

# Standard Chartered Bank Kenya Limited

The Board of Directors of Standard Chartered Bank Kenya Limited is pleased to announce the audited results of the Bank and the Group for the year ended 31 December 2021



STATEMENT OF FINANCIAL POSITION		BANK		GROUP	
	31.12.2021 KShs. '000 Audited	31.12.2020 KShs. '000 Audited	31.12.2021 KShs. '000 Audited	31.12.2020 KShs. '000 Audited	
ASSETS					
Cash (both local and foreign)	3,623,968	3,675,054	3,623,968	3,675,054	
Balances due from Central Bank of Kenya	20,076,483	16,944,010	20,076,483	16,944,010	
Kenya Government and other securities held for dealing purposes	4,580,708	4,926,569	4,580,708	4,926,569	
Financial assets at fair value through profit and loss	486,538	760,132	486,538	760,132	
Investment securities:					
a) Amortised cost:					
i. Kenya Government securities	-	-	-	-	
ii. Other securities	-	-	-	-	
b) Fair value through other comprehensive income (FVOCI)					
i. Kenya Government securities	91,014,905	94,852,653	91,014,905	94,852,653	
ii. Other securities	-	-	-	-	
Deposits and balances due from local banking institutions	2,195,493	7,361,658	2,195,493	7,361,658	
Deposits and balances due from banking institutions abroad	233,558	171,538	233,558	171,538	
Tax recoverable	913,568	340,116	1,007,877	441,196	
Loans and advances to customers (net)	125,974,590	121,524,227	125,974,590	121,524,227	
Balances due from banking institutions in the group	72,303,668	63,104,628	71,991,928	62,756,124	
Investments in associates	-	-	-	-	
Investments in subsidiary companies	145,243	141,243	-	-	
Investments in joint ventures	-	-	-	-	
Investment properties	-	-	-	-	
Property and equipment	3,418,034	3,855,942	3,418,034	3,855,942	
Prepaid lease rentals	-	-	-	-	
Intangible assets	3,898,841	3,022,992	3,898,841	3,022,992	
Deferred tax asset	2,417,167	2,457,372	2,479,484	2,536,206	
Retirement benefit asset	-	-	-	-	
Other assets	3,828,722	2,734,723	3,889,531	2,776,769	
<b>TOTAL ASSETS</b>	<b>335,111,486</b>	<b>325,872,857</b>	<b>334,871,938</b>	<b>325,605,070</b>	
LIABILITIES					
Balances due to Central Bank of Kenya	-	-	-	-	
Customer deposits	265,469,114	256,497,530	265,469,114	256,497,530	
Deposits and balances due to local banking institutions	109,570	164,664	109,570	164,664	
Deposits and balances due to foreign banking institutions	273,644	288,964	273,644	288,964	
Other money market deposits	-	-	-	-	
Borrowed funds	-	-	-	-	
Balances due to banking institutions in the group	10,714,736	12,166,804	9,631,154	11,208,987	
Tax payable	274,868	-	361,913	-	
Dividends payable	239,936	262,105	239,936	262,105	
Deferred tax liability	-	-	-	-	
Retirement benefit liability	32,277	163,717	32,277	163,717	
Other liabilities	5,517,946	6,110,443	5,540,224	6,129,065	
<b>TOTAL LIABILITIES</b>	<b>282,632,091</b>	<b>275,654,227</b>	<b>281,657,832</b>	<b>274,715,032</b>	
SHAREHOLDERS' FUNDS					
Paid up/assigned capital	2,169,253	2,169,253	2,169,253	2,169,253	
Share premium/ (discount)	7,792,427	7,792,427	7,792,427	7,792,427	
Revaluation reserves	889,290	899,621	889,290	899,621	
Retained earnings/ (accumulated losses)	32,566,322	31,208,789	33,301,033	31,880,197	
Statutory loan loss reserves	1,249,844	969,283	1,249,844	969,283	
Other reserves (fair value)	526,664	1,158,562	526,664	1,158,562	
Proposed dividends	5,374,599	4,135,431	5,374,599	4,135,431	
Capital grants	1,910,996	1,885,264	1,910,996	1,885,264	
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>52,479,395</b>	<b>50,218,630</b>	<b>53,214,106</b>	<b>50,890,038</b>	
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>335,111,486</b>	<b>325,872,857</b>	<b>334,871,938</b>	<b>325,605,070</b>	
STATEMENT OF COMPREHENSIVE INCOME					
INTEREST INCOME					
Loans and advances	11,795,572	12,309,387	11,795,572	12,309,387	
Government securities	9,153,619	9,555,744	9,153,619	9,568,618	
Deposits and placements with banking institutions	1,309,460	1,439,857	1,309,460	1,439,857	
Other interest income	25,900	416,551	25,900	416,551	
<b>Total interest income</b>	<b>22,284,551</b>	<b>23,721,539</b>	<b>22,284,551</b>	<b>23,734,413</b>	
INTEREST EXPENSES					
Customer deposits	3,148,625	4,235,951	3,121,588	4,218,023	
Deposits and placements from banking institutions	80,299	82,533	80,299	82,533	
Other interest expenses	273,240	316,704	273,240	316,704	
<b>Total interest expenses</b>	<b>3,502,164</b>	<b>4,635,188</b>	<b>3,475,127</b>	<b>4,617,260</b>	
<b>NET INTEREST INCOME/(LOSS)</b>	<b>18,782,387</b>	<b>19,086,351</b>	<b>18,809,424</b>	<b>19,117,153</b>	
NON-INTEREST INCOME					
Fees and commissions on loans and advances	361,771	272,288	361,771	272,288	
Other fees and commissions	3,418,457	2,996,858	5,074,450	4,260,007	
Foreign Exchange trading income/ (loss)	3,770,583	2,606,960	3,770,583	2,606,960	
Dividend income	747,137	624,095	-	-	
Other income	1,148,193	1,181,307	1,148,191	1,150,526	
<b>Total non-interest income</b>	<b>9,446,141</b>	<b>7,681,508</b>	<b>10,354,995</b>	<b>8,289,781</b>	
<b>TOTAL OPERATING INCOME</b>	<b>28,228,528</b>	<b>26,767,859</b>	<b>29,164,419</b>	<b>27,406,934</b>	
OTHER OPERATING EXPENSES					
Loan loss provision	2,081,628	3,882,158	2,081,628	3,882,158	
Staff costs	6,169,873	7,574,257	6,272,205	7,677,256	
Directors' emoluments	264,584	179,916	264,864	179,916	
Rental charges	259,841	216,339	259,841	216,642	
Depreciation charge on property and equipment	553,946	715,471	553,946	715,471	
Amortisation charges	936,026	793,112	936,026	793,112	
Other operating expenses	5,821,126	6,388,295	6,197,856	6,546,321	
<b>Total other operating expenses</b>	<b>16,087,024</b>	<b>19,749,548</b>	<b>16,566,366</b>	<b>20,010,876</b>	
<b>Profit/ (loss) before tax and exceptional items</b>	<b>12,141,504</b>	<b>7,018,311</b>	<b>12,598,053</b>	<b>7,396,058</b>	
Exceptional items	-	-	-	-	
<b>Profit/ (loss) after exceptional items</b>	<b>12,141,504</b>	<b>7,018,311</b>	<b>12,598,053</b>	<b>7,396,058</b>	
Current tax	(2,847,546)	(2,776,037)	(3,224,275)	(3,027,017)	
Deferred tax	(313,422)	1,087,227	(329,939)	1,071,376	
<b>Profit/ (loss) after tax and exceptional items</b>	<b>8,980,536</b>	<b>5,329,501</b>	<b>9,043,839</b>	<b>5,440,417</b>	
Other comprehensive income					
Gains/(losses) from translating the financial statements of foreign operations	-	-	-	-	
Fair value changes in financial assets at FVOCI	(910,725)	317,240	(910,725)	347,918	
Revaluation surplus on property, plant and equipment	-	249,272	-	249,272	
Share of other comprehensive income of associates	-	-	-	-	
Income tax relating to components of other comprehensive income	273,217	(167,853)	273,217	(177,057)	
<b>Other comprehensive income for the year net of tax</b>	<b>(637,508)</b>	<b>398,659</b>	<b>(637,508)</b>	<b>420,133</b>	
<b>Total comprehensive income for the year</b>	<b>8,343,028</b>	<b>5,728,160</b>	<b>8,406,331</b>	<b>5,860,550</b>	
<b>EARNINGS PER SHARE - BASIC &amp; DILUTED (KShs)</b>	<b>23.32</b>	<b>13.66</b>	<b>23.49</b>	<b>13.95</b>	
<b>DIVIDEND PER SHARE - DECLARED (KShs)</b>	<b>19.00</b>	<b>10.50</b>	<b>19.00</b>	<b>10.50</b>	

OTHER DISCLOSURES		BANK	
		31.12.2021 KShs. '000 Audited	31.12.2020 KShs. '000 Audited
<b>1) NON-PERFORMING LOANS AND ADVANCES</b>			
a) Gross non-performing loans and advances		23,283,164	22,337,323
b) Less: Interest in suspense		9,536,615	9,125,052
<b>c) Net non-performing loans and advances (a-b)</b>		<b>13,746,549</b>	<b>13,212,271</b>
d) Less: loan loss provisions		10,116,212	8,875,775
<b>e) Net non-performing loans (c-d)</b>		<b>3,630,337</b>	<b>4,336,496</b>
f) Realizable value of securities		3,207,852	3,798,832
<b>g) Net NPLs exposure (e-f)</b>		<b>422,485</b>	<b>537,664</b>
<b>2) INSIDER LOANS AND ADVANCES</b>			
a) Directors, shareholders and associates		76,112	90,944
b) Employees		6,506,261	6,640,032
<b>c) Total insider loans, advances and other facilities</b>		<b>6,582,373</b>	<b>6,730,976</b>
<b>3) OFF-BALANCE SHEET ITEMS</b>			
a) Letters of credit, guarantees, acceptances		67,705,074	66,035,541
b) Forwards, swaps and options		48,525,676	55,669,313
c) Other contingent liabilities		-	-
<b>d) Total contingent liabilities</b>		<b>116,230,750</b>	<b>121,704,854</b>
<b>4) CAPITAL STRENGTH</b>			
a) Core capital		40,822,397	39,240,034
b) Minimum statutory capital		1,000,000	1,000,000
c) Excess/(deficiency)		39,822,397	38,240,034
d) Supplementary capital		5,847,299	6,435,788
<b>e) Total capital (a+d)</b>		<b>46,669,696</b>	<b>45,675,822</b>
f) Total risk weighted assets		262,840,012	247,250,634
g) Core capital/total deposit liabilities		15.37%	15.30%
h) Minimum statutory ratio		8.00%	8.00%
i) Excess/ (deficiency) (g-h)		7.37%	7.30%
j) Core capital/total risk weighted assets		15.53%	15.87%
k) Minimum statutory ratio		10.50%	10.50%
l) Excess/(deficiency) (j-k)		5.03%	5.37%
m) Total capital/total risk weighted assets		17.76%	18.47%
n) Minimum statutory ratio		14.50%	14.50%
o) Excess/(deficiency) (m-n)		3.26%	3.97%
p) Adjusted core capital/total deposit liabilities*		15.42%	15.34%
q) Adjusted core capital/total risk weighted assets*		15.57%	15.91%
r) Adjusted total capital/total risk weighted assets*		17.80%	18.52%
<b>5) LIQUIDITY</b>			
a) Liquidity ratio		70.73%	71.49%
b) Minimum statutory ratio		20.00%	20.00%
c) Excess/(deficiency) (a-b)		50.73%	51.49%

\*The adjusted capital ratios include the expected credit loss provisions added back to capital in line with the Central Bank of Kenya guidance note issued in April 2018 on implementation of IFRS 9.

## DIVIDENDS

The Board has resolved to recommend to the shareholders at the forthcoming Annual General Meeting, the payment of a final dividend of KShs 14.00 for every ordinary share of KShs 5.00. One interim dividend of KShs. 5.00 for every ordinary share of KShs 5.00 was paid in December 2021. The total dividend, therefore, is KShs 19.00 (2020: KShs 10.50).The dividend will be payable to shareholders registered on the Company's Register at the close of business on 27 April 2022 and will be paid on or after 25 May 2022.

The directors are also pleased to announce the payment of the final dividend on the non-redeemable, non-cumulative, non-voting, non-participating and non-convertible preference shares for the period 30 June 2021 to 30 December 2021 at the rate of 6% per annum on the issue price of each share. The register will remain closed on 28 April 2022 for the preparation of dividend warrants.

## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the thirty sixth Annual General Meeting of the shareholders of the Company will be held virtually on 25 May 2022. Further details of the virtual meeting will be published in due course.

## MESSAGE FROM THE DIRECTORS

The above statements of financial position and statements of comprehensive income are extracts of financial statements audited by Ernst & Young LLP. They can be accessed on the Company's website [www.sc.com/ke/investor-relations](http://www.sc.com/ke/investor-relations). To get a full picture of the Group's performance, the complete set of audited financial statements will be available on [www.sc.com/ke/investor-relations](http://www.sc.com/ke/investor-relations) after 30 April 2022 or from the Company Secretary at our offices at Standard Chartered @Chiromo, 48 Westlands Road.

The financial statements were approved by the Board of Directors on 14 March 2022 and signed on its behalf by:

Kellen Kariuki  
Chairperson

Kariuki Ngari  
Managing Director & Chief Executive Officer

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