

NEGST STAFF PROVIDENT FUND

**FUND ADMINISTRATION REPORT
AS AT
30TH JUNE 2017**

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1.1 SCHEME SUMMARY

Trustee Names	Date of Appointment	
Eric Makau	19 th June, 2017	Member Rep
Mesfin Teshome	19 th June, 2017	Member Rep
Rosemary Mbogo	19 th June, 2017	Member Rep
Justus Musila	19 th June, 2017	Sponsor Rep
Elisha Sore	19 th June, 2017	Sponsor Rep
-	Secretariat to the Board	
Commencement Date	1st September 1993	
RBA Registration Number	RBA/SC/0918	
KRA Exemption No	92291B/2710	
KRA PIN No	PO51418326E	
Funding Rate as per TDR	Employee –6% Employer –6%	
Normal Retirement Age	60 Years	
Nature of Scheme	Provident Fund.	
Fund Administrator	The Jubilee Insurance Company of Kenya Ltd	
Approved Issuer	The Jubilee Insurance Company of Kenya Ltd	
Auditors	J Mwati & Associates	

1.2 SCHEME MEMBERSHIP STATISTICS

	Member Numbers
Active Membership at beginning of the year	59
Deferred membership at beginning of the year	36
Total scheme membership at beginning of the year	95
Joiners during the Period	0
Leavers during the period	2
Deferred Membership at the end of Period	34
Active contributors at the end of Period	59
Total scheme membership at the end of period	93

1.2.1 LIST OF NEW ENTRANTS

There was no new entrant during the period.

1.2.2 REINSTATED MEMBERS

There was no reinstatement during the period.

1.2.3 DEFFERED MEMBERS

The following is a list of deferred members of the scheme.

M/ No	Member Name
971	Ann Mugo
983	Margaret Nganga
983B	Kennedy Mutukaa
985	Mbesa Kimanthi
15	Michael Tanui
9	Peter Mwangi Gichiri
PHD002	Arthur Kaane
IT0002	Charles Kimeu
922B	Jerry Andabwa
AF0006	Beatrice Wangui Muriithi
AF0005	Wachira M. Kezia
CM0001	Karanja Christine W.
ISA004	Wairimu Margaret
RO0005	Chumo Eunice J.
ISA015	Grace Muthoni Joshua
ISA016	Emma Wangari Ngacha
IT005	Daniel Kibet
AF0015	Gakumo Kevin King'E
1006	Martin Mwangi Gathua
1091	Maluki Eric Makau
9	Peter Mwangi Gichiri
HR0017	Kinyanjui Njeri Jane
1068	Mwangi Francis Ndungu
1070	Nyakundi Nevil Otambo
1071	Kisaka Rebecca Nafula
1083	Odhiambo Phelix Ochieng

1002	Mwonera Nelisa Gacheri
HR0011	Kamau Florence
922	Gloria A N Odhiambo
CL0002	Ratemo Kevina
CM001	Christine Karanja
749A	Elly Kidondo
901A	Florence Msagha
1005	Fridah Maluki
COUNT	34

***A deferred member is one whose contributions have ceased, but has funds retained in the scheme.

2.0 FUND CONTRIBUTION

There was no contribution received during the period. However, contributions totaling to Ksh. 9,563,508.00 for April 2016 to June 2017 was received on 27th July, 2017. It will be included in the next report as it was outside the reporting period

***The RBA's deadline for submission of contribution is 10th of the following month.

3.0 WITHDRAWALS

-Partial Withdrawals during this period.

There was no partial withdrawal during the period.

-Full withdrawals during this period- **(Ksh. 626,096.49)**

M/No	Name	Gross Amount Ksh.	Date Paid	Reason for Exit
10	Wilkister Ngesa Okuku	232,530.61	27-May-16	Late Retirement
1050	Lumasia Josphat Idah	393,565.88	04-Feb-16	Death
	Total	626,096.49		

Expense

Expense amounting to **Kshs. 170,942.88** was paid during the period.

Payee	Gross Amount (Ksh.)	Date Paid	Reason
Carr Stanyer Gitau & Company	50,000.00	06-Jan-17	Audit Fee Payment
Trustees of the Scheme	98,142.88	06-Jan-17	Trustee Remuneration.
Africa International University	22,800.00	06-Jan-17	AGM Expense.
TOTAL	170,942.88		

Total pay outs from the scheme amount to **Ksh 797,039.37**

4.0 COMPLIANCE

	ISSUE	STATUS
a)	Trust Deed and Rules	<u>Non -Compliant. (Amendment required with the current legislation).</u>
b)	Appointment of trustees (<u>Minimum of four and maximum nine together with three year tenure ratified</u>)	<u>Compliant.(Appointment to be done every 3 years)</u>
c)	Trustee Meetings (<u>Trustees to meet at least once every six months</u>).	<u>Compliant Half Year Meeting Scheduled on 21st August, 2016.</u>
1	Fee & Remuneration	<u>Compliant.</u>
f)	2016 annual scheme audit	<u>Done. (completed and approved by the Trustees on 29th March, 2017)</u>
g)	2016 annual RBA Levy	<u>Paid by Jubilee Insurance on behalf of the Trustees on 31st March, 2017(receipts will be provided)</u>
h)	Annual Meeting of Members	<u>To be scheduled by Trustees.</u>
i)	Submission of quarterly record of contribution to RBA	<u>Quarter 1&2 Done. (Acknowledgement receipts attached).</u>
j)	Scheme Investment Policy Statement (<u>To be reviewed every 3 years</u>)	<u>Non-Compliant.</u>
k)	Annual financial return to RBA and KRA	<u>Done. (Filed with KRA & RBA). Receipts Attached.</u>
l)	Retirement Benefit Practice Note 2- Vetting of trustee	<u>Non- Compliant (All Trustees required to attend training) – Trustees to forward copies of certificates to Jubilee for record.</u>

This Administrative Report has been prepared based on the scheme detail current as at
30th June, 2017 Prepared by

The Jubilee Insurance Company Limited, Administrators for the Scheme.
Compiled By: **Vincent Odhiambo**
Vincent.Odhiambo@jubileekenya.com

APPENDIX A: - INTERIM FUND VALUE STATEMENT AS AT 30TH JUNE 2017.

The scheme interim fund value as at 30th June, 2017 is **Kshs. 56,522,834.98**. This is at the guaranteed rate of 4% per annum.

FUND BALANCE AS AT 30TH JUNE 2017	
	Total Fund Balance (Ksh.)
Opening Balance	56,340,207.00
Inflow-contribution	0.00
Inflow-transfer	0.00
Outflow	(797,039.37)
RBA Levy	(112,680.41)
Guaranteed Interest @ 4%	1,092,347.76
Closing Balance	56,522,834.98

APPENDIX B: - BUDGET CHANGES FOR FINANCE BILL 2017.

Issue	Change	Implications	Clause/ Effective date
CHANGES TO THE RETIREMENT BENEFITS ACT,1997			
Trustees Remuneration	Approval of trustees' remuneration by members during the annual general meeting after every three years.	Provides for approval of trustees' remuneration by members after every three years	The Finance Bill 2017
Requirement with regards to trustees	Section 26 amended in subsection (2) by adding a new paragraph immediately after paragraph (d) to provide that: (e) does not comply with the guidelines or practice notes issued by the Authority	No person shall be a trustee of any scheme fund if such person does not comply with guidelines and practice notes issued by the Authority.	The Finance Bill 2017

Failure to submit statutory returns	<p>Section 34 amended by inserting a new subsection immediately after subsection 4(B) as follows:</p> <p>(4C) Despite the provisions of subsection (4B), the Authority shall require a person who fails to submit any statutory return by the due date to the Authority to pay a penalty of one hundred thousand shillings and where the returns remain un-submitted, the person, in addition to the prescribed penalty, shall pay a further fine of one thousand shillings for each day or part thereof during which the offence continues provided that a person who pays a penalty under this subsection shall not be prosecuted in court for the same offence</p>	A penalty of KES 100,000 for late submission of statutory returns and an addition of KES 1,000 for each day or part during which the offence continues.	The Finance Bill 2017
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**PROPOSED CHANGES TO THE RETIREMENT BENEFITS REGULATIONS
CHANGES TO THE RETIREMENT BENEFITS (INDIVIDUAL RETIREMENT BENEFIT
SCHEMES) REGULATIONS**

The deadline for the submission of quarterly record of contribution	Regulation 15 paragraph (1) amended to provide that: Every scheme shall maintain or cause to be maintained a quarterly record of contributions in the prescribed form and the original record shall be submitted to the Authority by the fifteenth day of the month following the end of the quarter.	The deadline for the submission of the quarterly contribution record has been extended from the 10th day to the 15th day after the end of the quarter.	Legal Notice No. 49 of 2017 Effective 3rd April 2017
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RETIREMENT BENEFITS (OCCUPATIONAL RETIREMENT BENEFITS SCHEMES) REGULATIONS

Board of Trustees Meeting	Regulation 8 amended to provide that: Not more than six months shall elapse between the date of one meeting and the next; The trustees may meet at least two times in every calendar year A trustee who fails to attend two consecutive meetings shall be disqualified from serving as a trustee.	The requirement to meet at least once quarterly has been repealed. Trustees will now be required to meet at least once every six months.	Legal Notice No. 50 of 2017 Effective 3rd April 2017
Appointment of an administrator	Regulation 8 amended to provide that: A Corporate Trustee shall not appoint an administrator who is related to the Trust Corporation by way of ownership, directorship or employment	This is necessary to avoid conflict of interest	Legal Notice No. 50 of 2017 Effective 3rd April 2017
Reporting by custodians	Regulation 10 paragraph (7) amended to provide that: A custodian shall, at the end of each quarter of the financial year, submit to the Authority a report detailing the assets of the scheme fund and contributions received for the quarter.	Custodians will no longer be required to submit a list of active membership; instead they will be required to give details of contributions received for the quarter.	Legal Notice No. 50 of 2017 Effective 3rd April 2017

APPENDIX C: - PRUDENTIAL GUIDELINE



Retirement Benefits Authority

**PRUDENTIAL GUIDELINE FOR CAPACITY BUILDING OF TRUSTEES OF
RETIREMENT BENEFITS SCHEMES PURSUANT TO SECTION 26 (3) AND 55 (3) OF
THE RETIREMENT BENEFITS ACT**

Pursuant to the provisions of Sections 26 (3) and 55 (3) of the Retirement Benefits Act, the Retirement Benefits Authority in conjunction with the College of Insurance, the Association of Retirement Benefits Schemes and the Humber Center for Employee Benefits (Canada) developed the “**Trustee Development Program – Kenya**” whose objective is to facilitate training of Trustees for the better administration of retirement benefits schemes in Kenya.

The programme, a five (5) day certification course, comprising six (6) units with examinations held at the end of each unit commenced on 29th August 2011. The training is provided by the **College of Insurance**. All **Trustees and Directors of Corporate Trustees** of Retirement Benefits Schemes are required to undergo the Trustee Training Program in order to be certified and approved by the Retirement Benefits Authority.

Take note that the Trustees who were in office by the year 2015 and failed to comply with this guideline must ensure that they have undergone the aforementioned training on or before **30th June, 2016**, whereas all the new Trustees must ensure they have complied with the same by **31st December, 2016** in order to conform to this guideline.

Each scheme will be required to give evidence of compliance with this guideline, which includes a Certificate issued pursuant to training under the Trustee Development Program – Kenya.

Issued this 18th day of January, 2016

A handwritten signature in black ink, appearing to read 'Odundo', is written over a horizontal line.

DR. EDWARD O. ODUNDO, PhD., MBS.
CHIEF EXECUTIVE OFFICER

**RETIREMENT BENEFITS AUTHORITY, 13TH FLOOR, RAHIMTULLA TOWERS,
UPPER HILL ROAD, P.O. Box 57733-00200 NAIROBI**
Telephone: +254 20 2809000; Email: info@rba.go.ke; Website: www.rba.go.ke

Trustee Development Programme Kenya Retirement Benefits Trustee Certification Programme

2017 CALENDAR

Course No.	Dates	Course No.	Dates	Course No.	Dates	Course No.	Dates	Course No.	Dates	Course No.	Dates
1.	13 - 17 Feb	7.	8 - 12 May (Executives) (Naivasha)	13.	3 - 7 July	19.	28 - 1 Aug/Sept	25.	9 - 13 Oct	31.	27 - 1 Dec
2.	20 - 24 Feb	8.	15 - 19 May	14.	10 - 14 July	20.	4 - 8 Sept	26.	23 - 27 Oct (Mombasa)	32.	4 - 8 Dec (Nairobi/Mombasa)
3.	13 - 17 Mar	9.	22 - 26 May	15.	17 - 21 July (Mombasa)	21.	11 - 15 Sept (Kisumu)	27.	30 - 3 Oct/Nov	33.	
4.	20 - 24 Mar	10.	5 - 9 June	16.	31 - 4 July/Aug	22.	18 - 22 Sept	28.	6 - 10 Nov	34.	
5.	27 - 31 Mar	11.	12 - 16 June	17.	14 - 18 Aug	23.	24 - 29 Sept	29.	13 - 17 Nov	35.	
6.	24 - 28 April	12.	19 - 23 June	18.	21 - 25 Aug	24.	2 - 6 Oct	30.	20 - 24 Nov		

College of Insurance is located
Off Mombasa Road,
Belle Vue exit at South C, Nairobi
P.O. Box 56928-00200,
NAIROBI.

Tel 020-6009175/6005601/-4,
Cell 0734-600320, 0722-509759
Email info@coi.ac.ke
Website www.coi.ac.ke

Please Note:

1. In order to ease access to TDPK, arrangements may be made for individuals to attend TDPK on two blocks provided the interlude between them does not exceed 1 month. Please make enquiries at ARBS Executive Secretariat.
2. RBA Prudential Guideline Number RBA 001/2013 may be found on RBA website (www.rba.go.ke) or ARBS website. Bookings and all enquiries should be made through:

Association of Retirement Benefits Schemes

Taj Tower, 1st Floor, Upper Hill Road, Upper Hill, Nairobi.
Tel: (020) 2711461/2; 2711464/5;
Cellphone: 0733 748952 and 0733 748954
E-mail: info@arbs.co.ke or ian.kenyairiri@arbs.co.ke



APPENDIX F: SCHEME RETURNS ACKNOWLEDGMENTS.