(p)	Adjusted Core Capital/Total Deposit Liabilities*	19.3%	25.0%
(q)	Adjusted Core Capital/Total Risk Weighted Assets*	24.4%	26.7%
(r)	Adjusted Total Capital/Total Risk Weighted Assets*	26.5%	29.2%
5.0	LIQUIDITY		
(a)	Liquidity Ratio	67.7%	67.6%
(b)	Minimum Statutory Ratio	20.0%	20.0%
(c)	Excess (Deficiency) [a-b]	47.7%	47.6%

These financial statements are extracts from the books of the institution as audited by PricewaterhouseCoopers LLP and received unqualified opinion. The complete set of audited financial statements, statutory and qualitative disclosures can be accessed on the Institution's website www.guardian-bank.com. They may also be accessed at the institutions head office located at Guardian Centre, Biashara Street, Nairobi.

*The Adjusted Capital Ratios includes 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.

Vasant K. Shetty
Chairman

Hetul D. Chandaria
Executive Director

Guardian Bank Ltd is regulated by the Central Bank of Kenya.