



Ernst & Young LLP
Certified Public Accountants
Kenya Re Towers
Upper Hill
Off Ragati Road
P.O. Box 44286 - 00100
Nairobi GPO, Kenya

Tel: +254 20 2886000
Email: info@ke.ey.com
www.ey.com
LLP/2015/52

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY GROUP FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF THE CO-OPERATIVE BANK OF KENYA LIMITED

Opinion

The summary Group financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2018, the summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, are derived from the audited Group financial statements of The Co-operative Bank of Kenya Limited and Subsidiaries for the year ended 31 December 2018.

In our opinion, the accompanying summary Group financial statements are consistent, in all material respects, with the audited Group financial statements, in accordance with International Financial Reporting Standards and the Kenyan Companies Act, 2015.

Summary Group financial statements and summary Directors' remuneration report

The summary Group financial statements and summary directors' remuneration report do not contain all the disclosures required by the International Financial Reporting Standards and in the manner required by Kenyan Companies Act, 2015. Reading the summary Group financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited Group financial statements and the auditors' report thereon. The summary Group financial statements and the audited Group financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited Group financial statements.

The audited Group financial statements and Directors' remuneration report and our report thereon

We expressed an unmodified audit opinion on the audited Group financial statements and directors' remuneration report in our report dated 29 March 2019. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group financial statements of the current period.

Director's responsibility for the summary Group financial statements and summary Directors' remuneration report

The directors are responsible for the preparation of the summary Group financial statements and summary Directors' remuneration report in accordance with the Kenyan Companies Act, 2015.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary Group financial statements and summary Directors' remuneration report are consistent, in all material respects, with the audited Group financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

The engagement partner responsible for the audit resulting in the independent auditors' report is CPA Michael Kimoni Practicing Certificate No. 1586.


Certified Public Accountants

P.O. Nairobi Box 44286100
Date: 24 April 2019

SUMMARY OF DIRECTORS' REMUNERATION REPORT

During the year, the Group paid KShs 198.84 million (2017: KShs 180.79 million) as directors' emoluments.

SUMMARY OF KEY AUDIT MATTERS

The summary key audit matters raised by the Auditors were on:-

- Expected Credit Losses (ECL) on loans and advances to customers
- Reporting in hyperinflationary economies by Co-operative Bank of South Sudan

These summary group financial statements and summary director's remuneration report are extracts from the audited group financial statements and directors' remuneration report for the year ended 31 December 2018. A full set of the Group Financial Statements will be available at our registered office at Co-operative House and online at www.co-opbank.co.ke for inspection after approval by members at the Annual General Meeting.

They were approved by the Board of directors on 20 March 2019 and signed on its behalf by:

J. K. Murugu, OGW	-	Chairman
M. Malonza, HSC	-	Vice Chairman
Dr. G. Muriuki, CBS, MBS	-	Group Managing Director & CEO
S. M. Kibugi	-	Company Secretary

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Eleventh Annual General Meeting of **THE CO-OPERATIVE BANK OF KENYA LIMITED** will be held at the Bomas of Kenya Nairobi on Thursday, 23rd May 2019 at 11.00 a.m. for the transaction of the following business:-

ORDINARY BUSINESS

- To read the notice convening the meeting and determine if a quorum is present.
- To receive and consider, and, if approved adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st December 2018 together with the Directors' and Auditors' report thereon.
- To approve and declare a first and final dividend of Kshs. 1.00 per share in respect of the year ended 31st December, 2018, to be paid to the shareholders on the register as at the close of business on 29th April, 2019.
- Election of Directors.
 - Mr. Macloud Malonza, Mr. Richard Kimanathi and Mr. Benedict Simiyu being directors appointed under Article 104A of the Company's Articles under which the majority and strategic shareholder of the Company, Co-opholdings Co-operative Society Limited, nominates to the Board of the Company seven (7) directors, are retiring by rotation and being eligible offer themselves for re-election in accordance with Article 100 of the Company's Articles of Association.
Co-opholdings Co-operative Society Limited has already nominated them for re-election.
 - In accordance with the provisions of Section 769 of the Companies Act, 2015, the following directors being members of the Board Audit Committee be elected to continue to serve as members of the said Committee:-
 - Mrs. Rose Simani.
 - Mr. Patrick K. Githendu.
 - Mr. Lawrence Karissa.
 - Mr. Mwambia Wanyambura.
- To approve the remuneration of the Directors for the year ended 31st December, 2018 and to authorize the Board to fix the remuneration of Directors.
- To re-appoint Ernst & Young LLP, Auditors of the Company, having expressed their willingness to continue in office and to authorize the directors to fix their remuneration.
- Transact any other business, which may be properly transacted at an Annual General Meeting.

Dated at Nairobi this 24 day of April 2019

By order of the Board

SAMUEL M. KIBUGI
COMPANY SECRETARY

NB: Every member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on his behalf and the proxy need not be a member of the Company. A form of proxy can be downloaded from the Company's website www.co-opbank.co.ke and should be delivered or sent to the Shares Registrar, 1ST Floor, CIC Plaza II (Upper Hill) or to any Co-operative bank branch, P. O. Box 48231-00100, Nairobi so as to be received not later than 21st May 2019, i.e. 48 hours before the meeting.

The Annual report and Financial statements of the Company and this Notice are available on our website www.co-opbank.co.ke and an abridged version of the financial statements has been published in the daily newspapers.



CO-OPERATIVE BANK
We are you

Co-operative Bank of Kenya Limited is Regulated by Central Bank of Kenya