



**KENYA PORTS AUTHORITY
PENSION SCHEME (DB)**

**ANNUAL REPORT &
FINANCIAL STATEMENTS
2021**

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Bandari Estate in South C, Nairobi.



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MISSION, VISION & CORE VALUES

01

VISION

A Stable and sustainable scheme for generations



02

MISSION

To prudently invest scheme assets and optimize on returns to enhance member benefits.



03

CORE VALUES

Teamwork

We collaborate and focus on a common team goal in order to maximize effectiveness. Every team member is a keeper of the other, valuing the common good more than individual interest and supporting one another's efforts with respect.

Excellence

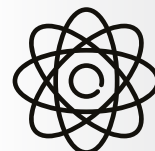
We are committed to being the best in order to deliver the finest and ever improving service to our customers.

Simplicity

We strive for simplicity and clarity in inspiring change and delivering sustainable value.

Integrity

We demonstrate honesty, fairness, truthfulness and openness in all our interactions, behavior and practices within the organization and with our each other, our customers and all our stakeholders.



NOTICE OF THE ANNUAL GENERAL MEETING 2021 OF KENYA PORTS AUTHORITY PENSION SCHEME (DB)

Notice is hereby given that the **15th Annual General** Meeting of Kenya Ports Authority Pension Scheme will be held on **Friday 2nd December 2022 at 9.00am at Mbaraki Sports Club**. All contributing/deferred members and pensioners of KPA Pension Scheme (D.B. Scheme) are requested to attend the Annual General Meeting to transact the following business.

- Reading of the notice and Agenda
- Opening of Meeting and Introductions.
- Consideration and Adoption of the minutes of the last AGM
- Report by the Chair of Board of Trustees
- The Managing Director (Sponsor) Report
- Presentation of the Audited Accounts for the year ended 31st December 2021, by the Scheme Auditor
- Presentation of the Fund Investments by the Scheme's Fund Managers
- Presentation of the Custody report by the Scheme's Fund Custodian.
- Presentation of the Structure of Benefits by the Scheme Actuary.
- Presentation of the Retirement Benefits Industry Changes by a representative from the Retirement Benefits Authority.
- Remuneration of Trustees.
- Questions and Answers
- Vote of Thanks

Members are requested to come with appropriate identification papers and to be seated by 8.45am. Copies of the Scheme's Audited Accounts can be perused at the Scheme's registered offices or downloaded from www.kpapension.co.ke.

Members are politely informed that the cost of travel/attendance are NON-REFUNDABLE



SALIM J. CHINGABWI

*Chairman,
Board of Trustees*

SCHEME INFORMATION

REGISTERED OFFICE

Kenya Ports Authority Pension Scheme

Old Cannon Towers, 7th Floor
Moi Avenue,
P. O. Box 1019 - 80100,
Mombasa.

TRUSTEES

Mr. Yobesh Oyaro	- Appointed on 1 st April 2019
Mr. Alex Ole Leteipan	- Appointed on 3 rd October 2020
Ms. Delilah Kadzo Kazungu	- Resigned on 28 th October 2021
Mr. Daniel Ogutu	- Appointed on 14 th May 2019
Mr. Salim Chingabwi	- Appointed on 3 rd October 2020
Mr. David Bonyi	- Appointed on 1 st January 2021
Mr. Ferdinand K. Malumbo	- Appointed on 18 th December 2020
Ms. Violet M.O. Mugambi	- Appointed on 18 th December 2020
Mr. Paul Muthwii Mwaka	- Appointed on 18 th December 2020

CUSTODIAN

Kenya Commercial Bank Nominees Limited

C/O Kenya Commercial Bank Limited
P. O. Box 30664 - 00100,
Nairobi.

EMPLOYER/SPONSOR

Kenya Ports Authority

P. O. Box 95009 - 80104,
Mombasa.

SCHEME ADMINISTRATOR

Caroline Kodo (Mrs)

Kenya Ports Authority Pension Scheme,
Old Cannon Towers, 7th floor,
Moi Avenue,
P. O. Box 1019 - 80100,
Mombasa.

SECRETARY

Caroline Kodo (Mrs)

Kenya Ports Authority Pension Scheme,
P. O. Box 1019 - 80100,
Mombasa.

SCHEME INFORMATION (CONT'D)

ACTUARY

Zamara Actuaries, Administrators and Consultants

P. O. Box 52439 - 00200,
Nairobi.

FUND MANAGERS

- 1 Britam Asset Managers Kenya Limited**
Britam Centre
Mara / Ragati Road Junction, Upper Hill,
P.O. Box 30375 - 00100,
GPO Nairobi.
- 2 Co - op Trust Investment Services Limited**
Co - operative House 13th Floor,
Haile Selassie Avenue,
P.O. Box 48231 - 00100, Nairobi,
Telephone: 020 3276416,
Email: co-optrust@co-opbank.co.ke

PROPERTY MANAGERS

- 1 Kiragu and Mwangi Limited**
Bandari Plaza Woodvale Grove-Westlands
P.O. Box 776-00606-Sarit Centre, Nariobi,
Kenya,
Telephone 020 4452581.
- 2 NW Realite**
Jumuaia Place II 1st Floor, Lenana Road-Nairobi
P.O. Box 2211-00202, Nairobi,
Kenya,
Telephone 0722898360.

INDEPENDENT AUDITOR

Obiria & Co.

Certified Public Accountants
P. O. Box 282 - 80100,
Mombasa.

BANKERS

- 1 Citibank N. A.**
P. O. Box 83615 - 80100, Mombasa.
- 2 KCB Bank Kenya Limited**
P. O. Box 90254 - 80100, Mombasa.
- 3 Stanbic Bank Kenya Limited**
P. O. Box 90131 - 80100, Mombasa.

LAWYERS

- 1 M/s MMC Africa Law**
P.O. Box 90282 - 80100, Mombasa.
- 2 Miller and Company Advocates**
P.O. Box 90088 - 80100, Mombasa.
- 3 Kittony Maina Karanja & Company**
P.O. Box 80271 - 80100, Mombasa.
- 4 CM Advocates LLP**
P.O. Box 90056 - 80100, Mombasa.
- 5 S. M. Righa & Company**
P.O. Box 889 - 80300, Voi.
- 6 M/s Nyiha Mukoma & Company**
P.O. Box 28491-00200, Nairobi.
- 7 M/s Lumatete Muchai & Company**
P.O. Box 80271 - 80100, Mombasa.
- 8 M/s Robson Harris & Company**
PO Box 67845-00200, Nairobi.
- 9 M/s Kipkenda & Company**
P.O. Box 56832 - 00200, Nairobi.
- 10 M/s Muthee Soni & Associates**
P.O. Box 87919-80100, Mombasa.



Cannon Towers, Mombasa.



ABOUT US

HISTORY OF THE SCHEME

Prior to 1998, the history of the Scheme dates to 1932 - 1933 where transport logistics were provided through the Kenya and Uganda Railways and Harbours Corporation.

The Scheme was by then regulated by the Kenya and Uganda Railways and Harbours European Officers Pension Regulations of 1932 which continued to govern the scheme along with subsequent amendments up until the dissolution of the East African Community in 1977.

Over the period 1969 to 1977, the East African Cargo Handlers Corporation handled all cargo related business while Kenya Ports Authority handled the real estate issues. The employees of the EACHC contributed to the scheme while the KPA Scheme was noncontributory.

Kenya Ports Authority was established through an Act of parliament on 20th January 1978 under Act chapter 371 laws of Kenya after the East African Harbours Corporation ceased following the breakup of the East African Community in 1975. In 1983, the Kenya Ports Authority (Pensions) regulations were gazetted and deemed to have come into force in 1st January 1978. In this period, the Kenya Cargo Handling Services Ltd Staff Pension Scheme was established on 16th March 1981 and commenced on 1st September 1982 as per the published TDR.

In 1986, following the merger of the Kenya Ports Authority and the Kenya Cargo Handling Service Ltd, the employees of KPA were transferred to the Kenya Cargo Handling Services Ltd Staff Pension Scheme and the sponsor, KPA, was deemed to have absorbed all liabilities of the scheme. The later, Kenya Cargo Handling Services Ltd, had a contributory scheme whereas KPA had a non-contributory pension scheme for staff.

OBJECTIVE OF THE SCHEME

The Scheme was established with effect from 1st April 1998 and is governed by a Trust Deed and Rules dated 1st April 1998.

It is a defined benefit scheme and provides, under the rules of the Scheme, retirement benefits for the Employees of Kenya Ports Authority (KPA). It is a tax-exempt approved scheme under the Income Tax Act and is registered with the Retirement Benefits Authority.

Employees contribute to the Scheme at the rate of 7.5% (2020: 7.5%) of their respective basic salaries. The employer contributes at rates based on periodic advice of the actuary. The current rate is 14.7% (2020: 14.7%) of employees' basic salaries.

The main Purpose of the Scheme is to provide Cash benefits and pensions to the members upon attainment of the retirement age and where applicable benefits for dependents of deceased members.

In compliance with the Treasury Circular No. 18/2010 dated 24th November 2010, KPA undertook a redesign of the retirement benefits arrangement whereby a new defined contributory (DC) scheme 2012 was established with effect from 1st January 2013. As stipulated in the aforementioned circular, the members who were below 45 years were required to transfer and join the new DC scheme.

The members who were 45 years and above were given the option to either remain in this scheme or move to the DC Scheme.

SCHEME ICT DIGITAL TRANSFORMATION

KPA Pension Scheme has embarked on an aggressive digital transformative program aimed at supporting the scheme's strategic plan and vision. ICT seeks to resolve the schemes operational pain points in the bid to streamline operations to align with the schemes growth priorities. We have embarked on standardized business processes, enhanced automation, operational efficiency, have introduced system driven controls and tightened information security to bring services closer to members in the most rapid and secure way possible.

After the delinking program, the scheme had to establish its own robust, reliable, and scalable systems. The Scheme's website (www.kpapension.co.ke) was thus developed in 2021 to provide information and enhance transparency.

The Scheme has equally rolled out a modern web-based Enterprise Resource Planning System (ERP System) that integrates all the service delivery components of the Scheme for seamless operations. The ERP system supports new products like the Trust Fund to cater for dependants, Income Drawdown and post retirement medical fund which are now processed electronically.

The ERP system further supports the following portals:

Members' Portal: For members to access online statements 24/7 amongst other information;

Trustees' Portal: To grant trustees information in real-time on Finances and member activity;

Eboard Portal: To facilitate online board meetings reducing costs associated with printing bulky memos and reports;

Recruitment Portal: Accessible to the public for job application hence more transparency in recruitment of the scheme's secretariate.

Property Managers' Portal: That enables service providers managing the scheme's properties to track rent collections, leases, asset administration and repair costs expended.

Eprocurement Portal: To allow for transparent competitive sourcing and procurement of goods and services;

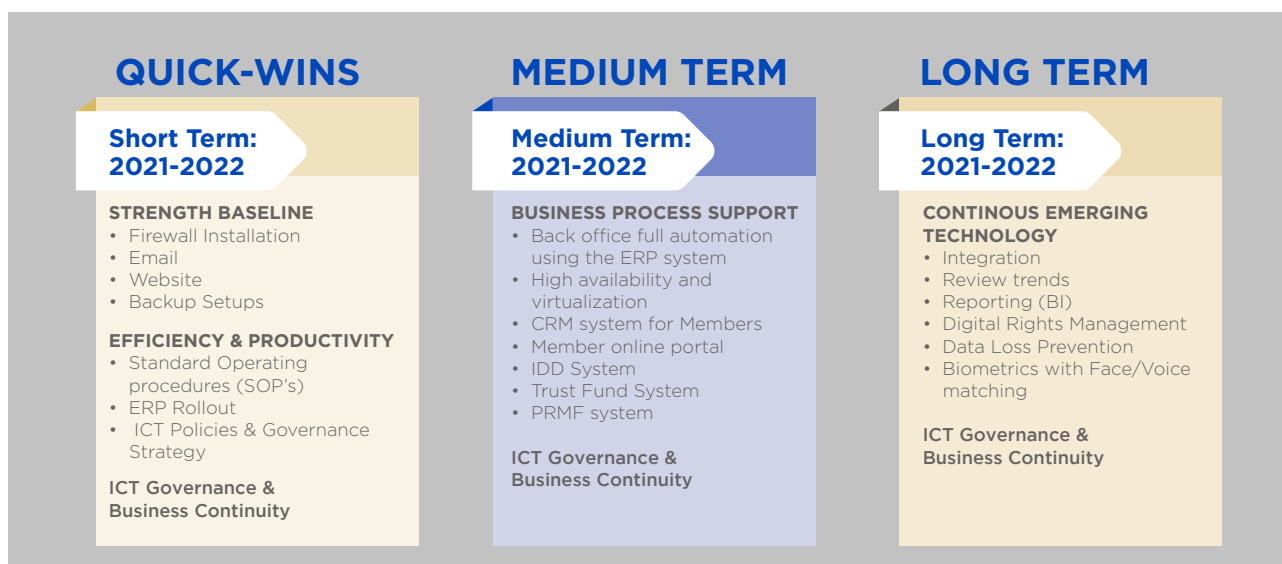
In cognizance of the diverse membership landscape, USSD and mobile enabled applications have equally been incorporated to grant members alternative modes of access to information.

The scheme is looking to introduce biometrics technology to moderate its annual life certification program to cut cost and time expended by members and the Scheme Administration to conduct physical census programs.

To enhance business continuity and high availability, the Scheme has also setup a cloud-based disaster recovery site to safeguard the critical data and information generated from all these systems.

Looking into the future, the Scheme aims to harness emerging technology towards prompt, efficient, accountable, secure, and cost-effective service delivery to its members.

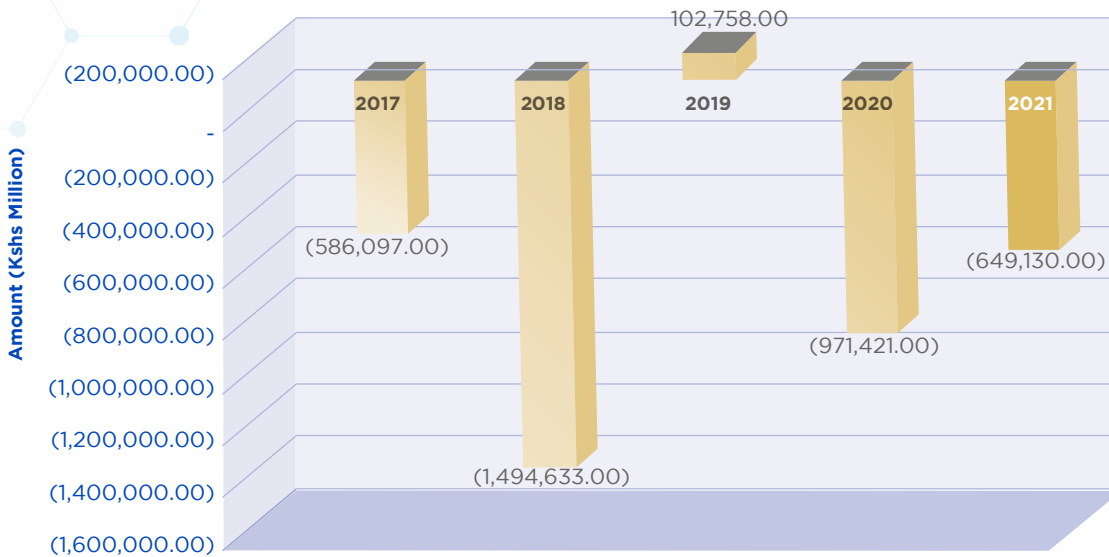
DIGITIZATION ROAD MAP



KPA PENSION SCHEME (DB) FUND HIGHLIGHTS

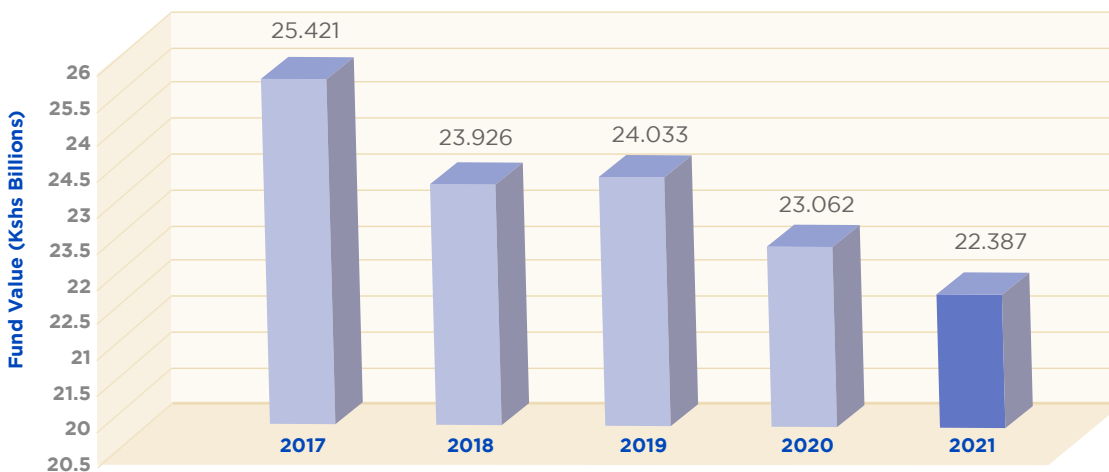
INCREASE/DECREASE IN NET ASSETS FOR THE YEAR

The increase /decrease in assets represents net movement of investment returns as well as contribution and pay outs of the benefits to members. The benefits paid exceed the contributions received and investment income because there are more members exiting and joining the monthly payroll than there are contributors and investment income.



FUND VALUE

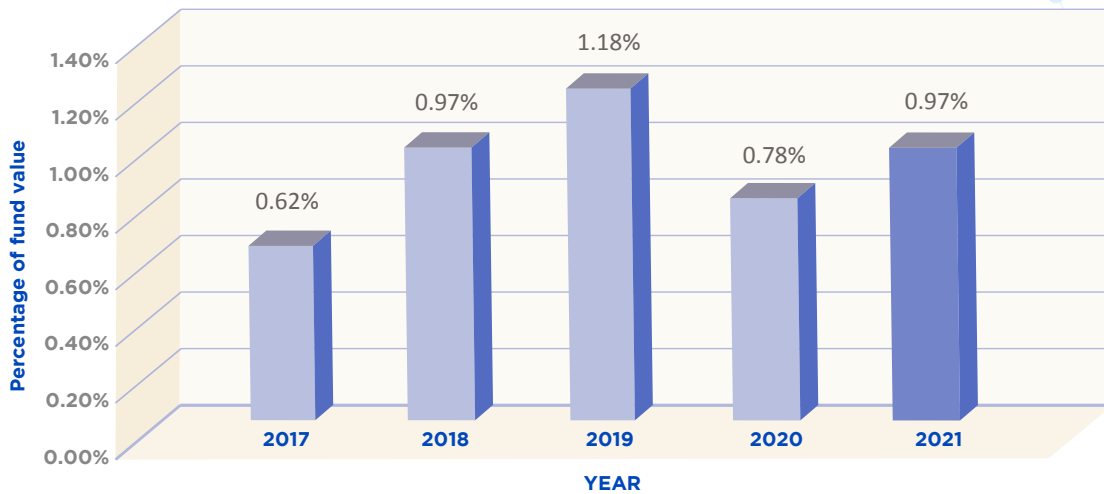
The fund value continues to decline as the scheme pays out its member obligations (lumpsums and monthly pensions). The contributions received and investment income is not sufficient to meet the obligations, thus the payments are made from liquidated financial assets.



KPA PENSION SCHEME (DB) FUND HIGHLIGHTS (CONT'D)

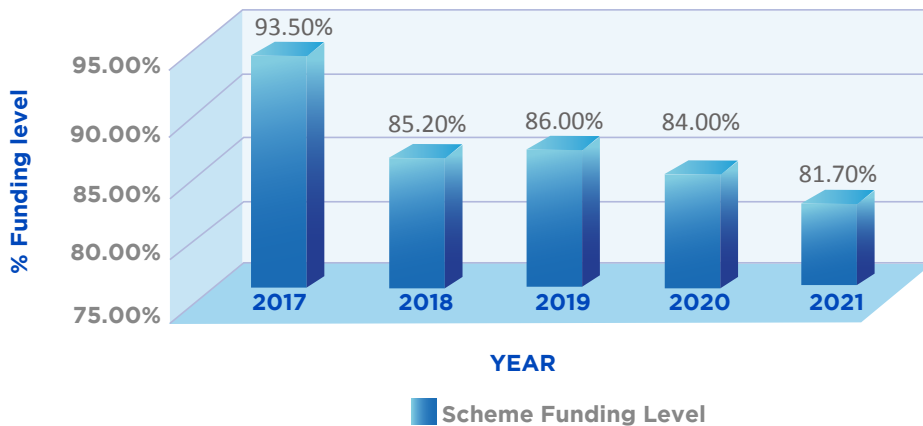
ADMINISTRATIVE EXPENSES

The Trustees have put in place controls and measures to ensure that the administrative expenses are below 1% of the scheme value which is the industry benchmark for administrative expenses.



FUNDING LEVEL

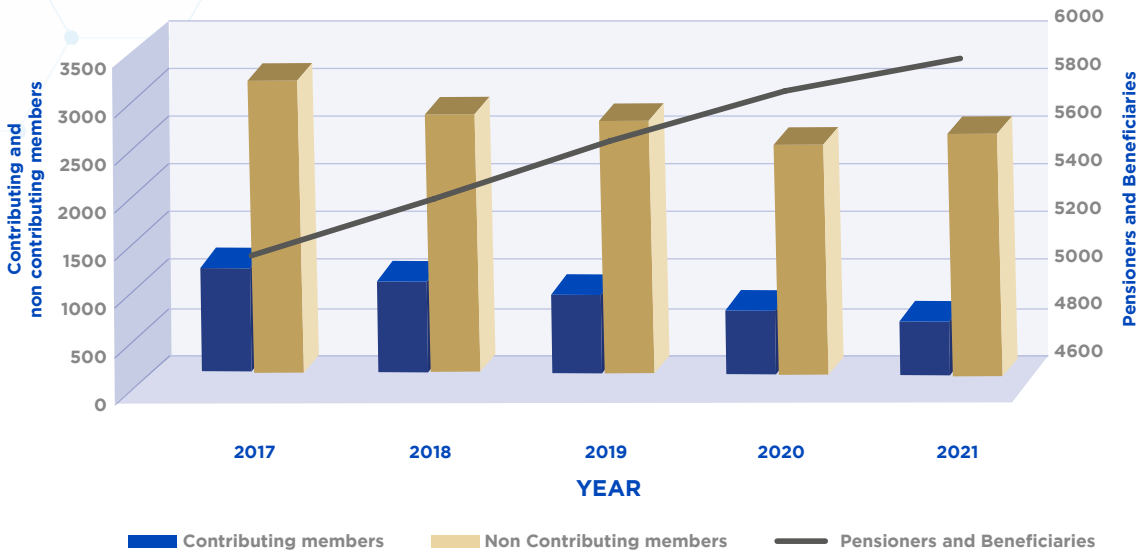
The funding level continues to decline because member obligations exceed the contributions received from the sponsor and the return on investments.



KPA PENSION SCHEME (DB) FUND HIGHLIGHTS (CONT'D)

SCHEME MEMBERSHIP

The number of retirees and beneficiaries is progressively increasing (leading to a larger monthly payroll) as the number of active contributors declines.



RETURN ON INVESTMENTS

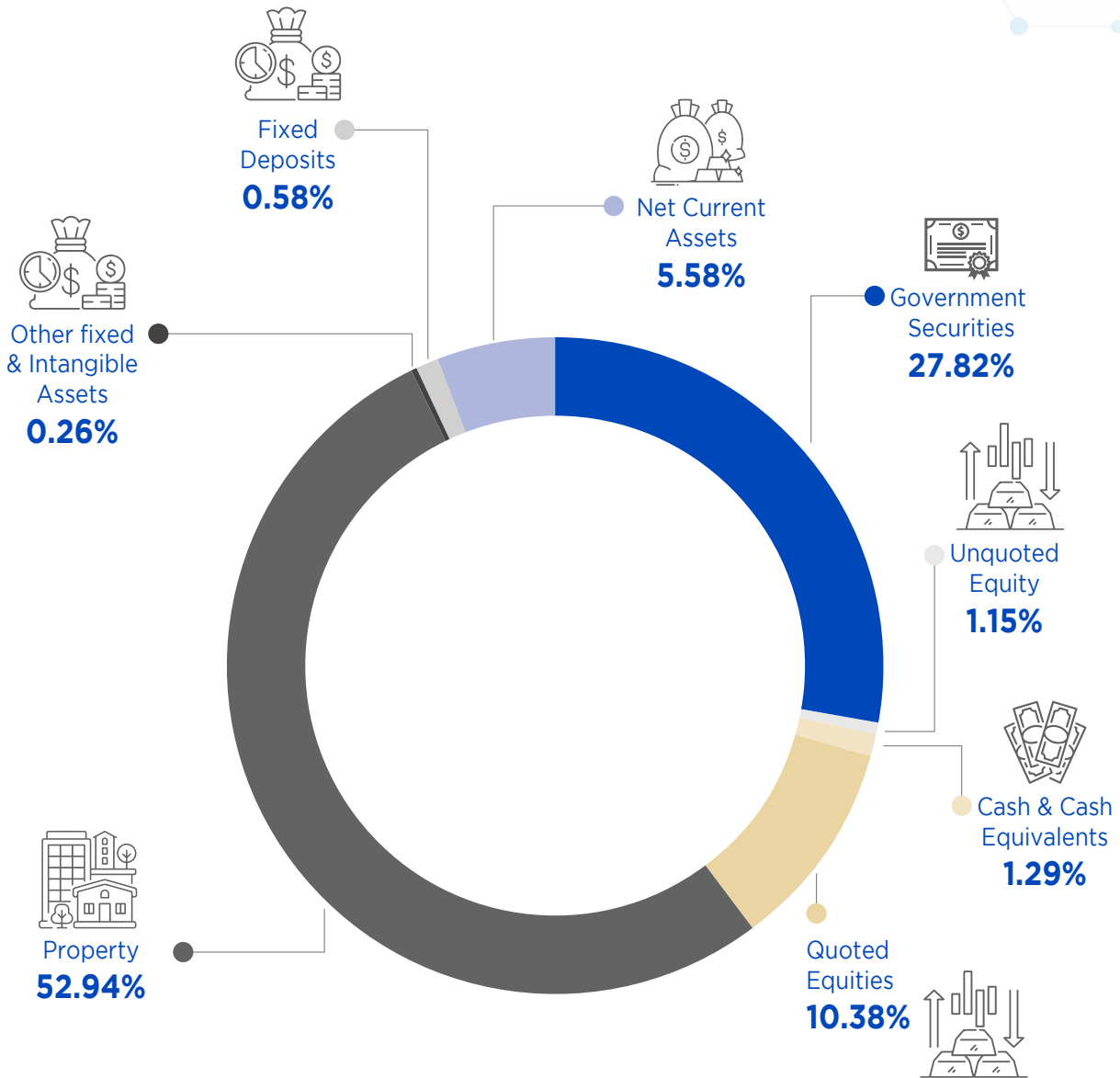
The scheme return on investments have been subdued due to the large proportion of the property portfolio. Returns on property have been lower than the returns on other asset classes.



KPA PENSION SCHEME (DB) FUND HIGHLIGHTS (CONT'D)

SCHEME INVESTMENTS

The Scheme has invested in various asset classes as per the Investment Policy Statement and RBA guidelines. The fund has been diversified into government securities, private equity, quoted and unquoted equities, corporate bonds, and property.



SCHEME INVESTMENTS



Dedan Kimathi Estate, Mombasa.



Bellevue Estate, South C Nairobi



Kafoca, Mombasa.



Kizingo, Mombasa.



Kizingo, Mombasa.



Kizingo, Mombasa.

SCHEME INVESTMENTS



Kizingo, Mombasa.



Lotus Estate, Mombasa.



Rex House, Mombasa.



Hurlingham Court, Nairobi.



Ganjoni, Mombasa.



Nyaku House, Hurlingham, Nairobi.

CHAIRMAN'S STATEMENT



*Dear Members,
It is a privilege for me to present to you the 15th Annual Report for the Kenya Ports Authority Pension Scheme. The theme for this year's Annual General Meeting is fostering unity and collaborative approach for a sustainable scheme. Our Scheme is a closed scheme and therefore sustainability is key to ensure that the social welfare of our present and future members (as well as beneficiaries) is well taken care of.*

2021 ECONOMIC CLIMATE

i) Economic Outlook

The year 2021 was full of its own challenges noting that the global market was just recovering from the Covid-19 pandemic. According to the Kenya National Bureau of Statistics, the world real Gross Domestic Product is estimated to have grown by 5.9 per cent in 2021 compared to a contraction of 3.1 per cent in 2020. The growth was attributed to the easing of Covid 19 restrictive measures.

The country's Real Gross Domestic Product (GDP) is estimated to have grown by 7.5 per cent in 2021 compared to a contraction of 0.3 per cent in 2020.

ii) Pension Sector

According to the Central Bank of Kenya, Kenya's Financial Sector Stability Report, the total assets for the Schemes within the country increased to Kshs. 1,547.43 billion as of 31st December 2021. This marked a 10.6% increment from Kshs. 1,398.96 billion as of 31st December 2020.

THE SCHEME'S INVESTMENT OVERVIEW & PERFORMANCE

The Scheme is a closed scheme. The number of the active contributing members stood at 566 as of 31st December 2021 as opposed to 684 in the previous year. The decline in numbers was informed by the fact that the Scheme, having been closed, has no new entrants, yet members are still retiring.

The Scheme's fund value stood at Kshs. 22,387,189,460 as of 31st December 2021. This marks a 6.8% decline from the previous year when the fund value was Kshs. 24,032,940,166.00.

The decline in fund value is attributed to, among other reasons, the fact that the Scheme is a closed scheme and as such the liabilities outweigh the contributions. The Scheme fund is diversified across different asset classes.

CHAIRMAN'S STATEMENT (CONT'D)

A breakdown of the Scheme's diversified assets and investment portfolio as of 31st December 2021 is as follows:

No.	Asset Class	Value	Percentage	RBA Limit
1.	Government Securities	6,228,602,583	27.82%	90%
2.	Fixed Deposits	130,291,561	0.58%	30%
3.	Unquoted Equity	256,692,800	1.15%	5%
4.	Quoted Equity	2,324,453,145	10.38%	70%
5.	Property	11,851,251,360	52.94%	30%
6.	Other fixed and Intangible assets	58,421,522	0.26%	10%
7.	Cash & cash equivalents	288,628,015	1.29%	5%
8.	Net Current Assets	1,248,848,474	5.58%	
	TOTAL	22,387,189,460	100%	

The property portfolio stood at 52.94% of the entire Scheme fund. This is beyond the 30% limit prescribed by law. In a bid to comply with the law, the Board of Trustees had resolved (in 2019) to dispose off by way of sale. The disposal is also meant to liquidate the property portfolio to timely meet the Scheme's obligation of paying monthly pension as well as catering for the expenses of pension increments.

The efforts to liquidate the property portfolio was conducted after the scheme consulted industry professionals who prepared a property masterplan which is to be implemented in ten (10) years from 2018.

The efforts to liquidate the scheme's property portfolio has been slowed by various cases filed in court by members of the Scheme. The Board of Trustees would like to encourage members to engage in dialogue as opposed to filing numerous court cases over issues which can be addressed internally.

THE SCHEME'S FUNDING POSITION

The Scheme is underfunded with the deficit standing at Kshs. 5.029 billion as of 31st December 2021 as opposed to 4.379 billion in the previous year. As a result of the deficit, the scheme's funding level as of 31st December 2021 was 81.7% as opposed 84% in the year 2020.

The Board of Trustees are committed to ensure that the deficit is remedied with their primary


goal being to ensure that the scheme regains full funding. To this end, the Scheme has begun robust engagement with the Sponsor to address the issue of the deficit.

In a bid to address this gap, the Scheme has submitted a remedial plan to the Retirement Benefits Authority. The remedial plan saw the sponsor remit a sum of Kshs. 535.2 million towards bridging the deficit in the year 2021. This translates to a sum Kshs. 44.6 million per month.

Presently, the Board of Trustees is engaged in talks with the Sponsor to review the remedial plan with a possibility of increment in the contribution to speed up bridging the deficit.

GOVERNANCE AND SCHEME ADMINISTRATION

Board of Trustees

In compliance with the Retirement Benefits Act the Scheme's Trust Deed and Regulations as well, the Scheme is steered by a Board of Trustees. Presently, the Board of Trustees is comprised of seven (7) Trustees. There are vacancies for two (2) sponsor nominated Trustees. The names of the current Trustees are available on pages 20 and 21 of this report. 

Scheme Administration/Secretariat

The Scheme has an internal administration. Previously, the internal administration comprised for members of staff seconded from the

CHAIRMAN'S STATEMENT (CONT'D)

sponsor. In January 2021, the Scheme hired its own independent staff. This move has enhanced the Scheme's autonomy, efficiency as well as service delivery.

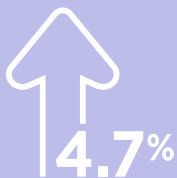
Instruments of Governance

The Board of Trustees has developed Board Charter as well as the Code of Conduct to govern its operations. This is in addition to the policies and other instruments provided in the Good Governance Guidelines which the Scheme's Board of Trustees has developed and approved. These instruments are meant to streamline and improve the administration of the Scheme.

Additionally, the Board of Trustees has, in line with the Good Governance Guidelines, established working committees for efficient operations. These committees are the Finance and Investment Committee, the Audit & Risk Committee and the Administration and Communication Committee.

Towards the Future

As the economic environment opens, there is hope for a better future.



Although 2022 is an election year, there is hope that the markets and economy will continue to progress and recover from the Covid-19 pandemic effects. The projection is that the economy will expand with at least 4.7%.

Appreciation

On behalf of the Board of Trustees, I wish to thank Board of Directors of the sponsor, Kenya Port Authority for their invaluable support during the year and its management for the timely remittance of contribution.

I also wish to give a heartfelt gratitude to the Regulator (Retirement Benefits Authority), our service providers including but not limited to the Scheme Administrator and the entire secretariat, the Investment Managers, the Scheme Actuary, the Custodian, and the Auditors. Your support throughout the year is appreciated.

Finally, I wish to thank members for your co-operation and attendance of this AGM. Without you, we would not be here.

Asanteni Sana!

SALIM JUMA CHINGABWI

*Chairperson,
Board of Trustees*



Bandari Plaza, Westlands, Nairobi.

BOARD OF TRUSTEES



SALIM CHINGABWI
Trustee - Chairman

Salim joined the scheme in October 2017 as sponsor nominated Trustee - KPA Pension Scheme (DB) and is currently serving his second term. He has a diploma in Maritime Studies from Bandari College, a Bachelor of Education Science from University of Nairobi and a Msc. Human Resource Management from University of Manchester, United Kingdom. He is an experienced Strategic Human Resource Practitioner with over 35 years working experience offering advice to top leadership in areas of strategy formulation and Human Resource Management.

He is a member of IHRM, Advanced Management Dev.- KIM, Advanced Management Dev. - FKE and a member of Chartered Institute of Personnel Management (UK). He has served as a board member of various Boards and chairman at Kenya Ferry Services Board. He has also served as a director at Kenya Bureau of Standards and is a former General Manager - HR & Administration at Kenya Ports Authority (KPA) and a Certified Trustee having undertaken the Trustee Development program of Kenya (TDPK). Salim is currently the chairman of KPA Pension Scheme.



DAVID BONYI
Trustee

David joined the scheme in January 2021 as sponsor nominated Trustee - KPA Pension Scheme (DB). He has a Bachelor of Laws degree from the University of Nairobi and Master of Laws (LLM) Degree (International Trade and Investments Law). He also holds a post-graduate diploma in Law from the Kenya School of Law.

He is an established Advocate well experienced in employment law, financial sector regulation, statutory compliance, legal audit and corporate law. He is an Advocate of the High Court of Kenya with over 35 years of experience, a Certified Public Secretary (CS) and a qualified trainer in Corporate Governance. He has served in various capacities at the Retirement Benefits Authority and engaged with the IMF and World Bank to countries within the East African region as an Independent Consultant. David has been engaged by the Government of Gambia in drafting a new Pensions Act to replace the Pensions Act of 1950. He is a Certified Trustee having undertaken the Trustee Development program of Kenya (TDPK)

Committee Membership -
Finance & Investment and Administration & Communication and Committee



ALEX OLE LETEIPAN
Trustee

Alex joined the scheme in October 2017 as sponsor nominated Trustee - KPA Pension Scheme (DB) and is currently serving his second term. He has completed Accountancy Advanced Level from Strathmore College and is a member - Association of Certified Accountants. He also holds Senior Executive Programme from London Business School. He is an alumnus of University of Nairobi and holds an Associate of Chartered Secretaries and Administrators from London School of Accountancy. He is an experienced auditor with over 35 years of experience working in the Maritime Transport industry providing top management leadership in strategy formulation, operations, financial management, internal audit, safety and security, Human Resources and other management functions.

He is a member of Chartered Institute of Secretaries and Administrators, London and a Conciliator - UNCTAD Liner Code of Conduct. He has previously served as Managing Director at Kenya Ferry Services Ltd Consultant at African Marine and General Eng. Ltd, Consultant at Petro Oil(k) Ltd and Consultant at Alba Petroleum Co. Ltd. He has served as chairman at Mombasa Club, director at Tana and Athi River Development Authority and director at Kenya Tourism Development Corporation. Alex is a Certified Trustee having undertaken the Trustee Development program of Kenya (TDPK).

Committee Membership -
Finance & Investment, Project Implementation and Audit & Risk Committee

BOARD OF TRUSTEES



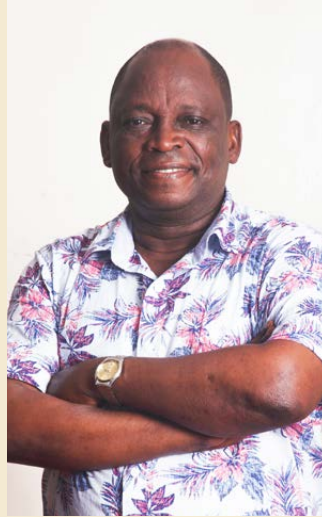
CONRAD THORPE
Trustee

Conrad joined the scheme in April 2022 as a sponsor nominated Trustee - KPA Pension Scheme (DB). He has a Bachelor of Art (Military) - Advanced Command and Staff Course and masters of Art War Studies and Defense Technology from Cranfield University.

He is a member of SB Association Colonel, SF Club and KSF. With over 35 years of experience in the British Army, he has served as colonel - HM Royal Marines.

He has also served as a trustee - UN Trust Fund Somalia, board director - Tsavo Trust and Secretary General - Kenya Swimming Federation. Conrad is currently a board director at Kenya Ports Authority (KPA).

Committee Membership -
Finance & Investment and Audit & Risk Committee



FERDINAND MALUMBO
Trustee

Ferdinand joined the scheme in December 2020 as member elected Trustee - KPA Pension Scheme (DB). He has a diploma in Clinical Medicine & Surgery, Sports Medicine and HND. Clinical Medicine and Surgery (Orthopaedics and trauma) from KMTC. He is a member of Kenya Clinical Officer Association and Kenya Clinical Officer Council. With 29 years of experience, Ferdinand has served as Bandari FC medical practitioner and is currently a medical practitioner at Bandari Clinic Kenya Ports Authority (KPA). Ferdinand is a Certified Trustee having undertaken the Trustee Development program of Kenya (TDPK).

Committee Membership
- Administration & Communication and Project Implementation Committee



VIOLET MUGAMBI
Trustee

Violet joined the scheme in December 2020 as member elected Trustee - KPA Pension Scheme (DB). She has a Bachelor's degree in Business Administration (Human Resource) from KEMU, HND. Human Resource Management from Technical University of Mombasa, Masters in Entrepreneurship from KEMU, Master's in Counselling from Manchester University and a PHD. Arts and Counselling from Washington International University. She is currently pursuing a PhD. Human Resource Management in JKUAT.

With 30 years of experience, she is a Certified Professional Mediator and a Certified Human Resource Professional Trainer. She is a member of IHRM and Kenya Association of Psychological Counsellors.

Currently, Violet is an Administrator (Container Operations) at Kenya Ports Authority (KPA) and a Certified Trustee having undertaken the Trustee Development program of Kenya (TDPK).

Committee Membership
- Administration & Communication, Project Implementation and Audit & Risk Committee



PAUL MWAKA
Trustee

Paul joined the scheme in December 2020 as member elected Trustee - KPA Pension Scheme (DB). He holds a Bachelor of Arts in Criminal Justice and Security Management, BSc in Environmental Health Sciences, MSc. OSH and PGD. OSH from Turin University, Italy. Having 27 years of experience, he is a Certified Trustee at Trustee Development Program Kenya (TDPK), NEBOSH Certified and International Commission on Occupational Health (ICOH). Paul is currently employed at Kenya Ports Authority.

Committee Membership -
Finance & Investment, Project Implementation and Audit & Risk Committee

SCHEME ADMINISTRATOR'S REPORT



Dear Members, the Board of Trustees and all Stakeholders, it is my pleasure to present to you the Scheme Administration report for the financial year ended 31st December 2021. The Scheme is a Defined Benefits Scheme where the members contribute 7.5% while the sponsor contributes 14.7% of the basic salary and member benefits are paid by way of a defined formula.

Strategic Plan & Direction



The Scheme has developed a five (5) year strategic plan set to be implemented from 2022-2026. The strategic plan seeks to foster sustainability of the Scheme, enhance member satisfaction, and ensure improved efficiency.

Structure of the Scheme Administration

The Scheme administration comprises of the staff with diverse background in terms of skill sets as well as other demographic parameters. For streamlined operations, the administration is specialized in the following departmental categories, Benefits Department, ICT and Records, Finance and Investment Department, Human Resource, and the Legal Department.

Milestones During the Year

(i) Leveraging on Technology

In a bid to enhance efficiency, the Scheme commissioned the implementation of a new Enterprise Resource Planning (ERP) system which would aid in streamlining service delivery. The ERP will have a member portal which will allow members to make projections of the expected lump sum payment upon retirement. As such this will enhance transparency in the calculation and payment of benefits. Additionally, members would be able to view the statements in real time, update the nomination of beneficiary through the portal provided in the ERP.

(ii) Member Education and Pensioner Awareness

During the year, the Scheme conducted member education and Pensioner awareness throughout the country. Member engagement is an important aspect which fosters unity and enhances collaboration between the Trustees and the members over 3000 members were engaged during this exercise This is in line with this AGM's theme.

SCHEME ADMINISTRATOR'S REPORT (CONT'D)

Scheme Fund Investment Performance

(i) Annual Rate of Return

The Scheme's investments recorded a rate of return of 5.2% in 2021. This was lower than the assumed rate of return which is 10% on the Scheme Asset. The residential property asset class remains the least performing scheme investment. This is occasioned partly by the fact that the tenants in those houses are not paying the market rates. The Scheme's efforts to realize maximum returns has been hampered by the court cases filed in court by the tenants.

(ii) Litigation and Case Management

One of the areas of exposure has been the number of litigations the Scheme has been facing. During the member education and pensioner awareness session, it was noted that the numerous court cases filed in court by members of the Scheme was because of communication break down between members of the Scheme and the Trustees.

To bridge this gap, the Scheme has come up with a robust engagement system and structures to ensure that member concerns are addressed expeditiously and without the need to escalate them to judicial proceedings. The scheme has also adopted an open-door policy to address any member concerns.

(iii) Diversification of investments

In a bid to diversify its investment, the Scheme has been undertaken projects aid in its generation of revenue. 2021 saw the finalization of Phase II of the Bandari Apartments Project in Nairobi. The Scheme is still in the process of selling the units.

Future Promise

The Scheme Administration, under the stewardship of the Board of Trustees, is committed to adhere to the Strategic Plan and deliver the promise of making the scheme sustainable for the generations to come.

Appreciation

On behalf of the Scheme Secretariat, I wish to thank the Board of Trustees, the members of the Scheme as well as all the other stakeholders.

Finally, I wish to thank members for your co-operation and attendance of this AGM. Without you, we would not be here.

Thank you very much!

BERNARD KIBET
Ag. Scheme Administrator

MANAGEMENT TEAM



BERNARD KIBET
AG, Scheme Administrator

Bernard joined the Scheme in January 2021 to provide leadership in the development and implementation of the Scheme's strategy, as well as pension scheme administration management. He is currently pursuing a Masters in Financial Economics (JKUAT) and holds a Bachelor of Science in Actuarial Science (Makerere University). Among his professional credentials are a Certified Investment & Financial Analyst CIFA (K) and an ongoing Diploma in Insurance from the College of Insurance Kenya.

He is also a Certified Trustee through the Trustee Development Program Kenya (TDPK) and a member of the Institute of Certified Financial Analysts (ICIFA). Bernard is an accomplished professional with over 12 years of experience in the pension industry. Previously, he was Head; Retail Pension Business Development at Octagon Pension Services Ltd.



SUSAN OLELO
Manager - Finance & Investment

Susan joined the Scheme in December 2020 and is in charge of the Finance & Investment department. She is in responsible for all aspects of finance and investment, including budgeting, financial analysis, capital asset management, and the implementation of financial policies and procedures. She holds a Masters of Business Administration in Strategic Management (UON) as well as a Bachelor of Commerce in Finance (UON).

She is a CPA(K), an ICPAK member, a Certified Lean Six Sigma Yellow Belt-KIM, an ISO Auditor-KIM, and a Trustee Development Program Kenya (TDPK).

With over 19 years of experience in Accounting, Financial & Pension Sector, she previously worked as Accounts Payables/Receivables Manager - Multichoice Kenya, and as a financial accountant at CPF.



TOM MUSAU
Manager ICT and Records

Tom joined the Scheme in December 2020 to lead the ICT& Records department, which is responsible for facilitating an effective information flow that ensures the Scheme's ICT and records management programs are met.

He is currently pursuing a Masters of Science in Computer Systems (JKUAT) and holds a Diploma in Oracle 10g (Institute of Software Technologies), a Bachelor of Business Information Technology (Strathmore University), and a Diploma in Information Technology and Management (JKUAT). He is an Oracle Certified Professional (OCP), a Microsoft Certified Information Technology Professional (MCITP), a Linux +, a CISA Certified Professional, and an ITIL Certified Professional, among other professional certifications. Tom is also a Certified Trustee -Trustee Development Program Kenya (TDPK).

He has 13 years of experience in banking, manufacturing and media industry and previously worked as the ICT and Broadcast Manager at Radio Africa Group.

MANAGEMENT TEAM



MAKAYA OWEYA
Legal Officer

Makaya joined the Scheme in January 2021 to take charge of the Legal Unit, which provides legal services, Board secretariat services, legal risk mitigation and ensures compliance with relevant legislation.

He is currently pursuing a Masters of Law (UON) and holds a Postgraduate Dip. in Law - Kenya School of Law as well as a Bachelor of Laws degree (UON). He is a High Court of Kenya advocate, a Certified Trustee -Trustee Development Program Kenya (TDPK), a Judiciary Accredited Mediator, a trained Legal Auditor, and a member of the Law Society of Kenya.

He has over 9 years of legal and regulatory compliance experience. He has previously served as Dispute Resolution and Risk Management Associate at GVA Advocates where he represented and advised various corporate clients including pension schemes.



BEVALINE KOECH
Pension Administration Officer

Bevaline joined the Scheme in January 2021 and is responsible for the day-to-day and general administration of pension benefits in the pension management department, including the DB and DC Schemes, as well as liaising with Scheme service providers in matters related to pension. She is currently pursuing a Master of Business Administration (Strategic Management, UON) as well as a CPA (K) - both of which are ongoing. She holds a Bachelor of Business Administration (Accounting, Kenya Methodist University).

Bevaline holds an Investment Operations Certificate - CISI, as well as professional qualifications such as Certified Trustee - Trustee Development Program Kenya (TDPK), Customer Relationship Management - International Sales Training Institute, and Anti-Money Laundering & Anti-terrorism Financing Training - Global Finance & Compliance Hub.

She has over 10 years of experience in the financial and pension sectors, having worked as a Fund Operations Supervisor for Cytonn Investment Management Ltd, as well as for several financial institutions handling Unit Trusts and Pension Funds.



DENNIS BEBORA
Human Resource & Administration Officer

Dennis joined the Scheme in January 2021 and is in charge of the HR & Administration Unit, which is in charge of implementing the Scheme's human resource management strategy and providing leadership in human resource operations.

Dennis has a Masters of Business Administration in Strategic Management (Kenyatta University), a Postgraduate Diploma in Human Resource Management (KNEC), and a Bachelor of Business Administration (Uganda Christian University). He is a Certified Trustee -Trustee Development Program Kenya (TDPK), Member Practitioner-IHRM. He has over 11 years of experience working with non-governmental organizations, government state corporations, and the pension sector.

SECRETARIAT STAFF



FRONT ROW L TO R:

Zuhura Said, Susan Ayoyi, Kazungu Changawa, Nehemiah Owino,
Wilberforce Odhiambo, Michael Kariuki, Solomon Ngei, Alex Kimanzi, Mary Mwangi

BACK ROW L TO R:

Peter Manga, Joel Odunga, Stephen Chege, Bramuel Kedogo, Padwick Maratani

ACTIVITIES IN PICTORIAL



DB Chairman S Chingabwi (left) accompanied by his counterpart DC Chairman Salim Kumaka (right) at the 2020 DB AGM.



Member Registration at the 2020 DB AGM



KPA DB Pension Scheme Trustee Violet Mugambi following Proceedings of the 2020 AGM at Mbaraki



A member makes a point at the 2018 DB AGM



Launch of the Customer Service Week at KPA Pension Offices



Launch of the Customer Service Week at KPA Pension Offices

ACTIVITIES IN PICTORIAL



DB Trustees accompanied by their DC counterparts at the handover ceremony of Bandari Phase 2 apartments



Ag. Scheme Administrator welcomes a pensioner at the launch of the customer service week



DB Pensioners awareness session in Busia



Members following proceedings at the DB 2020 AGM in Mombasa



Members following proceedings at the DB 2020 AGM in Mombasa



Pensioners in Kakamega following the presentations made during the pensioner awareness session

FINANCIAL STATEMENTS



	Feb	Mar	Apr	May
Jan	10,553	10,200	800	251,553
Feb	62,947	20.01%	24,000	6,000
Mar	10,200	800	282,497	-27,887
Apr	254,610	10,200	800	-10.95%
May	330,156	230,337	10,200	800
Jun	234,156	107,420	88,819	26.90%
Jul	31.45%	24,000	6,000	3,500
Aug	24,000	6,000	3,500	3,570
Sep	6,000	3,500	0	0
Oct	3,500	3,570	0	0
Nov	0	0	2,000	550
Dec	4,500	0	0	0
Jan	0	0	6,400	550
Feb	1,550	0	0	0
Mar	0	0	3,570	550
Apr	0	0	0	0
May	550	550	0	0

REPORT OF THE TRUSTEES

The scheme was established, and is governed by a trust deed with effect from 1 January 1998. It is a defined benefit scheme and provides, under the rules of the scheme, retirements benefits for the staff of Kenya Ports Authority. It is a tax exempt (92291B/1765) approved scheme under the Income Tax Act and is registered with the Retirement Benefits Authority. Employees contribute to the fund at the rate of 7.5% (2020: 7.5%) of their respective pensionable salaries. The employer contributes at rates based on periodic advice of the actuary. The employer's current contribution rate is 14.7% (2020: 14.7%) of employees' pensionable salaries.

SCHEME MEMBERSHIP

	2021 Number	2020 Number
Total members		
Contributing members	566	684
Non-contributing members	2,552	2,419
Pensioners	4,155	4,313
	1,730	1,395
Pension beneficiaries	9,003	8,811
Contributing members		
At start of year	684	831
Less: Retired with pension	(89)	(135)
Died in service	(2)	(8)
Other secessionists	(27)	(4)
At end of year	566	684
Pensioners and pension beneficiaries		
At start of year	5,708	5,491
Add: Contributing members who retired	89	135
Widows, widowers and dependants pension becoming payable	202	205
Less: Ceased pensions	(157)	(123)
At end of year	5,842	5,708

FINANCIAL REVIEW

Net assets

	2021 Shs	2020 Shs
At start of year	23,061,519,268	24,032,940,166
Prior year adjustment	(25,200,000)	-
Increase / Decrease in net assets during the year	(649,129,809)	(971,420,827)
At end of year	22,387,189,460	23,061,519,268

REPORT OF THE TRUSTEES (CONT'D)

INVESTMENT OF FUNDS

Under the terms of their appointment the fund managers Britam Asset Manager (K) Limited, Co-op Trust Investment Services Limited are responsible for the investment of funds. The overall responsibility for investment and performance of funds lies with the trustees.

ACTUARIAL POSITION

The last actuarial valuation was carried out as at 31 December 2020 in May 2021 by Zamara Actuaries, Administrators and Consultants Limited, an independent firm of actuaries, using the projected unit credit method. According to the valuation at that date, the actuarial present value of promised benefits was as follows:

	2020	2019
	Shs '000,000	Shs '000,000
Vested benefits	12,163	11,355
Non vested benefits	15,278	16,588
Total	27,441	27,943

The fair value of the net assets available for benefits was Shs 23,062 (2019 :Shs 24,033) billion resulting in a deficit of Shs 4,379 (2019 :Shs 3,909) billion


The sponsor commissions an actuarial valuation on an annual basis as agreed with the Retirement Benefits Authority (RBA) although the RBA requires an actuarial valuation at least once in every three years.

REMEDIAL PLAN

A remedial plan to reduce the actuarial deficit has not been agreed upon between the trustees, the employer and the Retirement Benefits Authority.

REPORT OF THE TRUSTEES (CONT'D)

TRUSTEES

The trustees who held office to the date of this report are listed on page 4. 

EXPENSES

The scheme meets all its expenses.

TAXATION

Kenya Ports Authority Pension Scheme has been approved by Kenya Revenue Authority and is exempt from income tax on its investment income.

INDEPENDENT AUDITOR

The scheme's auditor, Obiria & Co. has indicated willingness to continue in office in accordance with Section 34 (3) of the Retirement Benefits Act.

BY ORDER OF THE BOARD OF TRUSTEES



SALINA CHAKIABWILI

TRUSTEE

Mombasa

04:03.2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Kenyan Retirement Benefits Act requires the Trustees to prepare financial statements for each financial year which show a true and fair view of the financial transactions of the Scheme for the year and of disposition at year end of its assets and liabilities. It also requires the Trustees to ensure that the Scheme keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Scheme. They are also responsible for safeguarding the assets of the Scheme.

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Kenyan Retirement Benefits Act, and for such internal controls as Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error. They are also obligated to send to the members a summary of its audited financial accounts together with the members' benefits statements. The Trustees accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and the Scheme's rules. The Trustees are of the opinion that the financial statements give a true and fair view of the financial affairs of the Scheme and of its operating results. The Trustees further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The Trustees certify that, to their best knowledge and belief, the information furnished to the auditor for the purpose of the audit was correct and complete in every respect.

Nothing has come to the attention of the Trustees to indicate that the Scheme will not remain a going concern at least the next twelve months from the date of this statement.

The trustees acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of trustees on **04.03. 2022** and signed on its behalf by:



SALIM CHIRKIBI

TRUSTEE



TRUSTEE

REPORT OF THE INDEPENDENT AUDITOR

To the Members of Kenya Ports Authority Pension Scheme

OPINION

We have audited the accompanying financial statements of Kenya Ports Authority Pension Scheme set out on pages 36 to 58 which comprise the statement of net assets available for benefits as at 31 December 2021 and the statement of changes in net assets available for benefits, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, report, the accompanying financial statements give a true and fair view of the financial position of the scheme as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Retirement Benefits Act, 1997 and the scheme's trust deed.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' audit of the financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER:

a) Project balances

Included in receivables and payables are amounts of Shs 1,834,777,485 and Shs 136,171,120 respectively relating to completed property development projects undertaken by the scheme.

b) Actuarial deficit

We draw your attention to Note 21 in the notes to the financial statements which indicates that there was an actuarial deficit of Shs 4,379 billion as at 31 December 2020.

A remedial plan to reduce the actuarial deficit has not been agreed upon between the trustees, the employer and the Retirement Benefits Authority.

c) Non-compliance with Retirement Benefits Act investment guidelines

We draw your attention to Note 18 to the financial statements which indicates that investment in investment property is more than that stipulated in the Retirement Benefits Act.

d) Expired lease of leasehold property

We draw your attention to Note 8 to the financial statements which indicates the value of investment in investment property in a sum of Shs 11,285,851,360. Included in the amount is Shs 142,000,000 relating to Property No. Mombasa/Block/XXI/64 whose lease has expired.

Our opinion is not qualified in respect of this matters.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the report of the trustees' but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITOR

To the Members of Kenya Ports Authority Pension Scheme (cont'd)

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

The trustees are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the Retirement Benefits Act 1997, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Scheme or to cease operations, or has no realistic alternative

Those charged with governance are responsible for overseeing the Scheme's financial reporting process

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguard


The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Gideon Obiria P/No 2187



Certified Public Accountant
Mombasa
21. 03. 2022

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

		2021	2020
	Notes	Shs	Shs
Income from dealings with members			
Contributions received in the year	2.	705,256,217	734,223,961
Outgoings from dealings with members			
Benefits payable and paid	3.	(2,287,149,349)	(2,359,207,535)
Net reduction from dealings with members		(1,581,893,132)	(1,624,983,575)
Returns on investments			
Investment income	4.	1,016,434,866	1,079,534,221
Gain/(loss) on disposal of financial assets	5.(i)	16,315,053	69,544,432
Gain/(loss) on disposal of investment property	5.(ii)	-	26,756,360
Fair value gain on investment properties	8	-	56,400,000
Changes in fair value of plan assets	11.	142,037,253	(372,506,330)
Investment management expenses	6.	(24,249,445)	(25,325,983)
Impairment of plan investment	11.	-	-
Net return on investments		1,150,537,727	834,402,700
Administrative expenses	7.	(217,774,403)	(180,839,952)
(Decrease)/increase in net assets for the year		(649,129,809)	(971,420,827)
Net assets available for benefits			
At start of year		23,061,519,268	24,032,940,166
Prior year adjustment		(25,200,000)	-
(Decrease)/increase		(649,129,809)	(971,420,827)
At end of year		22,387,189,460	23,061,519,268

The notes on pages 39 - 58 form an integral part of these financial statements. Report of the independent auditor - pages 34 - 35. 

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

Assets	Notes	As at 31 December	
		2021 Shs	2020 Shs
Investment properties	8	11,285,851,360	11,592,451,360
Motor vehicle and equipments	9	53,321,549	62,174,330
Assets classified as held for sale	10	565,400,000	284,000,000
Plan investments	11	8,940,040,089	9,412,509,338
Intangible assets	12	5,099,973	5,602,800
Receivables and accrued income	13	1,975,740,148	1,887,243,670
Cash and cash equivalents	14	288,628,015	214,336,626
Total assets		23,114,081,134	23,458,318,124
Less: liabilities			
Payables and accrued expenses	15	726,891,674	396,798,855
Net assets available for benefits		22,387,189,460	23,061,519,268


The financial statements on pages 39 - 58 were approved and authorised for issue by the Board of Trustees on 04.03.2022 and were signed on its behalf by:



TRUSTEE




TRUSTEE

Report of the independent auditor - pages 34 - 35. 

STATEMENT OF CASH FLOWS

		2021	2020
	Notes	Shs	Shs
Operating activities			
Reconciliation of decrease in net assets to cash from operating activities:			
Decrease in net assets (excluding fair value changes)		(791,167,062)	(596,923,287)
Adjustments for:			
Depreciation of motor vehicles and equipment	7.	12,893,153	2,826,025
Amortisation of intangible assets		833,464	800,400
Revaluation loss		-	(56,400,000)
Gain/(loss) on disposal of investment property		-	(26,756,360)
Interest on treasury bill		-	(5,708,733)
Unrealised Exchange Gain/ (Loss)		(3,114,563)	(1,988,293)
(Gain)/loss on disposal of financial assets	5.(i)	(16,315,053)	(69,544,432)
		(796,870,060)	(753,694,681)
Changes in:			
Receivables and accrued income		(88,496,478)	(12,807,267)
Payables and accrued expenses		330,092,819	(404,011,756)
Net cash used in operating activities		(555,273,719)	(1,170,513,704)
Investing activities			
Cash paid for purchase of PPE	9.	(4,040,372)	(60,245,412)
Cash paid for purchase of intangible asset	12.	(330,637)	-
Purchase of plan assets	11.	(1,056,203,924)	(837,336,467)
Proceeds from sale of investment property		-	680,800,000
Proceeds from sale/maturity of financial assets	5.(i)	1,255,480,767	1,545,136,369
Net cash from investing activities		194,905,834	1,328,354,489
Decrease in cash and cash equivalents		(360,367,885)	157,840,785
Movement in cash and cash equivalents			
At start of year		779,287,462	621,446,676
Increase (decrease)		(360,367,885)	157,840,785
At end of year	14.	418,919,576	779,287,462

The notes on pages 39 - 58 form an integral part of these financial statements.
Report of the independent auditor - pages 34 - 35. 

NOTES TO THE FINANCIAL STATEMENTS

1. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, except as indicated otherwise below and are in accordance with International Financial Reporting Standards (IFRS), Retirement Benefits Act, 1997 as amended, and with the Retirement Benefits (Occupational Retirement Benefit Schemes) Regulations, 2000. Historical cost convention is generally based on the fair value of the consideration given in exchange of assets. Fair value is the price to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the scheme takes into account the characteristics of the asset or liability if market participants would take those characteristics into when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements summarise the transactions of the scheme and deal with the net assets available for benefits disposal of the trustees. They do not take account of obligations to pay pensions and benefits that fall due after the end of scheme year.

These financial statements are presented in Kenyan Shillings (Shs), rounded to the nearest thousand. The measurement applied is the historical cost basis, except where otherwise stated in the accounting policies.

Going concern

The financial performance of the scheme is set out in the trustees' report and in the statement of changes in net assets available for benefits. The financial position of the scheme is set out in the statement of net assets available for benefits. Disclosures in respect of risk management are set out in note 23.

Based on the financial performance and position of the scheme and its risk management policies, the trustees are of the opinion that the scheme is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

New and amended standards adopted by the scheme

A number of new and revised Standards and Interpretations have been adopted in the current year. Their adoption has had no material impact on the amounts reported in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

New standards, amendments and interpretations issued but not effective

At the date of authorisation of these financial statements the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective for the year presented:

- Amendments to IAS 40 'Transfers of Investment Property' (issued in December 2017) that are effective for annual periods beginning on or after 1 January 2018, clarify that transfers to or from investment property should be made when, and only when, there is evidence that a change in use of property has occurred.
- Amendment to IFRS 1 (Annual Improvements to IFRS 2014-2016 Cycle, issued in December 2016) that is effective for annual periods beginning on or after 1 January 2018, deletes certain short-term exemptions and removes certain reliefs for first-time adopters.
- IFRS 9 'Financial Instruments' (Issued in July 2014) will replace IAS 39 and will be effective for annual periods beginning on or after 1 January 2018. It contains requirements for the classification and measurement of financial assets and financial liabilities, impairment, hedge accounting and de-recognition.

In respect of financial liabilities, the most significant effect of IFRS 9 where the fair value option is taken will be in respect of the amount of change in fair value of a financial liability designated as at fair value through profit or loss that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income (rather than in profit or loss), unless this creates an accounting mismatch.

In respect of impairment of financial assets, IFRS 9 introduces an "expected credit loss" model based on the concept of providing for expected losses at inception of a contract.

In respect of hedge accounting, IFRS 9 introduces a substantial overhaul allowing financial statements to better reflect how risk management activities are undertaken when hedging financial and non-financial risks.

- IFRS 15 'Revenue from Contracts with Customers' (issued in May 2014) effective for annual periods beginning on or after 1 January 2018, replaces IAS 11 'Construction Contracts', IAS 18 'Revenue' and their interpretations (SIC-31 and IFRIC 13,15 and 18). It establishes a single and comprehensive framework for revenue recognition based on a five-step model to be applied to all contracts with customers, enhanced disclosures, and new or improved guidance.
- IFRS 16 'Leases' (issued in January 2016) effective for annual periods beginning on or after 1 January 2019, replaces IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement Contains a Lease' and their interpretations (SIC-15 and SIC-27). IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.
- The trustees expect that the future adoption of IFRS 9 may have a material impact on the amounts reported. However, it is not practicable to provide a reliable estimate of the effects of the above until a detailed review has been completed. The trustees do not expect that adoption of the other standards and interpretations will have a material impact on the financial statements in future periods. The scheme plans to apply the changes above from their effective dates noted above.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

b) **Key sources of estimation uncertainty**

In the application of the accounting policies, the trustees are required to make the judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

In the application of the accounting policies, the trustees are required to make the judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The trustees have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- **Impairment of receivables and accrued income** - the scheme reviews their portfolio of receivables on an annual basis. In determining whether receivables are impaired, the management makes judgement as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cashflows expected.
- **Fair value measurement and valuation process** - In estimating the fair value of an asset or a liability, the trustees uses market-observable data to the extent it is available. Where level 1 inputs are not available, the trustees makes use of financial models or engages third party qualified values to perform the valuation and provide inputs to the model.

c) **Significant judgements made by management in applying the scheme's accounting policies**

Trustees have made the following judgements that are considered to have the most significant effect on the amounts recognised in the financial statements:

- **Held to maturity financial assets** - The trustees have reviewed the scheme's held to maturity financial assets in the light of its capital maintenance and liquidity requirements and have confirmed the scheme's positive intention and ability to hold those assets to maturity.

d) **Contributions receivable**

Current service and other contributions are accounted for in the period in which they fall due.

e) **Benefits payable**

Pensions and other benefits payable are accounted for in the period in which they fall due.

f) **Income from investments**

- i) Interest income is recognised for all interest bearing instruments on a accrual basis. Interest income includes coupons earned on fixed income investments and accrued discounts and premium on treasury bills and other discounted instruments.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

- ii) Dividends are recognised as income in the period in which the right to receive payment is established.
- iii) Rental income is recognised in the period in which it is earned.

g) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Kenya Shillings (the functional currency), at rates ruling at the transaction dates. At the end of each reporting period, items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of changes in net assets available for benefits.

h) Motor vehicle and equipments

All motor vehicle and equipments are initially recorded at cost and thereafter stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated on the straight line basis to write down the cost of each asset, to its residual value over its estimated useful life using the following annual rates:

Motor vehicle	-	over 4 years
Computer and equipments	-	over 5 years

The assets residual values and useful lives of the assets are reviewed, and adjusted if appropriate, at the end of each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of motor vehicles and equipment are determined by reference to their carrying amount and are taken into account in determining net return on investments.

i) Investment property

Investment property is carried at fair value representing open market value. Fair value is determined every three years by external independent valuers as required by the Retirement Benefits Act. Investment properties are not subject to depreciation. Changes in the carrying amount between reporting dates are processed through the statement of changes in net assets.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of changes in net assets.

Repairs and maintenance expenses in respect of investment property are charged to income in the period in which the expense is incurred.

j) Financial instruments

Financial assets and financial liabilities are recognised when the scheme becomes a party to the contractual provisions of the instrument. Management determines all classification of financial assets at initial recognition.

- Financial assets

The scheme's financial assets which include quoted shares, government securities and corporate bonds and commercial paper and loans and receivables are carried at fair value and fall into the following categories:

Held-to-maturity: financial assets with fixed or determinable payments and fixed maturity where the management have the positive intent and ability to hold to maturity. Such assets are carried at amortised cost using the effective interest rate method. Changes in the carrying amount are recognised in the statement of changes in net assets available for benefits.

Available-for-sale: financial assets that are held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rate. Such assets are carried at fair value where fair value gains or losses are recognised directly in statement of changes in net assets available for benefits.

Interest on available-for-sale: securities is calculated using the effective interest method and is recognised in statement of changes in net assets available for benefits as part of investment income.

Dividends on available: for-sale equity instruments are also recognised in statement of changes in net assets available for benefits as part of investment income when the scheme's right to receive payments is established.

Receivables: financial assets that are created by the scheme by providing money directly to a debtor are carried at amortised cost using the effective interest rate method. Changes in the carrying amount are recognised in the statement of changes in net assets available for benefit.

Purchases and sales of financial assets are recognised on the trade date i.e. the date on which the scheme's fund managers commit to purchase or sell the asset.

Financial assets carried at fair value through statement of changes in net assets available for benefits are initially recognised at fair value and transaction costs are expensed in the statement of changes in net assets.

Financial assets are derecognised when the rights to receive cash and cash flows from the investments have expired or have been transferred and the scheme has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. Impairment of financial assets is recognised in statement of changes in net assets available for benefits under administrative expenses when there is objective evidence that the company will not be able to collect all amounts due per the original terms of the contract. Significant financial difficulties of the issuer, probability that the issuer will enter bankruptcy or financial reorganisation, default in payments and a prolonged decline in fair value of the asset are considered indicators that the asset is impaired.

The amount of the impairment loss is calculated at the difference between the assets carrying amount and the present values of expected future cash flows, discounted at the financial instrument's effective interest rate. Impairment losses are recognised in statement of changes in net assets available for benefits.

Subsequent recoveries of amounts previously written off/impaired are credited to changes in net assets available for benefits.

Gains and losses on disposal of assets whose changes in fair value were initially recognised in statement of changes in net assets available for benefits are determined by reference to their carrying amount and are taken into account in determining changes in net assets available for benefits.

Trustees classify investments as follows:

Quoted shares, government securities, corporate bonds and commercial paper are classified as available-for-sale financial instruments. The fair values of quoted shares are based on current bid prices at the reporting date.

Cash with financial institutions are classified as loans and receivables and are carried at amortised cost.

Receivables are classified as loans and receivables and are carried at amortised cost.

A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. The amount of the impairment loss for assets carried at amortised cost is calculated as the difference between the assets carrying amount and the present values of expected future cash flows, discounted at the financial instrument's effective interest rate. Impairment losses are taken into account for determining increase/decrease in net assets for the year.

Trustees classify investments as follows:

Quoted investments are classified as 'available for sale' financial instruments. The fair values of quoted investments are based on current bid prices at the reporting date.

Government securities, corporate bonds and commercial paper are classified as held to maturity as the scheme has the intention and ability to hold these to maturity. These are carried at amortised cost.

Cash with financial institutions are classified as loans and receivables and are carried at amortised cost. Receivables are classified as loans and receivables and are carried at amortised cost. Management classify the fair values of financial assets based on the qualitative characteristics of the fair valuation as at the financial year end. The three hierarchy levels used by management are:

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

- **Level 1:** where fair values are based on non-adjusted quoted prices in active markets for identical financial.
- **Level 2:** where fair values are based on adjusted quoted prices and observable prices of similar financial assets.
- **Level 3:** where fair values are not based on observable market data.

- **Financial liabilities**

The scheme's financial liabilities which includes payables fall into the following category:

Financial liabilities measured at amortised cost: These include payables. These are initially measured at fair value and subsequently measured at amortised cost, using the effective interest rate method.

Payables are initially recognised at fair value and are subsequently stated at amortised cost.

All financial liabilities are classified as current liabilities unless the scheme has an unconditional right to defer settlement of the liability for at least 12 months after the date of the statement of financial position.

Financial liabilities are derecognised when, and only when, the scheme's obligations are discharged, cancelled or expired.

Benefits payable and other liabilities are classified as financial liabilities. Benefits payable to leaving members are taken into account as they fall due for payment.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of net assets available for benefits when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

k) **Intangible assets - Software**

Computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives which is estimated to be 5 years.

l) **Cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks and fixed and time deposits maturing within 90 days.

m) **Taxation**

The scheme is exempt from income tax under the Income Tax (Cap. 470).

n) **Comparatives**

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Contributions received	2021 Shs	2020 Shs
Employer's contributions at 14.7% (2020: 14.7%)	112,637,525	131,786,092
Employees' contributions at 7.5% (2020: 7.5%)	57,418,692	67,237,802
Additional contribution	535,200,000	535,200,066
	705,256,217	734,223,961
There were no revisions on Employer's contributions		
3. Benefits payable and paid		
Monthly pensions	1,443,567,665	1,474,606,466
Lump sum	737,686,278	870,267,736
Lump sum & Pension(Recalculation)	81,995,408	-
Burial allowance	23,899,998	14,333,333
	2,287,149,349	2,359,207,535
4. Income from investment		
Rental income		
Gross rental income	299,508,718	283,237,345
Less: direct rental expenses	(108,359,536)	(75,568,174)
Net rental gain	191,149,182	207,669,171
Plan investment		
Dividends receivable on quoted shares (Kenya and offshore)	86,929,909	97,384,477
Interest and discounts receivable on Kenya Government securities, commercial paper and corporate bonds, and loans and receivables	738,160,593	774,387,225
Miscellaneous income	195,181	93,348
	1,016,434,866	1,079,534,221
5.(i) Gain/(loss) on disposal of plan investments		
Sale proceeds on disposal of financial assets	1,041,176,967	74,998,225
Fair value of financial assets disposed	(1,024,861,915)	(5,453,793)
Net gain	16,315,053	69,544,432
5.(ii) Fair value gain/(loss) on investment properties & plan assets		
Fair value gain on investment properties	-	56,400,000
Changes in fair value of plan assets	142,037,253	(372,506,330)
Gain on disposal of investment property	-	26,756,360.29
	142,037,253	(289,349,970)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

	Shs	Shs
6. Investment management expenses		
Fund managers' fees	17,688,444	18,671,173
Custodian's fees	6,561,000	6,654,811
	24,249,445	25,325,983
7. Administrative expenses		
Meetings and allowances	17,171,061	15,728,589
Trustees' travelling	-	3,073,675
Trustees' education	5,676,547	829,216
Trustees expenses	3,681,329	-
AGM and member education	13,443,290	2,000
Staff travelling	3,890,659	4,197,500
Administration and processing:		
- printing and stationery, postage, internet and telephone	2,365,340	2,960,203
- pensioners' bank cheques, charges and commissions	4,488,106	1,222,049
- fund master license and system upgrades	2,088,000	2,068,171
Audit fees	2,235,132	2,144,063
Computer server and maintenance	872,883	1,199,011
Election expenses	-	3,960,613
Legal and professional fees	50,489,522	60,881,401
Consultancy fees	1,432,455	8,619,454
Tendering expenses	1,365,000	362,500
Conference fees	770,220	1,186,254
Donations	-	555,000
Office expenses	2,312,208	3,376,388
Staff costs	60,896,792	41,919,661
Staff gratuity earned	11,498,839	-
Brokerage commission	155,324	253,358
Customer care week expense	215,329	-
Tax advisory	2,296,900	-
Actuarial fees	3,546,585	3,485,438
Delinking expenses	1,439,040	10,296,267
Specific provision for bad debts	-	-
Auctioneer fees	86,760	84,899
RBA levy	5,000,000	5,000,000
Fines & penalties	310,552	62,876
Depreciation on motor vehicle and equipments	12,893,153	2,826,025
Advertising	2,857,848	2,177,818
APTAK sponsorship	200,000	-
EDRMS support	422,762	-
Subscription fees	1,185,000	1,282,500
Motor vehicle expenses	662,468	284,623
Armotisation of intangible assets	833,464	800,400
Internal audit expenses	625,171	-
Last expense insurance	366,667	-
	217,774,403	180,839,952

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. Investment properties

	2021	2020
	Shs	Shs
At start of year	11,592,451,360	11,303,500,000
Additions	-	288,951,360
Re-statement	(56,400,000)	-
Assets held for sale (Note 10)	(250,200,000)	-
At end of year	11,285,851,360	11,592,451,360

Investment properties were professionally valued in July 2019 by Rubiland Limited independent registered valuers

The properties were valued on the basis of open market value. The book values of the properties were adjusted to the revaluations and the resultant deficit was debited to the statement of changes in net assets available for benefits

The fair valuation of property, plant and equipment is considered to represent a level 3 valuation based on significant non-observable inputs being the location and condition of the assets and replacement costs for plant & machinery. Management does not expect there to be a material sensitivity to the fair values arising from the non-observable inputs. There were no transfers between level 1, 2 or 3 fair values during the year

In accordance with the requirements of the Retirement Benefits Act, valuations of investment properties are to be carried out every 3 years. The next valuation is therefore due in 2022.

Titles to the properties transferred from the sponsor are registered in the scheme's name. All other documents of title are in the name of Kenya Commercial Bank Nominees Limited as custodian trustee of Kenya Cargo Handling Services Limited Staff Pension Scheme and are in the process of being transferred to Kenya Ports Authority Pension Scheme.

There was no existence of restrictions on the realisability of investment properties or the remittance of income and proceeds of disposal of investment properties. There were no contractual obligations to purchase or for repairs, maintenance or enhancements.

Amounts included under the statement of changes in net amounts available for benefits which comprise gross rental income less direct rental expenses in respect of the investment properties are disclosed in Note 4.

The scheme leases out all its investment property under operating leases.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

9. Motor vehicles and equipment

Year ended 31 December 2021

	Computers Shs	Equipment Shs	Motor vehicle Shs	Total Shs
Cost				
At start of year	4,212,922	70,409,242	7,997,796	82,619,960
Additions	3,247,013	793,360	-	4,040,372
At end of year	7,459,935	71,202,602	7,997,796	86,660,333
Depreciation				
At start of year	4,151,801	13,129,339	3,164,490	20,445,630
Charge for the year	710,523	11,193,199	989,432	12,893,153
At end of year	4,862,324	24,322,538	4,153,922	33,338,784
Net book value	2,597,611	46,880,064	-	53,321,549

The gross carrying amount of fully depreciated Motor vehicles and equipment amounted to Sh 3,050,638.

Year ended 31 December 2020

	Computers Shs	Equipment Shs	Motor vehicle Shs	Total Shs
Cost				
At start of year	4,212,922	15,110,988	3,050,638	22,374,548
Additions	-	55,298,254	4,947,158	60,245,412
At end of year	4,212,922	70,409,242	7,997,796	82,619,960
Depreciation				
At start of year	4,002,842	10,566,126	3,050,638	17,619,606
Charge for the year	148,960	2,563,213	113,852	2,826,025
At end of year	4,151,801	13,129,339	3,164,490	20,445,630
Net book value	61,121	57,279,903	-	62,174,330

10. Assets classified as held for sale

Some Scheme's investment property are held for sale following approval by the board of trustees.

	2021 Shs	2020 Shs
Property held for sale (Note 8)		
At start of year	284,000,000	1,170,595,000
Additions / disposals	281,400,000	(886,595,000)
Disposals	-	-
At end of year	565,400,000	284,000,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11 Plan investment (continued)

	2021	2020
	Shs	Shs
Shares	2,581,145,945	2,817,068,993
Kenya government securities	6,228,602,583	6,012,205,194
Commercial paper and corporate bonds	-	-
Reits	-	18,284,316
Fixed term bank deposits (Note 14)	130,291,561	564,950,836
	8,940,040,089	9,412,509,338

The following table analyses the movement of plan investments during the year.

	Year ended 31 December 2021		As previously reported		Restatement adjustment		Restated		Purchases at cost		Disposals/ maturity		Gain on disposal		Change in fair value		Fair value gain		Value at end of year		
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	
Shares																					
- unquoted investments	262,992,000	-	262,992,000	-	-	-	262,992,000	-	-	-	-	-	-	-	(6,299,200)	-	-	-	-	256,692,800	
- quoted shares (Kenya and Uganda)	2,554,076,993	-	2,554,076,993	-	2,554,076,993	-	2,554,076,993	32,497,778	(575,094,580)	238,067,179	31,947,681	42,958,094	2,324,453,145	3,944,652	19,103,528	6,228,602,583	-	-	-	6,228,602,583	
Kenya government securities	6,012,205,194	-	6,012,205,194	-	6,012,205,194	-	6,012,205,194	1,023,706,146	(658,261,480)	(172,095,457)	3,944,652	19,103,528	6,228,602,583	-	-	-	-	-	-	6,228,602,583	
Commercial paper and corporate bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reits	18,284,316	-	18,284,316	-	18,284,316	-	18,284,316	-	(22,124,708)	-	3,840,392	-	-	-	-	-	-	-	-	18,284,316	
	8,847,558,502	-	8,847,558,502	-	8,847,558,502	-	8,847,558,502	1,056,203,924	(1,255,480,767)	65,971,723	39,732,725	62,061,622	8,809,748,528	-	-	-	-	-	-	8,809,748,528	
Year ended 31 December 2020																					
Shares																					
- Unquoted investments	262,992,000	-	262,992,000	-	262,992,000	-	262,992,000	-	-	-	-	-	-	-	-	-	-	-	-	-	262,992,000
- Quoted shares (Kenya and Uganda)	2,834,172,482	-	2,834,172,482	-	2,834,172,482	-	2,834,172,482	140,377,045	(73,014,869)	19,602,578	(368,247,262)	1,187,019	2,554,076,993	(7,857,018)	-	6,012,205,194	-	-	-	-	6,012,205,194
Kenya government securities	6,486,521,540	101,565	6,486,419,975	101,565	6,486,419,975	-	6,486,419,975	696,959,423	(1,236,323,900)	73,006,714	(2,591,235)	(2,591,235)	6,012,205,194	-	-	-	-	-	-	-	6,012,205,194
Commercial paper and corporate bonds	238,388,835	-	238,388,835	-	238,388,835	-	238,388,835	-	(235,797,600)	-	-	-	-	-	-	-	-	-	-	-	-
Reits	30,539,698	-	30,539,698	-	30,539,698	-	30,539,698	-	-	-	(12,255,382)	-	18,284,316	-	-	-	-	-	-	-	18,284,316
	9,852,614,555	101,565	9,852,512,990	101,565	9,852,512,990	837,336,467	(1,545,136,369)	90,018,057	(388,359,663)	1,187,019	8,847,558,502	8,847,558,502	8,847,558,502	8,847,558,502	8,847,558,502	8,847,558,502	8,847,558,502	8,847,558,502	8,847,558,502	8,847,558,502	8,847,558,502

In the opinion of the trustees, the carrying value of plan investments are carried at ultimate redemption value

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11 Plan investment (continued)

The following table analyses financial assets other than shares (which have no fixed maturity) into relevant maturity groupings based on the remaining period at 31 December 2021 to the contractual maturity date.

	Up to 1 year Shs	1 - 5 years Shs	Over 5 years Shs	Total Shs
Kenya government securities	836,892,570	2,173,065,207	3,218,644,806	6,228,602,583
Commercial paper and corporate bonds	-	-	-	-
	836,892,570	2,173,065,207	3,218,644,806	6,228,602,583

12. Intangible assets

Software costs	2021 Shs	2020 Shs
Cost		
At start of year	8,004,000	8,004,000
Additions	330,637	-
At end of year	8,334,637	8,004,000
Cost		
At start of year	2,401,200	1,600,800
Charge for the year	833,464	800,400
At end of year	3,234,664	2,401,200
Net book value	5,099,973	5,602,800

The software relates to electronic document management system.

13. Receivables and accrued income

	2021 Shs	2020 Shs
Rent receivable	148,464,061	136,797,273
Less: specific provision for bad debts	(97,534,838)	(97,534,838)
Net rent receivable	50,929,223	39,262,436
Other rent receivables	12,983,759	12,983,759
Service charge receivables	26,913,398	49,498,669
Receivables under development projects	1,834,777,485	1,780,447,885
Utilities deposits	3,310,302	3,310,302
Prepayments	7,553,738	1,740,619
Related parties	23,036,587	-
Dividends Receivable	8,967,670	-
ERP System Implementation-W.I.P.	7,267,986	-
	1,975,740,148	1,887,243,670
Movement in impairment provision		
At start of year	97,534,838	108,406,166
Additions	-	-
Recoveries	-	(10,871,328)
	97,534,838	97,534,838

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

13. Receivables and accrued income (continued)

In the opinion of the trustees, the carrying amounts of receivables and accrued income approximate to their value

The carrying amounts of scheme's other receivables and accrued income are denominated in Kenya

The trustees have identified certain specific bad debts from the property managers' reports and have made specific provisions against these balances. The trustees have also deemed it prudent to maintain a general provision for bad debts

Trustees have made a provision for all receivables above 90 days and those receivables whose recovery is in doubt.

Bellevue project balance relates to various expenditure incurred by the Scheme on the projects. The amounts will be repaid when the projects are completed.

Receivables under development properties relates to parcels of land previously owned by the scheme transferred to property developers under a special purpose vehicle agreement with the objective of building housing units. Upon completion of the housing units, the scheme would be compensated the value of land at a premium.

The parcels of land under development is analysed as follows:

Project	Land Reference Number	Cost Shs
Bombolulu	MSA/123/MN/I	31,400,000
Nairobi South C	LR. No. 209/12736	} 78,500,000
	LR. No. 209/12737	
	LR. No. 209/12738	
Bellevue phase 1	LR/209/10479	98,800,000
Bellevue phase 2	LR/209/10478	116,091,253
Bellevue phase 3	LR/209/10477	59,300,000
		384,091,253

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The scheme does not hold any collateral as security.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14 Cash and cash equivalents

	2021 Shs	2020 Shs
Cash at bank	288,628,015	214,336,626
For the purposes of statement of cash flows, the year-end cash and fixed term bank deposits comprise the following:		
Cash and bank	288,628,015	214,336,626
Fixed term bank deposits (Note 11)	130,291,561	564,950,836
	418,919,576	779,287,462

The scheme's cash and bank balances are held with major Kenyan financial institutions and, insofar as the trustees are able to measure any credit risk to these assets, it is deemed to be limited.

15 Payables and accrued expenses

	2021 Shs	2020 Shs
Rent deposits	46,425,083	37,520,585
Due to Domestic Taxes Department	57,717,657	59,582,882
Accrued expenses	201,308,580	61,982,100
Related parties	-	12,412,933
Tender Security deposits	53,010	53,010
RBA levy	5,000,000	5,000,000
Investment property sale deposit	280,216,225	84,076,225
Nairobi South C project	87,951,442	87,951,442
Bombolulu project	48,219,678	48,219,678
Total other payables and accrued expenses	726,891,674	396,798,855

Nairobi South C project and Bombolulu project relates to money deposited in the scheme's bank account by some third parties who purchased housing units.

In the opinion of the trustees, the carrying amounts of payables and accrued expenses approximate to their fair value.

The maturity analysis of other payables and accrued expenses is as follows:

Year ended 31 December 2021

		2021 Shs	2020 Shs
Rent deposits	-	37,520,585	37,520,585
Accrued expenses	126,564,982	-	126,564,982
Tender Security deposits	-	53,010	53,010
Due to related party	12,412,933	-	12,412,933
Investment property sale deposit	84,076,225	-	84,076,225
Nairobi Project	-	87,951,442	87,951,442
Bombolulu project	-	48,219,678	48,219,678
	223,054,140	173,744,715	396,798,855

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16 Related party transactions and balances

Related parties comprise the trustees, the administrator and the sponsor.

The following transactions were carried out with related parties during the year:

	2021 Shs	2020 Shs
(i) Kenya Ports Authority-outstanding staff costs refunds	-	8,892,942
(ii) KPARBS 2012-Outstanding expenses refund	23,036,587	3,519,991

17 Related party transactions and balances (continued)

	2021 Shs	2020 Shs
ii) Key management compensation		
Meetings and allowances	11,000,000	12,060,167

Key management are the board of Trustees who are entitled to a sitting allowance for Board meetings attendance.

18 Investments guidelines

The Retirement Benefits Authority has issued guidelines stating the maximum amount of investment that the scheme can invest in a particular asset as a percentage of the aggregate market value of net assets of scheme. The table below shows the current investment in assets compared to the investment guidelines issued by the Retirement Benefits Authority.

Category of asset	2021 %	2020 %	Maximum Investment as per RBA %
Cash and demand deposits	1.6%	2.6%	5
Fixed and time deposits	0.4%	1.0%	30
Commercial paper and corporate bonds	0.0%	0.0%	15
Kenya Government securities	29.8%	28.0%	70
Shares - Kenya	10.7%	11.5%	70
Private equity	0.4%	0.3%	15
Shares - unquoted	0.3%	1.2%	5
Reits	0.0%	0.1%	30
Immovable properties	55.8%	54.2%	30

The trustees are aware that investment in investment property is more than that stipulated in the Retirement Benefits Act and are working towards restructuring the scheme's investments portfolio to ensure that it complies with the Retirement Benefits Act.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

19 Tax status of the scheme

Kenya Ports Authority Pension Scheme has been approved by the Kenya Revenue Authority and is exempt from income tax on its investment income.

20 Contingent liabilities

Other than the liability to pay future pensions and other benefits, there were no contingent liabilities of the scheme at 31 December 2021, except as disclosed below:

The scheme is a defendant/plaintiff in various legal actions. Although there can be no absolute assurances, the trustees believe, based on information currently available, that the ultimate resolution of these legal proceedings is not likely to have a material adverse effect on the results of its operations, financial position or liquidity.

21 Actuarial position

The last actuarial valuation was carried out as at 31 December 2020 in May 2021 by Zamara Actuaries, Administrators and Consultants Limited, an independent firm of actuaries, using the projected unit credit method. According to the valuation as at that date, the actuarial present value of promised benefits was as follows:

22 Actuarial position

	2020 Shs	2019 Shs
Vested benefits	12,163,000,000	11,355,000,000
Non vested benefits	15,278,000,000	16,588,000,000
Total	27,441,000,000	27,943,000,000

The fair value of the net assets available for benefits was Shs 23,062,000,000 (2019 :Shs 24,032,900,000) resulting in deficit of Shs 4,379,000,000 (2019 :Shs 3,909,600,000)

A remedial plan to reduce the actuarial deficit has not been agreed upon between the trustees, the employer and the Retirement Benefits Authority.

23 Risk management objectives and policies

Financial risk management

The scheme's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The scheme's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the scheme's financial performance.

Risk management is carried out by the fund managers appointed by the trustees. The trustees and fund managers identify, evaluate and hedge financial risks.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23 Risk management objectives and policies (continued)

a) Market risk

Foreign exchange risk

A proportion of the scheme's financial assets are held in foreign currency. These comprise quoted shares held offshore as disclosed in Note 10.

At 31 December 2021, if the Kenya Shilling had weakened 10 per cent against the US dollar and the Uganda Shilling with all other variables held constant, the increase in net assets available for benefits for the year would have been Shs nil (2020: nil) higher/lower.

Interest rate risk

A proportion of the scheme's financial assets which include Kenya Government securities, commercial papers and corporate bonds, and fixed and time deposits are interest earning assets.

At 31 December 2021, an increase/decrease in interest rates of 100 basis points with all other variables held constant would have resulted in a decrease/ increase in the increase in net assets available for benefits of Shs 62,286,026 (2020: Shs 60,122,052) arising substantially from the change in market value of debt securities

b) Price risk

The Scheme is exposed to equity price risk in respect of its investments in quoted shares. The exposure to price risk is managed primarily by setting limits on the percentage of the net assets available for benefits that may be invested in equity and by ensuring sufficient diversity of the investment portfolio.

At 31 December 2021, if the prices of all equity investments had increased/decreased by 1% with all other variables held constant, the increase in net assets available for benefits for the year would have been Shs 23,244,531 (2020 25,540,770) higher/lower.

c) Credit risk

Credit risk arises from investments other than equity investments, contributions due, other receivables and cash and cash equivalents. The scheme does not have any significant concentrations of credit risk. The investment manager assesses the credit quality for each investment, taking into account its age and liability profile, past experience and other factors.

d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities.

The scheme maintains adequate amounts of cash and cash equivalents to pay off liabilities (except for pension liabilities falling due after the balance sheet date) as they fall due. The actuarial position of the scheme which deals with the actuarial present value of promised benefits is disclosed in Note 22.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23 Risk management objectives and policies (continued)

e) Fair value measurements (continued)

The carrying amounts of all financial assets and liabilities at the reporting date approximate their fair values. The table below shows an analysis of all assets and liabilities for which fair value is measured or disclosed in the financial statements by level hierarchy. The fair values are grouped into three levels as mentioned in Note 1 of these financials, based on the degree to which the fair value is observable.

The table below gives information about how the fair values of these assets and liabilities are determined.

Year ended 31 December 2021	Level 1 Shs	Level 2 Shs	Level 3 Shs	Totals Shs
Financial assets				
Shares				
- unquoted investments	-	-	256,692,800	256,692,800
- quoted shares (Kenya)	2,324,453,145	-	-	2,324,453,145
Kenya government securities	-	6,228,602,583	-	6,228,602,583
Commercial paper and corporate bonds	-	-	-	-
	2,324,453,145	6,228,602,583	256,692,800	8,809,748,528

Year ended 31 December 2020	Level 1 Shs	Level 2 Shs	Level 3 Shs	Totals Shs
Financial assets				
Shares				
- unquoted investments	-	-	262,992,000	262,992,000
- quoted shares (Kenya)	2,554,076,993	-	-	2,554,076,993
Kenya government securities	-	6,012,205,194	-	6,012,205,194
Commercial paper and corporate bonds	-	-	-	-
	2,554,076,993	6,012,205,194	262,992,000	8,829,274,186

The different level of fair value measurement hierarchy is described as follows:

- Quoted prices (unadjusted) in active markets for identical assets (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset that are now based on observable market data (that is, unobservable data) (level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group and those prices represent actual and regularly occurring market transactions on arm's length basis. The quoted market prices used for financial assets held by the Scheme is the current market price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques such as discounted cashflow analysis. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

24 Commitments

There were no contractual obligations to purchase or for repairs, maintenance or enhancements

25 Fund management

The scheme's objectives when managing fund are:

- to comply with The Retirement Benefit (Occupational Retirement Benefit Schemes) Regulations, 2000 made under Retirement Benefit Act, 1997.
- to safeguard the scheme's ability to continue as a going concern, so that it can continue to provide returns for members and benefits for other stakeholders

The Retirement Benefits Act requires the scheme's trustees to invest members' funds using prudent investment policies that will get the members market rates on their investments. The scheme's compliance with this requirement has been disclosed in Note 18.

The scheme sets the amount of the fund in proportion to risk. The scheme manages the fund structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The fund comprises members' funds.

26 Presentation currency

The financial statements are presented in Kenya Shillings (Shs), except where indicated otherwise.

27 Events after the reporting period

The Trustees are not aware of events after the reporting date that require disclosure in or adjustments to the financial statements as at the date of this report

28 General information

The Kenya Ports Authority Pension Scheme was established by an original Trust Deed which became operational on 1 January 1998. The original Trust deed was amended effective from 1 July 2002. The scheme which is registered under the Income Tax (Retirement Benefits) Rules incorporates predecessor schemes, namely the East Africa Cargo Handling Services Limited Staff Pension Scheme and the Kenya Cargo Handling Services Limited Staff Pension Scheme in whose books of account, the assets and liabilities are maintained by the trustees. The trustees are in the process of effecting the necessary legal transfers of the assets and liabilities.

LISTING OF INVESTMENT PROPERTIES

			2021 Shs	2020 Shs
1	MN/Sec 1/1660	Mombasa	72,400,000	72,400,000
2	MN/Sec 1/1662	Mombasa	72,400,000	72,400,000
3	MN/Sec 1/2505	Mombasa	21,500,000	21,500,000
4	MN/Sec 1/2506	Mombasa	23,400,000	23,400,000
5	MN/Sec 1/2512	Mombasa	29,800,000	29,800,000
6	MN/Sec 1/1592	Mombasa	-	-
7	MN/Sec 1/2509	Mombasa	-	-
8	MN/Sec 1/2511	Mombasa	21,600,000	21,600,000
9	MN/Sec 1/1605	Mombasa	72,000,000	72,000,000
10	MN/Sec 1/1604	Mombasa	72,000,000	72,000,000
11	MN/Sec 1/1339	Mombasa	72,400,000	72,400,000
12	MN/Sec 1/533	Mombasa	148,800,000	148,800,000
13	MN/Sec 1/724	Mombasa	108,200,000	108,200,000
14	MN/Sec 1/1332	Mombasa	61,000,000	61,000,000
15	MN/Sec 1/1334	Mombasa	75,800,000	75,800,000
16	MN/Sec 1/1338	Mombasa	-	72,200,000
17	MN/Sec 1/1352	Mombasa	64,600,000	64,600,000
18	MN/Sec 1/1353	Mombasa	-	-
19	MN/Sec 1/1351	Mombasa	64,500,000	64,500,000
20	MN/Sec 1/1350	Mombasa	64,800,000	64,800,000
21	MN/Sec 1/1345	Mombasa	62,400,000	62,400,000
22	MN/ Sec 1/2513	Mombasa	30,700,000	30,700,000
23	MN/Sec 1/3960	Mombasa	-	-
24	MN/Sec 1/3188	Mombasa	72,500,000	72,500,000
25	MN/Sec 1/3185	Mombasa	72,500,000	72,500,000
26	MN/Sec 1/3184	Mombasa	71,600,000	71,600,000
27	MN/Sec 1/2523	Mombasa	24,400,000	24,400,000
28	M/B XXI/542, 545 & 546	Mombasa	106,800,000	106,800,000
29	MN/Sec 1/1286	Mombasa	110,000,000	110,000,000
30	MN/Sec 1/534	Mombasa	162,600,000	162,600,000
31	M/B XXV/119	Mombasa	1,295,400,000	1,295,400,000
32	M/B X/323	Mombasa	-	-
33	M/B XXVI/1000	Mombasa	340,200,000	340,200,000
34	M/B XXVI/328	Mombasa	182,600,000	182,600,000
35	M/B XXVI/53	Mombasa	252,300,000	252,300,000
36	M/B X/322	Mombasa	-	-
37	L.R.No 1870/IX/118	Nairobi	932,000,000	932,000,000
38	M/B XXI/435,436,437 & 508	Mombasa	880,000,000	880,000,000
39	L.R.No 7785/304	Nairobi	-	-
40	L.R.No 209/384/4	Nairobi	706,000,000	706,000,000
41	M/B XXI/64	Mombasa	142,000,000	142,000,000
42	L.R.No 7785/305	Nairobi	-	-
43	M/B XX/149	Mombasa	78,000,000	78,000,000
44	M/B XX/150	Mombasa	78,000,000	78,000,000
45	M/B XX/151	Mombasa	78,000,000	78,000,000
46	M/B XXV/86	Mombasa	162,000,000	162,000,000
47	M/B XXV/93	Mombasa	158,000,000	158,000,000
48	L.R. Number 209/378/10	Nairobi	724,000,000	724,000,000
49	M/B XI/582	Mombasa	23,400,000	23,400,000
50	M/B XI/580	Mombasa	23,400,000	23,400,000
51	M/B XI/579	Mombasa	27,800,000	27,800,000
52	M/B XI/578	Mombasa	27,800,000	27,800,000
53	M/B XI/581	Mombasa	23,400,000	23,400,000
54	M/B XXVI/30	Mombasa	102,300,000	102,300,000
55	M/B XXVI/50	Mombasa	198,500,000	198,500,000
56	M/B XXIII/216	Mombasa	-	-
57	M/B XXIII/217	Mombasa	68,200,000	68,200,000
58	M/B XXIII/215	Mombasa	-	-
59	M/B XXIII/214	Mombasa	-	-
Balance carried forward			8,262,000,000	8,334,200,000

LISTING OF INVESTMENT PROPERTIES CONTINUED

PROPERTY	LOCATION		2021 Shs	2020 Shs
Brought forward			8,262,000,000	8,334,200,000
60 M/B XXIII/219	Mombasa	Off Mbaraki Road-Mbaraki	61,200,000	61,200,000
61 M/B XXIII/223	Mombasa	Off Mbaraki Road-Mbaraki	60,600,000	60,600,000
62 M/B XXIII/224	Mombasa	Off Mbaraki Road-Mbaraki	56,500,000	56,500,000
63 M/B XXIII/221	Mombasa	Off Mbaraki Road-Mbaraki	56,400,000	56,400,000
64 M/B XXIII/220	Mombasa	Off Mbaraki Road-Mbaraki	62,600,000	62,600,000
65 M/B XXIII/218	Mombasa	Off Mbaraki Road-Mbaraki	69,700,000	69,700,000
66 M/B XXIII/222	Mombasa	Off Mbaraki Road-Mbaraki	53,800,000	53,800,000
67 M/B XI/474	Mombasa	Tom Mboya/Wajir Road-Tudor area	58,000,000	58,000,000
68 M/B XI/475	Mombasa	Tom Mboya/Wajir Road-Tudor area	58,000,000	58,000,000
69 L.R.No 209/10216	Nairobi	KPA Bellevue Estate-Off Popo Road S	1,616,800,000	1,616,800,000
70 L.R.No 10530/153	Nairobi	Siwaka Estate-Off Ole Sangare Road	17,200,000	17,200,000
71 L.R.No 10530/89	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	17,200,000
72 L.R.No 10530/86	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	17,200,000
73 L.R.No 10530/87	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	17,200,000
74 L.R.No 10530/88	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	17,200,000
75 L.R.No 10530/151	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	-
76 L.R.No 10530/155	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	-
77 L.R.No 10530/156	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	17,200,000
78 L.R.No 10530/85	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	17,200,000
79 L.R.No 10530/148	Nairobi	Siwaka Estate-Off Ole Sangare Road	17,200,000	17,200,000
80 L.R.No 10530/93	Nairobi	Siwaka Estate-Off Ole Sangare Road	17,200,000	17,200,000
81 L.R.No 10530/91	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	17,200,000
82 L.R.No 10530/92	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	17,200,000
83 L.R.No 10530/150	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	17,200,000
84 L.R.No 10530/149	Nairobi	Siwaka Estate-Off Ole Sangare Road	17,200,000	17,200,000
85 L.R.No 10530/152	Nairobi	Siwaka Estate-Off Ole Sangare Road	17,200,000	17,200,000
86 L.R.No 10530.154	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	-
87 L.R.No 10530/90	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	17,200,000
88 L.R.No 10530/130	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	15,600,000
89 L.R.No 10530/57	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
90 L.R.No 10530/62	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	15,600,000
91 L.R.No 10530/55	Nairobi	Siwaka Estate-Off Ole Sangare Road*	15,600,000	-
92 L.R.No 10530/34	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
93 L.R.No 10530/40	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
94 L.R.No 10530/37	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
95 L.R.No 10530/31	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
96 L.R.No 10530/27	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
97 L.R.No 10530/132	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	-
98 L.R.No 10530/128	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	15,600,000
99 L.R.No 10530/127	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	15,600,000
100 L.R.No 10530/69	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
101 L.R.No 10530/80	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
102 L.R.No 10530/68	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
103 L.R.No 10530/60	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
104 L.R.No 10530/52	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	-
105 L.R.No 10530/59	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
106 L.R.No 10530/39	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
107 L.R.No 10530/54	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	-
108 L.R.No 10530/47	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	15,600,000
109 L.R.No 10530/56	Nairobi	Siwaka Estate-Off Ole Sangare Road*	15,600,000	-
110 L.R.No 10530/61	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	15,600,000
111 L.R.No 10530/50	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
112 L.R.No 10530/49	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
113 L.R.No 10530/29	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
114 L.R.No 10530/38	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
115 L.R.No 10530/44	Nairobi	Siwaka Estate-Off Ole Sangare Road	-	15,600,000
116 L.R.No 10530/65	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
117 L.R.No 10530/26	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
118 L.R.No 10530/30	Nairobi	Siwaka Estate-Off Ole Sangare Road	15,600,000	15,600,000
119 L.R.No 10530/53	Nairobi	Siwaka Estate-Off Ole Sangare Road*	15,600,000	-
120 MSA/BLOCK 1/2260/2262	Mombasa	Makande, Mombasa	232,551,360	232,551,360
121 L.R.NO.MN/1/ 3153	Mombasa	Mnazi Moja, Nyali	45,000,000	45,000,000
122 L.R. NO. 209/12015	Nairobi	Off Kaunda Street Nairobi	163,500,000	163,500,000
			11,285,851,360	11,592,451,360

* Previously classified as sold now restated.



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