

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST DECEMBER 2023
1. STATEMENT OF FINANCIAL POSITION

	31.12.2022 Kshs.'000. Audited	31.12.2023 Kshs.'000. Audited
A. ASSETS		
1 Cash balances (both local and foreign)	204,467	189,862
2 Balances with Central Bank of Kenya	463,034	547,739
3 Kenya Government and other securities held for dealing purposes	-	-
4 Financial Assets at fair value through profit and loss	9,739	6,281
5 Investment securities:		
a) Held to Maturity:		
a. Kenya Government Securities	4,079,609	4,423,826
b. Other securities	-	-
b) Available for sale:		
a. Kenya Government Securities	-	-
b. Other securities	-	-
6 Deposits and balances due from local banking institutions	558,982	1,381,446
7 Deposits and balances due from banking institutions abroad	150,552	150,419
8 Tax recoverable	-	23,079
9 Loans and advances to customers (net)	7,306,544	6,609,514
10 Balances due from banking institutions in the group	-	-
11 Investments in associates	-	-
12 Investments in subsidiary companies	-	-
13 Investment in joint ventures	-	-
14 Investment properties	-	-
15 Property, plant and equipment	22,750	29,008
16 Prepaid lease rentals	-	-
17 Intangible assets	14,439	1,396
18 Deferred tax asset	244,651	269,803
19 Retirement benefit assets	-	-
20 Other assets	279,005	227,485
21 TOTAL ASSETS	13,333,772	13,859,858
B. LIABILITIES		
22 Balances due to Central Bank of Kenya	-	-
23 Customer deposits	9,831,714	10,326,600
24 Deposits and balances due to local banking institutions	-	-
25 Deposits and balances due to banking institutions abroad	-	-
26 Other money market deposits	-	-
27 Borrowed funds	-	-
28 Balances due to banking institutions in the group	-	-
29 Tax payable	63,013	-
30 Dividends payable	-	-
31 Deferred tax liability	-	-
32 Retirement benefit liability	-	-
33 Other liabilities	191,661	148,793
34 TOTAL LIABILITIES	10,086,388	10,475,393
C. SHAREHOLDERS' FUNDS		
35 Paid up/ Assigned capital	2,491,031	2,491,031
36 Scheme Conversions & Contributions pending allotments	8,969	8,969
37 Share premium (discount)	412,819	412,819
38 Revaluation reserve	-	-
39 Retained earnings/ (Accumulated losses)	2,776	(73,913)
40 Statutory loan loss reserve	331,789	545,559
41 Other Reserves	-	-
42 Proposed dividends	-	-
43 Capital grants	-	-
44 TOTAL SHAREHOLDERS' FUNDS	3,247,384	3,384,465
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	13,333,772	13,859,858

2. STATEMENT OF COMPREHENSIVE INCOME

1.0 INTEREST INCOME		
1.1 Loans and advances	991,602	1,006,236
1.2 Government securities	420,753	472,582
1.3 Deposits and placements with banking institutions	18,201	49,499
1.4 Other interest income	-	-
1.5 Total interest income	1,430,556	1,528,317
2.0 INTEREST EXPENSES		
2.1 Customer deposits	640,707	688,002
2.2 Deposits and placements from banking institutions	8,146	12,087
2.3 Other interest expenses	13,116	10,521
2.4 Total Interest Expenses	661,969	710,610
3.0 NET INTEREST INCOME (LOSS)	768,587	817,707
4.0 OTHER OPERATING INCOME		
4.1 Fees and commissions on loans & advances	87,909	52,835
4.2 Other fees and commissions	16,817	16,252
4.3 Foreign exchange trading income (loss)	59,298	65,031
4.4 Dividend income	-	1,555
4.5 Other income	206,525	(1,826)
4.6 Total other operating income	370,549	133,847
5.0 TOTAL OPERATING INCOME	1,139,136	951,554
6.0 OPERATING EXPENSES		
6.1 Loan loss provision	489,102	284,665
6.2 Staff costs	246,964	252,466
6.3 Directors' emoluments	5,900	7,161
6.4 Rental charges	3,413	1,453
6.5 Depreciation charge on property and equipment	10,787	7,774
6.6 Amortisation charges	15,641	14,181
6.7 Other operating expenses	181,022	195,269
6.8 Total Operating Expenses	952,829	762,969
7.0 Profit/(loss) before tax and exceptional items	186,307	188,585
8.0 Exceptional items	-	-
9.0 Profit/(loss) after exceptional items	186,307	188,585
10.0 Current tax	90,741	76,655
11.0 Deferred tax	(33,848)	(25,152)
12.0 Profit/(loss) after tax and exceptional items	129,414	137,082
13.0 Other Comprehensive Income:		
13.1 Gains/(Losses) from translating the financial statement 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 net of tax	129,414	137,082

3. OTHER DISCLOSURES

1.0 NON-PERFORMING LOANS AND ADVANCES		
a) Gross non-performing loans and advances	1,653,437	1,867,529
b) Less interest in suspense	92,045	84,519
c) Total Non-Performing Loans and Advances (a-b)	1,561,392	1,783,010
d) Less loan loss provisions	827,070	1,013,804
e) Net non-performing loans and advances (c-d)	734,322	769,206
f) Discounted value of securities	734,322	769,206
g) Net NPLs exposure (e-f)	-	-
2.0 INSIDER LOANS AND ADVANCES		
a) Directors, shareholders and associates	703,766	670,679
b) Employees	109,010	120,093
c) Total Insider Loans, Advances & Other Facilities	812,776	790,772
3.0 OFF-BALANCE SHEET ITEMS		
a) Letters of credit, guarantees and acceptances	1,322,801	1,779,067
b) Forwards, swaps and options	-	-
c) Other contingent liabilities	690,736	421,604
c) Total Contingent Liabilities	2,013,537	2,200,671
4.0 CAPITAL STRENGTH		
a) Core capital	2,670,944	2,569,103
b) Minimum statutory capital	1,000,000	1,000,000
c) Excess (deficiency) (a-b)	1,670,944	1,569,103
d) Supplementary capital	114,071	113,339
e) Total capital (a+d)	2,785,015	2,682,442
f) Total risk weighted assets	9,125,698	9,067,153
g) Core capital/ total deposit liabilities	27.17%	24.88%
h) Minimum statutory ratio	8.00%	8.00%
i) Excess (deficiency) (g-h)	19.17%	16.88%
j) Core capital/ total risk weighted assets	29.27%	28.33%
k) Minimum statutory ratio	10.50%	10.50%
l) Excess (deficiency) (j-k)	18.77%	17.83%
m) Total capital/ total risk weighted assets	30.52%	29.58%
n) Minimum statutory ratio	14.50%	14.50%
o) Excess (deficiency) (m-n)	16.02%	15.08%
5.0 LIQUIDITY		
a) Liquidity Ratio	54.69%	64.55%
b) Minimum statutory ratio	20.00%	20.00%
c) Excess or deficiency (a-b)	34.69%	44.55%

The above financial statements are extracts from the books of the institution as audited by RSM Eastern Africa LLP and received an unqualified opinion. The complete set of audited financial statements, statutory and qualitative disclosures can be accessed on the institution's website: www.moriental.co.ke.

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Regulated by the Central Bank of Kenya

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