

PARAMOUNT BANK LTD

ANNUAL FINANCIAL STATEMENTS AND DISCLOSURES

I STATEMENT OF FINANCIAL POSITION AS AT 31ST DEC 2023	Group		Bank	
	31st Dec 22	31st Dec 23	31st Dec 22	31st Dec 23
	Current Year	Current Year	Current Year	Current Year
	Shs '000'	Shs '000'	Shs '000'	Shs '000'
A ASSETS	Audited	Audited	Audited	Audited
1 Cash (both local & foreign)	117,155	133,596	117,155	133,596
2 Balances due from Central Bank of Kenya	1,169,944	1,076,893	1,169,944	1,076,893
3 Kenya Government and other securities held for dealing purposes	-	-	-	-
4 Financial Assets at fair value through the profit and loss	-	-	-	-
5 Investment Securities:				
a. Held to Maturity:				
a. Kenya Government Securities	3,448,800	4,212,240	3,448,800	4,202,004
b. Other Securities	-	-	-	-
b. Available for sale				
a. Kenya Government Securities	-	-	-	-
b. Other Securities	-	-	-	-
6 Deposits and balances due from local banking institutions	15,077	21,335	15,077	21,335
7 Deposits and balances due from banking institutions abroad	1,273,753	1,137,304	1,273,753	1,137,304
8 Tax Recoverable	850	30,346	447	29,821
9 Loans and advances to customers (net)	7,350,056	8,379,808	7,350,056	8,379,808
10 Balances due from group companies	-	-	-	-
11 Investments in associates	-	-	10,000	10,000
12 Investments in subsidiary companies	-	-	-	-
13 Investments in joint ventures	-	-	-	-
14 Investment properties	17,644	14,559	17,644	14,559
15 Prepaid lease rentals / Right of Use Assets	105,292	81,054	105,292	81,054
16 Intangible assets	16,819	9,449	16,808	9,438
18 Deferred Tax asset	172,235	204,830	172,201	204,795
19 Retirement benefit asset	-	-	-	-
20 Other assets	119,365	135,452	116,123	138,776
21 TOTAL ASSETS	13,806,990	15,436,866	13,813,300	15,439,383
B LIABILITIES				
22 Balances due to Central Bank of Kenya	-	551,142	-	551,142
23 Customer deposits	11,284,021	12,109,217	11,297,898	12,122,589
24 Deposits and balances due to banking institutions	-	-	-	-
25 Deposits and balances due to foreign banking institutions	-	-	-	-
26 Other money market deposits	-	-	-	-
27 Borrowed funds	-	-	-	-
28 Balances due to group companies	-	-	-	-
29 Tax payable	-	-	-	-
30 Dividends payable	-	-	-	-
31 Deferred Tax liability	-	-	-	-
32 Lease Obligation	119,688	97,891	119,688	97,891
33 Other liabilities	113,870	94,463	110,304	90,833
34 TOTAL LIABILITIES	11,517,579	12,852,713	11,527,890	12,862,435
C SHAREHOLDERS' EQUITY				
35 Paid up/Assigned capital	1,000,000	1,000,000	1,000,000	1,000,000
36 Share premium/(discount)	-	-	-	-
37 Fair value reserve	-	-	-	-
38 Retained earnings/Accumulated losses	1,289,411	1,584,153	1,285,410	1,576,948
39 Statutory Reserves	-	-	-	-
40 Proposed dividends	-	-	-	-
41 Capital grants	-	-	-	-
42 TOTAL SHAREHOLDERS' EQUITY	2,289,411	2,584,153	2,285,410	2,576,948
43 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	13,806,990	15,436,866	13,813,300	15,439,383

II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST DEC 2023	Group		Bank	
	31st Dec 22	31st Dec 23	31st Dec 22	31st Dec 23
	Current Year	Current Year	Current Year	Current Year
	Shs '000'	Shs '000'	Shs '000'	Shs '000'
	Audited	Audited	Audited	Audited
1 INTEREST INCOME				
1.1 Loans and advances	1,011,855	1,061,380	1,011,855	1,061,380
1.2 Government securities	389,584	487,794	389,584	486,594
1.3 Deposits and placements with banking institutions	4,438	21,191	4,438	21,191
1.4 Other Interest Income	375	1,179	375	1,179
1.5 Total Interest Income	1,406,252	1,571,544	1,406,252	1,570,344
2 INTEREST EXPENSES				
2.1 Customer deposits	774,776	895,569	774,776	895,569
2.2 Deposits and placements from banking Institutions	-	-	-	-
2.3 Other Interest Expenses	-	-	-	-
2.4 Total Interest Expenses	774,776	895,569	774,776	895,569
3 NET INTEREST INCOME/(LOSS)	631,476	675,975	631,476	674,775
4 OTHER OPERATING INCOME				
4.1 Fees and commissions on loans & advances	9,355	10,823	9,355	10,823
4.2 Other fees & commissions	24,724	17,286	19,139	10,989
4.3 Foreign exchange trading income/(Loss)	60,864	52,064	60,864	52,064
4.4 Other Income	68,635	127,973	68,635	127,973
4.5 Total Non-Interest Income	163,578	208,146	157,993	201,849
5 TOTAL OPERATING INCOME	795,054	884,121	789,469	876,624
6 OTHER OPERATING EXPENSES				
6.1 Loan loss provisions	96,177	149,350	96,177	148,783
6.2 Staff costs	149,093	169,364	146,593	167,704
6.3 Directors' emoluments	25,529	26,920	25,529	26,920
6.4 Rentals charges	17,290	17,928	17,290	17,928
6.5 Depreciation charge on property and equipment	41,034	7,632	41,034	7,632
6.6 Amortisation charges	1,453	7,340	1,453	7,340
6.7 Other operating expenses	207,910	215,312	205,921	214,933
6.8 Total Other Operating expenses	538,486	593,846	533,997	591,240
7 Profit/(Loss) before tax and exceptional items	256,568	290,275	255,472	285,384
8 Exceptional items	-	-	-	-
9 Profit/(Loss) after Exceptional items	256,568	290,275	255,472	285,384
10 Current tax	28,590	26,437	28,621	26,437
11 Deferred tax	-	(32,594)	0	(32,594)
12 Profit/(Loss) after tax and exceptional items	227,978	296,432	226,851	291,541
13 Other Comprehensive Income :				
13.1 Gains/ (Losses) from translating Financial statements of foreign operations	-	-	-	-
13.2 Fair value changes in available for sale financial assets	-	-	-	-
13.4 Revaluation Surplus on Property, plant and equipments	-	-	-	-
13.5 Share of other comprehensive income of associates	-	-	-	-
13.6 Income tax relating to components of other comprehensive income	-	-	-	-
14 Other Comprehensive Income for the year net of tax	-	-	-	-
15 Total Comprehensive income for the year	227,978	296,432	226,851	291,541

III. OTHER DISCLOSURES	Group		Bank	
	31st Dec 22	31st Dec 23	31st Dec 22	31st Dec 23
	Current Year	Current Year	Current Year	Current Year
	Shs '000'	Shs '000'	Shs '000'	Shs '000'
	Audited	Audited	Audited	Audited
1] NON-PERFORMING LOANS AND ADVANCES				
a) Gross Non-Performing loans and advances	1,810,522	1,313,409	1,810,522	1,313,409
Less:				
b) Interest in suspense	1,065,265	678,443	1,065,265	678,443
c) Total Non-Performing Loans & Advances (a-b)	745,257	634,966	745,257	634,966
Less:				
d) Loan loss provisions	292,235	166,694	292,235	166,694
e) Net Non-Performing Loans (c-d)	453,022	468,272	453,022	468,272
f) Realizable Value of Securities	453,022	468,272	453,022	468,272
g) Net NPLs Exposure (e-f)	-	-	-	-
2] INSIDER LOANS AND ADVANCES				
a) Directors, shareholders and associates	661,235	651,629	661,235	651,629
b) Employees	74,513	67,672	74,513	67,672
c) Total Insider loans, advances & Other Facilities	735,748	719,301	735,748	719,301
3] OFF-BALANCE SHEET ITEMS				
a) Letters of credit, guarantees, acceptances	673,182	456,090	673,182	456,090
b) Other contingent liabilities	-	-	-	-
c) Total contingent Liabilities	673,182	456,090	673,182	456,090
4] CAPITAL STRENGTH				
a) Core capital	2,102,209	2,362,156	2,102,209	2,362,156
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency)	1,102,209	1,362,156	1,102,209	1,362,156
d) Supplementary capital	-	-	-	-
e) Total Capital (a+d)	2,102,209	2,362,156	2,102,209	2,362,156
f) Total risk weighted assets	7,910,235	8,411,122	7,910,235	8,411,122
g) Core capital/total deposit liabilities	18.3%	19.5%	18.3%	19.5%
h) Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%
i) Excess/(Deficiency)(g-h)	10.3%	11.5%	10.3%	11.5%
j) Core Capital/total risk weighted assets	26.6%	28.1%	26.6%	28.1%
k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
l) Excess/(Deficiency)(j-k)	16.1%	17.6%	16.1%	17.6%
m) Total Capital/total risk weighted assets	26.6%	28.1%	26.6%	28.1%
n) Minimum Statutory Ratio	14.5%	14.5%	14.5%	14.5%
o) Excess/(Deficiency)(m-n)	12.1%	13.6%	12.1%	13.6%
p) Adjusted Core Capital / total Deposit Liabilities	18.3%	0.0%	18.3%	0.0%
q) Adjusted Core Capital / total Risk Weighted Assets	26.6%	0.0%	26.6%	0.0%
r) Adjusted Total Capital / total Risk Weighted Assets	26.6%	0.0%	26.6%	0.0%
5] Liquidity				
a) Liquidity Ratio	51.8%	48.4%	51.8%	48.4%
b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
c) Excess/(Deficiency)(a-b)	31.8%	28.4%	31.8%	28.4%

Notes
 *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

The financial statements are extracts from the books of the institution as audited by Deloitte & Touche and received an unqualified opinion. The complete set of annual financial statements, statutory and qualitative disclosures can be accessed on the institutions website on www.paramountbank.co.ke

They may also be accessed at the institutions head office at 4th Floor Sound Plaza, Woodvale Groove, Westlands, Nairobi