

NATIONAL SOCIAL SECURITY FUND

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AUDITED

FINANCIAL



STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2007

i) STATEMENT OF CHANGES IN NET ASSETS AS AT

	30 JUNE 2007	30 JUNE 2006	30 JUNE 2005	30 JUNE 2004	30 JUNE 2003
	Kshs.'000	Kshs.'000	Kshs.'000	Kshs.'000	Kshs.'000
<u>Non- Current Assets</u>					
Property Plant and Equipment	394,861	378,088	324,990	232,330	207,943
<u>Investments</u>					
Undeveloped Land	5,413,698	5,830,873	6,334,451	6,355,351	6,400,016
Land and Buildings	22,856,104	21,848,314	21,884,065	22,092,669	22,548,056
Tenant Purchase Scheme	2,672,573	2,978,237	3,408,942	3,783,674	3,556,897
Quoted Equities	38,811,620	32,108,964	26,498,703	16,001,315	11,278,458
Government of Kenya Stocks	408,800	408,800	408,800	408,800	408,800
Unquoted Stocks and Equities	1,380,500	1,380,500	1,762,271	1,762,271	1,687,271
Treasury Bills	155,987	592,326	96,215	863,657	1,515,684
Treasury Bonds	6,919,637	4,998,261	3,060,032	2,925,172	812,010
Deposits With Financial Institutions	<u>426,750</u>	<u>398,001</u>	<u>207,676</u>	<u>339,281</u>	<u>279,052</u>
Total Investment	<u>79,045,669</u>	<u>70,544,276</u>	<u>63,661,155</u>	<u>54,532,190</u>	<u>48,486,244</u>
<u>Current Assets</u>					
Debtors And Prepayments	1,240,271	994,534	661,741	574,901	507,835
Taxation	299,548	299,548	299,548	298,408	297,976
Accrued Income	833,138	894,300	188,851	254,700	242,583
Cash and Bank Balances	<u>852,611</u>	<u>368,478</u>	<u>54,185</u>	<u>53,882</u>	<u>311,175</u>
Total Current Assets	<u>3,225,568</u>	<u>2,556,860</u>	<u>1,204,325</u>	<u>1,181,891</u>	<u>1,359,569</u>
<u>Current Liabilities</u>					
Creditors and Accruals	<u>1,355,228</u>	<u>1,636,556</u>	<u>1,722,851</u>	<u>1,699,247</u>	<u>1,631,642</u>
Total Current Liabilities	<u>1,355,228</u>	<u>1,636,556</u>	<u>1,722,851</u>	<u>1,699,247</u>	<u>1,631,642</u>
NET CURRENT ASSETS	<u>1,870,340</u>	<u>920,304</u>	<u>(518,526)</u>	<u>(517,356)</u>	<u>(272,073)</u>
NET ASSETS	<u>81,310,870</u>	<u>71,842,668</u>	<u>63,467,619</u>	<u>54,247,164</u>	<u>48,422,114</u>
Financed by:- Members' Funds	<u>81,310,870</u>	<u>71,842,668</u>	<u>63,467,619</u>	<u>54,247,164</u>	<u>48,422,114</u>

ii) STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED

	30 JUNE	30 JUNE	30 JUNE	30 JUNE	30 JUNE
<u>DESCRIPTION</u>	2007	2006	2005	2004	2003
	KSHS.'000	KSHS.'000	KSHS.'000	KSHS.'000	KSHS.'000
CONTRIBUTIONS RECEIVABLE					
Contributions Receivable	5,445,691	4,552,895	4,267,576	3,847,119	3,602,256
Benefits Payable	2,420,165	2,326,064	2,301,393	2,232,982	2,094,761
Net additions from dealings with members	3,025,526	2,226,831	1,966,183	1,614,137	1,507,495
RETURN ON INVESTMENTS					
Investments Income	3,980,015	4,333,393	2,720,993	2,149,599	1,967,781
Change in market value of investments	5,263,439	3,739,707	7,640,861	4,722,857	7,965,452
TOTAL	9,243,454	8,073,100	10,361,854	6,872,456	9,933,233
TOTAL INCOME	12,268,980	10,299,931	12,328,037	8,486,593	11,440,728
Administrative Expenses	2,705,778	1,924,882	2,817,971	2,444,399	2,033,333
TOTAL EXPENSES	2,705,778	1,924,882	2,817,971	2,444,399	2,033,333
Net increase in scheme funds during the period	9,563,202	8,375,049	9,510,066	6,042,194	9,407,395

viii) KEY HIGHLIGHTS

1) Growth in Net Assets

Net Assets have risen from kshs.48.42 billion in 2003 to Kshs.81.31 billion in 2007, an increase of 68%.

2) Increase Contributions

Contributions receivable rose from Kshs.3.60 billion in 2003 to Kshs.5.44 billion in 2007 an increase of 51%.

3) Growth In Investments Income

Investment income increased from Kshs.1.96 billion in 2003 to Kshs.3.98 billion in 2007, an improvement of 103%

4) Interest on Members' Funds

The Minister for Labour & Human Resource Development has approved an interest on members' funds of 5% per annum in the year.

5) Annual General Meeting(A.G.M)

The A.G.M will be held in due course. This will be the first ever A.G.M of the Fund since its inception.

6) Message from the Board

The Statement of Changes and Net Assets are extracts for the Fund's Financial Statements approved by the Board on 28th January, 2008. The Financial Statements have been audited by the Controller and Auditor General. A full set of these financial statements is available at NSSF Head Office, Bishops Road.

ix) OUTLOOK FOR 2008

The skirmishes which occurred after the December, 2007 elections adversely affected the operations of the Fund. However, with the signing of the National Accord and Reconciliation agreement by the political leaders, operations are expected to normalize soon.

By Order of the Board

R.K. LUMBASYO
MANAGING TRUSTEE