



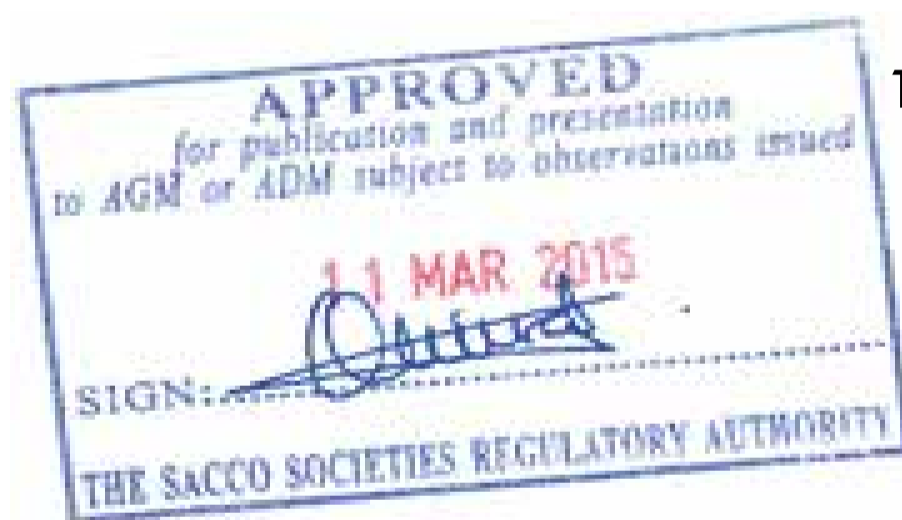
# KENYA POLICE SACCO SOCIETY LIMITED

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

|  | Notes | 2014<br>Shs '000 | 2013<br>Shs '000 |
|--|-------|------------------|------------------|
| INTEREST ON LOANS AND ADVANCES   | 5     | 2,024,825        | 1,291,501        |
| INTEREST EXPENSES  | 6     | (1,200,918)      | (817,378)        |
| NET INTEREST INCOME  |       | 823,907          | 474,123          |
| OTHER OPERATING INCOME   | 7     | 92,205           | 286,319          |
| ADMINISTRATIVE EXPENSES  | 8     | (461,625)        | (301,746)        |
| PROVISION FOR LOAN LOSS  |       | (54,434)         | -                |
| OTHER OPERATING EXPENSES   | 9     | (34,570)         | (20,835)         |
| IMPAIRMENT OF FIXED ASSETS   |       | -                | (26,493)         |
| PROFIT BEFORE TAXATION   |       | 365,483          | 411,368          |
| INCOME TAX EXPENSE   | 10(a) | (11,048)         | (4,665)          |
| <b>PROFIT FOR THE YEAR</b>   |       | <b>354,435</b>   | <b>406,703</b>   |
| <b>OTHER COMPREHENSIVE INCOME</b><br><i>Items that may be reclassified subsequently to profit or loss;</i> |       |                  |                  |
| Gain on revaluation of available for sale financial assets   |       | 901,524          | 53,164           |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>   |       | <b>1,255,959</b> | <b>459,867</b>   |

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

|                                     | Notes | 31 December 2014<br>Shs '000 | 31 December 2013<br>Shs '000 |
|-------------------------------------|-------|------------------------------|------------------------------|
| <b>ASSETS</b>                       |       |                              |                              |
| Cash and cash equivalents           | 11    | 1,130,201                    | 688,062                      |
| Other receivables                   | 12    | 9,588                        | 11,660                       |
| Due from related party              | 24    | 6,580                        | -                            |
| Loans to members                    | 13    | 12,553,791                   | 10,135,363                   |
| Quoted investments                  | 14(a) | 394,588                      | 216,866                      |
| Unquoted investments                | 14(b) | 955,351                      | 100,077                      |
| Intangible assets                   | 15    | 13,457                       | 2,250                        |
| Property and equipment              | 16    | 627,477                      | 368,563                      |
| <b>TOTAL ASSETS</b>                 |       | <b>15,691,033</b>            | <b>11,522,841</b>            |
| <b>LIABILITIES</b>                  |       |                              |                              |
| Members' deposits                   | 17(a) | 9,387,205                    | 7,828,070                    |
| Withdrawable members' deposits      | 17(b) | 798,669                      | 634,903                      |
| Other payables                      | 18    | 80,725                       | 67,384                       |
| Borrowings                          | 19    | 1,201,012                    | 410,774                      |
| Dividends and interest payable      | 20    | 1,076,805                    | 803,880                      |
| Benevolent fund payable             |       | 140,960                      | 107,536                      |
| Due to related party                | 24    | 12,928                       | -                            |
| Taxation payable                    | 10(b) | 5,916                        | 15,156                       |
| <b>TOTAL LIABILITIES</b>            |       | <b>12,704,220</b>            | <b>9,867,703</b>             |
| <b>EQUITY</b>                       |       |                              |                              |
| Share capital                       | 22    | 764,010                      | 688,294                      |
| Statutory reserve                   | 23    | 338,602                      | 267,715                      |
| Retained earnings                   | 23    | 200,072                      | 166,524                      |
| Other reserves                      | 23    | 671,404                      | 421,404                      |
| Fair value reserve                  | 23    | 1,012,725                    | 111,201                      |
| <b>TOTAL EQUITY</b>                 |       | <b>2,986,813</b>             | <b>1,655,138</b>             |
| <b>TOTAL LIABILITIES AND EQUITY</b> |       | <b>15,691,033</b>            | <b>11,522,841</b>            |



The financial statements were approved and authorised for issue by the board of directors on 10th March 2015 and were signed on its behalf by:

National Chairman

Hon. Secretary

National Treasurer

## SOCIETY'S KEY RATIOS

|   | 2014   | 2013 |
|---|--------|------|
| Core capital/total assets                             | 19%    | 14%  |
| Core capital/members' deposits                        | 32%    | 21%  |
| Institutional capital/total assets                    | 14%    | 8%   |
| Liquid assets/total deposits & short term liabilities | 36%    | 36%  |
| Total expenses/total revenue                          | 83%    | 74%  |
| Interest on member deposits/total revenue             | 51 %   | 43%  |
| Interest rate on member's deposits                    | 10.5 % | 10%  |
| Dividend rate on members share capital                | 17%    | 17%  |
| Total delinquency loans/gross loan portfolio          | 1%     | 2%   |

### Head office

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### Mombasa Branch

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### Eldoret Branch

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