

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

	31 Dec 2021 Audited	31 Dec 2022 Audited
	SHS '000	SHS '000
I. STATEMENT OF FINANCIAL POSITION		
A Assets		
1 Cash (both local and foreign)	87,765	102,750
2 Balances due from Central Bank of Kenya	2,296,680	2,856,024
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:	2,625,261	3,059,992
a. Kenya Government securities	2,216,691	2,651,422
b. Other securities	408,570	408,570
b) Available for sale:	5,973,989	5,531,196
a. Kenya Government securities	5,812,918	5,340,749
b. Other securities	161,071	190,447
6 Deposits and balances due from local banking institutions	2,840	804,284
7 Deposits and balances due from banking institutions abroad	882,954	1,442,542
8 Tax recoverable	49,305	67,926
9 Loans and advances to customers (Net)	28,605,469	34,384,062
10 Balances due from banking institutions in the group	-	-
11 Investments in associates	556,610	576,729
12 Investments in subsidiary companies	-	-
13 Investments in joint ventures	-	-
14 Investment properties	-	-
15 Property and equipment	324,102	747,943
16 Prepaid lease rentals	-	-
17 Intangible assets	48,377	33,654
18 Deferred tax asset	1,070,089	1,501,440
19 Retirement benefit asset	-	-
20 Other assets	947,486	973,490
21 Total assets	43,470,927	52,082,032
B Liabilities		
22 Balances due to Central Bank of Kenya	-	-
23 Customer deposits	32,364,457	38,908,327
24 Deposits and balances due to local banking institutions	1,111,784	170,888
25 Deposits and balances due to foreign banking institutions	571,402	1,221,714
26 Other money market deposits	-	-
27 Borrowed funds	2,048,357	4,226,877
28 Balances due to banking institutions in the group	-	-
29 Tax payable	171,626	-
30 Dividends payable	-	-
31 Deferred tax liability	-	-
32 Retirement benefit liability	-	-
33 Other liabilities	215,543	235,961
34 Total liabilities	36,483,169	44,763,767
C Shareholders' funds		
35 Paid up / Assigned share capital	838,494	838,494
36 Share premium / (discount)	1,321,289	1,321,289
37 Revaluation reserves	137,000	137,000
38 Retained earnings/Accumulated losses	4,976,674	5,510,865
39 Statutory loan loss reserve	-	-
40 Other Reserves	(285,699)	(489,383)
41 Proposed dividends	-	-
42 Capital grants	-	-
43 Total shareholders' funds	6,987,758	7,318,265
44 Total liabilities and shareholders' funds	43,470,927	52,082,032
II. STATEMENT OF COMPREHENSIVE INCOME		
1 Interest income		
1.1 Loans and advances	3,010,697	3,740,970
1.2 Government securities	895,951	910,622
1.3 Deposits and placements with banking institutions	27,134	5,412
1.4 Other interest income	56,810	68,186
1.5 Total interest income	3,990,592	4,725,190
2 Interest expense		
2.1 Customer deposits	1,786,678	2,262,880
2.2 Deposits and placements from banking institutions	22,525	31,627
2.3 Other interest expense	147,453	343,538
2.4 Total interest expenses	1,956,656	2,638,045
3 Net interest income/(loss)	2,033,936	2,087,145
4 Non-interest Income		
4.1 Fees and commissions on loans and advances	221,304	277,606
4.2 Other fees and commissions	134,196	161,464
4.3 Foreign exchange trading income/(loss)	91,543	162,472
4.4 Dividend income	7,071	7,044
4.5 Other income	19,824	(6,268)
4.6 Total non-interest income	473,938	602,318
5 Total operating income	2,507,874	2,689,463
6 Other operating expenses		
6.1 Loan loss provisions	963,816	772,710
6.2 Staff costs	472,513	563,017
6.3 Directors' emoluments	125,302	154,846
6.4 Rental charges	25,754	35,551
6.5 Depreciation charge on property and equipment	70,949	88,237
6.6 Amortization charges	20,959	18,753
6.7 Other operating expenses	306,499	354,853
6.8 Total other operating expenses	1,985,792	1,987,967
7 Profit/(loss) before tax and exceptional items	522,082	701,496
8 Exceptional items	-	-
9 Profit/(loss) after exceptional items	522,082	701,496
10 Current tax	(376,990)	(396,069)
11 Deferred tax	321,419	344,057
12 Profit/(loss) after tax and exceptional items	466,511	649,484
13 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	(118,537)	(203,684)
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 Other Comprehensive Income for the year net of tax	(118,537)	(203,684)
15 Total comprehensive income for the year	347,974	445,800
16 Earnings per share - Basic	11.13	15.49
16 Earnings per share - Diluted	11.13	15.49
17 Dividend Per share	2.50	2.75

	31 Dec 2021 Audited	31 Dec 2022 Audited
	SHS '000	SHS '000
III. OTHER DISCLOSURES		
1 Non-performing loans and advances		
a) Gross non-performing loans and advances	4,342,373	4,562,584
b) Less: Interest in suspense	237,297	381,614
c) Total non-performing loans and advances (a - b)	4,105,076	4,180,970
d) Less: Loan loss provisions	2,112,379	2,711,474
e) Net non-performing loans and advances (c - d)	1,992,697	1,469,496
f) Less: Discounted value of securities	1,992,697	1,469,496
g) Net non-performing loans exposure (e - f)	-	-
2 Insider loans and advances		
a) Directors, shareholders and associates	736,414	597,153
b) Employees	94,817	90,391
c) Total insider loans, advances and other facilities	831,231	687,544
3 Off-balance sheet items		
a) Letters of credit , guarantees , acceptances	4,839,038	8,244,605
b) Forwards, swaps and options	-	557,446
c) Other contingent liabilities	99,874	134,884
d) Total contingent liabilities	4,938,912	8,936,935
4 Capital strength		
a) Core capital	6,422,811	6,903,583
b) Minimum Statutory Capital	1,000,000	1,000,000
c) Excess (a-b)	5,422,811	5,903,583
d) Supplementary capital	411,349	1,555,815
e) Total capital (a + d)	6,834,160	8,459,398
f) Total risk weighted assets	41,194,116	50,279,293
g) Core capital / total deposit liabilities	19.80%	17.70%
h) Minimum Statutory Ratio	8.00%	8.00%
i) Excess (g- h)	11.80%	9.70%
j) Core capital / total risk weighted assets	15.60%	13.70%
k) Minimum Statutory Ratio	10.50%	10.50%
l) Excess (j - k)	5.10%	3.20%
m) Total capital / total risk weighted assets	16.60%	16.80%
n) Minimum Statutory Ratio	14.50%	14.50%
o) Excess (m - n)	2.10%	2.30%
p) Adjusted Core capital/total deposit liabilities *	19.90%	17.70%
q) Adjusted Core capital / total risk weighted assets*	15.60%	13.70%
r) Adjusted Total capital / total risk weighted assets*	16.60%	16.80%
5 Liquidity		
a) Liquidity Ratio	28.90%	29.60%
b) Minimum Statutory Ratio	20.00%	20.00%
c) Excess (a - b)	8.90%	9.60%

* 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.

MESSAGE FROM THE DIRECTORS

The above Statement of Financial Position and Statement of Comprehensive income are extracts from the Bank's financial statements as audited by PricewaterhouseCoopers LLP and have received an unqualified opinion. The complete set of audited financial statements, statutory and qualitative disclosures can be accessed on the Institution's website www.victoriabank.co.ke. They may also be accessed at the institution's head office located at Victoria Towers , Mezzanine Floor, Kilimanjaro Avenue, Upper hill, Nairobi Kenya.

The financial statements were approved by the Board of Directors on 17th March 2023.

Ketaki Sheth
CHAIR OF THE BOARD

Yogesh K Pattani Ph.D
CHIEF EXECUTIVE OFFICER



CELEBRATING
35
YEARS

EXPERIENCE THE ULTIMATE
VICTORIA
COMMERCIAL BANK

35 YEARS OF EXCELLENCE IN BANKING.
EXPERIENCE THE ULTIMATE.

UPPER HILL
HEAD OFFICE Victoria Towers
Mezzanine Floor,
Kilimanjaro Avenue Upper Hill
TEL +254 709 876 000
EMAIL victoria@vicbank.com

WESTLANDS
The Promenade,
1st Floor
General Mathenge Road
TEL +254 709 876 200
EMAIL westlands@vicbank.com

INDUSTRIAL AREA
Lunga Lungu Square, 3rd Floor,
Lunga Lungu Road,
Industrial Area
TEL +254 709 876 300
EMAIL lungalunga@vicbank.com

RUARAKA
Abacus House, 4th Floor,
Abacus Complex
Baba Dogo Road, Ruaraka
TEL +254 709 876 400
EMAIL ruaraka@vicbank.com

GIGIRI
Victoria at Two Rivers, 7th Floor,
Limuru Road,
Nairobi
TEL +254 709 876 500
EMAIL tworivers@vicbank.com