



KENYA POLICE SACCO SOCIETY LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

| | 2020 KShs '000 | 2019 KShs '000 |
|---|-------------------|-------------------|
| Interest on loans and advances | 5,417,403 | 5,441,324 |
| Interest expense | (2,212,822) | (2,062,434) |
| NET INTEREST INCOME | 3,204,581 | 3,378,890 |
| Net fees and commissions | 270,296 | 248,511 |
| Other operating income | 370,031 | 195,405 |
| Personnel expenses | (534,688) | (499,692) |
| General and administrative expenses | (749,487) | (656,022) |
| Other operating expenses | (86,781) | (48,388) |
| Depreciation and amortisation | (144,546) | (92,029) |
| Credit loss expense on financial assets | (316,941) | - |
| Write back of credit loss on financial assets | - | 43,357 |
| PROFIT BEFORE INCOME TAX | 2,012,465 | 2,570,032 |
| Income tax expense | (85,149) | (75,935) |
| PROFIT FOR THE YEAR | 1,927,316 | 2,494,097 |
| OTHER COMPREHENSIVE INCOME | | |
| <i>Other comprehensive income that will not be reclassified to profit or loss:</i> | | |
| Net (loss)/gain on equity instruments designated at fair value through other comprehensive income | (329,311) | 111,117 |
| Revaluation of land and buildings | 44,624 | - |
| Income tax related to the above | (31,387) | - |
| Total items that will not be reclassified to profit or loss | (316,074) | 111,117 |
| Other comprehensive income for the year, net of taxes | (316,074) | 111,117 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | 1,611,242 | 2,605,214 |

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

| | 2020 KShs '000 | 2019 KShs '000 |
|---|-------------------|-------------------|
| ASSETS | | |
| Cash and cash equivalents | 3,152,585 | 2,627,394 |
| Treasury bills | 248,718 | 20,000 |
| Other receivables | 127,279 | 106,356 |
| Loans to members | 32,612,070 | 29,071,997 |
| Due from related party | 50,983 | 37,084 |
| Quoted investments | 86,793 | 128,379 |
| Unquoted investments | 1,039,171 | 1,311,841 |
| Intangible assets | 319,443 | 229,460 |
| Property, equipment and right-of-use assets | 1,414,103 | 1,284,743 |
| Tax recoverable | 2,351 | - |
| Deferred tax | - | 3,528 |
| TOTAL ASSETS | 39,053,496 | 34,820,782 |
| LIABILITIES | | |
| Withdrawable members' deposits | 2,361,885 | 1,962,664 |
| Other payables | 349,873 | 376,136 |
| Borrowings | - | 330,000 |
| Interest payable | 2,262,448 | 2,054,808 |
| Deferred tax liability | 29,905 | - |
| Due to related party | 57,802 | 31 |
| Tax payable | - | 1,040 |
| Members' deposits | 21,307,547 | 19,587,173 |
| TOTAL LIABILITIES | 26,369,460 | 24,311,852 |
| EQUITY | | |
| Share capital | 2,944,558 | 2,034,781 |
| Statutory reserve | 2,043,192 | 1,657,728 |
| Retained earnings | 1,576,986 | 1,580,379 |
| Fair value reserve | 385,232 | 714,543 |
| Credit risk reserve | - | 143,911 |
| Other reserves | 5,071,954 | 3,871,954 |
| Revaluation reserve | 172,958 | 159,721 |
| Proposed dividend | 489,156 | 345,913 |
| TOTAL EQUITY | 12,684,036 | 10,508,930 |
| TOTAL LIABILITIES AND EQUITY | 39,053,496 | 34,820,782 |



The financial statements were approved by the Board of Directors' and were signed on its behalf by:

David S. Mategwa
National Chairman

Jeremiah Lekoken
Honorary Secretary

Amos Tingos
National Treasurer

KEY RATIOS

CAPITAL ADEQUACY RATIOS

| | | |
|------------------------------------|-----|-----|
| Core capital/Total assets | 30% | 27% |
| Core capital/Members' deposits | 55% | 47% |
| Institutional capital/Total assets | 22% | 21% |

LIQUIDITY RATIOS (15% Regulatory requirement)

| | | |
|---|-----|-----|
| Liquid assets/total deposits and short term liabilities | 63% | 60% |
|---|-----|-----|

OPERATING EFFICIENCY/LOAN QUALITY RATIOS

| | | |
|--|-------|-------|
| Total expenses/Total revenue | 67% | 56% |
| Interest on member deposits/Total revenue | 37% | 33% |
| Interest rate on member's deposits | 10.5% | 10.5% |
| Dividend rate on members share capital | 17% | 17% |
| Total delinquency loans/Gross loan portfolio (SASRA based) | 1.60% | 1.30% |
| External borrowing/Total assets | - | 0.95% |



KENYA POLICE SACCO SOCIETY LTD is ISO 9001:2015 CERTIFIED and holds Global Credit Rating (GCR): BBB(KE) in the long run, A3(KE) in the short run



Regulated by SASRA

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MOMBASA BRANCH

Oriental Building, Ground Floor
Nkrumah Road
Tel. 0709 825 505

ELDORET BRANCH

Zion Mall
Ground Flr
Uganda Road
Tel: 0709825530

KISII BRANCH

Mocha Place, 2nd Floor Opp.
Nakumatt Kisii
Tel: 0709 825 590

KAKAMEGA BRANCH

Daaron Foundation Trust building,
Ground floor, Off Mumias Rd
opposite NALA Hospital
Tel: 0709 825 580

MERU BRANCH

Solco Plaza, Ground Floor
Moi Avenue, Next to Kobil Petrol Station
Tel: 0709 825 551

NYERI BRANCH

Kasturi Plaza, 1st Floor
Kimathi Street
Tel: 0709 825 570

NAKURU BRANCH

SAILEE HSE on the GROUND FLOOR,
Kenyatta Avenue opposite Nyayo
Gardens
Tel: 0709 825 600



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