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DIRECTORATE & ADMINISTRATION

Board of Directors

Mr C. D. K. Arap-Kirui - (Chairman) (Kenyan)

Mrs A. A. W. Amisaburor - (Kenyan)

Mr K. Gatabaki - (Kenyan)

Mr M. Geake - (British)

Mr B. K. Kipkulei - (Kenyan) (Alternate-Mr E. S. O. Awuor)

Mr W. B. M. Mukuria (Managing) - (Kenyan)

Mr A. M. H. Sharawe - (Kenyan) (Alternate - Mr Z. M. Bukania - (Kenyan)

Secretary

S. W. Waiganjo B Comm (Hons), FCPA (K), ACIS, CPS (K)

Share Registrar

A. W. Matu (Miss) CPS (K)

Auditors

KPMG Peat Marwick
Certified Public Accountants
P.O. Box 40612, Nairobi

Registered Office & Head Office

Rehani House, Kenyatta Avenue/Koinange Street
P.O. Box 30088, Phone 333910, 221101, Fax 334670

Bankers

Barclays Bank of Kenya Ltd. Mama Ngina Street, Nairobi

Subsidiary Companies

Kenya Building Society Ltd, Rehani House,
Kenyatta Avenue /Koinange Street
P.O. Box 40151, Nairobi Phone 333910, 782966/7, Fax 334670

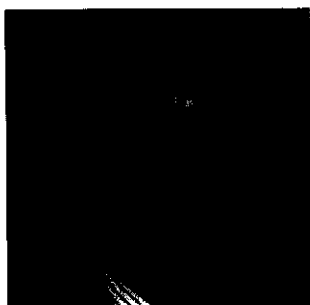
First Permanent (East Africa) Ltd., Rehani House,
Kenyatta Avenue / Koinange Street,
P.O. Box 30088, Nairobi Phone 333910, 221101, Fax 334670

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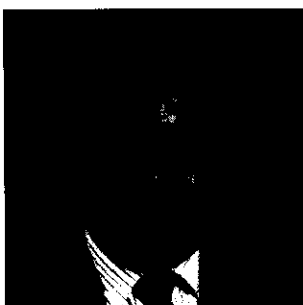
GROUP DIRECTORS



Mr C. D. K. Arap-Kirui
Chairman



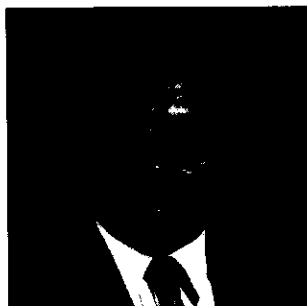
Mr M. Geake



Mr W. B. M. Mukuria
Managing Director



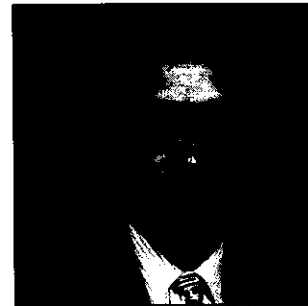
Mr B. K. Kipkulei



Mr K. Gatabaki



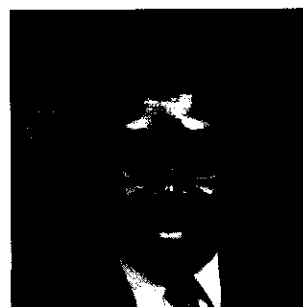
Mrs A. A. W. Amissabuor



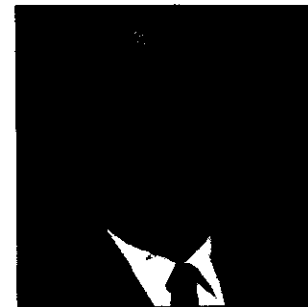
Mr A. M. H. Sharawe



Mr F. S. O. Awuor



Mr Z. M. Bukania



S. W. Waiganjo
Secretary to the Board



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 30TH ANNUAL GENERAL MEETING OF THE HOUSING FINANCE COMPANY OF KENYA LIMITED WILL BE HELD AT THE SAFARI PARK HOTEL ON FRIDAY, 17TH MAY, 1996 AT 12.00 NOON FOR THE FOLLOWING PURPOSES:-

1. To confirm the Minutes of the 29th Annual General Meeting held on Friday, 19th May, 1995.
2. To receive, consider and adopt the accounts for the year ended 31st December, 1995 together with the Directors' and Auditors' Reports thereon.
3. To declare a dividend.
4. To elect Directors:-
 - (a) Mr. C.D.K. Arap-Kirui retires by rotation in accordance with Article 78 of the Company's Articles of Association and being eligible offers himself for re-election.
 - (b) Mr. Martin Geake retires by rotation in accordance with Article 78 of the Company's Articles of Association and being eligible offers himself for re-election.
5. To fix the remuneration of Directors.
6. To note that Messrs Peat Marwick will continue in office as Auditors by virtue of Section 159(2) of the Companies Act (Cap. 486) and authorise Directors to fix their remuneration.
7. To transact any other ordinary business of an Annual General Meeting.
8. Increase in Authorised Share Capital

To consider, and if thought fit, pass the following resolution which will be proposed as an Ordinary Resolution:-

"That pursuant to Article 45 of the Articles of Association the capital of the Company be increased to Kenya Shillings four hundred and sixty million (KShs. 460,000,000) by the creation of twenty-three million ordinary shares of Kenya Shillings five (KShs. 5/-) each to rank pari passu in all respects with the existing shares in the capital of the Company".

9. Bonus Shares

To consider and if thought fit, pass the

TANGAZO LA MKUTANO MKUU WA MWAKA

HAPA INATOLEWA TAARIFA YA KUFANYIKA MKUTANO MKUU WA 30 WA KILA MWAKA WA KAMPUNI UTAKAOFANYIKA KATIKA SAFARI PARK HOTEL, NAIROBI TAREHE 17 MEI 1996, SAA 6 MCHANA KWA MADHUMUNI YAFUATAYO:-

1. Kuidhinisha yaliyosemwa kwenye Mkutano Mkuu wa Mwaka uliofanyika Ijumaa, 19 Mei 1995.
2. Kupokea, kuchunguza, na kuidhinisha Hesabu za Pesa za mwaka uliomalizika 31 Desemba, 1995, pamoja na ripoti za mwaka huo za Wakaguzi wa Hesabu za Pesa.
3. Kutangaza malipo kwa wenye hisa
4. Kuchagua Wakurugenzi
 - (a) Bw. C.D.K. Arap - Kirui anastaafu kwa zamu kufuatana na Kanuni 78 ya Kanuni za Kampuni na kwa kuwa ana uhuru wa kuchaguliwa tena, anagombea uchaguzi.
 - (b) Bw. Martin Gaeke anastaafu kwa zamu kufuatana na Kanuni 78 za Kampuni na kwa kuwa ana uhuru wa kuchaguliwa tena, anagombea uchaguzi.
5. Kuamua malipo kwa Wakurugenzi
6. Kupokea habari kwamba Messrs Peat Marwick wataendelea kuwa Wakaguzi wa Hesabu za Pesa kwa mujibu wa Schemu 159(2) ya sheria ya Makampuni (*Ibara 486*) na kutoa uwezo kwa Wakurugenzi kuamua malipo kwa Wakaguzi wa Hesabu za Pesa.
7. Kushughulikia jambo jingine lo lote la kawaida la Mkutano Mkuu wa Mwaka.
8. Kupendekeza nyongeza ya Mtaji wa Kampuni

Kufikiria, na ikionekana kwamba inafaa, kupitisha uamuzi ufuatao ambao utapendekezwa kama uamuzi wa kawaida:-

"Kwamba kufuatana na Kifungu 45 ya Kanuni za Kampuni, pesa za Kampuni ziongezwe hadi shilingi za Kenya mia nne sitini milioni (Ksh. 460,000,000) kwa kuongeza hisa ishirini na tatu milioni zenye thamani ya shilingi tano kila moja (Ksh. 5) ambazo zinalingana kwa kila hali na hisa za hivi sasa za Kampuni.

9. Hisa - Bakshishi

Kufikiria, na ikionekana kwamba inafaa, kupitisha uamuzi wa kawaida:-

"Kwamba kufuatana na Kanuni 126 ya

following resolution which will be proposed as an Ordinary Resolution:-

" That it is desirable in pursuance of Article 126 of the Articles of Association to capitalise the sum of Kenya Shillings one hundred and fifteen million (KShs 115,000,000) only being part of the amount standing to the credit of the Reserves Account and accordingly that such sum be capitalised and that the Directors be and are hereby authorised and directed to appropriate such sum to the holders of ordinary shares registered at the close of business on a day to be fixed by the Company, not being more than thirty days after receipt by the Company of the necessary approval to increase the share capital from the Capital Markets Authority from whom permission has been sought, in proportion to the number of ordinary shares held by them respectively on such a date and to apply such sum on behalf of such holders in paying in full at par twenty-three million of the unissued shares in the capital of the Company, such shares to be allotted, distributed and credited as fully paid up to and amongst such holders in the proportion of one new share for every three ordinary shares then held, and that such new shares shall rank for all purposes *pari passu* with the existing issued ordinary shares of the Company and that the Directors be and are hereby also authorised generally to do and effect all acts and things required to give effect to this resolution and to deal with fractions in such manner as they think fit subject always to the Articles of Association of the Company".

By Order of the Board

S.W. Waiganjo
Company Secretary
Nairobi: 1st March 1996

Notes:

- (i) Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. The proxy should be completed and returned to the Secretary, Rehani House, Nairobi so as to reach him not later than 24 hours before the time appointed for holding the meeting.
- (ii) A person appointed to act as proxy need not be a member of the Company.
- (iii) If the appointer is Government or any Corporation the Proxy must be under seal or under the hand of an Officer duly authorised in that behalf.

"Kwamba kufuatana na Kanuni 126 ya Kanuni za Kampuni ni vizuri kuongeza pesa kiasi cha shilingi za Kenya mia moja na kumi na tano milioni (Ksh. 115,000,000) pekee zikiwa sehemu ya pesa iliyoko kwenye Akiba na kwamba kiasi hicho za pesa kiongezwe na kwamba Wakurugenzi wapewe uwezo na waelekezwe waongeze kiasi hicho kwa wanaoshikilia hisa za kawaida ambao watakuwa wameandikishwa kufikia mwisho wa kazi siku itakayoamuliwa na kampuni, ambayo haitapita siku thelathini baada ya kampuni kupata kibali cha kuongeza pesa kutoka kwa Halmashauri ya Masoko ya Pesa (Capitals Market Authority) ambayo tayari imeombwa itoe kibali, kulingana na idadi ya hisa za kawaida zinazoshikiliwa nao siku kama hiyo na kutumia kiasi kama hicho kwa niaba ya wenye hisa kama hao kulipa kikamilifu kwa thamani sawa hisa ishirini na tatu milioni ambazo bado hazijatolewa kwenye pesa za Kampuni, hisa kama hizo zitengewe, kugawangwa kwa, na miongoni mwa wateja kama hao zikichukuliwa kwamba zimelipwa kikamilifu kwenye ulingalifu wa hisa moja mpya kwa hisa tatu za kawaida zinazoshikiliwa wakati huo, na kwamba hisa hizo mpya zitalingana kwa kila hali na hisa za kawaida za Kampuni na kwamba Wakurugenzi wapewe uwezo na kwamba wanapewa uwezo kutekeleza uamuzi huu na kushughulikia sehemu za hisa kwa njia watakazoona zinafaa kwenye mipaka ya kila wakati kulingana na Kanuni za Kampuni."

Kwa Amri ya Halmashauri

S.W. Waiganjo
Katibu Wa Kampuni
Nairobi: 1st March 1996

Maelezo Zaidi:

- (i) Mwanachama ye yote wa Kampuni anayestahili kuhudhuria na kupiga kura katika Mkutano unaotangazwa ana haki ya kuteua mtu mwingine kupiga kura kwa niaba yake. Fomu ya kupiga kura ijazwe na irejeshwe kwa Katibu, Rehani House, Nairobi, ili imfikie sio baada ya masaa 24 kabla ya wakati wa kupiga kura.
- (ii) Sio lazima mtu anayeteuliwa kupiga kura kwa niaba ya mtu mwingine awe mwanachama.
- (iii) Ikiwa anayepiga kura kupitia mtu mwingine ni Serikali au Shirika, ni lazima fomu ya kupiga kura iwe na alama ya Serikali au Shirika au iwe imetiwa sahihi na Ofisa ambaye ameidhinishwa kutekeleza wadhifa huo.

CHAIRMAN'S STATEMENT

Ladies and Gentlemen,
It is with great pleasure that I welcome you to our 30th Annual General Meeting.

OPERATING RESULTS

The Group's consolidated profit for the year ended 31st December, 1995 increased to Kshs. 286,539,730 from Kshs. 279,165,268 in the previous year. After deducting corporation tax of Kshs. 105,573,577 payable to the Government the profit after tax is Kshs. 180,966,153 compared to Kshs. 165,983,356 for the last year.

The overall operating results are considered reasonable having regard to the fact that the interest rates paid on deposits on various maturities continued to be very high throughout the year mainly because of the high Treasury Bills and Bonds Rates, while the Company's mortgage remained at 22% p.a. up to 31.8.1995 when it was adjusted to 26% p.a. with effect from 1.9.1995.

DIVIDENDS

An interim dividend of 10% equal to Kshs. 34,500,000 was declared in August 1995 and paid in October 1995.

The Board of Directors recommends the payment of a final dividend of 10 % on the issued share capital of Kshs. 345 million.

SUBSIDIARY COMPANIES

KENYA BUILDING SOCIETY LIMITED

Kenya Building Society Limited is a wholly owned subsidiary company and is involved in construction of houses for sale. It has ongoing construction projects at Koma Rock Phase II and III in Nairobi and at Fahari Estate in Mombasa. Its contribution to Group profit this year is Shs. 38,670,454 compared to Shs. 45,308,633 in 1994. The lower profits has been as a result of delayed sales of bungalows and flats at Koma Rock Estate Phase II. More effort is being directed at marketing of the housing units. Additionally the company has been reorganised and it is hoped that it will respond to the customer needs much faster and

TAARIFA YA MWENYEKITI

Mabibi na Mabwana
Nina furaha kubwa kuwakaribisha kwenye mkutano wetu mkuu wa 30, wa kila mwaka.

MATOKEO YA UTENDAJI

Jumla ya faida ya Kundi la HFCK ya mwaka uliomalizika tarehe 31 Decemba 1995 iliongezeka hadi Ksh. 286,539,730 kutoka 279,165,268 mwaka uliotangulia. Baada ya kulipa kodi ya Ksh. 105,573,577 kwa Serikali faida ya baada ya kodi ni Ksh.180,966,153 ikilinganishwa na Kshs 165,983,356 mwaka uliotangulia.

Matokeo ya kijumla ya utendaji yanachukuliwa kuwa mazuri ikitiliwa maanani kwamba kiwango cha riba kwa pesa zinazowekwa kwenye akiba mbali mbali ziliendelea kuwa za juu mwaka mzima sababu kuu ikiwa thamani ya juu ya Hati za Serikali za Pesa na viwango vya juu vya Bondi wakati kiwango cha mikopo ya ujenzi cha Kampuni kilibakia 22% kwa mwaka hadi tarehe 31.8.1995 kilipopandishwa hadi 26% kwa mwaka kuanzia tarehe 1.9.1995.

MALIPO KWA WENYE HISA

Malipo ya mwanzo kwa wenye hisa ya 10% yanayolingana na Ksh. 34,500,000 yalitangazwa Agosti 1995 na kulipwa Oktoba 1995.

Halmashauri ya Wakurugenzi inapendekeza malipo ya mwisho kwa wenye hisa ya 10% kwenye pesa za hisa za shilingi za Kenya mia tatu arobaini na tano milioni (345,000,000).

MAKAMPUNI YA KUNDI

KENYA BUILDING SOCIETY LIMITED

Kenya Building Society Limited ni kampuni linalomilikiwa kikamilifu na H.F.C.K na linashughulikia ujenzi wa nyumba za kuuza. Lina miradi inayoendelea ya ujenzi Koma Rock Phase II na III katika Nairobi na Mtaa wa Fahari huko Mombasa.

Mchango wake kwa faida ya kundi la Makampuni ya H.F.C.K mwaka huu ni Ksh. 38,670,454 ikilinganishwa na Ksh. 45,308,633 mwaka wa 1994. Kiwango cha chini cha faida kimesababishwa na kuchelewa kwa uuzaji nyumba Koma Rock Phase



On going development at Koma Rock Estate Nairobi



be able to sell the housing units as soon as they are completed in order to minimise costs and increase revenue to the Group.

FIRST PERMANENT (EAST AFRICA) LIMITED

This is another wholly owned subsidiary which owns three properties in Nairobi which are currently let. It has increased its contribution to Group Profit from Kshs. 610,110 in 1994 to Kshs. 989,997 this year.

DEPOSIT MOBILISATION

Your company is a principal player in the mortgage market. The mortgages are funded through public deposits. As you will note from our balance sheet public deposits moved from Kshs. 4,473,695,455 to Kshs. 5,514,118,901 during the year while mortgages rose from Kshs. 4,032,973,063 to Kshs. 4,582,459,027. A total of 930 housing units were financed compared to 811 units in 1994 with total disbursements being Kshs. 1,138,484,140 as compared to Kshs. 829,747,644 in 1994.

BRANCH NETWORK

No new branch was opened during the year under review. However, a branch was opened at View Park Towers, Nairobi in March 1996 and plans are under way for the opening of another branch at Thika later in the year. This will enhance the company's deposit taking capacity which deposits will be channelled to the financing of mortgages.

COMPUTERISATION

In order to improve on the level of customer service the company intends to upgrade the current on-line computer services so as to be able to deal with more customers much more quickly and efficiently. All the branches are connected on-line with the mainframe computer at the Head Office and customers can deposit or withdraw funds from any of our branches. Mortgage customers can also deposit their repayments at any of our branches.

BONUS SHARE

Your Board has proposed a bonus of one share for three shares held as at 31.12.1995. The Capital Markets Authority has approved the bonus issue with no responsibility as to the correctness of the information. The new shares will not qualify for the dividends for the year ending 31.12.1995.

DIRECTORS AND MANAGEMENT

There has been no changes in your Board since the date of the last Annual General Meeting held on 19 May 1995. I would wish to conclude by thanking on behalf of the Board and Shareholders all the employees of the company and its subsidiaries for their contribution during 1995.

**C.D.K. ARAP-KIRUI
CHAIRMAN**

II. Juhudi zaidi zanafanywa kuuza nyumba hizo. Pia Kampuni limefanyiwa mageuzo na inatumainiwa litashughulikia mahitaji ya wateja - kwa haraka zaidi na litaweza kuuza nyumba mara tu zinapokamilika ili kupunguza gharama na kuongeza mapato kwa Kundi la Makampuni.

FIRST PERMANENT (EAST AFRICA) LIMITED

Hili ni Kampuni lingine ambalo linamilikiwa kikamilifu na HFCK ambalo lina mali aina tatu Nairobi ambazo zinakodishwa kwa hivi sasa. Limeongeza mchango wake kwa Faida ya Kundi la HFCK kutoka Kshs. 610,110 mwaka wa 1994 hadi Ksh. 989,997 mwaka huu.

UKUSANYAJI WA PESA

Kampuni lenu, ni mshiriki mkubwa kwenye soko la mikopo ya nyumba. Mikopo ya kujenga nyumba inagharimiwa na pesa zinazowekwa na umma. Kama mtakavyoona kwenye urari wa mapato na matumizi ya pesa, pesa kutokana na umma ziliongezeka kutoka Ksh. 4,473,695,455 hadi 5,514,118,901 mwaka huu nazo pesa za ujenzi ziliongezeka kutoka Ksh. 4,032,937,063 hadi Ksh. 4,582,459,027. Jumla ya nyumba 930 zilijengwa zikilinganishwa na nyumba 811 mwaka wa 1994, na jumla ya pesa ilizotolewa ikiwa Ksh 1,138,484,140 zikilinganishwa na Ksh 829,747,644 zilizotolewa mwaka wa 1994.

UFUNGUZI WA MATAWI

Katika 1995 kampuni lenu halikufungua tawi lo lote Kenya lakini kulifunguliwa tawi moja mwezi wa Machi 1996 katika jengo la View Park Towers Nairobi na kuna mipango ya kufungua tawi lingine huko Thika baadaye mwaka huu. Hatua hii itasaidia sana kuimarisha ukusanyaji wa pesa za akiba za kampuni, ambazo zitatumiwa kugharamia mikopo ya nyumba.

UTUMIAJI WA KOMPIUTA

Ili kuboresha huduma kwa wateja kampuni linanua kuongeza matumizi ya kompiuta ili kuhudumia wateja wengi zaidi kwa haraka zaidi na kwa namna ya kuridhisha. Matawi yote yameunganishwa na kompiuta kuu katika Ofisi Kuu na wateja wanaweza kuweka au kutoa pesa kutoka tawi letu lo lote. Wateja wa mikopo ya nyumba pia wanaweza kulipa kwenye tawi letu lo lote.

HISA-BAKSHISHI

Halmashauri yenu imependekezwa bakshishi ya hisa moja kwa kila hisa tatu zinazoshikiliwa tarehe 31 Decemba 1995 kutegemea kupatikana idhini. Hisa mpya hazitawapatia malipo kwa wenye hisa ya mwaka uliomalizika tarehe 31. Decemba 1995.

WAKURUGENZI NA USIMAMIZI

Hakukuwa na mabadiliko kwenye Halmashauri yenu kutoka Mei 19 1995. Ningependa kumalizia kwa kushukuru kwa niaba ya Halmashauri na Wenye hisa wafanya kazi wote wa Makampuni ya Kundi kwa mchango wao katika mwaka 1995.

**C.D.K. Arap - Kirui
MWENYE KITI**

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their Report and the Audited Accounts of the Company for the year ending 31st December, 1995.

1. PRINCIPAL ACTIVITIES

The Company is a Mortgage Institution licensed under the Banking Act (Cap. 488) and seeks to encourage and promote the flow of savings both private and public into financing home-ownership through the provision of savings and deposit facilities as well as such other services as the acceptance and administration of provident funds.

2. RESULTS

	KSHS. '000
Pre-tax profit of the Group for the year	286,540
Taxation thereon	105,574
Profit after taxation	<u>180,966</u>

3. DIVIDEND

An interim dividend of 10 % equal to Kshs. 34,500,000 was declared in August 1995 and paid in October 1995.

The Directors recommend a final dividend of 10% on the paid-up share capital of Kshs. 345,000,000. This will be paid on or about 20th May, 1996 to shareholders registered as at the close of business on 9th April, 1996.

4. INCREASE IN AUTHORISED SHARE CAPITAL

It is proposed to the members of the Company at their Annual General Meeting on 17th May, 1996 that they consider increasing the capital of the Company to Kenya Shillings four hundred and sixty million (Kshs. 460,000,000) by the creation of twenty-three million ordinary shares of Kenya Shillings five (Kshs. 5/-) each to rank pari passu in all respects with the existing ordinary shares of the Company.

5. BONUS SHARES

It is proposed to request members of the Company to approve that the increased share capital be satisfied by capitalisation of the sum of Kenya Shillings one hundred fifteen million (Kshs. 115,000,000) being part of the amount standing to the credit of the Reserves Account and to issue bonus shares in the proportion of one ordinary share for every three shares held and that such new shares shall rank pari passu with the existing issued ordinary shares of the Company save that they will not qualify for the 1995 dividend.

6. DIRECTORS

The Directors who have held office since 1st January, 1995 are as follows:-
Mr. Charles Davy Kipngetch Arap-Kirui -

RIPOTI YA WAKURUGENZI

Wakurugenzi wana furaha kuwasilisha ripoti yao na Hesabu za Pesa za Kampuni za mwaka uliomalizika Decemba 31, 1995.

1. MIRADI MIKUU

Kampuni ni taasisi ya kutoa mikopo ya ujenzi iliyoidhinishwa chini ya Sheria ya Mabenki (Ibara 488) na ina shabaha ya kushawishi na kukuza kuelekezwa akiba za watu binafsi na za umma kwenye kugharamia umiliki wa nyumba kwa kutoa nafasi za kuweka akiba na pia huduma nyingine kwa mfano kukubali na kupokea pesa za akiba za matumizi ya siku za mbele.

2. MATOKEO

	KSH '000
Faida ya Kundi ya mwaka kabla ya kulipa kodi	286,540
Kodi	<u>105,574</u>
Faida baada ya kulipa kodi	<u>180,966</u>

3. MALIPO KWA WENYEHISA

Malipo ya kwanza kwa wenye hisa ya 10% inayolingana na Ksh. 34,500,000 ilitangazwa Agosti 1995 na kulipwa Oktoba 1995. Wakurugenzi wanapendekeza malipo ya mwisho kwa wenye hisa ya 10% kwenye pesa zilizopo za Ksh. 345,000,000.

Malipo haya yatatolewa tarehe 20 Mei, 1996 au kabla, kwa wenye hisa ambao wameandikishwa kufikia mwisho wa kazi tarehe 9 Aprili, 1996.

4. KUONGEZIKA PESA ZA HISA

Inapendekezwa kwa wanachama wa Kampuni kwenye Mkutano wao wa Kila Mwaka wa tarehe 17 Mei, 1996, kwamba wafikirie kuongeza pesa za kampuni hadi shilingi za Kenya mia nne na sitini milioni (Ksh. 460,000,000) kwa kuongeza hisa za kawaida ishirini na tatu milioni za shilingi tano za Kenya (Ksh. 5) kila moja ambazo zitalingana kwa kila hali na hisa za kawaida za Kampuni.

5. HISA-BAKSHISHI

Inapendekezwa kuwaomba wanachama wa Kampuni kutoa kibali kwamba pesa za hisa zilizoongezeka zifikiwe kwa kuongeza jumla ya shilingi za Kenya mia na kumi na tano milioni (Ksh. 115,000,000) zikiwa sehemu majawapo ya deni la akiba ya mapato, na kutoa hisa bakshishi kwenye kiwango cha hisa moja ya kawaida kwa kila hisa tatu zinazoshikiliwa na kwamba hisa mpya kama hizo zilingane na hisa za kawaida za Kampuni

6. WAKURUGENZI

Wakurugenzi waliodumu tangu Januari mosi 1995 ni kama wafuatavyo:-

Bw. Charles Davy Kipngetch Arap Kirui - Mwenyekiti (kuanzia 3.2.1995).

Bi Anne Atieno Weda Amissabuor (Kuanzia tarehe 3.2.1995)

(Chairman) (with effect from 3.2.1995)
Mrs. Anne Atieno Weda Amissabuor (with effect from 3.2.1995)
Mr. David John Burndred (resigned on 3.2.1995)
Mr. Kungu Gatabaki
Mr. Martin Geake
Mr. Benjamin Kipketich Kipkulei - (Alternate Mr. Francis S.O. Awuor)
Mr. Sammy Muthoka Mbova (resigned on 19.1.1995)
Mr. Walter Bernard Mukundi Mukuria - (Managing)
Mr. Abdullahi Mohamed Hussein Sharawe - (Alternate Mr. Zebedee M. Bukania with effect from 3.2.1995)

Mr. Charles D.K. Arap-Kirui retires by rotation and being eligible, offers himself for re-election.

Mr. Martin Geake retires by rotation and being eligible offers himself for re-election.

7. AUDITORS

The Auditors, Messrs KPMG Peat Marwick will be re-appointed under Section 159 (2) of the Companies Act (Cap. 486) at a fee to be determined by the Directors.

By Order of the Board

S.W. Waiganjo
COMPANY SECRETARY.
Nairobi: 1st March, 1996

Bw. David John Burndred.. (alijiuzulu tarehe 3.2.1995)
Bw. Kungu Gatabaki
Bw. Martin Geake
Bw. Benjamin Kipketich Kipkulei (anabadilishana na Bw. Francis S.O. Owuor).
Bw. Sammy Muthoka Mbova (alijiuzulu tarehe 19.1.1995)
Bw. Walter Bernard Mukundi Mukuria (Mkurugenzi Msimamizi)
Bw. Abdullahi Mohamed Husein Sharawe (anabadilishana na Bw. Zebedee M. Bukania kuanzia tarehe 3.2.95)

Bw. Charles D.K. Arap Kirui anastaafu kwa mfumo wa mzunguko na kwa kuwa bado anastahili, amejitolea kuchaguliwa tena.

Bw. Martin Geake anastaafu kwa mfumo wa mzunguko, na kwa kuwa bado anastahili, amejitolea kuchaguliwa tena.

7. WAKAGUZI WA HESABU

KPMG Peat Marwick wataendelea na mamlaka yao ya kukagua hesabu kulingana na Kanuni za Kampuni kifungu cha Sheria 159 (2) cha sheria za Makampuni (Sura 486) kwa malipo yatakayoamuliwa na Wakurugenzi.

Kwa mujibu wa Halmashauri.

S.W. Waiganjo
KATIBU WA KAMPUNI
Nairobi March 1, 1996



Directors inspecting ongoing Construction Project at Fahari Estate, Mombasa



REPORT OF THE AUDITORS TO THE MEMBERS OF HOUSING FINANCE COMPANY OF KENYA LIMITED

We have audited the accounts as set out on pages 11 to 23 and have obtained all the information and explanations which we considered necessary. Proper books have been kept and the Balance Sheet is in agreement therewith.

In our opinion the accounts, which have been prepared on the basis of the accounting policies set out on page 15, give a true and fair view of the state of affairs of the Company and of the Group at 31 December 1995 and of the Group's profit and cash flows for the year to that date and comply with the requirements of the Companies Act.

KPMG Peat Marwick
Certified Public Accountants
P.O. Box 40612
Nairobi

Date: 1 March 1996

TAARIFA TA WAKAGUZI WA HESABU

Tumekagua hesabu zilizoko kwenye kurasa 11 hadi 23 na tumepatiwa taarifa na maelezo yote sahihi wakati wa ukaguzi wetu. Vitabu vya hesabu vimewekwa kwa njia sahihi na Urari wa Hesabu unalingana na vitabu hivyo.

Kwa maoni yetu, hesabu hizi ambazo zimeandaliwa kulingana na maongozi ya hesabu yaliyoko kwenye kurasa 15, zinaeleza ukweli na maoni ya haki jinsi hali ilivyo katika Kampuni na kundi lake kufikia tarehe 31 Desemba, 1995 na kuhusu faida na mapato na matumizi ya fedha za kundi kwa mwaka ulioisha tarehe hiyo na yanalingana na masharti ya Sheria za Makampuni

KPMG Peat Marwick
Certified Public Accountants
P.O. Box 40612
Nairobi

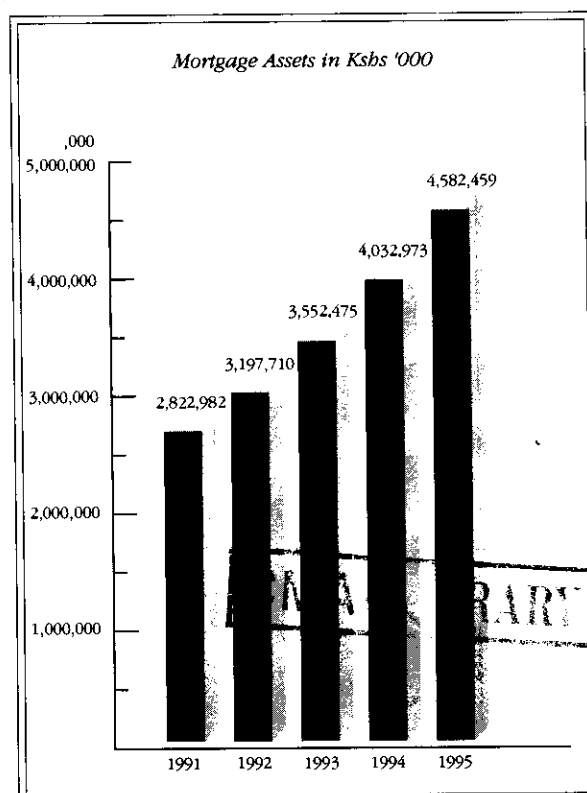
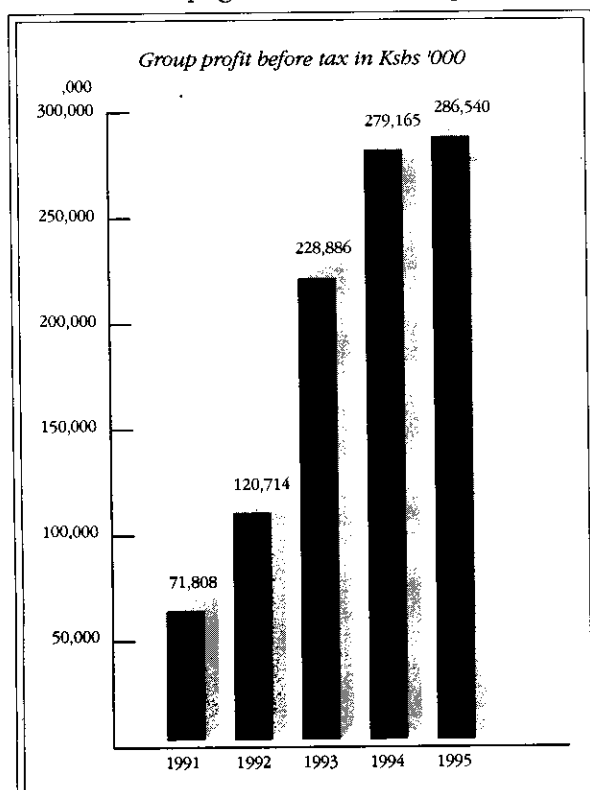
Date: 1 March 1996

Consolidated Profit and Loss Account for the Year Ended 31 December 1995

	Note	1995 KShs	1994 KShs
Profit Before Taxation	2	286,539,730	279,165,268
Taxation	3	(105,573,577)	(113,181,912)
Profit After Taxation		<u>180,966,153</u>	<u>165,983,356</u>
Dividends			
Interim Paid		(34,500,000)	
Final Proposed		(34,500,000)	(69,000,000)
		<u>(69,000,000)</u>	<u>(69,000,000)</u>
Retained Profit for the Year		<u>111,966,153</u>	<u>96,983,356</u>
Retained Profit for the Year			
The parent company		97,100,504	78,971,690
Subsidiary companies		14,865,649	18,011,666
		<u>111,966,153</u>	<u>96,983,356</u>

Earnings Per Share (KShs) 4 2.62 2.41

The notes on pages 15 to 23 form part of these accounts.



Consolidated Balance Sheet at 31 December 1995

	Note	1995 KShs	1994 KShs
Fixed Assets	5(a)	543,144,339	310,747,296
Investment Properties	6	33,900,000	9,817,231
Mortgages	7	4,582,459,027	4,032,973,063
Long Term Investment Housing Development Projects	8	9,775,000	9,775,000
	10	513,691,928	292,764,401
Net Current Assets	11	1,021,017,149	725,904,002
		<u>6,703,987,443</u>	<u>5,381,980,993</u>
Financed by:-			
Share Capital	12	345,000,000	345,000,000
Reserves	13	646,157,773	343,277,907
Long Term Loans	14	1,130,583	1,572,315
Shareholders' Income			
Notes and Loans	15	198,270,410	220,500,159
Public Deposits		<u>5,513,428,677</u>	<u>4,471,630,612</u>
		<u>6,703,987,443</u>	<u>5,381,980,993</u>

The accounts set out on pages 11 to 23 were approved by the Board of Directors on 1st March 1996 and were signed on its behalf by:-

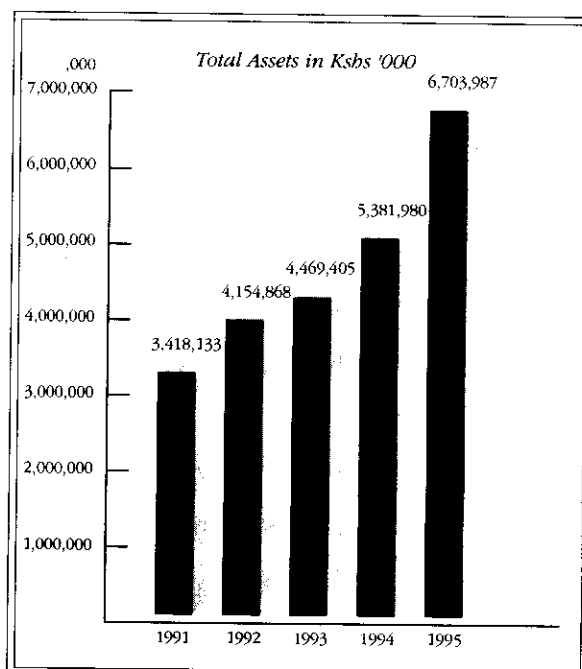
C.D.K. Arap - Kirui

Director

W.B..M. Mukuria

Director

The notes on pages 15 to 23 form part of these accounts.



Balance Sheet at 31 December 1995

	Note	1995 KShs	1994 KShs
Fixed Assets	5(b)	540,172,709	303,350,919
Mortgages	7	4,582,459,027	4,032,973,063
Long Term Investment	8	9,775,000	9,775,000
Investment in Subsidiary			
Companies	9	55,020,000	55,020,000
Net Current Assets	11	1,440,518,443	945,142,784
		<u>6,627,945,179</u>	<u>5,346,261,766</u>
Financed by:-			
Share Capital	12	345,000,000	345,000,000
Reserves	13	569,425,285	305,493,837
Long Term Loans	14	1,130,583	1,572,315
Shareholders' Income			
Notes and Loans	15	198,270,410	220,500,159
Public Deposits		5,514,118,901	4,473,695,455
		<u>6,627,945,179</u>	<u>5,346,261,766</u>

The accounts set out on pages 11 to 23 were approved by the Board of Directors on 1st March 1996 and were signed on its behalf by:-

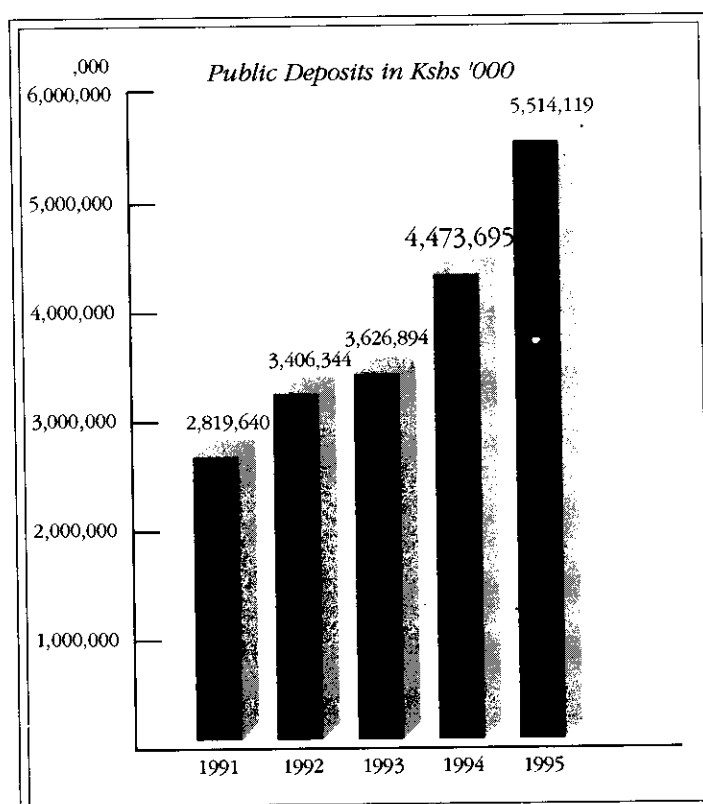
The notes on pages 15 to 23 form part of these accounts.

C.D.K. Arap - Kirui

Director

W.B..M. Mukuria

Director

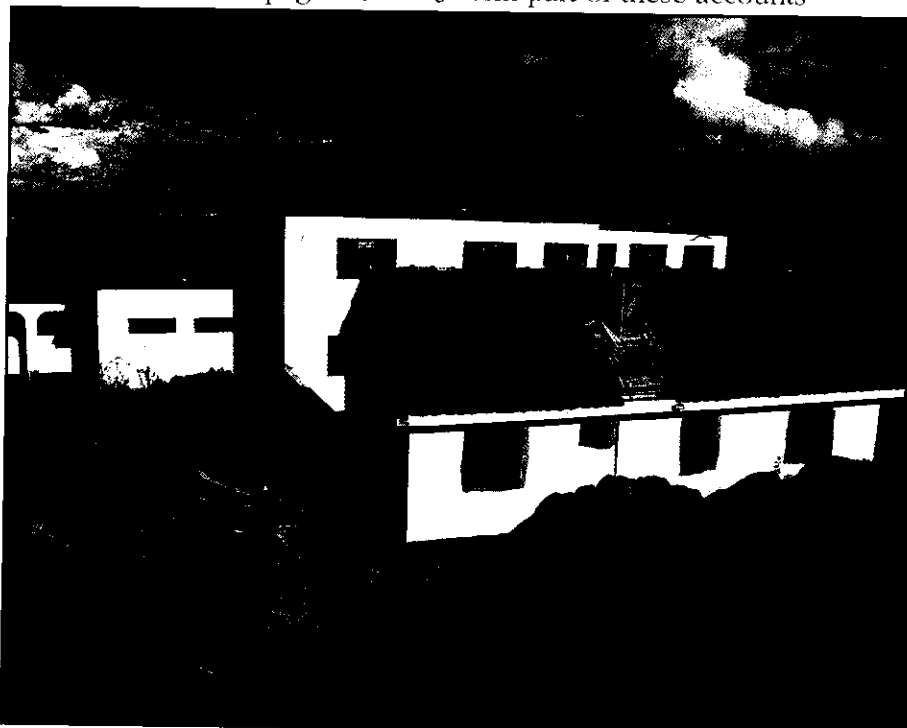


CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 1995

	Note	1995 KShs	1994 KShs
Net cash inflow from operating activities	16(a)	489,048,099	470,834,284
Taxation Paid		(130,944,249)	(128,801,440)
Return on investments			
Ordinary dividends paid		(72,000,000)	(32,000,000)
Investing activities			
Purchase of fixed assets		(101,412,715)	(76,203,344)
Proceeds from sale of fixed assets		9,467,110	487,000
Net Cash outflow from investing activities		(91,945,605)	(75,716,344)
Financing:-			
Shareholders' loan repayments		(29,680,673)	(38,855,322)
Other loan repayments		(441,732)	(261,591)
Net cash outflow from financing		(30,122,405)	(39,116,913)
Net increase in cash and cash equivalents	16(b)	164,035,840	195,199,587

The notes on pages 15 to 23 form part of these accounts



Housing is
always at the
back of our
mind.

A high-class residential development on the outskirts of Nairobi financed by HFCK



HOUSING FINANCE COMPANY OF KENYA LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The following paragraphs describe the main accounting policies used by the group:-

a) Accounting convention

The accounts are prepared on a historical cost convention modified to include the revaluation of certain fixed assets and investment properties.

b) Consolidation of Group Companies

The consolidated accounts comprise the accounts of the parent company and its subsidiaries listed under Note 9, all of which are made up to the 31 December 1995.

c) Interest

Interest receivable and payable is calculated and included on the accruals basis.

d) Depreciation and amortisation

Depreciation on fixed assets is calculated on the straight line basis to write off their cost or valuation over their expected useful lives. The principal annual rates used are:-

Land - Freehold	- Nil
Long leasehold	- Nil
Buildings	- 2% or over period of lease
Furniture, fixtures, equipment, and motor vehicles	- 5% - 25%

No depreciation is charged on investment properties

Excess depreciation provided on the surplus over cost of assets at revaluation is met by an annual transfer from capital reserve.

e) Taxation

Current taxation is provided on the profits for the year as shown in the accounts adjusted in accordance with the tax legislation.

Provision for deferred tax is made only when the Directors consider that a material tax benefit or charge is likely to crystallise in the foreseeable future.

f) Translation of Foreign Currencies

Transactions in foreign currencies during the period are converted into Kenya Shillings at rates ruling at the transactions dates. Assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated into Kenya Shillings at rates ruling at that date. The resulting realised and unrealised differences from conversion and translation are taken to the profit and loss account and the Exchange Equalisation Reserve respectively.

g) Treasury Bills

Treasury bills are stated at cost. Interest is credited to income over the period of issue.

**2. GROUP PROFIT BEFORE TAXATION IS ARRIVED AT AFTER
(CREDITING)/CHARGING THE FOLLOWING ITEMS**

	1995 KShs	1994 KShs
Crediting:-		
Interest receivable	(1,193,560,541)	(1,131,657,233)
Excess depreciation transferred from capital reserve	(1,244,613)	(1,244,612)
Provision for loss on short term deposits no longer required	-	(1,934,637)
Profit on sale of fixed assets	(6,228,437)	(487,000)
Charging:-		
Interest payable	746,431,728	716,668,154
Depreciation	30,467,979	26,224,759
Directors' remuneration:-		
Fees and expenses	2,187,250	842,427
Other emoluments	5,519,520	4,142,928
Auditors' remuneration:-		
Current year	2,441,190	1,598,000
Prior year underprovision	444,792	-
Exchange loss on repayment of Sterling loan	10,335,501	11,218,251

3. TAXATION

a) At 35% (1994 - 35%) on the
profit for the year as adjusted
for tax purposes

Overprovision in prior year

2½% Drought Levy

105,606,581	106,197,983
(33,004)	(601,642)
105,573,577	105,596,341
-	7,585,571
105,573,577	113,181,912

b) No credit has been taken in these accounts for tax relief that will accrue in future years from the excess of tax written down values at 31 December 1995 over the corresponding book values of the assets concerned. At existing rates of tax, such future relief amounts to KShs.4,164,636 (1994 - KShs.5,775,039).

4. EARNINGS PER SHARE

Earnings per share is calculated on the profit after taxation of KShs.180,966,153 (1994 - KShs.165,983,356) and on the number of shares in issue at the balance sheet date.

5. FIXED ASSETS

a) Group:

	----- Land -----			Furniture fixtures equipment & motor vehicles			Capital work in progress	Total
	Freehold	Leasehold		Buildings				
	Long term	Short term						
	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs
Cost or valuation:								
At 1.1.95	2,000,000	59,250,000	800,000	136,081,636	169,607,409	37,113,439	404,852,484	
Additions	-	47,964,059	-	-	43,253,042	10,195,614	101,412,715	
Transfers/ reclassification	-	-	-	46,000,766	273,388	(46,774,154)	(500,000)	
Disposals	-	-	-	-	(17,737,108)	-	(17,737,108)	
Surplus on revaluation	14,000,000	95,985,941	200,000	46,077,357	-	-	156,263,298	
At 31.12.95	16,000,000	203,200,000	1,000,000	228,159,759	195,396,731	534,899	644,291,389	
At cost	-	-	-	3,659,759	195,396,731	534,899	199,591,389	
At Valuation	16,000,000	203,200,000	1,000,000	224,500,000	-	-	444,700,000	
Depreciation								
At 1.1.95	-	-	-	8,975,214	85,129,974	-	94,105,188	
Charge for the year	-	-	-	2,661,374	27,806,605	-	30,467,979	
Disposals	-	-	-	-	(14,498,435)	-	(14,498,435)	
Write back on revaluation	-	-	-	(8,927,682)	-	-	(8,927,682)	
At 31.12.95	-	-	-	2,708,906	98,438,144	-	101,147,050	
At cost	-	-	-	2,708,906	98,438,144	-	101,147,050	
At valuation	-	-	-	-	-	-	-	
Net book value:								
At 31.12.95	16,000,000	203,200,000	1,000,000	225,450,853	96,958,587	534,899	543,144,339	
At 31.12.94	2,000,000	59,250,000	800,000	127,106,422	84,477,435	37,113,439	310,747,296	

Revaluation of assets

The company's land and buildings were revalued on 31 December 1995 by Tysons Limited, a firm of professional valuers on the basis of market value. The resulting surplus has been credited to capital reserves.

5. FIXED ASSETS

b) Company:

	----- Land -----			Furniture fixtures equipment & motor vehicles			Capital work in progress	Total
	Freehold	Leasehold		Buildings	KShs	KShs	KShs	KShs
	KShs	Long term	Short term					
		KShs	KShs					
Cost or valuation:								
At 1.1.95	2,000,000	59,250,000	800,000	133,197,195	161,352,042	37,113,439	393,712,676	
Additions	-	47,964,059	-	-	42,847,542	10,195,614	101,007,215	
Transfers from Kenya								
Building Society Limited	-	-	-	1,000,000	-	-	1,000,000	
Transfers/reclassification	-	-	-	46,000,766	273,388	(46,774,154)	(500,000)	
Disposals	-	-	-	-	-	(13,937,108)	(13,937,108)	
Surplus on revaluation	14,000,000	95,985,941	200,000	46,077,357	-	-	156,263,298	
At 31.12.95	16,000,000	203,200,000	1,000,000	226,275,318	190,535,864	534,899	637,546,081	
At cost	-	-	-	1,775,318	190,535,864	534,899	192,846,081	
At Valuation	16,000,000	203,200,000	1,000,000	224,500,000	-	-	444,700,000	
Depreciation								
At 1.1.95	-	-	-	7,808,871	82,552,886	-	90,361,757	
Charge for the year	-	-	-	2,425,819	27,066,913	-	29,492,732	
Transfers from Kenya								
Building Society Limited	-	-	-	375,000	-	-	375,000	
Disposals	-	-	-	-	(13,928,435)	-	(13,928,435)	
Write back on revaluation	-	-	-	(8,927,682)	-	-	(8,927,682)	
At 31.12.95	-	-	-	1,682,008	95,691,364	-	97,373,372	
At cost	-	-	-	1,682,008	95,691,364	-	97,373,372	
At valuation	-	-	-	-	-	-	-	
Net book value:								
At 31.12.95	16,000,000	203,200,000	1,000,000	224,593,310	94,844,500	534,899	540,172,709	
At 31.12.94	2,000,000	59,250,000	800,000	125,388,324	78,799,156	37,113,439	303,350,919	

Revaluation of assets

The company's land and buildings were revalued on 31 December 1995 by Tysons Limited, a firm of professional valuers on the basis of market value. The resulting surplus has been credited to capital reserves.

6. INVESTMENT PROPERTIES

The company's investment properties were revalued on 31 December 1995 by Tysons Limited, a firm of professional valuers on the basis of market value. The resulting surplus over cost has been credited to capital reserve.

7. MORTGAGE COMMITMENTS

Group and Company

Mortgage commitments amounting to KShs.1,501,339,000 (1994 - KShs.1,292,543,000) are analysed below:-

	1995 KShs	1994 KShs
Commitment in principle but not authorised for payment	752,175,000	452,800,000
Authorised but not paid	749,164,000	839,743,000
	<u>1,501,339,000</u>	<u>1,292,543,000</u>

8. LONG TERM INVESTMENT - 10.75% KENYA STOCK 1981/2000

This consists of 50,000 KShs.200.00 stocks each at a cost of KShs.195.50. The rate of interest is 10.75% per annum receivable half yearly on 30 June and 31 December every year, up to maturity.

9. INVESTMENT IN SUBSIDIARIES (Unquoted)

Shares at cost

	% of shares held	1995 KShs	1994 KShs
First Permanent (East Africa) Limited	100	5,020,000	5,020,000
Kenya Building Society Limited	100	50,000,000	50,000,000
		<u>55,020,000</u>	<u>55,020,000</u>

10. HOUSING DEVELOPMENT PROJECTS

	1995 KShs	1994 KShs
Costs to date		
Komarock Housing Projects	433,888,097	263,310,928
Mombasa Housing Projects	78,335,221	28,241,798
Kisumu Housing Projects	1,468,610	1,211,675
	<u>513,691,928</u>	<u>292,764,401</u>

Commitments in respect of these projects, authorised and contracted for but not provided as at 31 December 1995 amounted to KShs.41,200,928 (1994 - KShs.196,008,000)

11. NET CURRENT ASSETS

	Group		Company	
	1995	1994	1995	1994
	KShs	KShs	KShs	KShs
Current assets:				
Debtors and prepayments	273,850,299	194,845,033	279,933,230	200,626,092
Subsidiary companies	-	-	172,895,553	62,024,386
Funds at call and short notice	505,000,000	705,000,000	505,000,000	705,000,000
Treasury Bills	505,209,771	138,957,651	505,209,771	138,957,651
Cash and bank balances (net)	170,812,128	89,161,826	170,797,128	89,146,826
	<u>1,454,872,198</u>	<u>1,127,964,510</u>	<u>1,633,835,682</u>	<u>1,195,754,955</u>
Less: Current liabilities:				
Creditors and provisions	165,811,388	189,512,757	104,044,481	143,205,319
Taxation	3,679,336	29,050,008	2,272,758	17,406,852
Dividend	87,000,000	90,000,000	87,000,000	90,000,000
Bank overdraft	177,364,325	93,497,743	-	-
	<u>433,855,049</u>	<u>402,060,508</u>	<u>193,317,239</u>	<u>250,612,171</u>
Net current assets	<u>1,021,017,149</u>	<u>725,904,002</u>	<u>1,440,518,443</u>	<u>945,142,784</u>

12. SHARE CAPITAL

	1995	1994
	KShs	KShs
Authorised, issued and fully paid		
69,000,000 Ordinary Shares of KShs.5.00 each	<u>345,000,000</u>	<u>345,000,000</u>

13. RESERVES

	Capital KShs	Share premium KShs	Exchange equalisation KShs	Retained profits KShs	Total KShs
Group:					
Balance 1.1.95	167,134,075	25,705,048	(20,310,177)	170,748,961	343,277,907
Excess depreciation transferred to profit and loss account	(1,244,613)	-	-	-	(1,244,613)
Surplus on revaluation	189,273,749	-	-	-	189,273,749
Retained profit for the year	-	-	-	111,966,153	111,966,153
Tax relief on unrealised exchange differences	-	-	(81,350)	-	(81,350)
Exchange variations on revaluation of Sterling loan	-	-	2,965,927	-	2,965,927
Balance at 31.12.95	355,163,211	25,705,048	(17,425,600)	282,715,114	646,157,773
Company:-					
Balance 1.1.95	167,134,075	25,705,048	(20,310,177)	132,964,891	305,493,837
Excess depreciation transferred to profit and loss account	(1,244,613)	-	-	-	(1,244,613)
Surplus on revaluation	165,190,980	-	-	-	165,190,980
Retained profit for the year	-	-	-	97,100,504	97,100,504
Tax relief on unrealised exchange differences	-	-	(81,350)	-	(81,350)
Exchange variations on revaluation of Sterling loan	-	-	2,965,927	-	2,965,927
Balance at 31.12.95	331,080,442	25,705,048	(17,425,600)	230,065,395	569,425,285

14. LONG TERM LOANS (SECURED)

The total loan balance of KShs.1,130,583 is secured against a legal charge on Rehani House. The loan balance is being repaid in twenty half yearly instalments of KShs.367,638 (including interest) commencing from December, 1987. During 1996 principal loan repayments will amount to KShs.534,386.

15. SHAREHOLDERS' INCOME NOTES AND LOANS

	1995 KShs	1994 KShs
Government of Kenya - Income Notes	50,750,000	50,750,000
Commonwealth Development Corporation 1975 to 2003	<u>352,572,480</u> 403,322,480	<u>330,244,981</u> 380,994,981
Less: Unrealised exchange differences recoverable from the Government of Kenya under a Risk Assumption Agreement	(198,721,515)	(154,082,917)
Tax relief on unrealised exchange losses	<u>(6,330,555)</u> <u>198,270,410</u>	<u>(6,411,905)</u> <u>220,500,159</u>

The loans are repayable over the following period:-

- a) Commonwealth Development Corporation - 1975 to 2003
 - i) During 1996 principal loan repayments to Commonwealth Development Corporation will amount to KShs.14,216,400 at the rate of exchange ruling at 31 December 1995.
 - ii) In respect of Komarock (formerly Kayole) loan of Stg.£3,750,000, the company has committed to pay to the Government of Kenya a risk assumption fee at the rate of 2.5% per annum on the outstanding loan balance to cover itself fully against future exchange losses on repayments of principal amounts and interest on due dates. During 1996 principal loan repayments will amount to KShs.43,080,000 at the rate of exchange at 31 December 1995 of which only KShs.16,583,778 will be payable by the company under the above agreement.
- b) Government of Kenya - Income Notes carry no redemption date.

16. NOTES TO THE CASH FLOW STATEMENT

a) Reconciliation of operating profit to net

Cash inflow from operating activities	1995 KShs	1994 KShs
Group profit before taxation	286,539,730	279,165,268
(Increase)/Decrease in interest receivable	(16,990,848)	8,297,164
(Decrease)/Increase in interest payable	(20,359,355)	19,576,635
Mortgage loss provision	10,054,203	12,362,168
Mortgages written off	5,489,072	1,517,499
Depreciation (net)	29,223,366	24,980,147
Exchange variations on loan repayments	10,335,501	11,218,251
Profit on sale of fixed assets	(6,228,437)	(487,000)
Net cash inflow from trading activities	298,063,232	356,630,132
Increase in public deposits	1,062,157,420	825,159,141
Mortgage disbursements	(1,138,484,140)	(829,747,644)
Mortgage recoveries	573,454,901	335,370,566
Increase in debtors and prepayments	(61,514,418)	(101,667,360)
Decrease in creditors and provisions	(23,701,369)	(26,606,077)
Komarock and other housing projects	(220,927,527)	(88,304,474)
Net cash inflow from operating activities	489,048,099	470,834,284

b) Movement in cash and cash equivalents:-

Represented by increase/(decrease) in:		
Cash at bank and in hand	81,650,302	(8,784,926)
Treasury bills and bonds	366,252,120	(287,638,550)
Funds at call and short notice	(200,000,000)	580,000,000
Bank overdraft	(83,866,582)	(88,376,937)
	164,035,840	195,199,587

17. CAPITAL COMMITMENTS

Group and company:

	1995 KShs	1994 KShs
Authorised but not contracted	134,112,750	149,104,191

18. INCORPORATION

The company is incorporated in Kenya under the Companies Act.

ANALYSIS OF ADVANCES – 1995

		Amount	
		Kshs. 1995	Kshs. 1994
(A) ESTATES			
Santack Enterprises	Santack II	482,800	7,756,940
National Housing Corporation	Malindi Scheme	116,500	1,407,300
K.M.A. Housing Co-op. Society		534,600	5,456,100
Harambee SACCO	Ushirika Estate	36,672,400	40,572,580
Imara Daima Housing Dev. Ltd.	Imara Daima Estate	154,683,880	21,892,400
Kenya Building Society Ltd.	Koma Rock II	1,645,540	149,305,860
Kenya Building Society Ltd	Koma Rock II 'A'	85,646,620	17,612,240
Kenya Building Society Ltd.	Koma Rock III Area	12,550,440	-
(B) INDIVIDUALS			
Existing Properties		368,572,920	159,818,224
Re-Mortgages		55,983,080	49,979,880
New Construction		201,687,500	134,662,360
New Properties		77,967,840	93,056,440
Commercial Properties		141,940,020	148,227,320
Total Advances		<u>1,138,484,140</u>	<u>829,747,644</u>
PRICE RANGES (KSHS.)			
(A) ESTATES			
Malindi Mortgage Scheme 1	Minimum	145,000	440,000
Imara Daima	Maximum	2,354,680	1,700,000
(B) INDIVIDUALS			
Existing Houses	Minimum	350,000	300,000
Existing Houses	Maximum	30,000,000	12,000,000
New Houses	Minimum	435,000	600,000
New Houses	Maximum	10,000,000	35,000,000
Construction Cases	Minimum	316,520	300,000
Construction Cases	Maximum	14,500,000	45,000,000



DIRECTORY OF SERVICES

HFCK has one primary objective: to help you own your own home.

This is primarily achieved through promotion of savings. Between 1965 and 1995, HFCK has advanced more than Kshs. 7.5 billion towards the development of housing and home ownership in Kenya, and helped thousands of families own their own dream homes. HFCK is firmly committed to enabling many more Kenyans realise this dream in the future.

HFCK is thus a key player in Kenya's financial sector and the company is now the pace-setter in the housing and mortgage industry.

But HFCK provides more than just money. Much more. It provides a host of related services, and customers can depend on the following comprehensive package of services to cater for their varying needs-all under the HFCK roof.

Banking Services

HFCK offers you various savings accounts with rates of interest that are competitive. These are Savings Accounts, Deposit Accounts, Children's Accounts, Provident or Pension

Funds, Fixed Term Deposit Accounts, Flexi Accounts, Special Accounts-for individuals or companies with funds for-specific projects wishing to earn interest on them pending utilisation; and Housing Development Bonds.

HFCK offers ten different types of **Housing Development Bonds** with special tax advantages, designed to channel funds into housing while giving very attractive returns to investors.

HFCK also offers Bearer Certificates of Deposits in various denominations with total confidentiality as to the depositor.

Valuation Services

The company carries out valuations of undeveloped plots, extensions and repairs, as well as valuation on behalf of companies which purchase or rent houses for their employees or which give housing allowance to their staff. HFCK also offers inspection services for houses being constructed by individuals.

Estate Development

Estate developers can obtain a professional opinion on the efficiency of their investments



Computer Staff at work at the Head Office Rehani House, Nairobi



as well as the suitability of the location, design and pricing of the houses they intend to build. After inspecting developer's plans, HFCK can issue a commitment to finance those willing to buy the houses.

Insurance Cover

All houses that HFCK mortgages must be insured for fire. The Company makes all the necessary arrangements on behalf of the client and also arranges life insurance for the borrower so that family members are protected and guaranteed ownership even if a tragedy occurs.

Company Mortgage Scheme

When a company wants to pass on reduced interest rates to its employees as a benefit, it can use this facility, which enables employees to enjoy often substantially reduced mortgage interest rates.

Loans

Customers can obtain loans for five kinds of building projects; existing houses; new houses; individual construction; extensions and commercial buildings.

Bridging Finance

A developer may at times be short of cash to finish a project. At the developer's request, HFCK can issue an undertaking to the

developer's bank for them to release construction finance required for the completion of the project. HFCK would then release long term funds on satisfactory completion of the project.

Computerisation

The Company has installed at the Head Office a modern computer with the latest technology and all branches countrywide communicate interactive on-line through Kenpac with the main-frame computer at the Head Office.

Customers can withdraw and/or deposit funds from any of the branches countrywide provided they have passbooks. Similarly those customers with mortgage loans can make repayments to their mortgage loan accounts at any of the branches.

Looking into the future

In future, HFCK intends to become more active not only in the core area of development and finance of residential houses, but also other ancillary areas of business related to HFCK's skills, structure, resources and competitive strength.

The expanded portfolio will include insurance, estate management, technical consultancy and any other construction and/or finance related business for which the company is equipped, and which will have a positive impact on the company's revenue and asset base.

NETWORK OF BRANCHES

Nairobi - Rehani House, Kenyatta Avenue / Koinange Street
PO Box 30088, Phone 333910, 221101, Fax: 334670

Nairobi - Gill House, Moi Avenue
PO Box 73340, Phone 333761/221606, Fax: 228436

Nairobi - Maserah House, Kenyatta Market
PO Box 19679, Phone 727864 / 65, Fax: 727873

Nairobi - View Park Towers
P.O. Box 20691, Phone 250856/250857, Fax: 250858

Mombasa - Permanent House, Moi Avenue
PO Box 84839, Phone 28776, Fax: 227609

Nakuru - AFC Building, Geoffrey Kamau Way
PO Box 7259, Phone 43399/422816, Fax: 213723

Nyeri - Kimathi Way
PO Box 693, Phone 2290, Fax: 2290

Eldoret - KVDA Plaza, Oloo Street / Utali Street
PO Box 9015, Phone 32571 / 2, Fax: 61774

Kisumu - Tivoli Centre, Court Road
PO Box 1557, Phone 40910 / 1, Fax: 21422

Meru - Tom Mboya Street
PO Box 1911, Phone 30586, Fax: 30569



Customers being served at the newly opened branch at View Park Towers, Nairobi.



The Director of Culture, Ministry of Culture and Social Services, Mr. Kamau (3rd left) admiring a painting during the official opening of the 2nd HFCK sponsored Visual art exhibition at Charter Hall, Nairobi, last year.