Accountants &
business advisers

KENYA PORTS AUTHORITY PENSION SCHEME
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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SCHEME INFORMATION

TRUSTEES

1. Mr. V. M. Wa-Kayanda - Chairman
2. Mr. Harrison Lusigi
3. Mr. Moses Otieno
4. Mr. Maurice Munyao
5. Mr. J.O. Nyarandi (Resigned 8 February 2016)
6. Ms. Catherine Mturi-wairi
7. Mr. Amani Y. Komora

CUSTODIAN TRUSTEE

Kenya Commercial Bank Nominees Limited
c/o Kenya Commercial Bank Limited
P. O. Box 30664 - 00100
Nairobi (Appointed 16 April 2015)

CUSTODIANS

CfC Stanbic Custody Division
P. O. Box 30550 - 00100
Nairobi (Resigned 15th April 2015)

EMPLOYER/SPONSOR

Kenya Ports Authority
P. O. Box 95009 - 80104
Mombasa

ADMINISTRATOR

Mr. M. M. Amahwa
Kenya Ports Authority
Pension Office
Old Cannon Towers, 7th Floor
Moi Avenue
P. O. Box 1019 - 80100
Mombasa

SECRETARY

Ms. Muthoni Gatere (Resigned on 15 October 2015)
Mr. Stephen Kyandih (Appointed on 16 October 2015)
Kenya Ports Authority
P. O. Box 95009 - 80104
Mombasa

ACTUARY

Alexander Forbes Financial Services (East Africa) Limited
P. O. Box 52439 - 00200
Nairobi

FUND MANAGERS

1. Old Mutual Asset Managers (E. A.) Limited
   P. O. Box 11589 - 00400
   Nairobi (Resigned 30 September 2015)

2. Genesis Kenya Investment Management Limited
   P. O. Box 79217 - 00200
   Nairobi (Resigned 30 September 2015)

3. PineBridge Investments East Africa Limited
   P. O. Box 67262 - 00200
   Nairobi (Resigned 30 September 2015)

SCHEME INFORMATION (CONTINUED)

FUND MANAGERS

1. British - American Asset Managers Limited
   P. O. Box 30375 - 00100
   Nairobi (Appointed 1 October 2015)

2. African Alliance Kenya Investment Bank Limited
   P. O. Box 27639 - 00506
   Nairobi (Appointed 1 October 2015)

3. Stanlib Kenya Limited
   P. O. Box 30550 - 00100
   Nairobi (Appointed 1 October 2015)

INDEPENDENT AUDITOR

PKF Kenya
Certified Public Accountants
P. O. Box 90553 - 80100
Mombasa

PROPERTY MANAGEMENT AGENTS

1. Tyson Limited
   P. O. Box 40228 - 00100
   Nairobi

2. Lustman & Company (1990) Limited
   P. O. Box 46849 - 00100
   Nairobi

3. Kiragu & Mwangi Ltd
   P. O. Box 10169 - 00100
   Nairobi

4. Gimco Ltd
   P. O. Box 61551 - 00200
   Nairobi

LAWYERS

1. Muciimi Mbaka and Company
   P. O. Box 15541 - 00100
   Nairobi

2. COOTOW and Associates
   P. O. Box 16858 - 80100
   Mombasa

3. Kaplan and Stratton Advocates
   P. O. Box 40111 - 00100
   Nairobi

4. Nyiha, Mukoma and Company Advocates
   P. O. Box 47122 - 00100
   Nairobi

BANKERS

1. Citibank N. A.
   P. O. Box 83615 - 80100
   Mombasa

2. CfC Stanbic Bank Kenya Limited
   P. O. Box 90131 - 80100
   Mombasa

3. Kenya Commercial Bank Limited
   P. O. Box 90254 - 80100
   Mombasa

REGISTERED OFFICE

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

REPORT OF THE TRUSTEES

The trustees present their report together with the audited financial statements for the year ended 31 December 2015.

ESTABLISHMENT, NATURE, AND STATUS OF THE SCHEME

The scheme was established, and is governed by a trust deed with effect from 1 January 1998. It is a defined benefit scheme and provides, under the rules of the scheme, retirements benefits for the staff of Kenya Ports Authority. It is a tax exempt approved scheme under the Income Tax Act and is registered with the Retirement Benefits Authority. Employees contribute to the fund at the rate of 7.5% of their respective pensionable salaries. The employer contributes at rates based on periodic advice of the actuary. The employer's current contribution rate is 22.5% of employees' pensionable salaries.

SCHEME MEMBERSHIP	**2015 Number**	**2014 Number**
Total Members		
Contributing members	1,378	1,534
Non-contributing members	3,187	3,207
Pensioners	3,912	3,954
Pension beneficiaries	713	775
	9,190	9,470
Contributing members		
At start of year	1,534	1,619
Less: Retired with pension	(143)	(57)
Died in service	(11)	(4)
Other secessionists	(2)	(24)
At end of year	1,378	1,534
Pensioners and pension beneficiaries		
At start of year	4,729	4,993
Add: Contributing members who retired	176	93
Widows, widowers and dependants pension becoming payable	(108)	(127)
Less: Ceased pensions after five year - widows and widowers	(172)	(230)
At end of year	4,625	4,729

REPORT OF THE TRUSTEES (CONTINUED)

FINANCIAL REVIEW	**2015 Shs '000**	**2014 Shs '000**
Net assets		
At start of year	24,237,696	23,026,644
(Decrease)/increase in net assets during the year	(1,023,483)	1,211,052
At end of year	23,214,213	24,237,696

INVESTMENT OF FUNDS

Genesis Kenya Investment Management Limited, Old Mutual Asset Management (E. A.) Limited and Investments East Africa Limited resigned on 30 September 2015 and as at 1 October 2015 the scheme British-American Asset Managers Limited, Stanlib Kenya Limited, African Alliance Kenya Investment Bank Limited. Under the terms of their appointment the fund managers are responsible for the investment of funds. The overall responsibility for investment and performance of funds lies with the trustees.

TRUSTEES

The trustees who held office to the date of this report are shown on page 1.

EXPENSES

Some costs of administration and management of the scheme are borne by Kenya Ports Authority.

TAXATION

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

INDEPENDENT AUDITOR

The scheme's auditor, PKF Kenya was appointed during the year and continue in accordance with the Section 29 (I) of the Retirement Benefit Act.

BY ORDER OF THE BOARD OF TRUSTEES

CHAIRMAN
MOMBASA

29-03 — **2016**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Retirement Benefit (Occupational Retirement Benefit Schemes) Regulations, 2000 made under Retirement Benefits Act, 1997 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 fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibility for:

i) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
ii) selecting and applying appropriate accounting policies; and
iii) making accounting estimates and judgements that are reasonable in the circumstances.

The Trustees are of the opinion that the financial statements give a true and fair view of the net assets available for benefits and changes in net assets available for benefits for the year then ended in accordance with the International Financial Reporting Standard.

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

Approved by the board of trustees on 29 - 03 - 2016 and signed on its behalf by:

CHAIRMAN **TRUSTEE**

PKF KENYA
Certified Public Accountants

PKF
Accountants & business advisers

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF KENYA PORTS AUTHORITY PENSION SCHEME

Report on the financial statements
We have audited the accompanying financial statements of Kenya Ports Authority Pension Scheme set out on pages 7 to 27 which comprise the statement of net assets available for benefits as at 31 December 2015 and the statement of changes in net assets available for benefits, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Trustees' responsibility for the financial statements
The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Retirement Benefits Act. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In our opinion, proper books of account have been kept and the financial statements which are in agreement therewith give a true and fair view of the financial transactions of the scheme during the year ended 31 December 2015 and of the disposition at that date of its assets and liabilities and are in compliance with International Financial Reporting Standards and the Retirement Benefits Act 1997.

PKF Kenya

Certified Public Accountants
Mombasa

30 - 03 - **2016**

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Erick Mbuthia Njuguna P/No. 2061

102/2016

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STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Notes	2015 Shs '000	2014 Shs '000
Income from dealings with members			
Contributions received in the year	2	310,619	309,981
Additional contributions received from the sponsor to reduce actuarial deficit	3	100,000	240,000
		410,619	549,981
Outgoings from dealings with members			
Benefits payable and paid	4	(1,321,226)	(1,326,858)
Net reduction from dealings with members		(910,607)	(776,877)
Returns on investments			
Investment income	5	896,406	1,349,819
Profit on disposal of financial assets	6	193,208	12,070
Changes in fair value of financial assets	11	(1,082,258)	739,007
Investment management expenses	7	(63,597)	(64,016)
Gain on disposal of motor vehicle		-	716
Net return on investments		(56,241)	2,037,596
Administrative expenses	8	(56,635)	(49,667)
(Decrease)/increase in net assets for the year		(1,023,483)	1,211,052
Net assets available for benefits			
At start of year		24,237,696	23,026,644
(Decrease)/increase in net assets for the year		(1,023,483)	1,211,052
At end of year		23,214,213	24,237,696

The notes on pages 10 - 27 form an integral part of these financial statements.

Report of the independent auditor - page 6.

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

	Notes	As at 31 December 2015 Shs '000	2014 Shs '000
Assets			
Investment properties	9	8,748,575	8,748,575
Motor vehicle and equipments	10	3,804	2,613
Financial assets	11	12,954,831	13,808,718
Receivables and accrued income	12	662,910	573,130
Cash and cash equivalents	13	1,073,598	1,339,939
Total assets		23,443,718	24,472,975
Less: liabilities			
Payables and accrued expenses	14	229,505	235,279
Net assets available for benefits		23,214,213	24,237,696

The financial statements on pages 7 to 27 were approved and authorised for issue by the Board of Trustees on ____________________ 2016 and were signed on its behalf by:

CHAIRMAN

TRUSTEE

The notes on pages 10 - 27 form an integral part of these financial statements.

Report of the independent auditor - page 6.

STATEMENT OF CASH FLOWS

	Notes	2015 Shs '000	2014 Shs '000
Operating activities			
Reconciliation of increase in net assets to cash from operating activities:			
Increase in net assets (excluding fair value changes)		58,775	472,045
Adjustments for:			
Depreciation of motor vehicles and equipment	10	1,685	1,128
Gain on disposal of motor vehicle		-	(716)
Gain on disposal of financial assets	6	(193,208)	(12,070)
		(132,748)	460,387
Changes in:			
Contributions receivable		-	22,073
Receivables and accrued income		(89,780)	(52,035)
Payables and accrued expenses		(5,774)	27,114
Net cash (used in)/from operating activities		(228,302)	457,539
Investing activities			
Cash paid for purchase of motor vehicle and equipments	10	(2,875)	(3,446)
Proceeds from disposal of motor vehicle		-	716
Purchase of financial assets	11	(4,821,077)	(3,325,001)
Proceeds from sale/maturity of financial assets	6	4,785,913	2,953,950
Net cash from/(used in) investing activities		(38,039)	(373,781)
(Decrease)/increase in cash and cash equivalents		(266,341)	83,758
Movement in cash and cash equivalents			
At start of year		1,339,939	1,256,181
(Decrease)/increase		(266,341)	83,758
At end of year	13	1,073,598	1,339,939

The notes on pages 10 - 27 form an integral part of these financial statements.

Report of the independent auditor - page 6.

1. SIGNIFICANT ACCOUNTING POLICIES

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

a) Basis of preparation

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

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

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

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

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

New and amended standards adopted by the scheme

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

New standards, amendments and interpretations issued but not effective

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

- Amendments issued in December 2014 to IAS 1 'Presentation of Financial Statements' which will be effective for annual accounting periods beginning on or after 1 January 2016 clarify guidance on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

- Amendments issued in June 2014 to IAS 16 'Property, Plant and Equipment' and IAS 41 'Agriculture' which will be effective for annual periods beginning on or after 1 January 2016 define bearer plants and include them within IAS 16's scope while the produce growing on bearer plants remain within the scope of IAS 41.

- Amendments issued in May 2014 to IAS 16 and IAS 38 'Intangible Assets' which will be effective for annual periods beginning on or after 1 January 2016 add guidance and clarify that the use of revenue-based methods to calculate the depreciation of of an asset is not appropriate; however, this presumption can be rebutted in certain limited circumstances.

1. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

a) **Basis of preparation (continued)**

New standards, amendments and interpretations issued but not effective (continued)

- Amendment (Annual improvements to IFRSs 2012- 2014 Cycle, issued in September 2014) to IAS 19 'Employee Benefits' which will be effective for annual periods beginning on after 1 January 2016, clarifies that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid.

- Amendments issued in August 2014 to IAS 27 'Separate Financial Statements' which will be effective for annual periods beginning on or after 1 January 2016 reinstate the equity method option to account for investments in subsidiaries, joint venture and associates in separate financial statements.

- Amendment (Annual Improvements to IFRSs 2012-2014 Cycle, issued in September 2014) to IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations' which will be effective for annual periods beginning on or after 1 January 2016 adds specific guida adds specific guidance when an entity reclassifies an asset (or group) from held for sale to held for distribution to owners, or vice versa, and for cases where held-for-distribution accounting is discontinued.

- Amendment (Annual Improvements to IFRSs 2012-2014 Cycle, issued in September 2014) to IFRS 7 'Financial Instruments: Disclosures' which will be effective for annual periods beginning on or after 1 January 2016, adds guidance to clarify whether a servicing contract is continuing involvement in a transferred asset.

- IFRS 9 'Financial Instruments'(Issued in July 2014) will replace IAS 39 and will be effective for annual periods beginning on or after 1 January 2018.It contains requirements for the classification and measurement of financial assets and financial liabilities, impairment, hedge accounting and de-recognition.

- IFRS 9 requires all recognised financial assets to be subsequently measured at amortised cost or fair value (through profit or loss or through comprehensive income), depending on their classification by reference to the business model within which they are held and their contractual cash flow characteristics.

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

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

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

- Amendments issued in September 2014 to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associated and Joint Ventures' which will be effective for annual periods beginning on or after 1 January 2016 address a current conflict between the two standards and clarify that gain or loss should be recognised fully when the transaction involves a business, and partially if it involves assets that do not constitute a business.

NOTES (CONTINUED)

a) **Basis of preparation (continued)**

New standards, amendments and interpretations issued but not effective (continued)

- Amendments issued in December 2014 to IFRS 10, IFRS 12 'Disclosure of Interests on Other Entities' and IAS 28 which will be effective for annual periods beginning on or after 1 January 2016, clarify guidance the application of the consolidation exception for investment entities and their subsidiaries.
- Amendments issued in May 2014 to IFRS 11 'Joint Arrangements' which will be effective for annual periods beginning on or after 1 January 2016, require an acquirer of an interest in a joint operation in which the activity constitutes a business (as defined in IFRS 3 'Business Combinations') to apply all of the business combinations accounting principles and disclosures in IFRS 3 and other IFRSs, except for those principles that conflict with with guidance in IFRS 11.
- IFRS 14 'Regulatory Deferral Accounts' (issued in January 2014) which will be effective for annual periods beginning on or after 1 January 2016 defines a regulatory deferral account balance and allows entities continue apply their existing policy for regulatory deferral account balances, but requires certain disclosures.
- IFRS 15 'Revenue from Contracts with Customers' (issued in May 2014) effective for annual periods beginning on or after 1 January 2018, replaces IAS 11 'Construction Contracts', IAS 18 'Revenue' and their interpretations (SIC-31 and IFRIC 13,15 and 18).It establishes a single and comprehensive framework for revenue recognition based on a five-step model to be applied to all contracts with customers, enhanced disclosures, and new or improved guidance.
- IFRS 16 'Leases' (issued in January 2016) effective for annual periods beginning on or after 1 January 2019, replaces IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement Contains a Lease' and their interpretations (SIC-15 and SIC-27). IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.
- The trustees expect that the future adoption of IFRS 9, IFRS 15 and IFRS 16 may have a material impact on the amounts reported. However, it is not practicable to provide a reliable estimate of the effects of the above until a detailed review has been completed. The trustees do not expect that adoption of the other Standards and Interpretations will have a material impact on the financial statements in future periods. The entity plans to apply the changes above from their effective dates noted above.

b) **Key sources of estimation uncertainty**

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

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

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

1. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

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

d) **Contributions receivable**

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

e) **Benefits payable**

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

f) **Income from investments**

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

ii) Dividends are recognised as income in the period in which the right to receive payment is established.

iii) Rental income is recognised in the period in which it is earned.

g) **Translation of foreign currencies**

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

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

h) **Motor vehicle and equipments**

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

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

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

Motor vehicle	- over 4 years
Equipments	- over 5 years

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Motor vehicle and equipments (continued)

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

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

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

i) Investment property

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

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

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

j) Financial instruments

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

- Financial assets

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

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

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

Interest on available-for-sale securities is calculated using the effective interest method and is recognised in statement of changes in net assets available for benefits as part of investment income. Dividends on available- for-sale equity instruments are also recognised in statement of changes in net assets available for benefits as part of investment income when the scheme's right to receive payments is established.

1. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

j) **Financial instruments (continued)**

- Financial assets (continued)

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

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

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

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

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

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

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

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

Trustees classify investments as follows:

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

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

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

Trustees classify investments as follows:

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

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

NOTES (CONTINUED)

1. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

j) **Financial instruments (continued)**

- Financial assets (continued)

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

Management classify the fair values of financial assets based on the qualitative characteristics of the fair valuation as at the financial year end. The three hierarchy levels used by management are:

- **Level 1:** where fair values are based on non-adjusted quoted prices in active markets for identical financial.

- **Level 2:** where fair values are based on adjusted quoted prices and observable prices of similar financial assets.

- **Level 3:** where fair values are not based on observable market data.

- Financial liabilities

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

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

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

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

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

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

Offsetting financial instruments

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

k) **Cash and cash equivalents**

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

l) **Taxation**

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

m) **Comparatives**

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

NOTES (CONTINUED)

2. Contributions received

	2015 Shs '000	2014 Shs '000
Employer's contributions at 22.5%	232,964	232,486
Employees' contributions at 7.5%	77,655	77,495
	310,619	309,981

3. Additional contributions received from the sponsor to reduce actuarial deficit

Contributions in cash	100,000	240,000

4. Benefits payable and paid

	2015 Shs '000	2014 Shs '000
Monthly pensions	863,389	1,283,124
Lump sum	429,094	24,795
Death benefits	27,464	18,939
Court attachments	1,279	-
	1,321,226	1,326,858

5. Investment income

Gross rental income	360,387	358,783
Less: direct rental expenses*	(135,757)	(182,709)
cannon towers after fire repairs**	(211,250)	-
residential house repairs***	(372,933)	-
	(359,553)	176,074
Dividends receivable on quoted shares (Kenya and offshore)	181,767	150,107
Interest and discounts receivable on Kenya Government securities, commercial paper and corporate bonds, and loans and receivables	1,073,276	993,098
Miscellenenious income/(expense)	916	30,540
	896,406	1,349,819

* Relates to property manager's charges and expenses incurred.
** Relates to repairs of Cannon towers II which was gutted by fire in 2013.
*** Relates to repairs of residential houses sourced by the scheme.

6. Gain on disposal of financial assets

	2015 Shs '000	2014 Shs '000
Sale proceeds on disposal of financial assets	4,785,913	2,891,879
Fair value of financial assets disposed	(4,592,705)	(2,879,809)
	193,208	12,070

7. Investment management expenses

Fund managers' fees	41,473	34,773
Custodian's fees	22,124	29,243
	63,597	64,016

8. Administrative expenses

Trustees' fees and meeting expenses	22,588	16,804
Administration and processing:		
- printing and stationery, postage, internet and telephone	2,349	1,794
- pensioners' bank cheques, charges and commissions	1,827	445
- fund master license and system upgrades	4,513	332
Audit fees:		
- current year	2,200	2,000
- underprovision in prior year	-	153
Legal and professional fees	8,208	8,852
Accountancy fees	-	2,681
Repairs and maintenance	1,410	9,297
Tender evaluation fees	2,109	-
Auctioneer fees	86	-
RBA levy	5,000	5,000
Depreciation on motor vehicle and equipments	1,686	1,128
Advertising	1,319	792
Land rates	1,656	-
Security	1,234	-
Subscription fees	333	-
Other expenses	2	159
Motor vehicle expenses	115	230
	56,635	49,667

In accordance with the Trust Deed, some administrative expenses including pension staff remuneration, telephones, stationery and other office facilities are provided for by the sponsor as below:

	2015 Shs '000	2014 Shs '000
Pension staff remuneration	44,926	47,981
Office administration expenses	1,975	2,011
	46,901	49,992

9. **Investment properties**

	2015 Shs '000	2014 Shs '000
At start and end of year	8,748,575	8,748,575

Investment properties were professionally valued in 2013 by Gimco Limited, Kiragu and Mwangi Limited, NW Realite Limited and Mugi Property Consultants Limited, independent registered valuers. The properties were valued on the basis of open market value. The book values of the properties were adjusted to the revaluations and the resultant surplus was credited to the statement of changes in net assets available for benefits.

In accordance with the requirements of the Retirement Benefits Act, valuations of investment properties are to be carried out every 3 years. The trustees are aware that the next valuation was due in 2016 and have undertaken to carry out a valuation in 2016 to ensure that it complies with the Retirements Benefit Act.

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

Amounts included under the statement of changes in net amounts available for benefits which comprise gross rental income less direct rental expenses in respect of the investment properties are disclosed in Note 5.

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

10. **Motor vehicles and equipment**

Year ended 31 December 2015

	Computers Shs '000	Equipments Shs '000	Motor vehicles Shs '000	Total Shs '000
Cost				
At start of year	593	1,236	3,051	4,880
Additions	2,875	-	-	2,875
At end of year	3,468	1,236	3,051	7,755
Depreciation				
At start of year	555	948	763	2,266
Charge for the year	694	229	762	1,685
At end of year	1,249	1,177	1,525	3,951
Net book value	2,219	59	1,526	3,804

10. Motor vehicles and equipment (continued)

Year ended 31 December 2014

	Computers Shs '000	Equipments Shs '000	Motor vehicles Shs '000	Total Shs '000
Cost				
At start of year	593	840	3,716	5,149
Disposals	-	-	(3,716)	(3,716)
Additions	-	396	3,050	3,446
At end of year	593	1,236	3,050	4,879
Depreciation				
At start of year	437	701	3,716	4,854
Disposals	-	-	(3,716)	(3,716)
Charge for the year	119	247	762	1,128
At end of year	556	948	762	2,266
Net book value	37	288	2,288	2,613

11. Financial assets

Year ended 31 December 2015

	Value at start of year Shs '000	Purchases at cost Shs '000	Disposals/ maturity Shs '000	Gain on disposal Shs '000	Change in fair value Shs '000	Value at end of year Shs '000
Shares						
- unquoted investments	160,000	40,000	-	-	-	200,000
- quoted shares (Kenya)	4,830,679	209,670	(176,342)	53,842	(661,195)	4,256,654
- quoted shares (offshore)	611,308	560,094	(965,287)	84,222	(9,323)	281,014
Kenya government securities	6,500,200	3,701,407	(3,298,949)	56,550	(414,624)	6,544,584
Commercial paper and corporate bonds	1,706,531	309,906	(345,336)	(1,406)	2,884	1,672,579
	13,808,718	4,821,077	(4,785,914)	193,208	(1,082,258)	12,954,831

Year ended 31 December 2014

	Value at start of year Shs '000	Purchases at cost Shs '000	Disposals/ maturity Shs '000	Gain on disposal Shs '000	Change in fair value Shs '000	Value at end of year Shs '000
Shares						
- unquoted investments	210,000	-	(50,000)	-	-	160,000
- quoted shares (Kenya)	4,295,695	311,269	(239,328)	2,021	463,043	4,830,679
- quoted shares (offshore)	570,493	151,696	(143,534)	3,429	32,653	611,308
Kenya government securities	6,375,221	1,989,962	(2,095,374)	5,168	230,391	6,500,200
Commercial paper and corporate bonds	1,235,181	872,074	(413,644)	1,452	12,920	1,706,531
	12,686,590	3,325,001	(2,941,880)	12,070	739,007	13,808,718

Fair value is determined by reference to quoted prices in active markets.

The following table summarises the weighted average effective interest rates at the year end on the main interest bearing investments:

	2015 %	2014 %
Kenya government securities	7.6 -24.8	11
Commercial paper and corporate bonds	8.5 - 24.8	7.6 - 13

12. Receivables and accrued income

	2015 Shs '000	2014 Shs '000
Rent receivable	115,997	127,635
Less: Provision for bad debts	(30,807)	(30,807)
Net rent receivable	85,190	96,828
Other receivables	12,504	12,504
Receivables under development properties	384,091	384,091
Deposits	3,300	3,300
VAT receivable	97,885	-
Belle Vue project	79,940	76,407
	662,910	573,130

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

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

The scheme's credit risk arises primarily from rent receivable. The trustees are of the opinion that the scheme's exposure is limited because the debt is widely held.

The other classes of receivables do not contain impaired assets.

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

13. Cash and cash equivalents

	2015 Shs '000	2014 Shs '000
Cash at bank	126,886	163,406
Fixed and time deposits	946,712	1,176,533
	1,073,598	1,339,939

For the purposes of cash flow statement cash and cash equivalents comprise the amounts above.

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

14. Payables and accrued expenses

	2015 Shs '000	2014 Shs '000
Rent deposits	21,740	19,900
Benefits payable	18,640	59,034
Accrued expenses	47,901	15,174
Tender Security deposits	53	-
RBA levy	5,000	5,000
Nairobi project	87,951	87,951
Bombolulu project	48,220	48,220
Total other payables and accrued expenses	229,505	235,279

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

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

Year ended 31 December 2015

	3 to 12 months Shs '000	Over 1 year Shs '000	Total Shs '000
Rent deposits	21,740	-	21,740
Death benefits payable	18,640	-	18,640
Accrued expenses	47,901	-	47,901
Tender Security deposits	53	-	53
RBA levy	5,000	-	5,000
Nairobi Project	-	87,951	87,951
Bombolulu project	-	48,220	48,220
	93,334	136,171	229,505

Year ended 31 December 2014

	3 to 12 months Shs '000	Over 1 year Shs '000	Total Shs '000
Rent deposits	19,900	-	19,900
Death benefits payable	59,034	-	59,034
Accrued expenses	15,174	-	15,174
RBA levy	5,000	-	5,000
Nairobi Project	-	87,951	87,951
Bombolulu project	-	48,220	48,220
	99,108	136,171	235,279

15. Related party transactions and balances

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

The following transactions were carried out with related parties during the year:	2015 Shs '000	2014 Shs '000
- cash contributions received from the sponsor (for the year)	332,964	472,486
- administration expenses paid by the sponsor	46,901	49,992

16. Investments guidelines

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

Category of asset	2015 %	2014 %	Maximum investment as per RBA %
Cash and demand deposits	1	1	5
Fixed and time deposits	4	5	30
Commercial paper and corporate bonds	7	7	15
Kenya Government securities	29	27	70
Shares - Kenya	20	20	70
Shares - offshore	1	3	15
Immoveable properties	38	37	30

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

17. Tax status of the scheme

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

18. Contingent liabilities

Other than the liability to pay future pensions and other benefits, there were no contingent liabilities of the scheme at 31 December 2015, except as disclosed below:

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

19. **Actuarial position**

The last actuarial valuation was carried out as at 31 December 2014 in June 2015 by Alexander Forbes Financial Services (East Africa) Limited, an independent firm of actuaries, using the projected unit credit method. According to the valuation at that date, the actuarial present value of promised benefits was as follows:

	Shs '000
Vested benefits	7,079
Non vested benefits	13,351
Total	20,430

The fair value of the net assets available for benefits was Shs 24,238,000,000 resulting in a surplus of Shs 3,808,000,000.

The principal actuarial assumptions used were as follows:

	% per annum
- discount rate	10
- future salary increases	8
- future pension increases	0

The sponsor commissions an actuarial valuation on an annual basis. The Retirement Benefits Authority requires an actuarial valuation at least once in every three years.

20. **Risk management objectives and policies**

Financial risk management

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

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

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

a) **Market risk**

Foreign exchange risk
A proportion of the scheme's financial assets are held in foreign currency. These comprise quoted shares held offshore as disclosed in Note 11.

At 31 December 2015, if the Kenya Shilling had weakened 10 per cent against the US dollar with all other variables held constant, the increase in net assets available for benefits for the year would have been Shs 28,101,000 (2014: 61,131,000) higher/lower.

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

At 31 December 2015, an increase/decrease in interest rates of 100 basis points with all other variables held constant would have resulted in a decrease/ increase in the increase in net assets available for benefits of Shs 139,844,000 (2014: Shs 151,487,000) arising substantially from the change in market value of debt securities

20. **Risk management objectives and policies (continued)**

b) **Price risk**

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

At 31 December 2015, if the prices of all equity investments had increased/decreased by 10% with all other variables held constant, the increase in net assets available for benefits for the year would have been Shs 425,665,000 (2014: 483,068,000) higher/lower.

c) **Credit risk**

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

d) **Liquidity risk**

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

The scheme maintains adequate amounts of cash and cash equivalents to pay off liabilities (except for pension liabilities falling due after the balance sheet date) as they fall due. The actuarial position of the scheme which deals with the actuarial present value of promised benefits is disclosed in Note 20.

e) **Fair value measurements**

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

Year ended 31 December 2015	**Level 1 Shs '000**	**Level 2 Shs '000**	**Level 3 Shs '000**	**Totals Shs '000**
Financial assets				
Shares				
- quoted shares (Kenya)	4,256,654	-	-	4,256,654
- quoted shares (offshore)	-	281,014	-	281,014
Kenya government securities	-	6,544,584	-	6,544,584
Commercial paper and corporate bonds	-	1,672,579	-	1,672,579
	4,256,654	8,498,177	-	12,754,831

20. **Risk management objectives and policies (continued)**

Year ended 31 December 2014

	Level 1 Shs '000	Level 2 Shs '000	Level 3 Shs '000	Totals Shs '000
Financial assets				
Shares				
- quoted shares (Kenya)	4,830,679	-	-	4,830,679
- quoted shares (offshore)	-	611,308	-	611,308
Kenya government securities	-	6,500,200	-	6,500,200
Commercial paper and corporate bonds	-	1,706,531	-	1,706,531
	4,830,679	8,818,039	-	13,648,718

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

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

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

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

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

21. **Fund management**

The scheme's objectives when managing fund are:

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

The Retirement Benefits Act requires the scheme's trustees to invest members' funds using prudent investment policies that will get the members market rates on their investments. The scheme's compliance with this requirement has been disclosed in Note 16.

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

22. **Presentation currency**

The financial statements are presented in Kenya Shillings thousands (Shs '000 or Shs ('000)), except where indicated otherwise.

23. **General information**

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

LISTING OF INVESTMENT PROPERTIES

PROPERTY	LOCATION	2015 Shs '000	2014 Shs '000
Cannon Towers	Mombasa	688,000	688,000
Motor Mart Building	Mombasa	215,000	215,000
Rex House	Mombasa	145,000	145,000
Tudor Flats	Mombasa	140,400	140,400
Ganjoni Flats	Mombasa	105,000	105,000
Mwembe Tayari Flats	Mombasa	50,000	50,000
Plot XXV/86	Mombasa	140,000	140,000
Plot XXV/93	Mombasa	140,000	140,000
Bandari Plaza	Nairobi	550,000	550,000
Nyaku House	Nairobi	550,000	550,000
Siwaka Estate	Nairobi	652,000	652,000
Hurlingham Court	Nairobi	450,000	450,000
Plot L. R. No. 209/12015	Nairobi	110,000	110,000
Runda Plot	Nairobi	100,000	100,000
Tudor	Mombasa	92,875	92,875
Kizingo	Mombasa	497,000	497,000
Nyali	Mombasa	1,628,800	1,628,800
Mbaraki	Mombasa	335,200	335,200
Makande	Mombasa	268,200	268,200
Lotus Plot No Msa/62 & 63/XXVI	Mombasa	28,500	28,500
D. Kimathi Plot No Msa 185/XXVI	Mombasa	1,062,600	1,062,600
Belle Vue - Plot L. R. No. 209/12016	Nairobi	800,000	800,000
		8,748,575	8,748,575