

POSTAL CORPORATION OF KENYA STAFF RETIREMENT BENEFITS SCHEME



ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2025**

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 2025**

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**Postal Corporation of Kenya Staff Retirement Benefits Scheme
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Scheme Information

Trustees

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

Mr. Muktar Abdullahi	Re-appointed on the 14th April 2024
Mr. Philemon Kiplangat Munai	Re-appointed on the 14th April 2024
Mr. Fredrick Otieno Siengo	Appointed on 11th July 2023
Mrs. Nancy Njeri Mathenge	Appointed on 14 April 2023
Mr. Moses Otieno Odoyo	Appointed on 11th July 2023
Mr. Jacob Otieno Opere Alushula	Appointed on 9th January 2024

Trust Secretary

CS Elijah K. Koskey Trust secretary

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.
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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. Philemon Munai	39	Member elected	9	Yes	BBA (Accounting)	None
Mr. Muktar Abdullahi	49	Member Elected	8	Yes	MBA	Yes
Mrs. Nancy Mathenge	63	Sponsor nominated	9	Yes	Masters	Yes
Mr. Fredrick Siengo	49	Sponsor nominated	9	Yes	Bachelors	None
Mr. Moses Odoyo	39	Sponsor Nominated	9	Yes	Diploma	Yes
Mr. Jacob Opere	43	Member elected	9	Yes	Masters	None

2. Composition of the Board of Trustees

Gender mix	Female:	16.67%
	Male:	83.33%
Skills mix	Financial Skills:	2
Age mix	Below 35 Years of Age:	None
	Above 35 Years of Age:	All

3. Board Meetings

The Board of Trustees held nine (9) meetings during the year ending 30 June 2025. The meetings were held on the dates set out hereunder:

Date of meeting	Board members present
19 July 2024	Mr. Fredrick Siengo Mr. Philemon Munai Mr. Moses Odoyo Mrs. Nancy Mathenge Mr. Jacob Opere Mr. Muktar Abdullahi
01 August 2024	Mr. Fredrick Siengo Mr. Philemon Munai Mr. Moses Odoyo Mrs. Nancy Mathenge Mr. Jacob Opere Mr. Muktar Abdullahi

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Corporate Governance Statement (Continued)

3. Board Meetings (Continued)

Date of meeting	Board members present
27 September 2024	Mr. Fredrick Siengo Mr. Philemon Munai Mr. Moses Odoyo Mrs.Nancy Mathenge Mr. Jacob Opere Mr. Muktar Abdullahi
09 October 2024	Mr. Fredrick Siengo Mr. Philemon Munai Mr. Moses Odoyo Mrs.Nancy Mathenge Mr. Jacob Opere Mr. Muktar Abdullahi
06 November 2024	Mr. Fredrick Siengo Mr. Philemon Munai Mr. Moses Odoyo Mrs.Nancy Mathenge Mr. Jacob Opere Mr. Muktar Abdullahi
29 January 2025	Mr. Fredrick Siengo Mr. Muktar Abdullahi Mr. Philemon Munai Mrs. Nancy Mathenge Mr. Moses Odoyo Mr. Jacob Opere
17 March 2025	Mr. Fredrick Siengo Mr. Muktar Abdullahi Mr. Philemon Munai Mrs. Nancy Mathenge Mr. Moses Odoyo Mr. Jacob Opere
06 May 2025	Mr. Fredrick Siengo Mr. Muktar Abdullahi Mr. Philemon Munai Mrs. Nancy Mathenge Mr. Moses Odoyo Mr. Jacob Opere
26 June 2025	Mr. Fredrick Siengo Mr. Muktar Abdullahi Mr. Philemon Munai Mrs. Nancy Mathenge Mr. Moses Odoyo Mr. Jacob Opere

Corporate Governance Statement (Continued)

4. Joint Meetings of the Board

There were no joint meetings between the Board of Trustees of Postal Corporation of Kenya Staff Pension Scheme and Postal Corporation of Kenya Staff Retirement Benefits Scheme during the year ending 30 June 2025.

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 three (3) meetings during the year ended 30 June 2025 as follows.

Date of meeting	Board members present
06 September 2024	Mr. Philemon Munai Mr. Moses Oduyo
26 September 2024	Mr. Philemon Munai Mr. Moses Oduyo
24 June 2025	Mr. Philemon Munai Ms. Moses Oduyo

Audit and Risk Management Committee

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

Date of meeting	Board members present
09 September 2024	Mr. Muktar Abdullahi Mrs Nancy Mathenge Mr. Jacob Opere
24 September 2024	Mr. Muktar Abdullahi Mrs. Nancy Mathenge Mr. Jacob Opere

6. Committees of the Board of Trustees (Continued)

Administration and Communication Committee

The committee held one (1) meeting during the year ended 30 June 2025. The Board members who constitute this committee are:

Date of meeting	Board members present
11 July 2024	Mr. Muktar Abdullahi Mrs Nancy Mathenge

Corporate Governance Statement (Continued)

7. 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.

8. 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.

9. 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.

10. Annual General Meeting

The Board of Trustees held the 2024 Annual General Meeting (AGM) on 15th May 2025 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)

11. Trustees Remuneration Policy

During the year under review, the Trustees were paid a gross sum of Kshs 3,044,432 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 internally and the process takes the form of e-board questionnaire.

Approved by the Board of Trustees on 24 September 2025 and signed on its behalf by:



Mr. Fredrick Siengo



Mrs. Nancy Mathenge



Mr. Moses Odoyo



Mr. Philemon Kiplangat Munai



Mr. Muktar Abdullahi



Mr. Jacob Opere

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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 2025.

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

	2023/2024	2024/2025
a) Total Members		
Active Members	2,181	2,029
Deferred Cases	454	441
Dormant/Unclaimed Benefits Cumulative for the year	681	683
Total Members	3,316	3,153
b) Contributing Members		
At start of year	2,225	2,181
Joiners	189	13
Dormant members in the year	-138	-
Other leavers		
Above 50	(153)	(143)
Resignations	(16)	(15)
Dismissals	-	(3)
Ill- Health	-	-
Death	(7)	(8)
Immigration	-	-
Adjustments	81	4
Leavers (Immigration, Transfer-out, below 50 years)	-	-
At Year End - Contributing members	2,181	2,029

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Report of the Trustees (Continued)

3. Membership (Continued)

	2023/2024	2024/2025
c) Deferred Members		
At start of year	444	454
Leavers Whose Benefits Were Locked In	24	21
Transfer out	(1)	(4)
Opening Balance adjustment	-	(22)
Deferred Members Payments	(13)	(8)
Death in Deferment	-	-
At end of year	454	441
d) Dormant members		
At Start of the year	637	681
Add: Additional in the year	138	7
Adjustment	(68)	(3)
Less: Dormant paid in the year	(26)	(2)
At end of year	681	683

4. Financial Review

The statement of changes in net assets available for benefits on page 13 shows an increase in the net assets of the Scheme for the year of Kshs. 212,969,777 (2024: a decrease of Kshs. 26,387,491) and the statement of net assets available for benefits on page 14 shows the Scheme's net assets as Kshs. 1,549,685,236 (2024: Kshs. 1,311,122,607).

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	5,049,762	0.31%	30.00%
Cash balances	78,330,524	4.85%	5.00%
Fixed and call deposits	38,165,435	2.36%	30.00%
Local and regional quoted equities	336,517,577	20.84%	70.00%
Kenya government securities	1,156,841,031	71.64%	90.00%
	1,614,904,328	100.00%	

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Report of the Trustees (Continued)

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



CS. Elijah K. Koskey
Trust Secretary

29/9 2025
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 24 September 2025 and signed on its behalf by:



Mr. Fredrick Siengo



Mrs. Nancy Mathenge



Mr. Moses Odoyo



Mr. Philemon Kiplangat Munai



Mr. Muktar Abdullahi



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 2025**

Opinion

We have audited the accompanying financial statements of Postal Corporation of Kenya Staff Retirement Benefits Scheme (the Scheme), which comprise the statement of net assets available for benefits as at 30 June 2025, 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 2025 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 attention to the Trustees on the following areas which is likely to impact on the going concern of the Scheme:

- a) A judgement by the Court of Appeal stopped the Employer from recovering members contributions, thus jeopardizing the going concern of the Scheme.
- b) The Employer contribution during the period was not remitted, nor the actual amount due availed for consideration in the financial statements.
- c) Under note 17 of these financial statements the Sponsor has not contributed total amount of Kshs. 2,451,176,109, of which the Scheme has provided full provision. This condition raises 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.
- d) The Scheme after the year end apportioned Kshs 60 Million as bank Guarantee to the Court arising from the stay of ruling as per note 2. This amount could impact on the ability of the Scheme to meet its obligation in the subsequent period. As stated by the Trustees, it did not warrant any changes in the current financial period.

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.


CERTIFIED PUBLIC ACCOUNTANTS

Date: 29/9/2025

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Statement of Changes in Net Assets Available for Benefits

	Notes	2025 KES	2024 KES
Contributions and benefits			
Contributions receivable	5	19,167,950	51,140,218
		19,167,950	51,140,218
Less: Payments to and on account of leavers	6	(159,480,885)	(98,805,157)
Net addition / (reduction) from dealings with members		(140,312,935)	(47,664,939)
Return on investments			
Investment income	7	197,055,773	150,123,814
Change in fair value of investments	8	216,343,243	2,980,726
Impairment provision	9	(16,801,171)	(38,627,934)
Less: Investment management expenses	10	(4,137,270)	(4,190,927)
Net return on investments		392,460,576	110,285,679
Less: Administrative expenses	11	(21,456,576)	(21,005,092)
Less: Staff costs	12	(17,198,742)	(14,978,958)
Less: Tax expense	13	(522,547)	(249,200)
Increase/(Decrease) in net assets for the year		212,969,777	26,387,491
Net assets available for benefits at start of the year		1,311,122,607	1,284,753,138
Prior year adjustment	14	25,592,852	(18,022)
Net assets available for benefits at end of the year		1,549,685,236	1,311,122,607

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Statement of Net Assets Available for Benefits

	Notes	2025 KES	2024 KES
Non-current assets			
Investments	15	1,551,261,457	1,311,637,053
Current assets			
Receivables	16	4,496,913	11,450,548
Cash and cash equivalents	17	78,330,524	41,603,369
Tax recoverable	13	-	395,343
Total Current assets		82,827,437	53,449,261
Current liabilities			
Unpaid benefits and other payables	18	84,276,454	53,963,706
Tax Payable	13	127,204	
Total Current liabilities		84,403,658	53,963,706
Net current assets		(1,576,221)	(514,446)
Total net assets available for benefits		1,549,685,236	1,311,122,607
Financed by:			
Members' balances	19	1,549,685,236	1,311,122,607

The financial statements on pages 13 to 30 were approved by the Trustees on 24 September 2025 and signed on their behalf by:



Mr. Fredrick Siengo



Mrs. Nancy Mathenge



Mr. Moses Oduyo



Mr. Philemon Kiplangat Munai



Mr. Muktar Abdullahi



Mr. Jacob Opere

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Statement of Cash Flows

	Notes	2025 KES	2024 KES
Cash Flows from Operating Activities			
Contributions Received		8,541,319	45,653,762
Benefits paid		(133,292,084)	(98,805,157)
Administrative Expenses Paid		(36,945,848)	(35,984,049)
Net Cash Flows from Operating Activities		(161,696,613)	(89,135,445)
Cash Flows from Investing Activities			
Investment Income Received		176,459,714	166,127,198
Investment Management Expenses		(4,244,206)	(4,190,927)
Purchase of Local Equity	15	(4,496,078)	(19,446,174)
Purchase of offshore Equity	15	(15,190,064)	-
Purchase of Treasury Bonds	15	(375,687,665)	(210,298,435)
Purchase of Treasury Bills	15	(8,565,030)	(8,698,760)
Purchase of Deposit	15	-	-
Sale of Local Equity	15	68,822,095	14,783,872
Sale of Corporate Bonds	15	98,823	87,842
Sale of Treasury Bonds	15	336,349,543	176,565,435
Sale of Treasury Bills	15	9,715,576	-
Sale of Deposit		-	-
Net Cash from Investing Activities		183,262,709	114,930,050
Net increase in cash and cash equivalents		21,566,096	25,794,606
Movement in Cash and Cash Equivalents			
Cash and cash equivalents at start of year		95,294,549	69,499,943
Net increase in cash and cash equivalents		21,566,096	25,794,606
Cash and cash equivalents at the end of year	17	116,860,645	95,294,549
Cash and cash equivalents			
Bank balances		78,330,524	41,603,369
Fixed and call deposits maturing within 90 days		38,530,122	53,691,179
		116,860,646	95,294,549

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)

At 30 June 2025, 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	-	-	-
Customer 0-30	-	-	-
Customer 31-60	-	-	-
Customer 61-91	-	-	-
Over 91	2,451,176,109	1,260,414,415	100%
	2,451,176,109	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.

Cash and Cash Equivalents

The Scheme held cash and cash equivalents of 1,561,685,236. 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	2.83%
Equity Bank	Fitching	B	2.84%
Standard Chartered Bank	Fitching	BBB+	0.08%
EABL (DIAGEO GROUP)	Fitching	A+	0.06%
KMRC	Fitching	B-	2.24%
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 2025.

ii) Early Adoption of Standards

The Scheme did not early adopt any new or amended standards in year ended 30 June 2025.

b) Contributions and Benefits

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

c) Interest Income

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

d) Dividend Income

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

e) 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.

f) 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)

g) Quoted Investments

Quoted investments are classified as fair value through profit or loss and are stated at market values as at 30 June 2025.

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

h) 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.

i) Corporate Bonds

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

j) Off-shore Investments

Offshore investments are translated into Kenya Shillings at the exchange rate ruling on 30 June 2025. These investments are classified as fair value through profit or loss and are stated at market value.

k) 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.

l) 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)

i) *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.

ii) *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.

iii) *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.

iv) *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. Post Balance Event

In line with the application of International Accounting Standard number 10 on the above, the Trustees declares that Kshs 60 million was transferred as bank guarantee arising from a court case between the Employer and the Scheme. The event took place after the end year and therefore the Trustees deemed it necessary to disclose as it did not warrant adjustments on the financial statements.

4. 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)

4. 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)

4. Financial Risk Management Objectives and Policies (Continued)

b) Credit Risk (Continued)

The amount that best represents the Scheme's maximum exposure to credit risk at 30 June 2025 is made up as follows:

	2025	2024
	KES	KES
Government securities	1,157,178,922	1,156,841,031
Fixed and time deposits	38,530,119	38,165,435
Bank balances	78,387,507	78,330,524
Corporate bonds	16,995,253	17,049,762
	1,291,091,801	1,290,386,751

There are no collaterals 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:

	2025	2024
	KES	KES
Unpaid Benefits and Other Payables	45,088,496	18,899,695

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

	2025	2024
	KES	KES
5 Contributions		
From sponsor - normal	12,874,073	46,416,089
From members - normal	6,293,877	4,724,130
	<u>19,167,950</u>	<u>51,140,218</u>
6 Benefits paid and on account of leavers		
Lump sum retirement benefits	159,192,399	98,292,455
Death benefits	288,486	512,702
	<u>159,480,885</u>	<u>98,805,157</u>
7 Investment income		
Dividends from quoted equities	26,863,273	24,039,538
Interest on term deposits	9,169,335	8,628,044
Interest on treasury bonds	138,875,346	131,855,102
Interest on corporate bonds	626,392	634,256
Discount on treasury bills	1,360,652	1,016,816
Other income - rebates	(76,275)	(66,215)
Gain on sale of quoted equities	12,918,510	19,657
Loss on sale / maturity of treasury bonds	7,318,541	(16,003,384)
	<u>197,055,773</u>	<u>150,123,814</u>
8 Change in fair value of investments		
Fair value gain/(loss) on quoted equities	80,685,831	12,270,242
Fair value gain/ (loss) on treasury bonds	135,465,903	(9,368,007)
Fair value gain on corporate bonds	191,510	78,491
	<u>216,343,243</u>	<u>2,980,726</u>

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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For the Year Ended 30 June 2025

Notes to the Financial Statements (Continued)

	2025	2024
	KES	KES
9 Impairment provision		
Increase in provision (IFRS 9)	16,801,171	38,627,934
10 Investment management expenses		
Management fees	2,981,731	2,649,561
Custody fees	1,155,539	1,541,367
	4,137,270	4,190,927
11 Administrative expenses		
Audit fees	380,384	336,400
RBA levy	2,331,922	2,343,268
Office rent and service charge	3,043,337	2,595,043
Insurance costs	1,160,224	1,242,260
Annual general meeting expenses	2,219,678	1,048,819
Training expenses	1,124,873	3,194,626
Trustee expenses	3,044,432	2,581,442
Licenses and subscriptions	1,412,394	1,082,562
Charge for use of intangible assets	125,187	24,171
Printing and stationery	141,692	138,311
Motor vehicle expenses	56,678	169,558
Repairs and maintenance	157,124	52,132
Travel costs	-	1,981,217
Bank charges	2,135,121	2,170,994
IFRS consultancy services	476,180	450,000
Legal fees	2,221,416	116,191
Advertising costs	-	153,279
Charge for use of property and equipment	766,584	661,051
Office expenses	659,351	663,769
	21,456,576	21,005,092
12 Staff costs		
Salaries and wages	15,182,142	12,324,282
Staff medical scheme	254,811	300,447
Pension contributions	526,360	518,071
Other staff costs	1,235,428	1,836,158
	17,198,742	14,978,958

Postal Corporation of Kenya Staff Retirement Benefits Scheme
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For the Year Ended 30 June 2025

Notes to the Financial Statements (Continued)

	2025	2024
	KES	KES
13 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	<u>1,741,822</u>	<u>830,667</u>
Tax chargeable at 35% (2024: 30%)	<u>522,547</u>	<u>249,200</u>
Statement of net assets		
At 1st January	(395,343)	(644,543)
Charge for the year	522,547	249,200
Payment in the year	-	-
Tax (recoverable)/payable	<u>127,204</u>	<u>(395,343)</u>
14 Prior year adjustment	25,592,852	18,022
The prior year adjustment relates to opening balance differences between prior year signed audited accounts and opening balance ledgers for the year ended 30 June 2025		

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

15	Investments	Value as at 1st July KES	Additions at cost KES	Disposals proceeds KES	Gain/ (loss) on disposal KES	Accrued interest adjustment KES	Fair value/ forex change KES	IFRS 9 Provision KES	Value as at 30 June KES
	Year ended 30 June 2025								
	Quoted equities	303,522,947	4,496,078	(68,822,095)	12,918,510	-	84,402,137	-	336,517,577
	Offshore equities		15,190,064	-	-	-	(502,412)	-	14,687,652
	Treasury bonds	939,714,458	375,687,665	(336,349,543)	-	36,814,445	131,711,652	(158,278)	1,147,420,397
	Corporate bonds	5,215,217	-	(98,823)	(83,421)	-	-	16,789	5,049,762
	Treasury bills	9,493,252	8,565,030	(9,715,576)	-	1,076,228	-	1,701	9,420,634
		1,257,945,873	403,938,837	(414,986,037)	12,835,089	37,890,672	215,611,377	11,860,211	1,525,096,022
	Fixed and call deposits	53,691,179	680,813,295	(696,148,998)	-	76,174	-	(266,216)	38,165,435
		1,311,637,053	1,084,752,132	(1,111,135,036)	12,835,089	37,966,847	215,611,377	(406,005)	1,551,261,457
	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

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

	2025	2024
	KES	KES
16 Contributions due and other receivables		
Contributions due for up to 30 days	10,626,631	37,561,565
Contributions due for more than 30 days	1,267,027,198	1,229,465,633
Interest on overdue contributions	1,173,522,281	1,173,522,281
IFRS 9 provision	(2,451,176,109)	(2,435,873,395)
Total Contributions Due	-	4,676,083
Investment income receivable	4,041,098	5,827,625
Prepaid expenses	455,815	946,840
	<u>4,496,913</u>	<u>11,450,548</u>
17 Cash and bank balances		
Cash at hand	47,520	83,100
Custodial account	1,349,093	3,945,963
Operating account	77,038,414	37,725,414
IFRS 9 provision	(104,503)	(151,108)
	<u>78,330,524</u>	<u>41,603,369</u>
Bank balances	78,330,524	41,603,369
Fixed and call deposits maturing within 90 days (note 15)	38,530,122	53,691,179
	<u>116,860,646</u>	<u>95,294,549</u>
18 Unpaid benefits and other payables		
Unpaid benefits	45,088,496	18,899,695
Audit fees payable	388,542	336,400
IFRS 9 consultancy fees payable	450,000	450,000
Fund management fees payable	1,252,805	1,210,414
Custody fees payable	95,266	244,593
RBA levy payable	2,611,764	2,340,966
Due to PCK Staff pension scheme (note 21)	29,186,130	25,281,918
Sundry creditors	5,203,452	5,199,720
	<u>84,276,454</u>	<u>53,963,706</u>

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

	2025	2024
	KES	KES
19 Members balances		
At 1st July	1,311,122,607	1,284,753,138
Prior year adjustments	25,592,852	(18,022)
Contributions for the year	19,167,950	51,140,218
Investment income	197,055,773	150,123,814
Fair value gain on investments	216,343,243	2,980,726
Provision for impairment	(16,801,171)	(38,627,934)
Withdrawals for the year	(159,480,885)	(98,805,157)
Investment management expenses	(4,137,270)	(4,190,927)
Administration expenses	(21,456,576)	(21,005,092)
Staff costs	(17,198,742)	(14,978,958)
Taxation	(522,547)	(249,200)
At 30th June	<u>1,549,685,236</u>	<u>1,311,122,607</u>

20 Contingent liabilities - -

Other than the liability to pay future pensions and other benefits, there were no contingent liabilities of the scheme at 30 June 2025

21 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	<u>29,186,130</u>	<u>25,281,918</u>
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22 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
Annual Report and Financial Statements
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Appendices

Appendix I: Regional Quoted Equities

Description	Number of shares				Values as at 01/07/24		Trading for FY 2024 / 2025				Values as at 01/07/25	
		Additions	(Disposals)		Historical Cost	Market Value	Additions Value	Disposal Value	Gain / (Loss) Realised on Disposal	Unrealised Market (Loss) / Gain	Market Value	Historical Cost
	01-Jul-24			30-Jun-25								
ABSA Bank Kenya Plc Ord 0.50	827,410	-	(827,410)	-	21,489,545	11,583,740	-	(13,392,338)	1,808,598	-	-	-
Diamond Trust Bank Kenya Ltd Ord 4.00	67,450	-	-	67,450	17,999,594	3,136,425	-	-	-	2,074,088	5,210,513	17,999,594
Equity Group Holdings Plc Ord 0.50	1,070,700	-	(145,860)	924,840	85,054,277	45,237,075	-	(5,550,717)	(28,428)	5,566,746	45,224,676	45,051,691
KCB Group Plc Ord 1.00	731,650	-	(219,495)	512,155	52,966,252	22,864,063	-	(6,463,041)	31,838	7,433,564	23,866,423	-
NCBA Group Plc Ord 5.00	919,139	-	(459,500)	459,639	50,683,736	37,776,613	-	(19,869,199)	2,017,624	7,423,483	27,348,521	12,714,331
Standard Chartered Bank Kenya Ltd Ord 5.00	60,000	10,000	(35,000)	35,000	22,909,068	11,640,000	1,941,919	(8,175,523)	1,384,564	3,700,291	10,491,250	12,425,493
Co-op Bank of Kenya Ltd Ord 1.00	1,881,199	200,000	-	2,081,199	49,000,330	23,891,227	2,554,159	-	-	10,808,076	37,253,462	36,719,482
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	14,225,810
Bamburi Cement Ltd Ord 5.00	106,805	-	(106,805)	-	19,497,507	4,464,449	-	(8,717,435)	4,252,986	-	-	-
KenGen Co. Plc Ord. 2.50	890,105	-	(890,105)	-	14,531,117	2,127,351	-	(3,590,326)	1,462,975	-	-	-
KPLC Plc Ord 2.50	647,688	-	(647,688)	-	3,950,899	1,075,162	-	(3,063,516)	1,988,354	-	-	-
Jubilee Holdings Ltd Ord 5.00	1,633	-	-	1,633	1,215,230	292,307	-	-	-	75,118	367,425	1,215,230
Liberty Kenya Holdings Ltd Ord. 1.0	127,280	-	-	127,280	1,464,658	674,584	-	-	-	642,764	1,317,348	1,138,304
BAT Kenya Plc Ord 10.00	23,500	-	-	23,500	21,082,738	8,313,125	-	-	-	170,375	8,483,500	5,018,113
East African Breweries Ltd Ord 2.00	76,440	-	-	76,440	43,393,748	11,217,570	-	-	-	2,885,610	14,103,180	30,974,270
Mumias Sugar Co. Ltd Ord 2.00	259,700	-	-	259,700	136,343	70,119	-	-	-	-	70,119	35,060
Safaricom Plc Ord 0.05	5,611,700	-	-	5,611,700	254,671,446	97,082,410	-	-	-	43,210,090	140,292,500	101,883,500
Stanbic Uganda Limited (UGX)	8,611,353	-	-	8,611,353	14,113,409	11,102,617	-	-	-	-	11,102,617	14,113,409
Development Finance Company of Uganda Ltd	151,800	-	-	151,800	5,336,471	1,191,630	-	-	-	-	1,191,630	3,157,065
Bank of Baroda Uganda Limited	3,406,098	-	-	3,406,098	4,185,537	2,373,710	-	-	-	-	2,373,710	4,185,537
Umeme Uganda Limited	226,250	-	-	226,250	5,699,253	3,626,629	-	-	-	411,933	4,038,563	5,699,253
TOTAL	26,379,370	210,000	3,331,863	23,257,507	717,832,779	303,522,964	4,496,078	(68,822,095)	12,918,510	84,402,137	336,517,594	597,357,905

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Appendices (Continued)

Appendix II: Offshore Equities

Description	Number of Shares				Values as at 30/06/25			
		Additions	(Disposals)		Unrealised Market (Loss) / Gain	Market Price Per Share	Market Value	Historical Cost
	01-Jul-24			30-Jun-25				
EUROBOND KENNIT 2048	-	19,000	-	19,000	15,778	105	2,003,575	1,987,797
EUROBOND KENINT ID 2036	-	104,000	-	104,000	(518,190)	122	12,684,077	13,202,267
TOTAL	-	123,000	-	123,000	(502,412)	227	14,687,652	15,190,064

Appendix III: Treasury Bonds

Issue No.	Opening Balances as at 01/07/24			Purchases and Sales in FY 2024/2025					Closing Balances as at 30/06/25			
	Historical Cost	Face Value	Interest Accrued / Discount Earned	Additions		Disposal Proceeds		Realised Gain / (Loss) On Disposal	Unrealised Market (Loss) / Gain	Interest Accrued / Discount Earned	Historical Cost	Face Value
				Cost	Nominal	Proceeds	Nominal					
TBOND FXD1/2019/2	7,020,980	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2019/015	3,032,040	3,000,000	169,542	-	-	-	-	-	301,539	170,604	3,032,040	3,000,000
TBOND FXD1/2019/10	9,486,137	4,300,000	193,930	-	-	-	-	-	746,347	195,422	4,436,787	4,300,000
TBOND FXD1/2019/5	15,324,020	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2014/10	32,480,604	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2018/15	46,827,174	50,000,000	710,000	-	-	-	-	-	6,052,400	729,800	46,827,174	50,000,000
TBOND FXD1/2010/15	13,779,585	15,000,000	469,500	-	-	(15,000,000)	(15,000,000)	625,500	-	-	-	-
TBOND FXD2/2019/10	89,138,830	90,000,000	2,520,000	-	-	-	-	-	14,504,040	2,554,650	89,138,830	90,000,000
TBOND IFB1/2013/12	17,759,348	10,304,448	323,560	-	-	-	-	-	247,678	326,970	17,759,348	10,304,448
TBOND FXD1/2018/10	71,394,162	70,000,000	3,220,000	-	-	-	-	-	13,358,170	3,244,710	71,394,162	70,000,000
TBOND FXD2/2013/15	64,422,719	28,000,000	702,800	-	-	-	-	-	4,937,884	710,780	28,993,226	28,000,000
TBOND FXD1/2019/20	50,472,583	50,000,000	1,470,000	-	-	-	-	-	6,843,800	1,485,350	50,472,583	50,000,000
TBOND IFB1/2020/9	9,477,100	10,000,000	247,000	-	-	(5,000,000)	(5,000,000)	268,000	48,130	125,190	4,738,550	5,000,000
TBOND FXD2/2016/5	17,192,237	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD3/2016/5	27,984,811	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2016/5	26,638,590	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD4/2019/10	33,431,035	13,500,000	186,300	-	-	-	-	-	2,094,701	191,282	13,529,535	13,500,000
TBOND FXD3/2019/15	55,405,117	25,000,000	1,355,000	-	-	-	-	-	3,268,725	1,364,525	24,952,250	25,000,000
TBOND FXD2/2019/5	31,953,440	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD2/2010/10	25,031,756	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD2/2007/15	49,879,915	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2009/15	72,780,226	70,000,000	1,995,000	-	-	(70,000,000)	(70,000,000)	679,000	-	-	0	-
TBOND FXD3/2007/15	78,983,435	-	-	-	-	-	-	-	-	-	-	-

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Appendices (Continued)

Appendix III: Treasury Bonds (Continued)

Issue No.	Opening Balances as at 01/07/24			Purchases and Sales In FY 2024/2025					Closing Balances as at 30/06/25			
	Historical Cost	Face Value	Interest Accrued/Discount Earned	Additions		Disposal Proceeds		Realised Gain/(Loss) On Disposal	Unrealised Market (Loss)/Gain	Interest Accrued/Discount Earned	Historical Cost	Face Value
				Cost	Nominal	Proceeds	Nominal					
TBOND FXD1/2017/5	95,381,958	-	-	-	-	-	-	-	-	-	-	-
TBOND IFB1/2011/12	3,442,812	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2012/15	61,699,403	22,200,000	743,700	-	-	-	-	-	3,479,561	751,381	61,699,403	22,200,000
TBOND IFB1/2017/12	4,751,500	2,200,000	99,660	-	-	-	-	-	(43,553)	100,481	4,751,500	2,200,000
TBOND FXD1/2013/10	8,673,275	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD2/2017/5	10,046,800	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD3/2019/10	14,167,143	14,000,000	616,000	-	-	-	-	-	2,148,272	620,144	14,167,143	14,000,000
TBOND FXD1/2008/15	10,277,300	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2020/5	17,225,050	17,000,000	299,200	-	-	(17,000,000)	(17,000,000)	671,500	-	-	-	-
TBOND IFB1/2018/20	14,824,150	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2013/15	35,063,960	32,000,000	1,376,000	-	-	-	-	-	5,485,568	1,384,608	35,063,960	32,000,000
TBOND FXD2/2015/5	19,549,900	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2018/5	20,000,000	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD2/2018/10	33,309,696	13,000,000	89,700	-	-	(12,540,954)	(13,000,000)	1,279,054	-	-	-	-
TBOND IFB1/2017/7	20,221,800	10,000,000	141,000	-	-	(10,000,000)	(10,000,000)	12,000	-	-	-	-
TBOND IFB1/2015/12	24,833,547	5,700,000	178,980	-	-	-	-	-	332,099	180,867	24,833,547	5,700,000
TBOND IFB1/2014/12	27,098,238	15,430,685	354,906	-	-	-	-	-	386,353	359,057	27,098,238	15,430,685
TBOND FXD1/2012/10	26,069,887	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2017/10	59,288,630	20,000,000	1,140,000	-	-	-	-	-	2,833,820	1,147,000	20,912,853	20,000,000
TBOND IFB1/2016/15	27,978,662	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2020/15	4,086,061	4,000,000	185,200	-	-	-	-	-	538,968	186,432	4,086,061	4,000,000
TBOND FXD1/2011/20	13,187,904	10,000,000	132,000	-	-	-	-	-	1,351,450	134,620	13,187,904	10,000,000
TBOND FXD2/2010/15	942,099	1,000,000	4,900	-	-	-	-	-	101,820	5,192	942,099	1,000,000
TBOND FXD1/2021/2	3,000,000	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2012/20	26,047,586	27,000,000	426,600	-	-	(24,960,266)	(27,000,000)	1,805,066	-	-	-	-
TBOND FXD2/2019/15	17,016,750	17,000,000	326,400	-	-	-	-	-	1,829,608	333,047	17,016,750	17,000,000
TBOND FXD2/2012/15	-	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2018/20	20,380,000	-	-	44,559,173	50,000,000	(46,421,006)	(50,000,000)	1,861,833	-	-	-	-
TBOND FXD2/2018/20	15,040,050	15,000,000	870,000	-	-	-	-	-	2,124,120	875,775	15,040,050	15,000,000
TBOND IFB1/2021/18	9,889,600	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2021/25	15,565,500	5,000,000	105,000	-	-	-	-	-	718,090	107,110	15,565,500	5,000,000
TBOND IFB1/2021/16	21,826,914	-	-	-	-	-	-	-	-	-	-	-
TBOND FXD1/2021/5	15,026,100	15,000,000	223,500	-	-	-	-	-	1,834,410	227,715	15,026,100	15,000,000
TBOND IFB1/2022/19	5,998,160	6,000,000	282,000	-	-	(4,854,417)	(5,000,000)	(696,083)	(99,967)	47,372	999,693	1,000,000
TBOND FXD1/2022/10	53,561,519	53,000,000	943,400	18,297,640	20,000,000	(17,183,585)	(20,000,000)	(1,361,165)	5,906,716	962,480	52,171,718	53,000,000
TBOND FXD1/2021/20	27,386,377	-	-	-	-	-	-	-	-	-	-	-

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Appendix III: Treasury Bonds (Continued)

Issue No.	Opening Balances as at 01/07/24			Purchases and Sales In FY 2024/2025					Closing Balances as at 30/06/25			
	Historical Cost	Face Value	Interest Accrued / Discount Earned	Additions		Disposal Proceeds		Realised Gain / (Loss) On Disposal	Unrealised Market (Loss) / Gain	Interest Accrued / Discount Earned	Historical Cost	Face Value
				Cost	Nominal	Proceeds	Nominal					
TBOND IFB1/2022/18	14,905,800	-	-	-	-	-	-	-	-	-	-	-
TBOND IFB1/2021/21	51,371,919	700,000	27,160	-	-	(597,648)	(700,000)	(122,372)	(0)	-	-	-
TBOND FXD1/2022/3	5,138,350	5,000,000	134,000	-	-	(5,000,000)	(5,000,000)	177,500	-	-	-	-
TBOND FXD1/2022/15	51,037,100	20,000,000	528,000	44,188,000	50,000,000	-	-	-	13,438,590	1,876,840	95,225,100	70,000,000
TBOND FXD2/2018/15	74,572,266	75,000,000	1,995,000	-	-	-	-	-	8,180,025	2,022,825	74,572,266	75,000,000
TBOND IFB1/2022/14	29,889,034	10,000,000	184,000	20,632,120	20,000,000	-	-	-	449,290	562,890	50,521,154	30,000,000
TBOND FXD1/2023/10	19,404,900	20,000,000	1,080,000	-	-	-	-	-	2,167,360	1,088,540	19,404,900	20,000,000
TBOND IFB1/2023/17	30,156,400	30,000,000	1,317,000	32,095,200	30,000,000	-	-	-	79,620	2,658,300	62,251,600	60,000,000
TBOND IFB1/2020/11	13,248,810	15,000,000	592,500	-	-	-	-	-	(492,285)	597,405	13,248,810	15,000,000
TBOND FXD1/2023/3	4,910,550	5,000,000	94,000	-	-	-	-	-	429,085	95,765	4,910,550	5,000,000
TBOND IFB1/2022/6	3,100,389	3,100,000	30,380	-	-	-	-	-	92,504	31,512	3,100,389	3,100,000
TBOND IFB1/2024/8.5	51,150,762	50,000,000	3,347,250	-	-	(10,993,983)	(10,000,000)	486,773	6,486,360	2,698,120	40,920,610	40,000,000
TBOND FXD1/2024/003	9,607,176	6,000,000	506,106	-	-	(6,013,810)	(6,000,000)	(95,816)	-	-	-	-
TBOND FXD1/2023/005	28,635,140	20,000,000	1,545,580	-	-	-	-	-	3,634,900	1,554,840	28,635,140	20,000,000
TBOND FXD1/2024/010	4,875,055	5,000,000	213,185	117,989,054	115,000,000	(19,522,762)	(20,000,000)	(166,884)	11,210,973	4,307,700	102,386,757	100,000,000
TBOND FXD1/2018/025	4,438,933	5,000,000	23,930	-	-	-	-	-	623,320	25,770	4,438,933	5,000,000
TBOND IFB1/2023/6.5	30,097,680	-	-	15,087,297	15,000,000	-	-	-	2,240,868	362,100	45,184,977	15,000,000
TBOND FXD1/2016/020	-	-	-	8,400,527	10,000,000	(8,439,879)	(10,000,000)	39,352	-	-	-	-
TBOND FXD1/2022/025	-	-	-	74,438,654	80,000,000	(62,821,234)	(65,000,000)	2,460,871	1,840,294	409,275	13,957,248	15,000,000
TOTAL	2,059,294,435	1,013,435,133	33,718,868	375,687,665	390,000,000	(336,349,543)	(348,700,000)	7,924,127	131,711,652	36,814,445	1,236,595,438	1,054,735,133

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Appendices (Continued)

Appendix IV: Corporate Bonds

Issue No.	Opening Balances as at 01/07/24				Purchases and Sales In FY 2024/2025						Closing Balances as at 30/06/25			
	Historical Cost	Face Value	Interest Accrued / Discount Earned	Dirty Price / Market Value	Additions		Disposal Proceeds		Realised Gain / (Loss) On Disposal	Unrealised Market (Loss) / Gain	Clean Price	Interest Accrued / Discount Earned	Historical Cost	Face Value
					Cost	Nominal	Proceeds	Nominal						
CORP BD CHASE BANK	6,000,000	6,000,000	-	6,000,000	-	-	-	-	-	-	-	-	6,000,000	-
CORP BD CBA 12.75%	9,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-
CORP BD CHASE BANK	6,000,000	6,000,000	-	6,000,000	-	-	-	-	-	-	-	-	6,000,000	-
CORP BD EABL12.25%	2,950,035	2,950,000	62,204	2,976,910	-	-	-	-	-	49,790	2,964,496	65,524	2,950,035	2,950,000
CORP BD EABL12.25%	1,510,035	1,510,000	31,840	1,523,774	-	-	-	-	-	25,485	1,517,420	33,539	1,510,035	1,510,000
CORP BD KMRC FXD	800,000	634,076	26,129	650,550	-	-	(98,823)	(98,823)	(83,421)	116,235	558,411	22,425	675,317	535,253
TOTAL	26,760,070	17,094,076	120,173	17,151,234	-	-	(98,823)	(98,823)	(83,421)	191,510	17,040,327	121,488	17,135,387	16,995,253