KENYA MORTGAGE REFINANCE COMPANY PLC

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Financial Position

	31 Dec 2022 Kes "000"	31 Dec 2021 Kes "000"
ASSETS		
Property and equipment	47,334	64,466
Intangible assets	8,765	14,502
Right-of-use assets	24,311	32,415
Other receivables	256,587	161,382
Current tax recoverable	77,824	18,455
Treasury bonds	5,203,521	1,554,800
Loans and advances	6,750,348	1,286,718
Cash and cash equivalents	9,007,089	6,684,792
Deferred tax asset	7,407	6,050
Total Assets	**21,383,186**	**9,823,580**
LIABILITIES AND EQUITY		
Liabilities		
Borrowings	16,820,143	6,771,589
Debt securities in issue	1,459,167	
Lease liabilities	31,651	39,190
Trade and other payables	390,254	645,356
Total Liabilities	**18,701,216**	**7,456,134**
Capital resources		
Share capital	1,808,375	1,808,375
Revenue and Other Reserves	873,595	559,071
Total Equity	**2,681,970**	**2,367,446**
Total Liabilities and Equity	**21,383,186**	**9,823,580**

Statement of Comprehensive Income

	31 Dec 2022 Kes "000"	31 Dec 2021 Kes "000"
Interest Income	1,300,823	710,946
Interest Expenses	(634,326)	(246,873)
Net Interest Income	**666,497**	**464,073**
Impairment losses provision	(1,095)	(441)
Operating and Administration Expenses	(209,855)	(154,167)
Depereciation and Amortization	(26,050)	(24,186)
Profit Before Tax	**429,497**	**285,279**
Income Tax Expense	(108,136)	(88,668)
Profit After Tax	**321,361**	**196,611**

Cashflow Statement

	31 Dec 2022 Kes "000"	31 Dec 2021 Kes "000"
Net cash used in operating activities	(5,563,366)	(487,323)
Net cash used in investing activities	(3,553,350)	(1,581,812)
Net cash from financing activities	11,439,013	2,691,020
Increase in cash and cash equivalents	**2,322,297**	**621,884**
Cash and cash equivalents at start of year	6,684,792	6,062,908
Cash and cash equivalents at end of year	**9,007,089**	**6,684,792**

Statement of Changes in Equity

	Share Capital	Revenue Reserves	Contributions Pending Allotment	Statutory and Other Reserves	Total
	Kes "000"	Kes "000"	Kes "000"	Kes "000"	Kes "000"
At 1 January 2021	1,291,000	341,689	884,000		2,516,689
Profit for the year		196,611			196,611
Shares issued for cash	517,375				517,375
Capitalisation during the year			(303,675)		(303,675)
Transfer to other payables			(580,325)		(580,325)
Capital grants				25,121	25,121
Amortisation				(4,350)	(4,350)
Transfer to statutory reserve		(12,800)		12,800	
At 31 December 2021	**1,808,375**	**525,499**		**33,571**	**2,367,446**
At 1 January 2022	**1,808,375**	**525,499**		**33,571**	**2,367,446**
Profit for the year		321,361			321,361
Amortisation				(6,836)	(6,836)
Transfer to statutory reserve		(54,072)		54,072	
At 31 December 2022	**1,808,375**	**792,788**		**80,808**	**2,681,970**

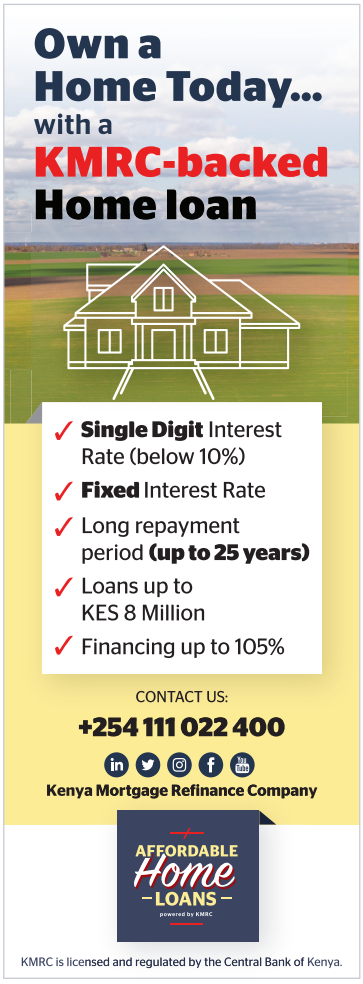
Ratios

Core capital to Total Risk Weighted assets	46.1%
Minimum requirement	10.5%
Excess/(Deficiency)	35.6%
Total capital to Total Risk Weighted Assets	153.2%
Minimum requirement	14.5%
Excess/(Deficiency)	138.7%

Message from the Directors

The financial statements are extracts from the records of the company's financial statements which have been audited by Mazars LLP Certified Public Accountants (K) and received an unqualified audit opinion. The full set of the audited financial statements can be accessed on the Company's website **www.kmrc.co.ke**

The financial statements were approved by the Board of Directors on March 2nd, 2023, and signed on its behalf by Dr. Haron Sirima, EBS and Mr. Johnstone Oltetia.

Dr. Haron Sirima
Chairman

Mr. Johnstone Oltetia
Chief Executive Officer