

**POSTAL CORPORATION OF KENYA
STAFF RETIREMENT BENEFITS SCHEME**



**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30TH JUNE 2024**

Matengo & Associates
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**Postal Corporation of Kenya Staff Retirement Benefits Scheme
Annual Report and Financial Statements
For the Year Ended 30 June 2024**

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Scheme Information

Trustees

The Trustees who served during the year and to the date of this report were:

Mr. Simon Kabuge Gachara	Retired on 6 July 2024
Mr. Philemon Kiplangat Munai	Re-Appointed on 14 April 2024
Mr. Muktar Abdullahi	Re-Appointed on 14 th April 2024
Mrs. Nancy Njeri Mathenge	Appointed on 17 April 2024
Mr. Fredrick Otieno Siengo	Appointed on 11 July 2024
Mr. Moses Otieno Odoyo	Appointed on 11 July 2024
Mr. Jacob Otieno Opere Alushula	Appointed on 09 January 2024

Trust Secretary

Mr. Elijah K. Koskey	Trust secretary
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Registered Office

Postal Corporation of Kenya
Staff Retirement Benefits Scheme
9th floor, NHIF Building
P. O. Box 46621 - 00800
NAIROBI.

Custodian

KCB Bank Kenya Limited
KCB Towers, 7th floor, Upper Hill
Junction of Kenya road and Hospital Road
P. O. Box 30664 - 00100
NAIROBI.

Investment Manager

African Alliance Kenya Investment Bank Limited
4th floor, Kenya Re Towers
Upper Hill, Off Ragati Road
P. O. Box 27639 - 00506
NAIROBI.

Investment Manager

ICEA LION Asset Management Limited
ICEA LION Centre, Chromo Road
P. O. Box 46143 - 00100
NAIROBI.

Consulting Actuaries

Zamara Actuaries Administrators & Consultants Limited
Landmark Plaza, 10th Floor, Argwings Kodhek Road
P. O. Box 52439 - 00200
Nairobi.

Principal Banker

Standard Chartered Bank Kenya Limited
Kenyatta Avenue Branch
Chiromo, Level 5, 48 Westlands Road
P. O. Box 40984 - 00100 GPO
Nairobi.

Independent Auditor

Matengo & Associates
Financial & Management Consultants
Applewood Adams 5th Floor, Suite 504 Ngong Road
P. O. Box 67603-00200, Nairobi.
Cell phone: 0723893260/+254-020-2420016
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Corporate Governance Statement

1. Trustees in Office

During the financial year under review the following Trustees served in the Board of Postal Corporation of Kenya Staff Retirement Benefits Scheme.

Name of Trustee	Age	Category (member elected, sponsor nominated or professional)	Number of BOT meetings attended	Certified (Yes/No)	Highest qualification	Membership of other boards
Mr. Simon Kabuge Gachara	63	Member Elected	1	Yes	Diploma (Bus Admin)	Yes
Mr. Philemon Kiplangat Munai	41	Member elected	6	Yes	BBA (Accounting)	None
Mr. Muktar Abdullahi	51	Member Elected	6	Yes	MBA	Yes
Ms. Nancy Njeri Mathenge	60	Sponsor nominated	6	Yes	Masters	Yes
Mr. Fredrick Otieno Siengo	48	Sponsor nominated	5	Yes	Bachelors	None
Mr. Moses Otieno Odoyo	37	Sponsor Nominated	6	No	Diploma	Yes
Mr. Jacob Otieno Opere Alushula	41	Member elected	3	No	Masters	None

2. Composition of the Board of Trustees

Gender mix	Female:	16.7%
	Male:	83.3%
Skills mix	Financial Skills:	2
Age mix	Below 35 Years of Age:	None
	Above 35 Years of Age:	All

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Corporate Governance Statement (Continued)

3. Board Meetings

The Board of Trustees held nine (6) meetings during the year ending 30 June 2024. The meetings were held on the dates set out hereunder:

Date of Meeting	Board Members Present
Friday, August 9, 2023	Mr. Muktar Abdullahi
	Mr. Philemon Kiplangat Munai
	Mrs. Nancy Njeri Mathenge
	Mr. Moses Otieno Odoyo
	Mr. Fredrick Otieno Siengo
Thursday, September 26, 2023	Mr. Muktar Abdullahi
	Mr. Philemon Kiplangat Munai
	Mrs. Nancy Njeri Mathenge
	Mr. Moses Otieno Odoyo
	Mr. Fredrick Otieno Siengo
Friday, November 17, 2023	Mr. Muktar Abdullahi
	Mr. Philemon Kiplangat Munai
	Mrs. Nancy Njeri Mathenge
	Mr. Moses Otieno Odoyo
	Mr. Fredrick Otieno Siengo
Tuesday, February 14, 2024	Mr. Muktar Abdullahi
	Mr. Philemon Kiplangat Munai
	Mrs. Nancy Njeri Mathenge
	Mr. Moses Otieno Odoyo
	Mr. Fredrick Otieno Siengo
Tuesday, May 7, 2024	Mr. Jacob Otieno Opere Alushula
	Mr. Fredrick Otieno Siengo
	Mr. Jacob Otieno Opere Alushula
	Mrs. Nancy Njeri Mathenge
	Mr. Moses Otieno Odoyo
Wednesday, June 26, 2024	Mr. Fredrick Otieno Siengo
	Mr. Muktar Abdullahi
	Mr. Philemon Kiplangat Munai
	Mrs. Nancy Njeri Mathenge
	Mr. Moses Otieno Odoyo
	Mr. Jacob Otieno Opere Alushula

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Corporate Governance Statement (Continued)

4. Joint Meetings of the Board

The Board of Trustees of Postal Corporation of Kenya Staff Pension Scheme jointly with Postal Corporation of Kenya Staff Retirement Benefits Scheme held Three (3) meetings during the year ending 30 June 2023 to deliberate on joint Administration matters. The meetings were held on the dates set out hereunder:

Date of Meeting	Board Members Present
Friday, July 12, 2023	Mr. Simon Kabuge Gachara
	Mr. Muktar Abdullahi
	Mr. Philemon Kiplangat Munai
	Mrs. Nancy Njeri Mathenge
Friday, December 6, 2023	Mr. Muktar Abdullahi
	Mr. Philemon Kiplangat Munai
	Mrs. Nancy Njeri Mathenge
	Mr. Fredrick Otieno Siengo
	Mr. Moses Otieno Odoyo

Corporate Governance Statement (Continued)

5. Committees of the Board of Trustees

The Board of Trustees has formed three committees to help it deliver its duties effectively. The committees are constituted as follows:

Finance and Investments Committee

The committee held two meetings during the year ended 30 June 2024. The Board members who constitute this committee are:

Membership of the Committee	Number of Meetings Attended
Mr. Philemon Kiplangat Munai	Two
Mr. Moses Otieno Oduyo	Two

Audit and Risk Management Committee

The committee held one meeting during the year under review. The Board members who constitute this committee are:

Membership of the Committee	Number of Meetings Attended
Mr. Fredrick Otieno Siengo	Two
Mrs. Nancy Njeri Mathenge	Two

Administration and Communication Committee

The committee held two meetings during the year ended 30 June 2024. The Board members who constitute this committee are:

Membership of the Committee	Number of Meetings Attended
Mr. Muktar Abdullahi	Two
Mrs. Nancy Njeri Mathenge	Two
Mr. Fredrick Otieno Siengo	One

Corporate Governance Statement (Continued)

6. Fiduciary responsibility of the Board of Trustees

The Board of Trustees is the governing body of the Postal Corporation of Kenya Staff Retirement Benefits Scheme and is responsible for the corporate governance of the Scheme. The Trustees are responsible for ensuring that the administration of the Scheme is conducted in the best interest of the Scheme's members and the sponsor. To achieve this, the Trustees embraced their fiduciary responsibility by:

- a) Acting honestly and did not improperly use inside information or abuse their position;
- b) Exercising the highest degree of care and diligence in the performance of their duties that a reasonable person in a like position would exercise in the circumstances; and
- c) Performing their duties with the requisite degree of skills.

The Scheme has complied with the laws, regulations and guidelines that govern retirement benefits schemes and the Scheme's business operations.

The Trustees have ensured that the fund manager has carried out all Scheme investments and that all Scheme assets and funds are held by the custodian.

7. Responsibility as a Corporate Citizenship

The scheme has participated in socially responsible investment and operations and has not been involved in any activity that may undermine the well-being of the sponsor, members or the community in which it operates.

8. Key Outcomes

The Board of Trustees seeks to achieve the following:

- a) Building trust with the members and sponsor of the Scheme so that they are satisfied with the administration of the Scheme;
- b) Supporting innovation and developing solutions that meet the members' and sponsor's needs; and
- c) Ensuring that the Scheme's administrative processes remain transparent and accessible to members and the sponsor.

The Board of Trustees has also been sending quarterly reports to the sponsor detailing the activities that have taken place in each quarter.

9. Annual General Meeting

The Board of Trustees held the 2024 Annual General Meeting (AGM) on 13th December, 2024 via a hybrid method comprising Live streaming through Youtube and Facebook platforms. The meeting was used as a forum to communicate all Scheme activities in the financial year and also to sensitize members on the various channels available in getting information and also raising their complaints. The Board of Trustees held the 2024 Annual General Meeting (AGM) on 13th December, 2024 via a hybrid method comprising Live streaming through Youtube and Facebook platforms. The meeting was used as a forum to communicate all Scheme activities in the financial year and also to sensitize members on the various channels available in getting information and also raising their complaints.

Corporate Governance Statement (Continued)

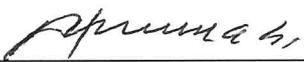
10. Trustees Remuneration Policy

During the year under review, the Trustees were paid a gross sum of Kes 1,681,479 as Trustees allowances.

The payment complied with the Trustee Remuneration Policy of the Scheme as consented to by the sponsor on advice of the Scheme Actuary, and was approved by members at the Annual General Meeting held for the year ended 30 June, 2023

The Board and individual Trustees undertook Board evaluation in the year under review. The Board review process is facilitated externally and the process takes the form of e-board questionnaire.

Approved by the Board of Trustees on 27/09/ 2024 and signed on its behalf by:



Mr. Muktar Abdullahi



Mr. Philemon Kiplangat Munai



Mrs Nancy Mathenge



Mr. Fredrick Siengo



Mr. Moses Odoyo



Mr. Jacob Opere

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Report of the Trustees

The Trustees present their report together with the audited financial statements for the year ended 30 June 2024.

1. Establishment, nature and status of the scheme

The Scheme was established under an irrevocable trust, and is governed by a Trust Deed dated 1 January 2010 and as subsequently amended with deeds of addendum.

It is a defined contribution scheme and provides, under the rules of the scheme, retirement benefits for the staff of Postal Corporation of Kenya and relief for dependents of deceased members.

The founder and the members contribute to the scheme at the rate of 19.50% (founder - 12.00%, members - 7.50%) of the members pensionable emoluments.

2. Registration

The Scheme is registered under the Retirement Benefits Act (Scheme reference number 01268 and certificate number 01835). The Scheme is an exempt approved plan under the Income Tax Act.

3. Membership

	2022/2023	2023/2024
a) Total Members		
Active Members	2,225	2,181
Deffered Cases	444	454
Dormant/Unclaimed Benefits Cumulative for the year	637	681
Total Members	3,306	3,316
b) Contributing Members		
At start of year	2,018	2,225
Joiners	455	189
Dormant members in the year	-	(138)
Other leavers		
Above 50	(216)	(153)
Resignations	(12)	(16)
Dismissals	(7)	-
Ill- Health	-	-
Death	(11)	(7)
Immigration	(2)	-
Adjustments	-	81
Leavers (Immigration, Transfer-out, below 50 yrs)	-	-
At Year End - Contributing members	2,225	2,181

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Report of the Trustees (Continued)

3. Membership (Continued)

	2024/2023	2023/2022
c) Deferred Members		
At start of year	398	444
Leavers Whose Benefits Were Locked In	19	24
Transfer out	(2)	(1)
Opening Balance adjustment	41	-
Differed Members Payments	(10)	(13)
Death in Deferment	(2)	-
At end of year	444	454
d) Dormant members		
At Start of the year	125	637
Add: Additional in the year	512	138
Adjustment	-	(68)
Less: Dormant paid in the year	-	(26)
At end of year	637	681

4. Financial Review

The statement of changes in net assets available for benefits on page 11 shows an increase in the net assets of the Scheme for the year of Kshs. 26,369,469 (2023: a decrease of Kshs. 391,127,415) and the statement of net assets available for benefits on page 12 shows the Scheme's net assets as Kshs. 1,311,112,607 (2023: Kshs. 1,284,758,138).

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Report of the Trustees (Continued)

5. Investment of Funds

Under the terms of their appointment, African Alliance Kenya Investment Bank Limited and ICEA LION Investment Managers Limited are responsible for the investment of funds. The overall responsibility for investment and performance lies with the Trustees.

The full investment allocation as at the end of the year was as follows:

	Amount (Kshs)	Portfolio percentage	RBA limit percentage
Corporate Bonds	5,215,217	0.39%	30.00%
Cash Balances	41,603,369	3.07%	5.00%
Fixed and Call Deposits	53,691,179	3.97%	30.00%
Local and Regional Quoted Equities	303,522,947	22.43%	70.00%
Kenya Government Securities	949,207,709	70.14%	90.00%
	1,353,240,422		

6. Auditor

The Trustees approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees. The agreed auditor's remuneration has been charged to Statement of changes in net assets available for benefits in the year.

During the year, Matengo & Associates, Certified Public Accountants, were appointed as the Scheme's auditors and have expressed their willingness to continue in office.

For the Trustees



Mr. Elijah K. Koskey
Trust Secretary

27 / 09 / 2024
Date

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Statement of Trustees' Responsibilities

The Retirement Benefits (Occupational Retirement Benefit Schemes) Regulations, 2000 requires the Trustees to prepare financial statements in a prescribed form for each financial year. They also require the Trustees to ensure that the scheme keeps proper accounting records of its income, expenditure, liabilities and assets, and that contributions are remitted to the custodian in accordance with the rules of the scheme. They are also responsible for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free of material misstatements whether due to fraud or error, selecting and applying appropriate accounting policies and making reasonable estimates that are appropriate in the circumstances. The Trustees are also responsible for safeguarding the assets of the scheme.

The Trustees accept responsibility for the audited 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 Retirement Benefits (Occupational Retirement Benefit Scheme) Regulations, 2000.

The Trustees are of the opinion that the financial statements give a true and fair view of the financial transactions of the scheme and of the disposition of its assets and liabilities, other than liabilities to pay pensions and benefits falling due after the end of the year. 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 for safeguarding the assets of the scheme and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

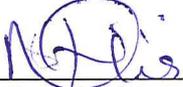
The Trustees certify that to the best of their knowledge and belief the information furnished to the auditors for the purpose of the audit was correct and complete in every respect.

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

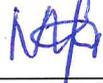
Approved by the Board of Trustees on 27/09/ 2024 and signed on its behalf by:



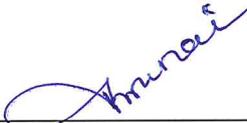
Mr. Muktar Abdullahi



Mrs Nancy Mathenge



Mr. Moses Odoyo



Mr. Philemon Kiplangat Munai



Mr. Fredrick Siengo



Mr. Jacob Opere



**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF POSTAL CORPORATION OF KENYA
STAFF RETIREMENT BENEFITS SCHEME FOR THE YEAR ENDED 30 JUNE 2024**

Opinion

We have audited the accompanying financial statements of Postal Corporation of Kenya Staff Retirement Benefits Scheme (the Scheme) set out on pages 14 to 34, which comprise the statement of net assets available for benefits as at 30 June 2024, the statements of changes in net assets available for benefits and statement of cash flows for the year then ended, and notes, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the state of financial transactions of the Scheme during the year ended 30 June 2024 and of the disposition at that date of its assets and liabilities in accordance with the International Financial Reporting Standards and the Retirement Benefits (Occupational Retirement Benefit Schemes) Regulations, 2000.

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 Scheme in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our 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

Without qualifying our opinion, we draw your attention to note 16 of these financial statements showing that the Scheme has contributions receivable from the sponsor amounting to Kshs. 1,267,027,198 (2023: Kshs. 1,229,465,633) and interest on unremitted contributions of Kshs. 1,173,522,281 (2023: Kshs. 1,173,522,281). These conditions raise substantial doubt about the Scheme's ability to continue paying future benefits to members as and when they fall due, unless the sponsor commits to remit all outstanding contributions and the interest levied thereon.

Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Retirement Benefits (Occupational Retirement Benefit Schemes) Regulations, 2000, and for such internal control as the Trustees determine 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 have no realistic alternative but to do so.

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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 the 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 audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is FCPA Meshack Matengo - Practising Certificate Number 2061.

Matengo & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Date: 27/09/ 2024



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Statement of Changes in Net Assets Available for Benefits

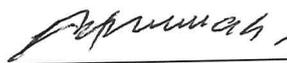
	Notes	2024 KES	2023 KES
Contributions and Benefits			
Contributions Receivable	4	51,140,218	70,517,062
Transfers in	5	-	-
		51,140,218	70,517,062
Less: Payments to and on Account of Leavers	6	(98,805,157)	(261,341,914)
Add: Overstated Unpaid Benefits Written Back	7	-	-
Net Addition/ (Reduction) from Dealings with Members		(47,664,939)	(190,824,852)
Return On Investments			
Investment Income	8	150,123,814	172,918,950
Change in Fair Value of Investments	9	2,980,726	(72,326,347)
Impairment Provision	10	(38,627,934)	(241,975,968)
Less: Investment Management Expenses	11	(4,190,927)	(5,266,994)
Net Return on Investments		110,285,679	(146,650,359)
Less: Administrative Expenses	12	(21,005,092)	(53,443,694)
Less: Staff Costs	13	(14,978,958)	(11,446,823)
Less: Tax Expense	14	(249,200)	(239,544)
Increase/(Decrease) In Net Assets for the Year		26,387,491	(402,605,272)
Net Assets Available for Benefits at Start of the Year		1,284,753,138	1,686,813,990
Prior Year Adjustment	15	(18,022)	544,420
Net Assets Available for Benefits at End of the Year		1,311,122,607	1,284,753,138

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Statement of Net Assets Available for Benefits

	Notes	2024 KES	2023 KES
Non-Current Assets			
Investments	16	1,311,637,053	1,393,836,052
Current Assets			
Receivables	17	11,450,548	14,627,918
Cash and Cash Equivalents	18	41,603,369	18,498,442
Tax Recoverable	14	395,343	644,543
		53,449,261	33,770,904
Current Liabilities			
Unpaid Benefits and Other Payables	19	53,963,706	142,853,818
Net Current Assets		(514,446)	(109,082,914)
Total Net Assets Available for Benefits		1,311,122,607	1,284,753,138
Financed By			
Members' Balances	20	1,311,122,607	1,284,753,138

The financial statements on pages 14 to 34 were approved by the Trustees on 27/06/ 2024 and signed on their behalf by:


Mr. Muktar Abdullahi


Mrs Nancy Mathenge


Mr. Moses Odoyo


Mr. Philemon Kiplangat Munai


Mr. Fredrick Siengo


Mr. Jacob Opere

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Statement of Cash Flows	Notes	2024 KES	2023 KES
Cash Flows from Operating Activities		45,653,762	36,486,232
Contributions Received		(98,805,157)	(245,061,423)
Benefits Paid		(35,984,049)	(38,796,925)
Administrative Expenses Paid		(89,135,445)	(247,372,116)
Net Cash Flows from Operating Activities			
Cash Flows from Investing Activities		166,127,198	176,897,221
Investment Income Received		(4,190,927)	(6,051,481)
Investment Management Expenses	16	(19,446,174)	(12,793,611)
Purchase of Local Equity	16	(210,298,435)	(384,744,681)
Purchase of Treasury Bonds	16	(8,698,760)	-
Purchase of Treasury Bills	16	-	-
Purchase of Deposit	16	14,783,872	33,912,515
Sale of Local Equity	16	87,842	15,197,025
Sale of Corporate Bonds	16	176,565,435	377,349,531
Sale of Treasury Bonds	16	-	5,000,000
Sale of Treasury Bills	16	-	-
Sale of Deposit		114,930,050	204,766,519
Net Cash from Investing Activities			
		25,794,606	(42,605,597)
Net Increase in Cash and Cash Equivalents			
		69,499,943	112,105,540
Movement in Cash and Cash Equivalents			
Cash and Cash Equivalents at Start of Year		25,794,606	(42,605,597)
Increase (Decrease)	18	95,294,549	69,499,943
Cash and Cash Equivalents at the End of Year			
		41,603,369	18,544,669
Cash and Cash Equivalents			
Bank Balances		53,691,179	50,955,275
Fixed and Call Deposits Maturing within 90 Days	18	95,294,549	69,499,943

Notes to the Financial Statements

1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of Preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards, the Retirement Benefits Act, 1997 as amended, and with the Retirement Benefits (Occupational Retirement Benefit Schemes) Regulations, 2000.

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

The financial statements are presented in Kenya Shillings (Kshs) and are prepared under the historical cost convention as modified by the carrying of certain investments at fair value.

Measurement Basis

The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies summarised below.

For those assets and liabilities measured at fair value, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, the company uses market observable data as far as possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the scheme using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g., by use of the market comparable approach that reflects recent transaction prices for similar items or discounted cash flow analysis). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account.

Fair values are categorised into three levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognised by the company at the end of the reporting period during which the change occurred.

Notes to the Financial Statements (Continued)

1 Summary of Significant Accounting Policies (Continued)

b) New and Revised Standards

i) Adoption of New and Revised Standards Already Effective

One new Standard, one new Interpretation and a number of Amendments to standards became effective for the first time in the financial year beginning 1st July 2021 and have been adopted by the Scheme. Neither the Amendments nor the Interpretation has had an effect on the Scheme's financial statements, but the new Standard has had an impact, as follows:

IFRS 16: Leases

From 1st January 2019, to comply with IFRS 16, Leases, which replaced IAS 17, Leases, the Scheme now recognises lease liabilities relating to leases under which the Scheme is the lessee that had previously been classified as operating leases (other than leases with less than 12 months to run from 1st January 2019 and leases of low value items). Such liabilities have been measured at 1st January 2019 at the present value of the remaining lease payments discounted using the Scheme's incremental borrowing rate as at 1st January 2019. Corresponding right-of-use assets have been recognised, measured as if the Scheme's new accounting policy had been applied since the commencement of each lease but discounted using the Scheme's incremental borrowing rate as at 1st January 2019.

IFRS 9: Financial Instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments:

Recognition and Measurements

The Scheme has adopted IFRS 9 Financial Instruments. There were no transition adjustments highlighted.

IFRS 9 also changes the classification and measurement of financial assets. The category of available-for-sale investments (where fair value changes were deferred in reserves until disposal of the investment) has been replaced with the category of financial assets at Fair Value through Profit and Loss (for most investments) and the category of financial assets at Fair Value through Other Comprehensive Income (for qualifying equity investments).

Classification and measurement of financial assets and liabilities

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities.

There were no transition adjustments.

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Notes to the Financial Statements (Continued)

1 Summary of Significant Accounting Policies (Continued)

b) New and Revised Standards (Continued)

IFRS 9: Financial Instruments (Continued)

	Original Classification Under IAS 39	New Classification	Carrying Amount Under IFRS 9
Financial Assets			KES
Trade and Other Receivable	Loans and Receivables	Amortised Cost	2,434,734,337
Cash and Cash Equivalents	Loans and Receivables	Amortised Cost	95,294,549
Financial Liabilities			
Trade and Other Payables	Other Financial Liabilities	Other Financial Liabilities	53,963,706

At 30 June 2022, the lifetime expected loss provision for Contributions Receivable is as follows:

Contributions Receivable	Net Outstanding as at Y/E	Impairment Loss	Expected Loss Rate
Customer Not Due	-	-	0%
Customer 0-30	1,746,062	17,461	1%
Customer 31-60	1,016,648	10,166	1%
Customer 61-91	3,850,073	770,015	20%
Over 91	1,260,414,415	1,260,414,415	100%
	1,267,027,198	1,261,212,057	
Trustees Overlay			
Actual % Percentage Recovery 2023		-	0%
Final Provision as at 30.06.2023		1,261,212,057	

The Trustees monitor the credit ratings of counterparties regularly guided by cash and carry policy and at the reporting date has authorised a provision of Kshs. 1,261,212,057 from non-performance by the counterparties which represents the part exposure to credit loss.

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Notes to the Financial Statements (Continued)

1 Summary of Significant Accounting Policies (Continued)

b) New and Revised Standards (Continued)

IFRS 9: Financial Instruments (Continued)

Interest Income Receivable on Contributions Due	Net Outstanding as at Y/E	Impairment Loss	Expected Loss rate
Customer Not Due	-	-	0%
Customer 0-30	-	-	0%
Customer 31-60	-	-	0%
Customer 61-90	-	-	0%
Customer 91-180	-	-	0%
Customer 181-360	-	-	0%
Over 361	1,173,522,281	1,173,522,281	100%
	1,173,522,281	1,173,522,281	
Trustees Overlay			
Actual % Percentage Recovery 2024		-	0%
Final Provision as at 30.06.2024		1,173,522,281	

The Trustees monitor the credit ratings of counterparties regularly guided by cash and carry policy and at the reporting date has authorised a provision of Kshs 1,173,522,281 from non-performance by the counterparties which represents the part exposure to credit loss.

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Notes to the Financial Statements (Continued)

1 Summary of Significant Accounting Policies (Continued)

b) New and Revised Standards (Continued)

Cash and Cash Equivalents

The Scheme held cash and cash equivalents of 1,311,112,607. The cash and cash equivalents are held and rated on S&P Global Ratings, Fitching and Moody's as below:

Name of bank	Rating agency	Credit rating	Probability of Default Rates
Equity Quoted-Local	GCR	A1	0.00%
Equity Quoted-Offshore	GCR	A1	0.00%
Central Bank of Kenya	Fitching	B-	2.94%
Government of Kenya	Fitching	B-	2.94%
KCB Bank	Fitching	B	2.08%
Equity Bank	Fitching	B	2.08%
NCBA Bank	Fitching	B+	1.48%
Standard Chartered Bank	Fitching	BBB+	0.08%
EABL (DIAGEO GROUP)	Fitching	A+	0.00%
KMRC	Fitching	B-	2.94%
Cash in Hand	N/A	N/A	0.00%

Notes to the Financial Statements (Continued)

1 Summary of significant accounting policies (Continued)

b) New and Revised Standards (Continued)

i) New and revised standards and interpretations in issue but not yet effective

At the date of authorization of these financial statements, various new and revised standards and interpretations became effective. Where applicable to the scheme, the trustees have assessed the potential impact of the new and revised standards and interpretations and expect that they will not have a significant impact on the scheme's financial statements for the year ended 30 June 2024.

ii) Early Adoption of Standards

The Scheme did not early adopt any new or amended standards in year ended 30 June 2024.

c) Contributions and Benefits

Contributions and benefits payable are recognised in the period in which they fall due.

d) Interest Income

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable.

e) Dividend Income

Dividend income from investments is recognised when the Schemes' rights to receive payment have been established.

f) Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated into Kenya Shillings on rates of exchange ruling at the end of reporting period. Transactions during the year which are expressed in foreign currencies are translated at rates ruling at the dates of the transactions. The resulting exchange differences are dealt with in the statement of changes in net assets.

g) Taxation

The Scheme is a registered pension scheme and is, therefore, exempt from tax on investment income arising from tax exempt contributions. Investment income from taxable contributions is taxed at the prevailing corporate tax rates.

Notes to the Financial Statements (Continued)

1 Summary of Significant Accounting Policies (Continued)

h) Quoted Investments

Quoted investments are classified as fair value through profit or loss and are stated at market values as at 30 June 2023.

For financial instruments traded in an organised financial market, fair value is determined by reference to quoted market prices.

i) Government Securities

Government securities comprise treasury bills and treasury bonds, which debt securities are issued by the Government of Kenya.

Treasury bills are classified as held to maturity and are stated at amortised cost while treasury bonds are classified as fair value through profit or loss and are stated at fair value.

j) Corporate Bonds

Corporate bonds are classified as fair value through profit or loss and are stated at fair value.

k) Off-shore Investments

Offshore investments are translated into Kenya Shillings at the exchange rate ruling on 30 June 2023. These investments are classified as fair value through profit or loss and are stated at market value.

l) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash and bank balances, treasury bills maturing within three months from date of acquisition and term deposits.

m) Financial Instruments

Financial assets and liabilities are recognised when the scheme becomes a party to the contractual provisions of the instrument.

i) Receivables

Receivables are financial assets with fixed or determinable payments and are not quoted in an active market. After initial measurement at cost, receivables are subsequently re-measured to amortised cost using the effective interest rate method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate.

Notes to the Financial Statements (Continued)

1 Summary of Significant Accounting Policies (Continued)

m) Financial Instruments (Continued)

ii) *Financial Assets at Fair Value Through Profit or Loss (FVTPL)*

Financial assets at fair value through profit or loss are those which were either acquired for generating a profit from short-term fluctuations in price or dealer's margin, or are securities included in a portfolio in which a pattern of short-term profit-taking exists. Investments classified as fair value through profit or loss are initially recognised at cost and subsequently re-measured to fair value based on quoted bid prices or dealer price quotations, without any deduction for transaction costs. All related realised and unrealised gains and losses are included in the statement of changes in net assets. Interest earned whilst holding held for trading investments is reported as interest income.

iii) *Held to Maturity Investment*

Held to maturity financial investments are those which carry fixed or determinable payments and have fixed maturities and which the Scheme has the intention and ability to hold to maturity.

After initial measurement, held to maturity financial investments are subsequently measured at amortised cost using the effective interest rate method, less any allowances for impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortisation and losses arising from impairment of such investments are recognised in the statement of changes in net assets.

iv) *Available for Sale Financial Assets*

Investment securities intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity, or changes in interest rates, exchange rates or equity prices are classified as available for sale and are initially recognised at cost. These investments are subsequently re-measured to fair value, based on quoted bid prices or amount derived from cash flow models. Unrealised gains and losses arising from changes in the fair value of securities classified as available for sale are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using effective interest method, and foreign exchange gains and loss on monetary assets which are recognized in profit or loss. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to the statement of changes in net assets.

v) *Impairment*

At the end of each reporting period, the scheme reviews the carrying amounts of its financial assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated and an impairment loss is recognised in the statement of changes in net assets whenever the carrying amount of the asset exceeds its recoverable amount.

Notes to the Financial Statements (Continued)

2. Critical Accounting Estimates and Judgements in Applying the Accounting Policies

In the process of applying the Scheme's accounting policies, the Trustees have made estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These are dealt with below:

Held to maturity investments

The Scheme classifies non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity. This classification requires significant judgment. In making this judgment, the Scheme evaluates its intention and ability to hold such investments to maturity. If the Scheme fails to keep these investments to maturity other than for the specific circumstances - for example, selling an insignificant amount close to maturity - it will be required to reclassify the entire class as available-for-sale. The investments would therefore be measured at fair value not amortised cost.

Impairment losses on financial assets

At the end of each reporting period, the Scheme reviews the carrying amounts of its financial assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated and an impairment loss is recognised in the statement of changes in net assets whenever the carrying amount of the asset exceeds its recoverable amount.

3. Financial Risk Management Objectives and Policies

The Scheme generates revenues for the members by investing in various income generating activities which involve trading in the stock exchange, trading in government and other securities and offshore investments. These activities expose the Scheme to a variety of financial risks, including credit risk and the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Scheme's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by the Trustees together with the investment managers under policies approved by the Trustees. The investment managers review the market trends and information available to evaluate the potential exposures. They then arrive at strategies to mitigate against market risks. The Trustees provide written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investing excess liquidity. The Scheme also follows guidelines issued by the Retirements Benefits Authority in respect of maximum investment in different types of investments.

Notes to the Financial Statements (Continued)

3. Financial Risk Management Objectives and Policies (Continued)

a) Market Risk

i) Foreign Exchange Risk

The Scheme operates mainly within Kenya and its assets and liabilities are reported in the local currency. The Scheme also invests internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD dollar. Foreign exchange risk arises from investment in offshore investments.

The Scheme's evaluation of currency risk is low because the funds are held for a long term period and any currency losses are expected to be recouped through interest income received and which comprises the value of the fund. The investment manager manages foreign exchange risk by limiting offshore investments to strategic range of 15% of total portfolio.

ii) Price Risk

The Scheme is exposed to equity securities price risk because of investments in quoted shares classified at fair value through profit and loss. The Scheme is also exposed to the risk that the value of debt securities will fluctuate due to changes in market value. To manage its price risk arising from investments in equity and debt securities, the Scheme diversifies its portfolio. For equities, the Scheme has invested in companies in different sectors of the economy, while for debt securities; the Scheme has invested in bonds of varying maturities. Diversification of the portfolio is done in accordance with resolutions passed on investments during quarterly trustees' meetings. All quoted shares held by the Scheme are traded on the Nairobi Securities Exchange (NSE).

b) Credit Risk

Credit risk arises from cash and cash equivalents, fixed deposits, interest bearing investments and deposits with banks. As part of the credit risk management system, the investment manager and the Trustees monitor and review information on significant investment. The Trustees have approved a larger portfolio investment with the Government of Kenya debt securities which have a low credit risk and no default record. The credit risk for liquid funds and bank balances is limited because the counter parties are banks with high credit ratings assigned by the regulator. For other investments the Trustees ensure that the issuers of the investments have been assessed so as to reduce the risk of non-recoverability of the amounts invested as well as the interest accrued on the same.

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Notes to the Financial Statements (Continued)

3. Financial Risk Management Objectives and Policies (Continued)

The amount that best represents the Scheme's maximum exposure to credit risk at 30 June 2023 is made up as follows:

	2024	2023
	KES	KES
Government Securities	949,207,709	1,051,075,216
Fixed and Time Deposits	53,691,179	50,955,275
Bank Balances	41,603,369	18,498,442
Corporate Bonds	5,215,217	5,215,141
	1,049,717,475	1,125,744,074

There are no collateral held against these assets. There are no concentration risks as the investments are diversified.

c) Liquidity Risk

The Scheme is required to make periodic payment in respect of pension payments when members retire from the Scheme, and is therefore exposed to the risk of difficulty in raising funds to make such payments. It therefore invests a portion of its assets in investments that are readily convertible to cash. The investment managers monitor the Scheme's liquidity on a regular basis and the trustees review it on a quarterly basis.

The undiscounted liabilities payable after year end were:

	2024	2023
Unpaid Benefits and Other Payables	18,899,695	82,295,002

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Notes to the Financial Statements (Continued)

	2024 KES	2023 KES
4 Contributions		
From Sponsor - Normal	46,416,089	70,517,062
From Sponsor - Excess		-
From Members - Normal	4,724,130	-
	51,140,218	70,517,062
5 Transfers In		
Amount Transferred into the Scheme from other Schemes	-	-
6 Benefits Paid and on Account of Leavers		
Lump Sum Retirement Benefits	98,292,455	255,845,419
Death Benefits	512,702	5,496,494
	98,805,157	261,341,914
7 Overstated Unpaid Benefits Written Back		
Write Back from Unpaid Benefits	-	-
8 Investment Income		
Dividends from Quoted Equities	24,039,538	28,398,127
Interest on Term Deposits	8,628,044	7,448,159
Interest on Treasury Bonds	131,855,102	137,623,176
Interest on Corporate Bonds	634,256	646,424
Discount on Treasury Bills	1,016,816	329,192
Other Income - Rebates	(66,215)	(56,790)
Gain on Sale of Quoted Equities	19,657	3,665,909
Loss on Sale / Maturity of Treasury Bonds	(16,003,384)	(5,135,247)
	150,123,814	172,918,950
9 Change In Fair Value of Investments		
Fair Value Gain/(Loss) on Quoted Equities	12,270,242	(32,002,812)
Fair Value Loss on Treasury Bonds	(9,368,007)	(40,254,123)
Fair Value Gain on Corporate Bonds	78,491	(69,411)
	2,980,726	(72,326,347)

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Notes to the Financial Statements (Continued)

	2024 KES	2023 KES
10 Impairment Provision		
Increase in Provision (IFRS 9)	38,627,934	241,975,968
11 Investment Management Expenses		
Management Fees	2,649,561	3,517,924
Custody Fees	1,541,367	1,749,070
	4,190,927	5,266,994
12 Administrative Expenses		
Audit Fees	336,400	336,400
RBA Levy	2,343,268	2,032,161
Office Rent and Service Charge	2,595,043	3,008,138
Insurance Costs	1,242,260	839,566
Annual General Meeting Expenses	1,048,819	2,028,537
Training Expenses	3,194,626	3,127,696
Trustee Expenses	2,581,442	2,498,256
Licenses and Subscriptions	1,082,562	1,764,515
Charge for use of Intangible Assets	24,171	326,929
Printing and Stationery	138,311	184,780
Motor Vehicle Expenses	169,558	98,674
Repairs and Maintenance	52,132	74,041
Travel Costs	1,981,217	2,808,956
Bank Charges	2,170,994	2,074,600
IFRS Consultancy Services	450,000	450,000
Actuarial Fees		235,000
Legal Fees	116,191	30,168,412
Advertising Costs	153,279	171,931
Charge for use of Property and Equipment	661,051	670,280
Office Expenses	663,769	544,821
	21,005,092	53,443,694
13 Staff Costs		
Salaries and Wages	12,324,282	9,565,497
Staff Medical Scheme	300,447	264,870
Pension Contributions	518,071	489,516
Other Staff Costs	1,836,158	1,126,940
	14,978,958	11,446,823

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Notes to the Financial Statements (Continued)

	2024	2023
	KES	KES
14 Tax Status of the Scheme		
Postal Corporation of Kenya Staff Retirement Benefits Scheme has been approved by the Kenya Revenue Authority and is exempt from income tax on its investment income relating to the tax-exempt contributions. Income relating to the non-tax-exempt contributions is subjected to corporation tax at the prevailing tax rates as follows:		
Investment Income Less Expenses - Unregistered Scheme	830,667	798,481
Tax Chargeable at 30% (2023: 30%)	249,200	239,544
Statement of Net Assets		
At 1st January	(644,543)	(884,088)
Charge for the Year	249,200	239,544
Payment in the Year		-
Tax Recoverable	(395,343)	(644,543)
15 Prior Year Adjustment	18,022	544,420
The prior year adjustment relates to an under-provision for audit fees in the year 2023		

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Notes to the Financial Statements (Continued)

		Value as at 1st July	Additions at Cost	Disposals Proceeds	Gain/ (Loss) on Disposal	Accrued Interest Adjustment	Fair Value/ Forex Change	IFRS 9 Provision	Value as at 30 June
16	Investments	KES	KES	KES	KES	KES	KES	KES	KES
	Year Ended 30 June 2024								
	Quoted Equities	286,590,420	19,446,174	(14,783,872)	19,657	-	12,250,567	-	303,522,947
	Treasury Bonds	1,051,075,216	161,211,704	(250,358,569)	-	(15,926,231)	(9,135,772)	2,848,110	939,714,458
	Corporate Bonds	5,215,141	-	(87,842)	-	-	78,491	9,427	5,215,217
	Treasury Bills	-	8,698,760	-	-	-	1,016,816	(222,324)	9,493,252
		1,342,880,778	189,356,638	(265,230,283)	19,657	(15,926,231)	4,210,102	2,635,213	1,257,945,873
	Fixed and Call Deposits	51,400,000	596,670,050	(595,800,000)	-	1,519,604	-	(98,474)	53,691,179
		1,394,280,778	786,026,688	(861,030,283)	19,657	(14,406,627)	4,210,102	2,536,738	1,311,637,053
	Year Ended 30 June 2023								
	Quoted Equities	336,046,210	12,793,611	(33,912,515)	3,665,927	-	(32,002,812)	-	286,590,420
	Treasury Bonds	1,121,670,469	378,654,445	(391,764,939)	-	(4,852,272)	(40,254,123)	(12,378,363)	1,051,075,216
	Corporate Bonds	5,313,737	-	(78,082)	-	(1,429)	(69,411)	50,326	5,215,141
	Treasury Bills	4,604,483	-	(4,556,200)	-	(48,283)	-	-	-
		1,467,634,899	391,448,055	(430,311,736)	3,665,927	(4,901,984)	(72,326,347)	(12,328,037)	1,342,880,778
	Fixed and Call Deposits	103,109,583	839,706,671	(891,200,000)	-	253,960	-	(914,939)	50,955,275
		1,570,744,482	1,231,154,727	(1,321,511,736)	3,665,927	(4,648,024)	(72,326,347)	(13,242,976)	1,393,836,052

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Notes to the Financial Statements (Continued)

	2024 KES	2023 KES
17 Contributions Due and Other Receivables		
Contributions Due for up to 30 Days	37,561,565	34,095,879
Contributions Due for more than 30 Days	1,229,465,633	1,195,369,754
Interest on Overdue Contributions	1,173,522,281	1,173,522,281
IFRS 9 Provision	(2,435,873,395)	(2,393,477,597)
	4,676,083	9,510,316
Investment Income Receivable	5,827,625	4,957,269
Prepaid Expenses	946,840	160,333
	11,450,548	14,627,918
18 Cash and Bank Balances		
Cash at Hand	83,100	83,783
Custodial Account	3,945,963	1,646,702
Operating Account	37,725,414	16,814,184
IFRS 9 Provision	(151,108)	(46,228)
	41,603,369	18,498,442
For purposes of cash flow statement, cash and cash equivalents comprise of the following:		
Bank Balances	41,603,369	18,498,442
Fixed and call deposits maturing within 90 days	53,691,179	50,955,275
	95,294,549	69,453,717
19 Unpaid Benefits and Other Payables		
Unpaid Benefits	18,899,695	82,295,002
Audit Fees Payable	336,400	814,558
IFRS 9 Consultancy Fees Payable	450,000	450,000
Fund Management Fees Payable	1,210,414	1,268,060
Custody Fees Payable	244,593	140,488
RBA Levy Payable	2,340,966	2,032,451
Due to PCK Staff Pension Scheme	25,281,918	49,068,299
Sundry Creditors	5,199,720	6,784,959
	53,963,706	142,853,818

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Notes to the Financial Statements (Continued)

		2024	2023
		KES	KES
20	Members Balances		
	At 1st July	1,284,753,138	1,686,813,990
	Prior Year Adjustments	(18,022)	544,420
	Contributions for the Year	51,140,218	70,517,062
	Investment Income	150,123,814	172,918,950
	Fair Value Gain on Investments	2,980,726	(72,326,347)
	Provision for Impairment	(38,627,934)	(241,975,968)
	Withdrawals for the Year	(98,805,157)	(261,341,914)
	Unpaid Benefits Written Back	-	-
	Investment Management Expenses	(4,190,927)	(5,266,994)
	Administration Expenses	(21,005,092)	(53,443,694)
	Staff Costs	(14,978,958)	(11,446,823)
	Taxation	(249,200)	(239,544)
	At 30th June	1,311,122,607	1,284,753,138
		1,311,122,607	1,284,753,138
21	Contingent Liabilities		
	Other than the liability to pay future pensions and other benefits, there were no contingent liabilities of the scheme at 30 June 2024		
22	Related Party Transactions		
	Related parties comprise of the Trustees, the administrator and Postal Corporation of Kenya (the sponsor). Except for the contributions receivable and payment of fees and allowances, there were no other transactions carried out with related parties during the year.		
	Due to PCK Staff Pension Scheme	25,281,918	49,068,299
23	Comparatives		
	Where necessary comparative figures have been adjusted to conform with changes in presentation in the current year		

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Appendices

Appendix I: Regional Quoted Equities

Description	Number of Shares				Values as at 01/07/23		Tradings for FY 2023 / 2024			Values as at 30/06/24	
		Additions 01/07/2023	(Disposals)	30/06/2024	Historical Cost	Market Value	Additions Value	Disposal Value	Gain/ (Loss) Realised on Dipsosal	Unrealised Market (Loss)/ Gain	Market Value
ABSA Bank Kenya PLC Ord 0.50	827,410	-	-	827,410	21,489,545	9,763,438	-	-	-	1,820,302	11,583,740
Diamond Trust Bank Kenya Ltd Ord 4.00	67,450	-	-	67,450	17,999,594	3,362,383	-	-	-	(225,958)	3,136,425
Equity Group Holdings PLC Ord 0.50	1,070,700	-	-	1,070,700	85,054,277	40,954,275	-	-	-	4,282,800	45,237,075
KCB Group PLC Ord 1.00	1,236,219	-	(504,569)	731,650	89,307,705	36,221,217	-	(14,783,872)	19,657	1,426,718	22,864,063
NCBA Group PLC Ord 5.00	919,139	-	-	919,139	50,683,736	35,708,550	-	-	-	2,068,063	37,776,613
Standard Chartered Bank Kenya Ltd Ord 5.00	-	60,000	-	60,000	-	-	11,454,534	-	-	185,466	11,640,000
The Co-operative Bank of Kenya Ltd Ord 1.00	1,881,199	-	-	1,881,199	49,000,330	22,950,628	-	-	-	940,600	23,891,227
Nation Media Group PLC Ord. 2.50	-	-	-	-	(0)	-	-	-	-	-	-
ARM Cement PLC Ord 1.00	681,470	-	-	681,470	28,451,620	3,782,159	-	-	-	-	3,782,159
Bamburi Cement Ltd Ord 5.00	106,805	-	-	106,805	19,497,507	2,691,486	-	-	-	1,772,963	4,464,449
KenGen Co. PLC Ord. 2.50	890,105	-	-	890,105	14,531,117	2,056,143	-	-	-	71,208	2,127,351
Kenya Power & Lighting Co Plc Ord 2.50	647,688	-	-	647,688	3,950,899	1,023,347	-	-	-	51,815	1,075,162
Jubilee Holdings Ltd Ord 5.00	1,633	-	-	1,633	1,215,230	293,940	-	-	-	(1,633)	292,307
Liberty Kenya Holdings Ltd Ord. 1.00	127,280	-	-	127,280	1,464,658	515,484	-	-	-	159,100	674,584
British American Tobacco Kenya Plc Ord 10.00	15,500	8,000	-	23,500	15,074,169	6,707,625	2,953,872	-	-	(1,348,372)	8,313,125
East African Breweries Ltd Ord 2.00	76,440	-	-	76,440	43,393,748	11,848,200	-	-	-	(630,630)	11,217,570
Mumias Sugar Co. Ltd Ord 2.00	259,700	-	-	259,700	136,343	70,119	-	-	-	-	70,119
Safaricom Plc Ord 0.05	5,311,700	300,000	-	5,611,700	244,409,960	92,954,750	5,037,768	-	-	(910,108)	97,082,410
Stanbic Uganda Limited (UGX)	8,611,353	-	-	8,611,353	14,113,409	8,278,094	-	-	-	2,824,524	11,102,617
Development Finance Company of Uganda Ltd	151,800	-	-	151,800	5,336,471	1,532,406	-	-	-	(340,776)	1,191,630
Bank of Baroda Uganda Limited	3,406,098	-	-	3,406,098	4,185,537	2,069,545	-	-	-	304,165	2,373,710
Umeme Uganda Limited	226,250	-	-	226,250	5,699,253	3,806,634	-	-	-	(180,005)	3,626,629
Atlas Development & Support Services Limited	-	-	-	-	-	-	-	-	-	-	-
TOTAL	26,515,939	368,000	504,569	26,379,370	714,995,108	286,590,420	19,446,174	(14,783,872)	19,657	12,270,242	303,522,964

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Appendices (Continued)

Appendix II: Treasury Bonds

Issue No.	Face Value	Dirty Price/Market Value	Purchases and Sales in FY 2023/2024				Realised Gain/ (Loss) On Disposal	Closing Balances as at 30/06/24				
			Additions		Disposal Proceeds			UnRealised Market (Loss) / Gain	Clean Price	Interest Accrued / Discount Earned	Dirty Price	Face Value
			Cost	Nominal	Proceeds	Nominal						
TBOND FXD1/2019/015	3,000,000	2,860,527	-	-	-	-	-	(13,248)	2,679,858	169,542	2,849,400	3,000,000
TBOND FXD1/2019/10	4,300,000	4,161,497	-	-	-	-	-	(217,017)	3,753,470	193,930	3,947,400	4,300,000
TBOND FXD1/2019/5	5,000,000	5,187,110	-	-	(5,000,000)	(5,000,000)	14,745	-	-	-	-	-
TBOND FXD1/2014/10	31,500,000	33,339,569	-	-	(31,500,000)	(31,500,000)	(100,422)	-	-	-	-	-
TBOND FXD1/2018/15	30,000,000	27,151,440	16,870,792	20,000,000	-	-	-	684,388	44,300,000	710,000	45,010,000	50,000,000
TBOND FXD1/2010/15	15,000,000	14,741,820	-	-	-	-	-	93,090	14,374,500	469,500	14,844,000	15,000,000
TBOND FXD2/2019/10	90,000,000	84,917,970	-	-	-	-	-	(3,713,580)	78,741,000	2,520,000	81,261,000	90,000,000
TBOND IFB1/2013/12	10,304,448	10,263,673	-	-	-	-	-	94,605	10,040,654	323,560	10,364,214	10,304,448
TBOND FXD1/2018/10	70,000,000	68,923,610	-	-	-	-	-	(5,657,120)	60,095,000	3,220,000	63,315,000	70,000,000
TBOND FXD2/2013/15	59,600,000	56,305,729	-	-	(26,839,086)	(31,600,000)	(2,243,374)	(1,966,468)	23,802,800	702,800	24,505,600	28,000,000
TBOND FXD1/2019/20	50,000,000	45,839,950	-	-	-	-	-	(602,650)	43,805,000	1,470,000	45,275,000	50,000,000
TBOND IFB1/2020/9	10,000,000	9,335,990	-	-	-	-	-	369,450	9,464,000	247,000	9,711,000	10,000,000
TBOND FXD4/2019/10	33,500,000	30,831,658	-	-	(16,413,647)	(20,000,000)	(1,730,173)	(233,429)	12,013,650	186,300	12,199,950	13,500,000
TBOND FXD3/2019/15	25,000,000	23,011,800	-	-	-	-	-	(47,700)	21,625,000	1,355,000	22,980,000	25,000,000
TBOND FXD2/2019/5	22,000,000	22,140,162	-	-	(22,000,000)	(22,000,000)	208,098	-	-	-	-	-
TBOND FXD1/2009/15	70,000,000	71,658,790	-	-	-	-	-	(390,670)	69,321,000	1,995,000	71,316,000	70,000,000
TBOND IFB1/2011/12	3,900,000	4,046,285	-	-	(3,900,000)	(3,900,000)	(15,144)	-	-	-	-	-
TBOND FXD1/2012/15	22,200,000	20,673,306	-	-	-	-	-	(1,178,620)	18,763,440	743,700	19,507,140	22,200,000
TBOND IFB1/2017/12	4,000,000	4,142,716	-	-	(1,800,000)	(1,800,000)	16,135	(41,659)	2,138,620	99,660	2,238,280	2,200,000
TBOND FXD3/2019/10	14,000,000	12,933,480	-	-	-	-	-	(204,022)	12,122,600	616,000	12,738,600	14,000,000
TBOND FXD1/2020/5	17,000,000	16,750,032	-	-	-	-	-	(132,736)	16,328,500	299,200	16,627,700	17,000,000
TBOND IFB1/2018/20	10,000,000	9,469,710	-	-	(8,294,664)	(10,000,000)	(1,024,026)	(0)	-	-	-	-
TBOND FXD1/2013/15	32,000,000	30,096,736	-	-	-	-	-	(1,986,592)	26,755,200	1,376,000	28,131,200	32,000,000
TBOND FXD2/2018/10	13,000,000	12,153,115	-	-	-	-	-	(810,849)	11,261,900	89,700	11,351,600	13,000,000
TBOND IFB1/2017/7	10,000,000	10,174,490	-	-	-	-	-	(52,560)	9,988,000	141,000	10,129,000	10,000,000
TBOND IFB1/2015/12	15,600,000	15,697,126	-	-	(9,900,000)	(9,900,000)	243,520	(164,171)	5,395,620	178,980	5,574,600	5,700,000
TBOND IFB1/2014/12	15,430,685	15,140,604	-	-	-	-	-	(25,275)	14,770,252	354,906	15,125,157	15,430,685
TBOND FXD1/2017/10	20,000,000	20,333,400	-	-	-	-	-	(1,291,780)	17,916,000	1,140,000	19,056,000	20,000,000

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Appendices (Continued)

Appendix II: Treasury Bonds (Continued)

Issue No.	Face Value	Dirty Price/Market Value	Purchases and Sales in FY 2023/2024				Closing Balances as at 30/06/24					
			Cost	Nominal	Disposal Proceeds	Nominal	Realised Gain/(Loss) On Disposal	UnRealised Market (Loss)/Gain	Clean Price	Interest Accrued / Discount Earned	Dirty Price	Face Value
TBOND IFB1/2016/15	21,000,000	19,510,869	-	-	(17,556,950)	(21,000,000)	(1,441,603)	-	-	-	-	-
TBOND FXD1/2020/15	4,000,000	3,724,544	-	-	-	-	-	(7,516)	3,534,800	185,200	3,720,000	4,000,000
TBOND FXD1/2011/20	10,000,000	8,004,470	-	-	-	-	-	(26,090)	7,852,000	132,000	7,984,000	10,000,000
TBOND FXD2/2010/15	1,000,000	902,610	-	-	-	-	-	2,540	900,700	4,900	905,600	1,000,000
TBOND FXD1/2021/2	-	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2012/20	27,000,000	23,741,532	-	-	-	-	-	(176,877)	23,155,200	426,600	23,581,800	27,000,000
TBOND FXD2/2019/15	17,000,000	15,430,730	-	-	-	-	-	(58,633)	15,056,900	326,400	15,383,300	17,000,000
TBOND FXD2/2018/20	15,000,000	14,460,660	-	-	-	-	-	(132,705)	13,468,500	870,000	14,338,500	15,000,000
TBOND FXD1/2021/25	5,000,000	4,798,830	-	-	-	-	-	(174,960)	4,522,500	105,000	4,627,500	5,000,000
TBOND IFB1/2021/16	20,000,000	19,752,580	-	-	(16,702,355)	(20,000,000)	(1,986,165)	-	-	-	-	-
TBOND FXD1/2021/5	15,000,000	14,043,120	-	-	-	-	-	(518,355)	13,311,000	223,500	13,534,500	15,000,000
TBOND IFB1/2022/19	6,000,000	5,857,674	-	-	-	-	-	1,080,750	6,660,600	282,000	6,942,600	6,000,000
TBOND FXD1/2022/10	53,000,000	50,880,053	-	-	-	-	-	(585,862)	49,390,700	943,400	50,334,100	53,000,000
TBOND FXD1/2021/20	7,000,000	6,852,412	-	-	(5,984,105)	(7,000,000)	(514,114)	-	-	-	-	-
TBOND IFB1/2022/18	-	-	-	-	-	-	-	-	-	-	-	-
TBOND IFB1/2021/21	52,700,000	53,239,121	-	-	(43,493,491)	(52,000,000)	(7,055,137)	39,558	720,020	27,160	747,180	700,000
TBOND FXD1/2022/3	5,000,000	4,990,935	-	-	-	-	-	(37,520)	4,822,500	134,000	4,956,500	5,000,000
TBOND FXD1/2022/15	20,000,000	19,453,920	-	-	-	-	-	(68,660)	18,872,000	528,000	19,400,000	20,000,000
TBOND FXD2/2018/15	75,000,000	68,963,925	-	-	-	-	-	(359,925)	66,660,000	1,995,000	68,655,000	75,000,000
TBOND IFB1/2022/14	-	-	9,371,488	10,000,000	-	-	-	1,195,512	10,567,000	184,000	10,751,000	10,000,000
TBOND FXD1/2023/10	10,000,000	10,232,410	8,935,558	10,000,000	-	-	-	528,642	19,164,000	1,080,000	20,244,000	20,000,000
TBOND IFB1/2023/17	30,000,000	31,260,060	-	-	-	-	-	2,874,480	32,841,000	1,317,000	34,158,000	30,000,000
TBOND IFB1/2020/11	15,000,000	13,636,740	-	-	-	-	-	2,095,695	15,148,500	592,500	15,741,000	15,000,000
TBOND FXD1/2023/3	5,000,000	5,086,365	-	-	-	-	-	(227,965)	4,768,500	94,000	4,862,500	5,000,000
TBOND IFB1/2022/6	3,100,000	3,137,082	-	-	-	-	-	(43,047)	3,065,900	30,380	3,096,280	3,100,000
TBOND IFB1/2024/8.5	-	-	50,922,539	50,000,000	-	-	-	1,613,511	52,536,050	3,347,250	55,883,300	50,000,000
TBOND FXD1/2024/003	-	-	9,076,828	9,000,000	(3,020,465)	(3,000,000)	(48,685)	101,948	6,109,626	506,106	6,615,732	6,000,000
TBOND FXD1/2023/005	-	-	27,047,917	28,000,000	(7,740,662)	(8,000,000)	(391,272)	507,917	19,423,900	1,545,580	20,969,480	20,000,000

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Appendices (Continued)

Appendix II: Treasury Bonds (Continued)

			Purchases and Sales in FY 2023/2024				Closing Balances as at 30/06/24					
			Additions		Disposal Proceeds							
TBOND FXD1/2024/010	-	-	4,875,035	5,000,000	-	-	-	377,465	5,252,520	213,185	5,465,705	5,000,000
TBOND FXD1/2018/025	-	-	4,151,790	5,000,000	-	-	-	337,050	4,488,840	23,930	4,512,770	5,000,000
TBOND IFB1/2023/6.5	-	-	29,959,736	30,000,000	(30,213,144)	(30,000,000)	141,385	112,023	-	-	-	-
IFRS 9 provision												(31,449,950)
TOTAL	1,123,135,133	1,080,242,936	161,211,704	167,000,000	(250,358,569)	(276,700,000)	(15,926,231)	(9,039,638)	931,749,320	33,718,868	934,018,238	1,013,435,133

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Appendices (Continued)

Appendix III: Corporate Bonds

Issue No.	Face Value	Interest Accrued / Discount Earned	Clean Price	Dirty Price/Market Value	Additions		Disposal Proceeds		Realised Gain / (Loss) On Disposal	UnRealised Market (Loss) / Gain	Clean Price	Interest Accrued / Discount Earned	Dirty Price
					Cost	Nominal	Proceeds	Nominal					
CORP BD CHASE BANK	6,000,000	-	6,000,000	6,000,000	-	-	-	-	-	-	6,000,000	-	6,000,000
CORP BD CBA 12.75%	-	-	-	-	-	-	-	-	-	-	-	-	-
CORP BD CHASE BANK	6,000,000	-	6,000,000	6,000,000	-	-	-	-	-	-	6,000,000	-	6,000,000
CORP BD EABL12.25%	2,950,000	62,204	2,914,706	2,976,910	-	-	-	-	-	-	2,914,706	62,204	2,976,910
CORP BD EABL12.25%	1,510,000	31,840	1,491,934	1,523,774	-	-	-	-	-	-	1,491,934	31,840	1,523,774
CORP BD KMRC FXD	721,918	29,749	710,925	740,674	-	-	(87,842)	(87,842)	(77,154)	78,491	624,421	26,129	650,550
Impairment- Chase bank bond	(12,000,000)		(12,000,000)	(12,000,000)									(12,000,000)
Impairment-IFRS 9 provision													(16,789)
TOTAL	5,181,918	123,792	5,117,566	5,241,358	-	-	(87,842)	(87,842)	(77,154)	78,491	17,031,061	120,173	5,215,217