

ANNUAL REPORT AND FINANCIAL STATEMENTS



FOR THE YEAR ENDED
31ST DECEMBER 2024



OUR VISION

A world of opportunities for your lifelong financial security.



OUR MISSION

To provide diversified, innovative, and sustainable financial solutions to our stakeholders in the region.



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NOTICE OF THE 2ND ANNUAL GENERAL MEETING

TO MEMBERS OF TAIFA (UMBRELLA) PENSION FUND

Notice is hereby given that the **2nd Annual General Meeting (AGM)** of the **TAIFA PENSION FUND** will take place both **virtually**, via electronic means, and physically, at **The Kenyatta International Convention Centre (KICC)**, on **Tuesday 26th August 2025** starting from **8.30 A.M to 1:00 P.M.**

Agenda

1. Introduction & Opening Remarks.
2. Reading the Notice of the meeting.
3. Reading and taking note of the Minutes of the 1st Annual General Meeting held on 20th June 2024.
4. Presentation of the Investment Manager's Report.
5. Presentation of the Scheme's Custodian Report.
6. Presentation of the Financial Statements and Audited Accounts for Year 2024.
7. Presentation of the Administrator's Report.
8. Presentation of Corporate Trustee's Report
9. Question & Answer.
10. Vote of Thanks.

By order of the Board

DR. HOSEA KILI, MBS
GROUP MANAGING DIRECTOR/CEO
CPF FINANCIAL SERVICES LTD;
THE SCHEME CORPORATE ADMINISTRATOR
FOR & ON BEHALF OF THE TRUSTEES OF THE
TAIFA PENSION FUND



TRUSTEES AND PROFESSIONAL ADVISORS

Corporate Trustee

KCB Asset Management Limited
Kencom House
P O Box 48400 - 00100
Nairobi

Administrator

CPF Financial Services Limited
7th Floor, CPF House, Haille Selassie Avenue
P O Box 28938 - 00200
Nairobi.

Investment Manager

ICEA LION Asset Management Limited
ICEA LION Centre
Chiromo Road
P O Box 46143 - 00100
Nairobi

Custodian

Standard Chartered Bank Kenya Limited
Standard Chartered Custody services
48 Westlands Road
P O Box 48231 - 00100
Nairobi

Independent Auditor

King'ori Kimani & Company
Certified Public Accountants (K)
4th Floor, Worldwide Printing Centre
Next to Stima Sacco, Mushembi Road
P.O Box 31234-00600
Nairobi

Registered office

CPF House
7th Floor, Haille Selassie Avenue
P O Box 28938 - 00200
Nairobi.

Approved Issuer

Kenindia Assurance Company Limited
10th Floor, Kenindia House
Loita Street
P O Box 30377 - 00100 GPO
Nairobi



CORPORATE ADMINISTRATOR'S TEAM



Dr. Hosea Kili, MBS

Group Managing Director/ CEO

Dr. Hosea Kili is an accomplished advocate of the High Court of Kenya and a distinguished leader in the retirement benefits sector. He holds a Master of Business Administration from the Management College of Southern Africa (MANCOSA), is a Fellow of the Institute of Certified Public Secretaries of Kenya (ICPSK), a Fellow of the Kenya Institute of Management (KIM), and a member of the Law Society of Kenya (LSK). Dr. Kili also serves as a Council Member of the Africa Social Security Association (ASSA) and is the President of the Association of Pension Trustees and Administrators of Kenya (APTAK).

Over the years, Dr. Kili has earned wide recognition for his outstanding contributions to governance, public service, and institutional leadership. In 2025, he was named Overall Chief Executive Officer (CEO) of the Year at the Internal Audit and Risk Awards, a testament to his unwavering commitment to transparency, accountability, and performance excellence. On 12th December 2024, he was honoured with the prestigious Moran of the Burning Spear (MBS) by H.E Dr. William Ruto, CGH, President of the Republic of Kenya, in recognition of his service to the nation.

In 2024, he was recognized as Second Runners-up CEO of the Year at the Council of Governors (COG) Awards. A year earlier,

in 2023, he was awarded CEO of the Year in the Retirement Benefits Sector at the Champions of Governance Awards. Dr. Kili is also a past recipient of the Presidential Order of the Grand Warrior of Kenya (OGW), conferred in 2011, and has received multiple accolades including 2nd Runners-up CEO of the Year at the 2012 COYA Awards, Personality of the Year at the 2017 Pension Awards, and CEO of the Year (2nd Runners-up) at the 2017 and 2018 Champions of Governance Awards.

Dr. Kili continues to be a respected voice in the pensions and governance landscape, known for his visionary leadership, dedication to institutional transformation, and his enduring impact on the lives of retirees and beneficiaries across Kenya.



Joseph Rono

Senior Group Executive Director

Joseph Rono is a Finance and Investments professional with over 22 years' experience in private and public sector within the East African region. His key areas of expertise include Strategy, finance and Investments with a special interest in ICT, Strategy formulation and implementation. Mr. Rono is a recipient of numerous awards including "Chief Investment Officer of the Year" Award at the 2017 Pension Awards.

He is a Certified Public Accountant (CPA K) and holds a BSc. Mathematics and Computer from Jomo Kenyatta University of Agriculture & Technology (JKUAT) and an MBA in Finance from the University of Nairobi. Mr. Rono was the recipient of the "Manager of the Year" award at the 2019 Company of the Year Awards.

George Okioma

Director, External Pension Administration (DEPA)

George is a Senior Pensions Professional with over 22 years' experience in the establishment, management, and administration of Pension Schemes in Kenya and in the Africa region. George has gained considerable experience in pensions, particularly in projects involving diagnostic reviews, developing pension policies, developing strategic restructuring plans, remuneration setting and administration and implementation of key pension policies.

He is a Member of the Institute of Actuaries (UK) and holds a BSc. Degree in Mathematics & Computer Science from the Jomo Kenyatta University of Agriculture & Technology (JKUAT) and an MSc in Actuarial Science from the University of Nairobi.





CORPORATE ADMINISTRATOR'S TEAM (Continued)



Christopher Mitei
Director, Pension & Client Experience (DPCE)

Christopher Mitei is a seasoned professional with 20 years of experience in the pension industry. He has extensive expertise in pension management, policy development, and strategic planning.

He holds an MBA in Strategic Management from the University of Nairobi and a BA in Economics and Business Studies from the Catholic University of Eastern Africa. He is currently pursuing a PhD in Entrepreneurship and Project Management at Jomo Kenyatta University of Agriculture and Technology (JKUAT).

Isaac Mitei
Group Head, Company Secretary & Legal Services

Isaac Mitei is currently the Group Company Secretary and Head of Legal with CPF Financial Services. An Advocate of the High Court of Kenya, Isaac Mitei, has over 15 years' experience in the Legal field.

He holds an Honors Law Degree from Moi University and a Diploma in Law from the Kenya School of Law. Isaac is a member of the Law Society of Kenya (LSK) and the Institute of Certified Secretaries of Kenya (ICPSK).



Irene Mbonge
Group Head, Corporate Affairs

Irene is a Chartered Public Relations practitioner with over 16 years' experience in Corporate Affairs. She holds an MBA in Marketing from the University of Nairobi and a postgraduate diploma in Public Relations from the Chartered Institute of Public Relations (UK).

Irene is a member of the Public Relations Society of Kenya (PRSK), a Standing Committee member of the Africa Social Security Association (ASSA), and serves as a Board member at the ASSA Institute of Social Protection (AISP).

Joshua Moilo
Group Head of Finance

Joshua is a seasoned Finance Professional with over 20 years of experience in the finance and audit industry, known for his strong expertise in financial management, strategic planning, and internal controls. He has successfully led the development and implementation of robust financial systems, budget monitoring frameworks, and risk-based control mechanisms.

He holds a Master of Business Administration (MBA) in Finance and a Bachelor of Commerce (Accounting) degree, both from the University of Nairobi. He is also a member of the Institute of Certified Public Accountants of Kenya (ICPAK), the Institute of Certified Secretaries (ICS), the Information Systems Audit and Control Association (ISACA), and a member of Chartered Institute for Securities & Investment (CISI).





CORPORATE ADMINISTRATOR'S TEAM (Continued)



Sospeter Thiga

Group Head, Risk & Quality Assurance

Sospeter holds an MBA in Strategic Management and a BA. Economics & Sociology from the University of Nairobi. He is a Certified Public Accountant of Kenya CPA (K), a certified Risk Analyst (CRA), a certified Information System Auditor (CISA) and a Certified Change Management Practitioner (Prosci).

Sospeter is a member of the Institute of Certified Public Accountants of Kenya (ICPAK). Sospeter's Risk experience spans over 15 years in Consultancy, Banking, Government and Pension.

Lucy Jerono

Group Head, Human Resource & Administration

Lucy holds an MBA in Human Resource Management from the University of Nairobi, a Bachelor of Arts Degree (Sociology & Economics Option) from Catholic University of Eastern Africa and a Higher National Diploma in Human Resource Management from the Institute of Human Resource Management (IHRM).

She has over 18 years of comprehensive Human Resource Management experience and Administration. She is a full member of the Institute of Human Resource Management (IHRM) and a Full Member of Kenya Institute of Management (KIM).



Cornelius Ndumai

Group Head Audit & Compliance

Mr. Ndumai is a Certified Public Accountant with over 15 years' experience in Banking, Finance & Auditing.

He holds an MBA in Finance from the University of Nairobi and a Bachelor of Arts in Accounting. He is an active Member of the Certified Public Accountant of Kenya (CPA-K), the Institute of Internal Auditors of Kenya (IIA-K) and Information Systems Audit and Control Association (ISACA).



MESSAGE FROM THE CORPORATE ADMINISTRATOR

It is with great pride that I present the 2024 Annual Report and Financial Statements of the Taifa Pension Fund. The year under review was a pivotal one in our journey as a growing pension scheme, marked by transformative growth, stronger stakeholder engagement, and the advancement of our long-term goal—to secure dignified retirement outcomes for all our members.

Sustaining Momentum, Strengthening Impact

Since our establishment in 2022, Taifa Pension Fund has continued to make steady strides towards becoming a trusted retirement solution for employers and employees across Kenya. In 2024, we witnessed an exceptional increase in membership and assets under management, testament to the trust placed in us by contributing employers and their staff. The Fund grew from 507 active members in 2023 to 833 in 2024, with an additional 40 deferred members joining for the first time. Our net assets rose to an impressive Kshs 903.8 million, an over tenfold increase from the previous year, underlining our firm trajectory toward sustainable growth.

Performance in a Dynamic Environment

Amid economic uncertainty, Taifa Pension Fund achieved a gross investment return of 16.02% and a net return of 13.7%. This performance reflects our prudent investment approach guided by sound governance and strategic asset allocation. We remained compliant with Retirement Benefits Authority (RBA) investment guidelines and continued to diversify our portfolio across treasury bonds, fixed deposits, offshore investments, and guaranteed returns—prioritizing both growth and risk management.

The implementation of Legal Notice No. 21, which amends the Retirement Benefits Regulations, influenced how gains are credited to members' accounts. After excluding unrealised gains, Kshs 58.4 million was allocated to members' accounts, affirming our commitment to transparency and compliance.



MESSAGE FROM THE CORPORATE ADMINISTRATOR

Strategic Investment Excellence

Our investment strategy continued to focus on diversification and long-term value creation. Treasury bonds remained our cornerstone investment, comprising 88.6% of our portfolio at year-end, providing stability and consistent returns. We strategically expanded our investment horizons by introducing offshore investments, representing 1.2% of our portfolio, thereby enhancing diversification and reducing concentration risk.

Our equity investments, though representing a smaller portion of our portfolio at 2.2%, delivered exceptional performance with significant capital appreciation. The addition of guaranteed investments through Kenindia Assurance Company Limited further strengthened our risk-adjusted returns while providing capital protection for a portion of our members' funds.

Operational Excellence and Governance

Throughout 2024, we maintained the highest standards of corporate governance and regulatory compliance. Our Corporate Trustee, KCB Asset Management Limited, conducted four quarterly meetings, ensuring continuous oversight and strategic direction. We successfully conducted member training and education sessions, particularly with employees of Kenya Meat Commission, reinforcing our commitment to financial literacy and member empowerment.

The Fund's annual general meeting on July 9, 2024, witnessed strong member participation, reflecting the trust and confidence our members have in our stewardship of their retirement savings. We addressed member concerns comprehensively and transparently, maintaining our culture of open communication and accountability.

Strengthening Our Foundation

Our partnership ecosystem continued to strengthen in 2024. ICEA LION Asset Management Limited, our investment manager, demonstrated exceptional portfolio management skills, while Standard Chartered Bank Kenya Limited provided robust custodial services. CPF Financial Services Limited maintained excellent administrative standards, ensuring seamless member experiences and operational efficiency.

We are particularly proud of our cost-effective fee structure, with our Corporate Trustee fee of 0.174% of assets under management remaining competitive while delivering superior value to our members.

Looking Toward 2025 and Beyond

As we enter 2025, Taifa Pension Fund is exceptionally well-positioned for continued growth and success. Our strong financial foundation, experienced management team, and proven investment strategy provide the platform for sustainable long-term performance.

We will continue to focus on expanding our membership base while maintaining our commitment to delivering superior

investment returns. Our investment strategy will evolve to capitalize on emerging opportunities while maintaining prudent risk management practices that protect our members' retirement savings.

Technology integration remains a key priority as we work to enhance member experience through digital platforms and real-time account access. We are committed to staying at the forefront of pension industry innovation while maintaining the personal touch that sets us apart.

Looking Ahead

The future of Taifa Pension Fund is bright. With a strong governance framework, increasing fund size, and a growing membership base, we are well-positioned to scale our impact across Kenya's retirement benefits landscape. As we aim to attract even more employers from both public and private sectors, we remain resolute in our mission to offer a reliable, affordable, and professionally managed pension solution.

We are currently evaluating additional tools to enhance member experience and strengthen fund sustainability. Member education, diversification, regulatory compliance, and stakeholder satisfaction remain our strategic priorities.

Appreciation

I extend heartfelt appreciation to our members and participating employers for the trust you continue to place in us. To our custodian, auditor, investment manager, and administrator, thank you for your diligent stewardship. To the CPF Financial Services team and the Board of Corporate Trustee, your continued leadership and commitment are invaluable.

As we step into the future, we reaffirm our promise to deliver retirement solutions that not only secure tomorrow but also inspire confidence today.

Together, we are building a future of financial dignity.

DR. HOSEA K. KILI, MBS
GROUP MANAGING DIRECTOR/CEO
CPF FINANCIAL SERVICES LTD
THE SCHEME CORPORATE ADMINISTRATOR



CORPORATE GOVERNANCE STATEMENT

Taifa (Umbrella) Scheme is a Defined Contribution (DC) Scheme which is a multi-employer retirement plan where individual accounts are established for employees of participating employers. Each member's benefits are based on the amounts credited to their account comprising both employer and employee contributions along with any investment returns earned. While the scheme is managed under a common trust and governance structure, each participating employer's records are maintained separately, ensuring transparency and accountability for both employers and employees.

Features of the Taifa (Umbrella) Scheme

For Employers

- **Cost Savings-** there is no set up or joining fee since its an ongoing umbrella fund.
- **Enhanced Governance Structure-** CPF engages members through committees, members day and AGM. Governance structures in place to ensure transparency and accountability.
- **Optimal Returns-** with a diversified investment portfolio and years of investment experience, the fund promises optimal returns to members.
- **Quick Onboarding-** it takes one business day to transfer an employers retirement scheme to Taifa Umbrella.
- **Advisory Support-** The members benefit from free advisory services.
- **Taifa Umbrella** is a contracted out scheme eligible to receive NSSF Tier II contributions.

For Employees

- **Enhanced life Insurance Benefits-** members can enjoy a death in service benefits of 3X annual salary payable to beneficiaries and other benefits.
- **Ease of Access-** The members can monitor their savings through account statements issued quarterly, or through online access via the website.
- **Enhanced Medical Benefits-** members can save for medical needs and receive lifetime medical cover by CPF PRMS.
- **Speedy Payment of Benefits-** members are paid with 14 days including NSSF Tier II contributions at retirement.
- **Lifetime Pension & Lump Sum-** Upon retirement, members may elect to receive the entire account balance including investment return or take the pension option.
- **Access to Sharia Compliant Investment** – for the Muslim community, they may opt to access shariah-compliant retirement benefits by CPF salih.
- **Access to exclusive financial Services**

The Retirement Benefits Authority (RBA), established by the Retirement Benefits Act of 1997, plays a pivotal role in regulating and supervising the pension industry in Kenya. The RBA's mandate includes protecting the interests of pension scheme members, promoting the development of the retirement benefits sector and advising the government on matters related to retirement benefits.

In 2018, the Retirement Benefits Authority (RBA) issued guidelines on good governance practices for retirement benefit schemes in Kenya. The Board of Trustees of the Taifa (Umbrella) Pension Scheme is fully committed to upholding these principles and ensuring that high standards of corporate governance are

consistently applied in the management and operations of the Scheme.

The Board recognizes that strong governance is critical to safeguarding members' retirement savings, maintaining stakeholder confidence, and ensuring long-term sustainability. As such, the Trustees have adopted the following core governance principles:

Upholding high standards of ethical and moral behavior in all dealings.

Acting in the best interests of Scheme members and stakeholders at all times.

Recognizing and respecting the legitimate interests of all stakeholders, including employers, service providers, and regulators.

Establishing a robust Risk Management framework to identify, assess, and mitigate potential risks.

Ensuring timely and accurate disclosure of material matters in line with statutory and regulatory requirements.

Supporting the establishment of an effective Internal Audit function by the Scheme Administrator.

Implementing and observing policies on Data Protection and Conflict of Interest, applicable to Trustees, employees, and all service providers.

Ensuring full compliance with relevant laws and regulations, including retirement benefits legislation, tax laws, and other applicable regulatory standards.

The Scheme Administrator acknowledges that good governance is central to the effective, transparent, and secure management of pension assets. Kenya's evolving pension landscape driven by regulatory reforms has placed a strong emphasis on enhancing governance structures across the sector. These reforms are essential for building trust among contributors, improving scheme performance, and ensuring that retirees receive their benefits reliably and fairly.

The Board of Trustees is ultimately accountable to the members, participating employers (sponsors), and other stakeholders of the Taifa (Umbrella) Pension Scheme. To that end, the Board has firmly embraced corporate governance as a foundational pillar in managing the Scheme's affairs responsibly and sustainably.

The Corporate Trustee

The Taifa (Umbrella) Pension Scheme is governed by a body corporate, KCB Asset Management Limited, which serves as the Corporate Trustee. The Corporate Trustee is duly registered with the Retirement Benefits Authority (RBA) and operates in accordance with the Trust Deed and Rules of the Scheme. As a legal entity, the Scheme has the capacity to sue and be sued, acquire, hold, charge, and dispose of both movable and immovable assets, as well as borrow funds and enter into contracts on behalf of its members.



CORPORATE GOVERNANCE STATEMENT

The Corporate Trustee acts as the principal governing body of the Scheme, bearing ultimate responsibility for its oversight, strategic direction, and regulatory compliance. In line with the Law of Trusts, the Trustee holds legal ownership of the Scheme's assets on behalf of all members and beneficiaries, who are drawn from multiple participating employers under the umbrella structure.

Day-to-day operations and administration of the Scheme are delegated to the appointed Corporate Administrator, M/s CPF Financial Services Limited, which manages member records, employer contributions, benefit processing, and statutory reporting in accordance with the Board's direction.

Given the complexity and scope of managing an umbrella scheme, structured governance is critical. The board holds quarterly Board meetings, where regulatory matters, trustee training, service provider adherence, and internal controls across all participating employers are reviewed. This structured governance framework ensures alignment with RBA guidelines, accountability, and the safeguarding of members' interests.

Corporate Trustee Responsibilities

The trustees of the scheme are responsible for formulating and documenting the policies and procedures of the scheme. The primary role of the Board is to ensure long-term wealth and prosperity of the Scheme for the benefit of members/customers, employees, sponsors, and other stakeholders.

The Board is responsible for policy formulation; Investment of Scheme funds; Scheme Administration, Payment of benefits to persons entitled to such benefits under the Scheme Rules; Protection of the property and assets of the Scheme; supervising the management and administration of the Scheme.

The Chairperson leads the Board whereas the Corporate Administrator handles the day-to-day management of the Scheme.

Board Independence

The Board has set a structure and standards to ensure the Trustees are independent. The fundamental premise of the standards is that any Trustee is free of any business or other relationship that could materially interfere with exercising their independent judgment.

The roles of the Trustees and the Scheme Corporate Administrator are separate. The Scheme Corporate Administrator is responsible to the Board and takes responsibility for the effective and efficient management of the Scheme.

The Corporate Administrator has internal Departments for Audit and Risk Management for purposes of independent assurance on the effectiveness of risk management.

Information Sharing and Capacity Building

At the Taifa (Umbrella) Pension Scheme, continuous learning and access to relevant information are essential to ensuring that the Board of Trustees remains effective, responsive, and aligned with best governance practices.

To this end, the Board regularly receives presentations and updates from key service providers including the Fund

Managers, Custodian, and Scheme Administrator on matters of strategic and operational importance. These sessions cover areas such as investment performance, risk management, regulatory updates, and pension industry trends. In addition, key issues such as the Scheme's strategic direction, financial planning, budgets, and forecasts are actively discussed and reviewed during Board meetings.

All Corporate Trustees of the Taifa Scheme have successfully completed the Mandatory Trustees Certification Training in accordance with the Retirement Benefits Authority (RBA) requirements, ensuring full regulatory compliance.

The Scheme Administrator places a strong emphasis on training and capacity-building initiatives for all Trustees. These programs are prioritized to ensure that Trustees are equipped with the skills, knowledge, and ethical grounding required to make sound decisions in managing the retirement savings of the Scheme's members.

Through this structured approach to capacity building and information sharing, the Taifa (Umbrella) Pension Scheme ensures strong, informed, and transparent governance.

Conflict of Interest

The Board of Trustees of the Taifa (Umbrella) Pension Scheme is committed to upholding the highest standards of integrity, ethics, and professionalism in all interactions with stakeholders. A conflict of interest arises when a Trustee has competing personal, professional, or financial interests that could impair or be perceived to impair their ability to act in the best interests of the Scheme and its members.

Trustees are required to promptly disclose any actual or potential conflict of interest to the full Board as soon as it arises or is reasonably anticipated. This includes any situation that could influence their objectivity or professional judgment.

If a Trustee has a personal interest in any matter under consideration by the Board, they must:

- **Disclose** the nature of the interest before any discussion or deliberation begins;
- **Recuse** themselves from participation in discussions and decision-making related to that matter; and
- **Abstain** from voting on the matter.

The Scheme's policy mandates that Trustees take all reasonable and appropriate measures to eliminate or manage conflicts of interest to protect the integrity of Board decisions. To reinforce this policy:

A standing agenda item on Declaration of Conflict of Interest is included in all Board meetings.

All declared conflicts and the actions taken to address them are fully documented for purposes of transparency and regulatory compliance.

This framework ensures that the Taifa (Umbrella) Pension Scheme is governed with accountability, fairness, and in the best interest of all its members and stakeholders.



CORPORATE GOVERNANCE STATEMENT

Member Engagement Initiatives

Educational initiatives aimed at improving financial literacy among scheme members are being promoted by the scheme Administrator. This includes member education sessions held at the premises of each participating employer, virtual sessions for all members of the scheme, annual member surveys to receive feedback and the Annual General Meetings. Members are also provided with a handbook that addresses members frequently asked questions and also give the scheme information in a simplified language.

Members are also given access to online member portal where they can check the statements and contributions status.



REPORT OF THE TRUSTEE

For the year ended 31 December 2024

The Corporate Trustee present their report together with the audited financial statements for the year ended 31 December, 2024 which disclose the state of affairs of the Fund.

1. Establishment

Taifa (Umbrella) Pension Fund was established under an irrevocable Trust Deed with effect from 21 March, 2022 as a Defined Contribution Pension Fund to provide retirement benefits for the staff of various participating employers under the rules of the Fund. It is an umbrella pension fund.

The Fund is registered with the Retirement Benefits Authority under Ref. No. 02107 and Certificate No. 01746 and is a tax-exempt approved fund under the Income Tax Act.

Principal Activity

The main purpose of the fund is to provide retirement and other benefits to eligible employees of adhering employers or organisations who may be admitted to the fund in the manner set out in the Trust Deed and Rules, and relief for the dependants of the deceased members.

The affairs of the Fund are managed by a Corporate Trustee i.e., KCB Asset Management Limited.

2. Membership

	2024	2023
Contributing Members		
Members as at Beginning of period	507	-
New entrants during the year	375	509
	882	509
Withdrawals from the Scheme	(49)	(2)
Members as at 31 December	833	507
Deferred Members		
Members as at 1 January	-	-
New entrants during the year	41	-
Withdrawals from the Fund	(1)	-
	40	-

3. Contributions

The trust deed and rules provide for contributions to the Scheme by both the employer and employees at various rates of contributions.

4. Financial Review

The statement of changes in net assets on page 23 shows an increase in the net assets of the Scheme for the year of Shs 829,903,325 (2023: Shs 73,919,694) and the statement of net assets on page 24 shows the Scheme's net assets as Shs 903,823,019 (2023: Shs 73,919,694).

The Fund earned a gross and net rate of return of 16.02% and 13.7% respectively for the year ended 31 December, 2024.



REPORT OF THE TRUSTEE

5. Amounts Credited to Members' Accounts

In accordance with Legal Notice No. 21, The Retirement Benefits (Occupational Retirement Benefits Schemes) Amendment Regulations, 2023, in determining the amounts to be credited to members' accounts, the Trustees have excluded unrealised gains and losses arising from the valuation of financial assets using the fair value model.

The net income/loss to be allocated to the members' accounts has therefore been arrived at as follows;

	2024	2023
	Shs	Shs
Net return / (loss) on investments less investment management and administration expenses, as reported in the audited financial statements	142,197,422	1,412,175
Adjusted for:		
Unrealised gains / (losses) from revaluation of Government bonds using the fair value model arising in the current year	(83,784,275)	(291,383)
Amount credited to members' accounts	58,413,147	1,120,792

6. Investment of Funds and Investment Strategy

Under the terms of appointment, ICEA LION Asset Management Limited are responsible for the investment of funds. The overall responsibility for investment and performance lies with the Trustees.

The Guaranteed investments are held by Kenindia Assurance Company Limited.

The Corporate Trustee are responsible for determining the scheme's Investment Strategy and have prepared the Investment Policy Statement. The principal objective of the Fund Investment Policy is to outline the investment principles and strategies adopted by the Corporate Trustees.

We confirm that there is no self investment, nor have any assets been used as security or collateral on behalf of the employer or any connected business or individual.

The Scheme investments for the year ended 31 December, 2024 were done in accordance with the broad investment guidelines issued by Retirement Benefits Authority (RBA) as shown here below:

	2024	% of portfolio	IPS Max Limits	RBA Max Limits
	Shs			
Quoted shares	20,389,368	2.2%	35.0%	70.0%
Treasury bonds	803,906,975	88.6%	70.0%	90.0%
Offshore investments	10,699,325	1.2%	10.0%	15.0%
Fixed and call deposits	68,083,847	7.5%	20.0%	30.0%
Guaranteed investments	4,495,405	0.5%		100.0%
	907,574,920	100%		



REPORT OF THE TRUSTEE

7. Trustees

Details of the Corporate Trustee are shown on page 5.

8. Independent Auditor

Kingori Kimani & Company, Certified Public Accountants (Kenya) were appointed Auditors and have expressed their willingness to continue in office.

The Trustee monitors the effectiveness, objectivity, and independence of the auditor. The Trustee also approves the annual audit engagement contract, which sets out the terms of the auditor's appointment and the related fees.

Signed on behalf of the Trustees

The Corporate Trustees' report was approved on 31st March 2025 and signed on its behalf by: -

31st March 2025



GOVERNANCE DISCLOSURE STATEMENT

1. Trustee in Office

Name	Category	No. of meetings attended	Certified?	Highest qualification	Membership of other boards
KCB Asset Management Limited	Corporate Trustee	4	Licensed	N/A	

2. The Corporate Trustee held four meetings during the year ending 31 December 2024. The meetings were held on the dates set out here under:

- a) 7 March, 2024
- b) 23 May, 2024
- c) 17 September, 2024
- d) 22 November, 2024

3. The composition of the Board of the Corporate Trustee

The Corporate Trustee Board of Trustees is duly constituted and possesses the necessary skills and competencies as per the Retirement Benefits Authority Good Governance Guidelines .

4. Committees of the Board

There are no sub-committees in the Corporate Trustee.

5. Fiduciary Responsibility Statement

The Corporate Trustee is the governing body of the Taifa (Umbrella) Pension Fund and is responsible for the corporate governance of the Fund. The Trustee is responsible for ensuring that the administration of the Fund is conducted in the best interests of the Fund members and the sponsor. To achieve this, the Trustee 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 responsible person in a like position would exercise in the circumstances; and
- c. Performing their duties with the requisite degree of skill.

The Fund has complied with the laws, regulations and guidelines that govern retirement benefits funds and the fund's business operations.

The Trustee has ensured that the investment manager has carried out all Funds' investments and that all Fund assets are held by the custodian.

6. Responsible Corporate Citizenship

The Fund has participated in socially responsible investments 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.

7 Key Outcomes

The Corporate Trustee seeks to achieve the following:

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

The Corporate Trustee will measure the progress towards these outcomes through:

- a) Triennial members' survey score. No survey was done during the year.
- b) Regular reports and feedback from the sponsor. There were no reports sent to sponsor during the year.



GOVERNANCE DISCLOSURE STATEMENT

8. Annual General Meeting

The Corporate Trustee held the annual general meeting on 9 July, 2024 at which many Fund members attended. The Trustee adequately addressed the members' concern.

9. Members' Sensitization

The Trustee conducted the following sensitization activities	Date held	No. of member who attended	Remarks
Member training & education	Held February & October, 2024	Various members trained	Member Training and education held twice in the year with the employees of Kenya Meat Commission.

10. Corporate Trustee Remuneration Policy

The Trustee of the Fund is a Corporate entity and as such a fee is payable based on the Corporate Trustee Agreement. The rate charged is 0.174% of the value of assets under management.

11. Corporate Trustee Evaluation

The Corporate Trustee was not evaluated during the year under review. Signed on behalf of the Trustee

.....
Corporate Trustee

31st March 2025



STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Retirement Benefits (Occupational Retirement Benefit Schemes) Regulations, 2000 require 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.

The Trustees accept responsibility for the preparation and presentation of these financial statements in accordance with IFRS standards and Retirement Benefits (Occupational Retirement Benefit Schemes) Regulations, 2000. The Trustees further accept responsibility for: -

- i. Designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii. Selecting suitable accounting policies and applying them consistently;
- iii. Making accounting estimates and judgements that are reasonable in the circumstances.

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

Approved by the Board of Trustees on 31st March 2025 and signed on its behalf by: -

.....
Trustee

31st March 2025

.....
Trustee

Independent Auditor's Report

to the members of Taifa (Umbrella) Pension Fund



Interest payment	Cumulative interest payment	...
\$310.26	\$145,475.73	
10.72	\$148,736.28	
70	\$151,120.88	
	\$152,851.20	
	\$153,147.24	
	\$153,148.28	
	\$15,141.24	
	\$148.28	
	\$17.24	



INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited financial statements of Taifa (Umbrella) Pension Fund, set out on pages 23 to 34, which comprise the Statement of change in net assets for the year ended 31 December 2024, Statement of net assets as at 31 December 2024, Statement of Cashflow for the year ended 31 December 2024 and notes including a summary of significant accounting policies and other explanatory information.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Taifa (Umbrella) Pension Fund as at 31 December 2024 in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Retirement Benefits Act, 1997.

Basis of 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 Fund in accordance with the International Ethics Standards Board for Accountants (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (the 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.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's report thereon.

Our opinion of the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

Trustees' Responsibility For The Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Retirement Benefits Act, 1997, 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 Fund'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 Fund or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for the Fund's financial reporting process.

Auditor's Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit concluded 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.



INDEPENDENT AUDITOR'S REPORT

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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees
- Conclude on the appropriateness of the Trustees' 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Fund 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 was CPA Joseph Kimani, Practising Certificate No. 1460.

.....
For and on behalf of King'ori Kimani & Company Certified Public Accountants (K)

Nairobi

Email: info@kingorikimanicompany.com

31 March, 2025



STATEMENT OF CHANGES IN NET ASSETS

For the year ended 31 December 2024

	Note	12 Months 2024 Shs	14 Months 2023 Shs
Contributions and Benefits			
Contributions receivable	4 (a)	696,379,217	73,023,098
Benefits payable to seceding members	4 (b)	(8,673,314)	(515,579)
Net surplus/(withdrawal) from dealings with members		687,705,903	72,507,519
Returns On Investment			
Investment income	5	70,571,429	1,977,220
Gain/(loss) on disposal of investments	6	6,665,617	380,526
Fair value gain/(loss) on investments	7	86,580,648	296,128
Investment management expenses	8	(1,707,352)	(119,988)
Gross Returns On Investments		162,110,342	2,533,886
Expenditures			
Administrative expenses	9	(13,926,183)	(964,732)
Income tax expense	10 (a)	(5,986,737)	(156,979)
Total Expenditures		(19,912,920)	(1,121,711)
Net Returns On Investments		142,197,422	1,412,175
Increase (decrease) in net assets for the year		829,903,325	73,919,694
Net Assets available for benefits at start of year		73,919,694	-
Net Assets available for benefits at end of year		903,823,019	73,919,694



STATEMENT OF NET ASSETS

As At 31 December 2024

	Note	12 Months 2024 Shs	14 Months 2023 Shs
Investments			
Quoted shares	21	20,389,368	414,800
Treasury bonds	11	803,906,975	26,739,890
Offshore investments	12	10,699,325	-
Fixed and call deposits	13	68,083,847	23,088,208
Guaranteed investments	14	4,495,405	-
		907,574,920	50,242,898
Current Assets			
Receivables & prepayments	15	110,000	-
Contributions due	16	15,045,769	24,850,512
Bank balances	17	335,624	42,304
		15,491,393	24,892,816
Current Liabilities			
Payables and accruals	18	13,293,309	1,059,040
Corporate tax payable	10 (b)	5,814,057	156,979
Benefits payable		135,927	-
		19,243,293	1,216,019
Net Current Assets/(Liabilities)		(3,751,900)	23,676,797
Net Assets available for benefits		903,823,019	73,919,694

The financial statements on pages 23 to 34 were approved for issue by the Trustees on 31st March 2025 and signed on their behalf by:

Corporate Trustee



STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Note	12 Months 2024 Shs	14 Months 2023 Shs
Operating Activities			
Contributions received		706,183,960	48,172,586
Benefits to leavers		(8,537,387)	(515,579)
Administrative expenses		(2,834,410)	10,417
Overpaid contributions		-	23,040
Other receivables / (prepayments)		(110,000)	-
Tax paid during the year		(329,659)	-
Net Cash from Operating Activities		694,372,504	47,690,464
Investing Activities			
Investment income received		70,462,595	1,977,220
Investment management expenses paid		(564,856)	(59,137)
Purchase of treasury bonds		(787,587,355)	(42,110,008)
Purchase of quoted shares		(17,558,928)	(410,055)
Purchase of Offshore investments		(10,318,592)	-
Investment in Guaranteed investments		(4,386,571)	-
Proceeds on sale of treasury bonds		100,870,162	16,042,027
Net Cash generated/(used) in Investing Activities		(649,083,545)	(24,559,953)
Increase/(decrease) in cash and cash equivalents		45,288,959	23,130,512
Cash and cash equivalents at 1 January		23,130,512	-
Cash and Cash Equivalents at 31 December	19	68,419,471	23,130,512

Notes to the Financial Statements

For the year ended 31 December 2024





NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. Summary of Significant Accounting policies

The accounting policy information considered material in the preparation of these financial statements is set out below;

a) Basis of Preparation

The financial statements are prepared in accordance with and comply with IFRS Accounting Standards (IFRS) issued by the International Accounting Standards Board, the Kenyan Retirement Benefits Act, and the Retirement Benefits (Occupational Retirement Benefits Schemes) Regulations, 2000.

The financial statements summarize 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 benefits which fall due after the end of the year.

The financial statements are presented in Kenya Shilling (Ksh), rounded to the nearest thousand, and are prepared under historical cost convention, as carrying of investments at fair value.

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 liability, the Scheme 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 the 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 fair value 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 assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuations techniques that include inputs for the assets or liability that are not based on observable market data (unobservable inputs).

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

b) New and Revised Standards

i). Adoption of new and revised standards

Four amendments to standards became effective for the first time in the financial year beginning 1 January, 2024 and have been adopted by the Scheme.

None of the amendments have had material impact on the Scheme's financial statements.

ii). New and revised standards and interpretations which have been issued but are not yet effective

The Scheme has not applied the following revised standards and interpretations that have been published but are not yet effective for the year beginning 1 January 2024.

Amendments to IAS 21 titled Lack of Exchangeability (issued in August 2023, effective 1 January 2025).

IFRS 18 titled Presentation and Disclosure in Financial Statements (issued in April 2024, effective 1 January 2027). IFRS 19 titled Subsidiaries without Public Accountability :Disclosure (issued in May 2024, effective 1 January 2027).

Amendments to IFRS 9 and IFRS 7 titled Amendments to the Classification and Measurement of Financial Instruments (issued in May 2024, effective 1 January 2026).

Amendments IFRS 10 and IAS 28 titled Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (issued in September 2024).



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

The Trustees have assessed the potential impact of the above and expected that they will not have a significant impact on the Scheme's financial statements.

c). Contributions

Contributions from members and employer are accounted for in the period in which they fall due.

d). Benefits Payable

Benefits payable to seceding members are recognised as liabilities in the period in which they fall due.

e) Income from Investments

Dividend income is recognized when rights to receive payment is established.

Interest income is recognised for all interest bearing instrument on a time proportion basis using the effective interest method.

Net interest income from administered deposits is accounted for an accrual basis using the annual interest rate declared by the insurance company.

f) Investments

All purchases and sales of investments are recognised on the trade date, which is date the Scheme commits to purchase or sell the investment. The cost of purchase includes all transaction costs. Investments are subsequently carried at fair value. Changes in the fair value of investments are recognised in the Statements of Changes in Net Assets.

g). Cash and Cash Equivalents

Cash and cash equivalents include cash at bank and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value and are used by the Fund in the management of its short-term commitments. Cash and cash equivalents are carried at amortized cost in the Statement of Net Assets.

h). Tax Expense

The Scheme is an exempt approved plan under the Income Tax Act and is registered with the Retirement Benefits Authority. However, income on contributions in excess of Shs 360,000 (2024: Shs 240,000) per member per annum is subject to income tax. The tax charge for the year is calculated on the investment income less administrative and investment management expenses apportioned to the supplementary (taxable) Scheme, which comprises the cumulative contributions in excess of the limits imposed by the Income Tax Act for tax exempt Schemes, and income thereon.

The rate used for apportionment of expenses is calculated by taking the total of the opening fund value, contributions received during the year and benefits paid during the year of the supplementary Scheme as a portion of the total opening fund value, contributions received during the year and benefits paid during the year.

i). Events After the Reporting Period

There were no events after reporting date.

j) Contingent Liabilities and Provisions

There were no contingent liabilities as at 31 December, 2024 or as at 31 December 2023.

2. Significant Judgement and Key Sources of Estimation Uncertainty

Estimates and judgement are continually evaluated and are based on historical experience and other factors, including exceptions of future events that are believed to be responsible under the circumstances. There are no estimates or judgements made that give rise to significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

3. Financial Risk Management

The scheme's activities expose it to a variety of financial risks including credit, liquidity and market risks. The scheme's overall risks management policies are set out by the fund managers and guidelines approved by the trustees, and focus on the unpredictability of changes in the financial markets and seek to minimise the potential adverse effects of such risks on its financial performance. The scheme does not hedge against any risks.

i). Foreign Exchange Risk

The Fund invests regionally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar (USD). Foreign exchange risk arises from investments in Offshore investments.

The Fund'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 Fund manages foreign risk by limiting offshore investments to strategic range of 0%-10% of total portfolio. The Offshore investments are low risk and form a small part of the total portfolio.

Since the above do not constitute trading activities, the Fund does not manage foreign exchange risk arising from future commercial activity but only revalues the assets and liabilities at the prevailing exchange rates at the end of the year

ii) Credit Risk

Credit risk arises from investments other than equity investments, contributions receivable, cash at bank, and other receivables. The investment manager assesses the credit quality of each investment, taking into account its credit rating. Individual risk limits are set by the trustees.

The amount that best represents the scheme's maximum exposure to credit risk at 31st December 2024 is made up as follows:

	Fully performing	Past due	Impaired	Total
At 31 December 2024	Shs	Shs	Shs	Shs
Treasury bonds	803,906,975	-	-	803,906,975
Fixed and call deposits	68,083,847	-	-	68,083,847
Guaranteed investments	4,495,405	-	-	4,495,405
	1,638,788,473	-	-	1,638,788,473

At 31 December 2023

Treasury bonds	26,739,890	-	-	26,739,890
Fixed and call deposits	23,088,208	-	-	23,088,208
	49,828,098	-	-	49,828,098

iii) Liquidity Risk

The trustees ensure that the fund's obligations are met as they arise. The trustees ensure prudent management of liquidity by planning and budgeting for cash requirements during the year. The trustees ensure adequate funds are retained in liquid or near liquid forms to pay leavers within thirty days of leaving. The trustees direct the Investment Manager to invest surplus funds not needed immediately for payments.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

iv). Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises three types of risks: currency risks, interest rates risks, and other price risk.

Interest Rates Risks

The fund's investment in variable rate deposits exposes it to cash flow interest rate risk, and its investments in fixed rate bonds expose it to fair value interest rate risk. The investment managers advise the trustees on the appropriate balance of the portfolio between equity, fixed rate interest, and variable rate interest investments. The fund has no interest bearing liabilities.

Currency Risk

Currency risk arises on financial instruments that are denominated in foreign currency. The investment managers advise the trustees on the appropriate limit of exposure to offshore investments.

Other Price Risks

Marketable instruments held by the fund include Equity securities, Treasury Bonds, Offshore Investments, Corporate Bonds and Commercial Papers whose market prices are subject to change. The trustees review the portfolio, set exposure limits and respond to market price and conditions to ensure both fair values and cash flow from such instruments.

v) Fair Value of Financial Assets

The table below shows an analysis of financial instruments at fair value by level of the fair value hierarchy. The financial instruments are grouped into levels 1 to 3 based on the degree to which the fair value is observable;

	Level 1 Shs	Level 2 Shs	Level 3 Shs	Total Shs
31 December 2024				
Held at fair value through profit or loss:				
Local equity investments	20,389,368	-	-	20,389,368
Treasury bonds	803,906,975	-	-	803,906,975
Offshore investments	10,699,325	-	-	10,699,325
	834,995,668	-	-	834,995,668
31 December 2023				
Held at fair value through profit or loss:				
Local equity investments	414,800	-	-	414,800
Treasury bonds	26,739,890	-	-	26,739,890
	27,154,690	-	-	27,154,690

There were no transfers between levels 1, 2 and 3 in the period.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

	12 Months 2024 Shs	14 Months 2023 Shs
4. Contributions Receivable and Benefits Payable		
a) Contributions Receivable		
Employer	389,509,828	50,725,313
Employees	306,869,389	22,297,785
	696,379,217	73,023,098
b) Benefits to Leavers		
Paid to Leavers	8,673,314	515,579
	8,673,314	515,579
5. Investment Income		
Dividends receivable on equities Interest and discounts receivable	428,250	-
Treasury bonds	57,307,144	1,050,345
Fixed and call deposits	12,727,201	926,875
Guaranteed funds	108,834	-
	70,571,429	1,977,220
6. Realised Gain/(Loss) on Disposal of Investments		
- Treasury bonds	6,665,617	380,526
	6,665,617	380,526
7. Fair Value Gain/(Loss) on Investments		
Quoted shares	2,415,640	4,745
Treasury bonds	83,784,275	291,383
Offshore investments	380,733	-
	86,580,648	296,128
8. Investment Management Expenses		
Management fees	913,299	43,428
Custodian fees	794,053	76,560
	1,707,352	119,988
9. Administrative Expenses		
RBA Levy	1,608,147	147,839
Audit fees	104,580	104,580
Administrators' fees	5,192,828	600,000
Corporate Trustee fees	856,779	112,313
Advertising & Publicity	6,163,849	-
	13,926,183	964,732



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

10 a) Taxation Expense

Net investment income on unregistered portion of the Scheme
Current tax at 30%

b) Tax Payable/(Recoverable)

At beginning of year
Tax payment for the year
Tax charge for the year
At end of year

11. Treasury Bonds - Held at Fair Value

As at 1 January
Additions
Disposal proceeds
Gain/(loss) on disposal
Fair value gain/(loss)
Market value at 31 December

	12 Months 2024 Shs	14 Months 2023 Shs
	19,955,790	523,263
	5,986,737	156,979
	156,979	-
	(329,659)	-
	5,986,737	156,979
	5,814,057	156,979
	26,739,890	-
	787,587,355	42,110,008
	(100,870,162)	(16,042,027)
	6,665,617	380,526
	83,784,275	291,383
	803,906,975	26,739,890

The weighted average interest rate on treasury bonds was 17.19% (2023: 16.05%) as at end of the year.

12. Offshore Investments

As at 1 January
Additions
Fair value gain/(loss)
Market value at 31 December

	-	-
	10,318,592	-
	380,733	-
	10,699,325	-
	-	23,088,208
	4,530,110	-
	2,621,804	-
	60,931,933	-
	68,083,847	23,088,208

13. Fixed and Call Deposits

Maturing within 90 days:
NCBA Bank
Co-operative Bank of Kenya
Equity Bank
Stanbic Bank

The weighted average interest rate on fixed and call deposits was 10.01% (2023: 15.34%) as at end of the year.

14 Guaranteed Investments - Kenindia Assurance Co. Ltd

As at 1 January
Additions
Accrued interest
Market value at 31 December

	-	-
	4,386,571	-
	108,834	-
	4,495,405	-

A rate of return on guaranteed investments of 10.3% was declared by Kenindia Assurance Company Limited for the year.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

15. Receivables & Prepayments

Other receivables

110,000

-

16. Contributions Due

Due from Sponsors

15,045,769

24,850,512

17. Cash at Bank

Standard Chartered Bank
US Dollar Cash account

334,076
1,548

42,304
-

335,624

42,304

18. Payables and Accruals

RBA Levy
Audit fees
Administrators' fees
Custodian fees
Management fees
Corporate Trustee fees
Due to CPF DC Scheme
Overpaid contributions (NCIA)
Due to Laptrust
Due to SALIH
IPP Inter Scheme Balance
Other payables

1,608,147
104,580
4,528,016
257,038
946,309
969,092
2,415,190
-
4,000
126,089
16,002
2,318,846

147,839
104,580
600,000
27,840
33,011
112,313
10,417
23,040
-
-
-
-

13,293,309

1,059,040

19. Cash and Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash at bank, and short term liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired

Cash at bank
Fixed and call deposits

335,624
68,083,847

42,304
23,088,208

68,419,471

23,130,512

20. Currency

The financial statements are presented in Kenya Shillings (Shs).

For the year ended 31 December 2024

21. Investments in Equity Shares - Held at Fair Value

Us / At 1.1.23	Additions	Dispos- als	Bonus/ Rights	At 31.12.24	Description	Market value at 1.1.2024	Additions	Proceeds	Gain/(loss) on disposals	Net market gain/(loss) on revaluation	Market value as at 31.12.24
						Shs	Shs	Shs	Shs	Shs	Shs
-	16,000	-	-	16,000	BAT (K) Limited	-	5,699,107	-	-	316,893	6,016,000
-	6,440	-	-	6,440	East African Breweries Ltd	-	984,722	-	-	145,498	1,130,220
2,000	50,400	-	-	52,400	Equity Group Holdings Plc	67,300	2,096,374	-	-	367,246	2,530,920
-	18,000	-	-	18,000	KCB Group Limited	-	557,191	-	-	191,609	748,800
-	45,040	-	-	45,040	NCBA Group Plc	-	1,833,272	-	-	337,656	2,170,928
25,000	350,000	-	-	375,000	Safaricom Plc.	347,500	5,427,240	-	-	619,010	6,393,750
-	5,000	-	-	5,000	Standard Chartered Bank Ltd	-	961,022	-	-	437,728	1,398,750
						414,800	17,558,928	-	-	2,415,640	20,389,368



Annual Report & Financial Statements



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