

MADISON UMBRELLA RETIREMENT BENEFITS SCHEME

REGISTRATION NUMBER 01905

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2021

MADISON UMBRELLA RETIREMENT BENEFITS SCHEME
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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SCHEME INFORMATION

CORPORATE TRUSTEE	KCB Bank Kenya Limited Investor Services KCB Towers, 7 th Floor, Kenya Road, Upper Hill, P.O. Box 30664-00100, Nairobi, Kenya.
REGISTERED OFFICE	Madison House Upper Hill Close P.O. Box 47382, 00100 Nairobi
ISSUER/ADMINISTRATOR	Madison Life Assurance Kenya Limited Madison House Upper Hill Close P.O. Box 47382, 00100 Nairobi
INDEPENDENT AUDITORS	Deloitte & Touche LLP Certified Public Accountants (Kenya) Deloitte Place Waiyaki Way, Muthangari P.O. Box 40092, GPO -00100 Nairobi Kenya

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REPORT OF THE TRUSTEES

The trustee presents the report together with the audited financial statements of the Madison Umbrella Retirement Benefit Scheme for the year ended 31 December 2021.

1. Establishment

The scheme was established on 5 December 2011 under an irrevocable trust deed.

The principal activity of the scheme is provision of lump sum and other benefits for individuals or employees of participating employers upon their retirement from the service of a participating employer and relief for the dependants of deceased members.

2. Membership

Contributing members:	2021	2020
At 1 January	1,269	1,276
New entrants	213	68
Leavers	(88)	(75)
	<hr/>	<hr/>
At 31 December	1,394	1,269
	<hr/>	<hr/>

3. Contributions

As per the rules of the scheme the contributions are a percentage of employee's salary by both the employer and the employee as determined by the participating employer. For individual contributors, amounts are as per the policy agreement.

4. Financial review

The scheme recorded an increase in net assets available for benefits as at 31 December 2021 amounting to KShs 49,276,787 (2020: a decrease of KShs 50,454,486).

5. Investment

We confirm that there is no self-investment, nor have any scheme assets been used as security or collateral on behalf of the employers or any related party. The day to day administration of the scheme is dealt with by the trustees.

6. Trustee

The Corporate Trustee in office is KCB Bank (K) Limited.

i. Trustee Meetings

The trustee held Two meetings during the year ended 31st December 2021. The meetings were held on 20th September 2021 and 30th December 2021.

ii. Composition of Trustee Board

The scheme has a corporate trustee

iii. Committees of the Board

The trustee did not have any committees in the year.

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REPORT OF THE TRUSTEES (Continued)

6. Trustee (Continued)

iv. Fiduciary Responsibility Statement

The Corporate Trustee is responsible for the corporate governance of the scheme. The trustee is responsible for ensuring that the administration of the scheme is conducted in the best interests of the scheme's 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 reasonable person in a like position would exercise in the circumstances; and
- c) Performing their duties with the requisite degree of skill.

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

The trustee has ensured that the administrator has carried out all scheme investments and that all scheme assets and funds are held by the custodian.

v. Responsible Corporate Citizenship

The scheme 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.

vi. Key Outcomes

The trustee 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.

vii. Annual General Meeting

The annual general meeting of the scheme was held on the 3rd December 2021 at which thirty-four members attended. The Trustee adequately addressed the members' concerns.

viii. Members' sensitization

The following sensitization activities were conducted during the year

Name of Scheme	Date Held	No. of members/ Trustees attending	Sensitization Activity
Naboisho Land holding	09/11/2021	6	Member Education
MNC Land Owners	11/08/2021	46	Member Education
Muruka Co-operative	15/9/2021	12	Member education

ix. Trustees Remuneration Policy

The trustee was remunerated in accordance with the contract between the Trustee, KCB Bank (K) Limited and Madison Umbrella Retirement Benefits Scheme

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7. Statutory aspects

The trustee has complied with the requirements of the Retirement Benefits Act 1997 and the Retirement Benefits Regulations. The constituting trust deed and rules were signed by the trustee on 1 January 1994 after approval by the Commissioner of Income Tax and the Retirement Benefits Authority.

8. Principal risks and uncertainties

The scheme's strategic focus is to enhance contribution growth whilst maintaining the increase in net assets, the success of which remains dependent on overall market conditions and other factors such as the impact of the recent coronavirus outbreak. Corona Virus disease has brought about temporarily suspension of contributions by some schemes thus reducing the contributions, and retrenchment by some employer therefore increasing the number of leavers from the scheme.

9. Trustee meetings

The corporate trustee meets at least two (2) times a year and their responsibilities are broadly set out in the scheme's trust deed and rules. Specifically, the corporate trustee meets to review monthly, quarterly and annual investment performance and to consider operational, financial, strategic and compliance issues.

There is a procedure in place for the corporate trustee to take independent professional advice from service providers at the expense of the scheme if this is necessary in connection with their duties. The corporate trustee has also arranged appropriate insurance cover in respect of legal action that may be instituted against them and the scheme.

10. Statement of compliance and conflict of interest

Conscious of its responsibilities to members, service providers, creditors, and the society, the trustee issues this statement confirming that they have complied with the law, conducted their affairs in accordance with the best principles and practices of corporate governance.

11. Independent auditor

The fund's auditors, Deloitte & Touche LLP have indicated willingness to continue in office in accordance with section 34 (3) of the Retirement Benefits Act.

Signed on behalf of the corporate trustee on 31 March.....2022

For: KCB BANK KENYA LTD.

.....
CORPORATE TRUSTEE

Signed on behalf of corporate trustee

For: KCB BANK KENYA LTD.

.....
CORPORATE TRUSTEE

Signed on behalf of corporate trustee

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CORPORATE GOVERNANCE STATEMENT

The corporate trustee of the Madison Umbrella Retirement Benefits Scheme in line with the Retirement Benefits Authority Market Conduct Prudential Guideline Number MC/001, 2017 recognizes the need to conduct the business and operations of the scheme with openness, objectively, integrity, honesty, professionalism and accountability and in accordance with the highest standard of good corporate governance practices. The trustee is the supreme organ for formulating and interpreting the scheme policy, charting out the road - map for goal attainment including plans of action and ensuring that the scheme meets its obligations to the members and the sponsor.

The corporate trustee is accountable to the Retirement Benefits Authority and members to ensure compliance with the scheme's trust deed and rules, the Retirement Benefits Acts, 1997 and best business practice and ethics.

Trustee meetings

The corporate trustee meets at least two (2) times a year and their responsibilities are broadly set out in the scheme's trust deed and rules. Specifically, the corporate trustee meets to review monthly, quarterly and annual investment performance and to consider operational, financial, strategic and compliance issues.

There is a procedure in place for the corporate trustee to take independent professional advice from service providers at the expense of the scheme if this is necessary in connection with their duties. The corporate trustee has also arranged appropriate insurance cover in respect of legal action that may be instituted against them and the scheme.

Statement of compliance and conflict of Interest

Conscious of its responsibilities to members, service providers, creditors, and the society, the trustee issues this statement confirming that they have complied with the law, conducted their affairs in accordance with the best principles and practices of corporate governance.

Signed on behalf of the corporate trustee on 31 March2022

For: KCB BANK KENYA LTD.


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CORPORATE TRUSTEE

Signed on behalf of corporate trustee

For: KCB BANK KENYA LTD.


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CORPORATE TRUSTEE

Signed on behalf of corporate trustee

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STATEMENT OF TRUSTEE'S RESPONSIBILITIES ON THE FINANCIAL STATEMENTS

The Kenyan Retirement Benefits Act, requires the trustee to prepare financial statements for each financial year that give a true and fair view of the financial transactions of the Scheme for the year and of the disposition at year end of its assets and liabilities. It also requires the trustee to ensure that the scheme maintains proper accounting records that are sufficient to show and explain the transactions of the scheme and disclose, with reasonable accuracy, the financial position of the scheme. The trustee is also responsible for safeguarding the assets of the scheme, and for taking reasonable steps for the prevention and detection of fraud and error.

The trustee accepts responsibility for the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standards and in the manner required by the Kenyan Retirement Benefits Act. They also 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; and
- (iii) making accounting estimates and judgements that are reasonable in the circumstances.

Having made an assessment of the scheme's ability to continue with activities, the trustee is not aware of any material uncertainties related to events or conditions that may cast doubt upon the scheme ability to continue with its activities.

The trustee acknowledges that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of trustee on 31 March 2022 and signed on their behalf by:

For: KCB BANK KENYA LTD.

CORPORATE TRUSTEE

Signed on behalf of corporate trustee

For: KCB BANK KENYA LTD.

CORPORATE TRUSTEE

Signed on behalf of corporate trustee

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF MADISON UMBRELLA RETIREMENT BENEFITS SCHEME

Opinion

We have audited the accompanying financial statements of Madison Umbrella Retirement Benefits Scheme, set out on pages 9 to 15 which comprise the statement of net assets available for benefits as at 31 December 2021 and the statement of changes in net assets available for benefits for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other scheme's explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the disposition of the scheme's assets and liabilities as at 31 December 2021 and of its financial transactions for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and the requirements of the Kenyan Retirement Benefits Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). 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' Code of Ethics for Professional Accountants (IESBA Code), together with other ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The trustee is responsible for the other information, which comprises the report of the trustee's corporate governance statement and the statement of trustees' responsibilities. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

Responsibilities of the Trustee for the Financial Statements

The Trustee is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, and for such internal controls as the Trustee determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



Partners: D.M. Mbogho; A.N. Muraya; F. O. Aloo; J. Nyang'aya; B.W. Irungu; I. Karim; F. Okwiri; F.O Omondji; F. Mitambo; P. Seroney; D. Waweru; C Luo.

Deloitte & Touche, a partnership with registration No. 177912, converted to Deloitte & Touche LLP/Registration No. LLP-A21DDP effective 14 June 2021.

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited.

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF MADISON UMBRELLA RETIREMENT BENEFITS SCHEME
(Continued)

Responsibilities of the Trustees for the Financial Statements (Continued)

In preparing the financial statements, the Trustee is 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 Trustee either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 the trustee 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
CPA David Waweru, Practising certificate No. 2204.



For and on behalf of Deloitte & Touche LLP
Certified Public Accountants (Kenya)
Nairobi

31 March

2022

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STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Note	2021 KShs	2020 KShs
Contributions and benefits			
Contributions received	2	49,040,813	33,274,289
Benefits paid to leavers	3	(31,949,777)	(106,234,575)
		<hr/>	<hr/>
Net deficit from dealings with members		17,091,036	(72,960,286)
Return on plan investments			
Plan investment income	4	34,776,442	25,036,649
Administrative expenses	5	(2,590,691)	(2,530,849)
		<hr/>	<hr/>
Decrease/increase in net assets for the year		49,276,787	(50,454,486)
Net assets at the start of the year		303,010,085	353,464,571
		<hr/>	<hr/>
Net assets at the end of the year available for benefits		<u>352,286,872</u>	<u>303,010,085</u>

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STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

	Note	2021 KShs	2020 KShs
Assets			
Plan investments	6	354,863,421	305,589,174
Liabilities			
Other payables	7	2,576,549	2,579,089
		<hr/>	<hr/>
Net assets available for benefits		<u>352,286,872</u>	<u>303,010,085</u>

The financial statements on pages 9 to 15 were approved and authorised for issue by the Trustee on
31 March 2022 and were signed on their behalf by:

For: KCB BANK KENYA LTD.

.....
CORPORATE TRUSTEE

.....
Signed on behalf of the corporate trustee

For: KCB BANK KENYA LTD.

.....
CORPORATE TRUSTEE

.....
Signed on behalf of the corporate trustee

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NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards.

Adoption of new and revised International Financial Reporting Standards (IFRSs) and Interpretations (IFRIC)

(a) Relevant new standards and amendments to published standards effective for the year ended 31 December 2020

Several new and revised standards and interpretations became effective during the year. The Trustee has evaluated the impact of the new standards and interpretations and none of them had a significant impact on the scheme's financial statements.

(b) Relevant new and amended standards and interpretations in issue but not yet effective in the year ended 31 December 2021

At the date of authorisation of these financial statements, various revised standards and interpretations were in issue but not yet effective. The Trustee anticipates that the adoption of these standards, interpretations and amendments when effective, will have no material impact on the financial statements of the scheme.

(c) Early adoption of standards

The Scheme did not early-adopt any new or amended standards in 2021.

a) Basis of preparation

The historical cost is generally based on the historical cost of asset which are not updated for changes in the asset value

Going concern

The financial performance of the plan is set out in the report of the trustee and in the statement of changes in net assets available for benefits. The financial position of the plan is set out in the statement of net asset available for benefits. Disclosures in respect of principal risks and uncertainties are included in the report of the trustee and disclosures in respect of risk and fund management are set out in note 9 and 10.

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

b) Critical accounting estimates and judgements

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.

c) Plan investment income

Interest income is accrued on time basis, by reference to the principal balance outstanding at the effective interest rates applicable.

MADISON UMBRELLA RETIREMENT BENEFITS SCHEME

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. ACCOUNTING POLICIES (Continued)

d) Plan investments

All plan investments are carried at amortized cost.

Plan investments have been carried at the ultimate redemption value. Any assets in operations of the plan are accounted for in accordance with the applicable standards.

e) Financial instruments

Financial instruments are recognised when, and only when, the plan becomes party to the contractual provisions of the instrument. All financial assets are recognised initially using the trade date accounting, which is the date the scheme, commits itself to the purchase date.

Financial assets

The scheme classifies its financial assets into the categories below:

(i) Amortised cost

The Financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding and are not designated at Fair Value Through Profit or Loss (FVTPL), are classified and measured at amortised cost; The carrying amount of these assets is adjusted by any expected credit loss allowance recognized.

Financial Liabilities

Financial liabilities are classified and measured at amortised cost. All financial liabilities are classified as current liabilities unless the plan has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Offsetting financial instruments

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

f) Taxation

The plan is exempt from Income Tax under the Income Tax Act (Cap. 470) up to the statutory limit.

g) Contributions

Contributions are a percentage of employee's salary made by both the employer and the employee as determined by the participating employer. For individual contributors, amounts are as per the policy agreement.

h) Transfers

Transfers are recognised in the period in which members join from other schemes or leave for other schemes

MADISON UMBRELLA RETIREMENT BENEFITS SCHEME

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1 ACCOUNTING POLICIES (Continued)

i) Withdrawals

Benefits payable to seceding members are taken into account as they fall due for payment.

j) Comparatives

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

2. CONTRIBUTIONS RECEIVED

The scheme is a defined contribution scheme. Contributions paid by the employer and employees are credited directly to the fund. The employer and employee contributions are as indicated below.

	2021 KShs	2020 KShs
Employer contributions	22,267,742	17,907,080
Employee contributions	26,773,071	15,367,209
	<u>49,040,813</u>	<u>33,274,289</u>

The following contributions were outstanding as at the end of the year

	2021 KShs	2020 KShs
Outstanding Contributions	<u>14,363,119</u>	<u>45,646,213</u>

3. BENEFITS PAID TO LEAVERS

	2021 KShs	2020 KShs
Benefits paid and due to leavers	<u>31,949,777</u>	<u>106,234,575</u>

4. PLAN INVESTMENT INCOME

	2021 KShs	2020 KShs
Interest declared by the administrator	<u>34,776,442</u>	<u>25,036,649</u>

5. ADMINISTRATIVE EXPENSES

	2021 KShs	2020 KShs
Administration fees	1,728,003	1,486,695
Audit Fees	49,374	62,264
Retirement Benefit Authority Levy	705,532	616,483
Trustee fees	158,814	342,607
AGM expense	(51,032)	22,800
	<u>2,590,691</u>	<u>2,530,849</u>

MADISON UMBRELLA RETIREMENT BENEFITS SCHEME

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. PLAN INVESTMENTS

This represents investment in a guaranteed fund by the administrator on behalf of the trustee.

	2021 Kshs	2020 Kshs
Madison Life Assurance Kenya Limited	354,863,421	305,589,174
	=====	=====

7. OTHER PAYABLES

	2021 KShs	2020 KShs
Audit Fees	58,000	57,456
Retirement Benefit Authority levy	716,545	616,483
Administrative fees	1,728,004	1,486,695
Trustee fees	74,000	367,423
AGM expenses		51,032
	=====	=====
	2,576,549	2,579,089
	=====	=====

8. CASH AND CASH EQUIVALENTS

Statement of cash flow has not been prepared as the funds are being managed on a pooled basis by the Administrator, Madison Life Assurance Kenya Limited

9. FINANCE RISK MANAGEMENT OBJECTIVES AND POLICIES

The scheme generates revenues for the members by investing in various income generating activities which expose it to a variety of financial risks, including credit risk and liquidity risk. The fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

The scheme does not hold any interest bearing financial liability or overdraft at a variable rate which would expose the scheme to cash flow interest rate risk.

The trustee provides written principles for overall risk management, as well as written policies covering specific areas such as interest rate risk, credit risk.

Credit risk

Credit risk arises from breach of contractual obligations, or if information is available internally or externally that suggests that the sponsor is unlikely to be able to meet its obligations.

MADISON UMBRELLA RETIREMENT BENEFITS SCHEME

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. FINANCE RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The amount that best represents the fund's maximum exposure to credit risk at year end is made up as follows:

	Internal/ external rating	12 months or lifetime ECL	Gross carrying amount KShs	Loss allowance KShs	Net amount KShs
31 December 2021					
Funds held with investment manager	Investment grade	12 months ECL	354,863,421	-	354,863,421
			=====	=====	=====
31 December 2020					
Funds held with investment manager	Investment grade	12 months ECL	305,589,174	-	305,589,174
			=====	=====	=====

No collateral is held for the above assets.

10. FUND MANAGEMENT

The fund's objectives when managing funds are:

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

The Retirement Benefits Act, 1997 requires the fund's trustees to invest members' funds using prudent investment policies that shall get the members market rates on their investments. This requirement has been complied with.

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

11. INCORPORATION

The scheme is registered and domiciled in Kenya under the Retirement Benefits Act, 1997. Registration of the scheme under the Retirement Benefits Act 1997 was finalised in 2006. The scheme is also registered under the Income Tax Act

12. PRESENTATION

These financial statements are presented in Kenya Shillings (KShs).

13. SUBSEQUENT EVENTS

There has been no significant event after the reporting date to the date of signing these accounts which have a material financial statement impact as at 31st December 2021.