

**CS/4252 KIMISITU CO-OPERATIVE
SAVINGS AND CREDIT SOCIETY
LIMITED**

**ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2016**

Reporting Auditors:

Omanwa & Associates
Certified Public Accountants (K)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME




	Notes	2016 KSh	2015 KSh
Revenue			
Income from loans	4	505,118,486	407,669,218
Interest income from deposits	5	23,399,134	27,440,492
		528,517,620	435,109,710
Interest expenses	6	(309,081,255)	(277,197,912)
Net interest income		219,436,365	157,911,798
Other operating income	7	7,127,572	3,256,947
Administration expenses	8	(80,521,254)	(64,790,725)
Other operating expenses	9	(28,117,765)	(26,428,695)
Impairment losses on loans	10	(53,058,238)	(6,705,989)
Net operating surplus before income tax		64,866,680	63,243,336
Income tax expense	11	(5,417,317)	(4,914,666)
Net surplus for the year		59,449,363	58,328,670
20 % transfer to statutory reserve		(11,889,873)	(11,665,734)
Surplus for the year available for distribution		47,559,490	46,662,936

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016

	Notes	2016 KSh	2015 KSh
Assets			
Loans to members	12	3,988,636,362	3,216,371,075
Cash and cash equivalents	13	221,323,116	312,733,742
Property plant and equipment	14	92,172,510	91,951,702
Accounts receivables and prepayments	15	34,995,506	23,796,519
Financial assets	16	8,901,870	9,475,870
Intangible assets	17	8,502,994	359,569
Total Assets		4,354,532,358	3,654,688,477
Liabilities			
Members' deposits	18	3,541,387,983	3,034,930,903
Accounts Payables & Provisions	19	341,357,778	299,964,795
Impairment losses on loans	20	64,455,073	11,396,836
Other Member's Savings	21	19,824,412	15,361,207
Income tax payable	22	2,634,917	1,351,981
Total Liabilities		3,969,660,163	3,363,005,722
EQUITY			
Other Reserves	23	119,526,969	104,996,063
Revenue Reserves	24	87,547,156	75,121,178
Share capital	25	99,706,055	56,115,978
Statutory Reserve fund	26	48,180,198	36,290,325
Proposed Dividends	24	29,911,817	19,159,211
Total Equity		384,872,195	291,682,755
Total Liabilities and Equity		4,354,532,358	3,654,688,477

REGISTERED
SEC. 25 OF CO-OPERATIVE SOCIETIES
ACT. CAP 490 (1997)
Geoffrey N. Njang'ombe
13 FEB 17
COMMISSIONER FOR
CO-OPERATIVE DEVELOPMENT

The financial statements on pages 13-37 were authorized for issue by the Board of Directors on 31st January 2017 and signed on its behalf by:

ChairPerson 
 Honorary Secretary 
 Treasurer 

CS/4252 Kimisitu Co-operative Savings and Credit Society Limited
Annual Report and Financial Statements; STATEMENT OF CHANGES IN EQUITY FOR THE YEAR

Note	Share capital	Exmembers shares	Insurance Reserve Fund	Statutory reserves	Proposed dividends	Investment reserves	Revenues /reserves	Revaluation Reserve	General Reserve	Deposit Guard Insurance Reserve	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Year Ended 31st December 2015:											
At start of the year:	34,012,934	5,332,585	49,747,404	24,624,592	13,605,174	2,138,659	50,453,907	35,551,879	1,136,078	1,141,562	217,744,773
Adjustments	24						(503,307)				(503,307)
Dividends paid					(13,605,174)						(13,605,174)
Restated balance	34,012,934	5,332,585	49,747,404	24,624,592	-	2,138,659	49,950,600	35,551,879	1,136,078	1,141,562	203,636,293
Changes in equity for the period 2015											
Total recognized income for the year											
Insurance Reserve Fund			(35,364,508)				58,328,669				58,328,669
Transfer to statutory reserve				11,665,734			(11,665,734)				(35,364,508)
Proposed dividend					19,159,211		(19,159,211)				-
Deposit Guard Insurance Reserve										(1,141,562)	(1,141,562)
General Reserve							(2,333,147)		52,080,550		49,747,404
Fair value loss on shares in Co-op bank Shares	23					(294,000)					(294,000)
Issue of share capital		2,885,366									16,770,459
At the end of year	47,898,027	8,217,952	14,382,896	36,290,326	19,159,211	1,844,659	75,121,178	35,551,879	53,216,628	-	291,682,755
Year Ended 31st December 2016:											
At start of the year:	47,898,027	8,217,952	14,382,897	36,290,325	19,159,211	1,844,659	75,121,178	35,551,879	53,216,628	-	291,682,755
Adjustments	24						(2,843,721)				(2,843,721)
Dividends paid					(19,159,211)						(19,159,211)
Restated balance	47,898,027	8,217,952	14,382,897	36,290,325	-	1,844,659	72,277,457	35,551,879	53,216,628	-	269,679,823
Changes in equity for the period 2016											
Total recognized income for the year											
Insurance Reserve Fund			12,360,749				59,449,363				59,449,363
Transfer to statutory reserve				11,889,873			(11,889,873)				12,360,749
Proposed dividend					29,911,817		(29,911,817)				-
General Reserve							(2,377,975)		2,377,975		-
Revaluation of Motor vehicle								366,184			366,184
Fair value loss on Co-op bank Shares	23					(574,000)					(574,000)
Issue of share capital		2,043,003									43,590,076
At the end of year	88,445,100	10,260,955	26,743,646	48,180,198	29,911,817	1,270,659	87,547,155	35,918,063	55,594,603	-	384,872,195



CS/4252 Kimisitu Co-operative Savings and Credit Society Limited
Annual Report and Financial Statements
For the Year Ended 31 December 2016

STATEMENT OF CASH FLOWS

	Notes	2016 KShs.	2015 KShs.
Cash flows from operating activities			
Interest received from members	4 & 7	508,951,351	409,315,296
Other Income	7	2,055,011	154,922
Interest on members deposits payments	19	(276,944,358)	(228,277,413)
Payments to employees and suppliers	6,8,9	(98,511,477)	(75,791,080)
Total		135,550,527	105,401,725
(Increase) / decrease in operating assets			
Loans to members	12	(772,296,666)	(537,740,937)
Trade and other receivables	15	(10,775,601)	(12,458,949)
Increase / (decrease) in operating liabilities			
Deposits from members	18 & 21	510,934,666	470,893,370
Trade and accrued expenses	19	7,514,466	1,162,051
Honorarium paid	19	(8,767,333)	(6,709,269)
Total		(273,390,468)	(84,853,734)
Net cash from operating activities before Income taxes		(137,839,941)	20,547,991
Income tax paid	22	(4,134,381)	(4,780,478)
Net cash from operating activities		(141,974,322)	15,767,513
Cash flow from Investing activities			
Purchase of property and equipment	14	(2,222,901)	(5,521,511)
Purchase of intangibles assets	17	(8,325,289)	-
Proceeds on disposal of plant and equipment	7	11,850	-
Purchase of investment securities	16	-	(1,000,000)
Insurance Rebates received	7	468,431	229,462
Interest received from term deposits	5	23,399,134	27,440,492
Dividends received	7	769,415	521,049
Net cash from investing activities		14,090,640	21,669,492
Cash flow from financing activities			
Share capital contributions	25	43,594,077	16,770,459
Loans & Deposits insurance	23	12,360,750	14,553,776
Dividends paid	24	(19,481,771)	(13,700,940)
Net cash from financing activities		36,473,056	17,623,295
Cash and cash equivalents at the beginning of the year	13	312,733,742	257,673,442
Net change in cash and cash equivalents		(91,410,626)	55,060,300
Cash and cash equivalents at the end of the year	13	221,323,116	312,733,742