BUNISTA SACCO SOCIETY LIMITED
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9TH Annual General Meeting

15th May, 2021

"United We Grow"

BUNISTA SACCO SOCIETY LTD

P.O BOX 194-40601,
BONDO

Date: 7th May, 2021

9TH ANNUAL GENERAL MEETING PROGRAMME

DATE	–	*15th May, 2021*
TIME	-	*9:00 AM*
VENUE	–	*JOOUST ASSEMBLY HALL*

TIME		EVENT
8:00 – 9:00am		*Arrival, registration and voting*
9:00 – 9:05am		*Opening prayers*
9:05 – 9:15am		*Introduction*
9: 15am		
	1.	*Calling the meeting to order $ Reading of the notice convening the meeting*
	2.	*Reading and confirmation of previous minutes*
	3.	*Presentation of the chairman's report*
	4.	*Address from the Guest of Honour*
	5.	*Presentation of supervisory report*
	6.	*Adopt budget for 2021*
	7.	*Adopt financial statement for 2019/2020 and audit report*
	8.	*Take matters arising (3,4,6,7 & 8)*
	9.	*Resolutions*
	10.	*Appointment of auditors for 2021*
	11.	*Approval of borrowing powers*
	12.	*Tallying of votes*
	13.	*Vote of thanks*
11:00am		*Closing prayer*
11:15am		*Departure*

Master of Ceremony: Dr. Walter Akuno & Fredrick Meshack Oluoch

CPA. Wilkister Baraza
Hon. Secretary

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BUNISTA SACCO SOCIETY LTD

P.O BOX 194-40601, BONDO

MINUTES OF THE 8TH ANNUAL GENERAL MEETING OF BUNISTA SACCO SOCIETY LTD HELD ON 27TH APRIL, 2019 AT JOOUST ASSEMBLY HALL AT 9:00AM

PRESENT MEBERS

Management Board

1. Mr. Joseph O'Bonyo - Chairman
2. Prof. Michael Nyadawa - Vice Chairman (Outgoing)
3. Dr. Walter Akuno - Treasurer (Outgoing)
4. Miss Wilkister Baraza - Honorable Secretary (Outgoing)
5. Dr. Michael Nyagol - Member
6. Mr. Mark Juma - Member
7. Mr. Samuel Okeyo - Member

Supervisory Committee

1. Mr. David Sanda -Chairman
2. Mr. Joshua Okul -Secretary (Outgoing)
3. Mr. Allan O. Asola -Member

In attendance

1. Mr. Zephaniah Osoo - Kisumu County Co-operative Commissioner
2. Mr. Aineah Ayamba - Sub-county Co-operative Officer
3. Mr. Tobias Ouma Buggo - County Director Co-operatives Auditor

AGENDA

1. To read the notice convening the meeting
2. Confirmation of the previous minutes of the AGM held on 28th April 2018
3. To receive the chairman's report
4. Address by the Guest of Honour.
5. To receive supervisory Committee report
6. To adopt budget for 2020
7. To adopt the Financial Statement and audit report for year 2018
8. To take matters arising from item 2,3,5,6 and 7.
9. To appoint Auditors for 2019

10. To approve the borrowing power for year 2019
11. To conduct elections
12. A.O.B

MIN01/BUN/AGM/08/2019: PRELIMINERIES

a) The meeting was called to order at 10:15am
b) The opening prayer was made by Dr. Walter Akuno
c) The notice regarding the meeting was read
d) The agenda was read for adoption
e) Introduction: The guests , members of the board the supervisory Committee and the Sacco Staff were introduced by the chairman

MIN02/BUN/AGM/08/2019: READING OF THE NOTICE CONVENING THE MEETING

i. The Chairman called the meeting to order at 10:15am as per the By-law NO.34, Sec37 regarding the notice and the quorum for the meeting.
ii. The Chairman declared the meeting officially open having been satisfied that all the requirements for the meeting had been followed.

MIN03/BUN/AGM/08/2019: CONFIRMATION OF THE PREVIOUS MINUTES

The honorable Secretary read through the minutes of the previous AGM which was held on 28th April 2018.

Adoption of the minutes was proposed by Prof. Oduor Okoya and seconded by Dr. Solomon Ogara.

MIN04/BUN/AGM/08/2019: THE CHAIRMAN'S REPORT

The Chairman thanked the University Management Board for the continued support that the Society has continuously received in terms of facilities such as office space, prompt and timely processing and payment of all the deductions due to BUNISTA.

Highlights of the chairman's report:

i. **Achievements**
   a. Membership growth from 420 to 471 by December 2018
   b. That share capital increased by 19.5% from 2,184,500 in 2017 to 2,609,774
   c. Membership deposits grew by 38.8% from Kshs 56,511,100.00 in 2017 to Kshs.78,471,491.00
   d. Increase in interest earned on loans disbursed with a percentage growth of 45.75%f
   e. Accumulated BBF funds by the close of the year 2018 was kshs.2,342,467 compared to 1,752,467.00 by close of the year 2017

f. The Society held members education day on 21st September 2018 which was attended by 120 members.
g. The financial performance in 2018 was favorable in 2018 compared to 2017. Interest Surplus reported after tax was Kshs 4,048,503.00 in 2018 compared to Kshs1,130,380.00 representing a growth of 258%
h. That the Society would complete its loan repayment to KUSCO by July 2019
i. The Society had operationalized its website and members can easily access the information through the website
j. The Society is in the process of acquiring the super- agent status
k. The Society was awarded several Trophies due to its excellent performance
l. That the Society had acquired a piece of land (0.03ha) at a cost of Kshs 1,000,000.00

ii. Challenges

a. The share capital of Kshs. 2,609,774.00 was still very low especially if the Society intended to have its own FOSA which requires a minimum capital of Kshs 10,000,000.00 as per SASRA regulations.
b. Poor pay slip management; some members are not able to abide by 1/3 rule. This has forced the board to waive the 1/3 rule on members applying for short term loans (Instant and Okoa).
c. Loans Officer; There's need to employ a loans officer to concentrate on loans
d. Members Education; Low attendance of education day has been experienced over the last year
e. Loss of membership; through death and staff mobility.

Recommendations

a. Interest on deposits to be retained at 20% in order to grow the share capital .This is as per the previous AGM resolutions
b. Payment of Dividend at 7% which translates to Kshs 182,684.18 from Kshs. 113,594.00 in 2017
c. Payment of Interest on deposits at a rate ok 9.2% which translates to Kshs.7,219,377.00 from 9.1% (5,142,510.00) in 2017
d. The Bard of Management and Staff be paid honoraria of Kshs 90,000.00 and 24,000.00 respectively as an appreciation
e. Recruitment of a loan's officer at grade BIV
f. Super savers be issued with bonus shares and certificates

Adoption of the Chairman's report was by Dr. Silas Lagat and seconded by Prof. Michael Oduol

It was agreed that;

Resolution I

20% interest on deposit should not be retained to increase the share capital instead **Kshs. 3,000.00** should be deducted from each member's deposits annually to increase the share capital.

Proposed by Mr, Fredrick Oluoch and seconded by Mr. John Odero and adopted unanimously.

Resolution 2

Payment of Dividend should be at 7% and super savers should be awarded with bonus shares .

Proposed by Dr. Silas Lagat and seconded by Mr, Paul Owich and adopted unanimously.

Resolution 3

Payment of interest on deposits should be at 9.2% in 2018 from 9.1% in 2017

Proposed by Prof. Owino Rew and seconded by Dr. Silas Lagat and adopted unanimously.

Resolution 4

Honoraria to the Board and staff should be Kshs 90,000.00 and Kshs. 24,000.00 respectively as an incentive.

Proposed by Mr. Bruce Osaka and seconded by Mr. Joseph Ogonji and adopted unanimously.

Resolution 5

Employment of a loans' officer at Grade BIV

Proposed by Dr. Silas Lagat and seconded by Mr. Gabriel Owuor and adopted unanimously.

[Appendix I]

MIN05/BUN/AGM/08/2019:ADDRESS FROM THE GUEST OF HONOUR

He expressed his gratitude to the Board for his appointment as the guest for the 8^{TH} AGM. He also noted that he was already in the Co-operatives leadership when BUNISTA was being formed and he has seen it grow.

He appreciated the following about the Sacco Sector in Kenya:

The Co-operatives movement in Kenya has grown and has over 1 million membership and employees and contributes to a large economic growth globally

That Co-operative covers all sector including transport and Agriculture

That the Kenya Sacco Sector is so far the best in Africa and globally no. 7

Despite these challenges, the Co-operatives continue to grow and currently there are over 25,000 cooperative

That 40% of the total savings and investments in Kenya come from Co-operatives Sector.

He outlined the following challenges facing the Co-operatives Sector:

1. Limited Skills
2. Lack of Co-operatives Knowledge
3. Lack of the best management skills
4. Governance as the major key challenge that must be addressed
5. Poor savings culture especially in Nyanza region
6. Competition from Banks

He advised that:

1. That investments are related to savings and no one can invest without saving
2. That Saccos provide members with opportunities to save and invest. Members should identify investment opportunities in Bondo and make good use of them.
3. That the society should embrace IT to ensure that members are able to access services in the most convenient way.
4. That the Board of directors should maintain high integrity and run the Society as per the provisions of the Co-operatives laws
5. Encouraged members to build the funds of the society instead of going to the banks where there are no returns and that the only way to compete with banks is to patronize their Sacco.
6. The society should take its staffs to Co-operative short courses or trainings
7. Members should think about the future of the Sacco by ensuring counter of all competition.

MIN06/BUN/AGM/08/2019: SUPERVISORY COMMITTEE REPORT

The following areas were pointed out in the report:

i. Generally Performance the society had performed well in the year under review compared to the previous year.
    a. That total revenue had improved by 68% to Kshs 16,909,63.00
    b. Surplus after tax grew from Kshs 1,130,380 to kshs.4,048,503
ii. The loans were issued out procedurally and they were also being recovered
iii. The Loan Defaulters amount had increased from Kshs 226,960.00 to Kshs 1,502,060.00. This shows an increase in default rate by 15%.

iv. That Bank reconciliations were up to date
v. That the Society was in the process of acquiring a software for easy management of records and reporting
vi. That membership growth improved from 420 in the year 2017 to 471 in 2018 even though there is a challenge of withdrawal due to overburdened pay slips and change of employers.
vii. That the Society acquired a portion of land (0.03ha) competitively behind Runda Hostel

Proposed that:

i. The Board of management should try their best to protect guarantors from defaulters.
ii. Additional work force be sourced to help in management of loans
iii. Members need to improve in attending education day and the Board should improve in their organization of training.

Adoption of the Supervisory report was proposed by Dr. Omwoma and seconded by Mr. George Oganga. **[Appendix II]**

MIN07/BUN/AGM/08/2019: ADOPTION OF BUDGET 2019

It was observed that generally the budget project was less ambitious and needed to be rechecked

b) Capital Budget for 2020 was approved for

- ✓ Fencing of land – Kshs. 90,000.00
- ✓ Furniture and fittings – Kshs. 65,000.00

The budget was proposed by Dr. Silas Lagat and seconded by Prof. Owino Rew and was approved unanimously. **[Appendix III]**

MIN08/BUN/AGM/08/2019: ADOPTION OD THE FINANCIAL STATEMENTS AND THE AUDITORS REPORT FOR THE YEAR 2018

The external auditor took members through the annual audit report and Financial Statements for the year ended 31/12/2018.

Adoption of the reports was proposed by Dr. Wachianga and seconded by George Oganga.

It was noted that the reports were not circulated to members on time hence members did not have enough time to go through the report and make their observations

It was agreed:

i. That in the next AGM, reports will be circulated to members within the required timelines through the Society's office and through the Website.
ii. That presentation of AGM reports will be improved .The reports will be well bound and will have a better outlook.

[Appendix IV]

MIN09/BUN/AGM/08/2019:APPOINTMENT OF THE EXTERNAL AUDITORS

A list of external Auditors was given to members for consideration of appointment as below

1. Ombuki & Associates CPA	- Kshs. 280,000.00
2. Ngicho & Associates CPA	- Kshs. 200,000.00
3. Nyasaye & Associates CPA	- Kshs. 250,000.00
4. County Co-operative Audit Department	- Kshs. 27,500.00

Resolution 6:

"Considering the cost of external auditors, the society to maintain the County Co-operative Audit Department"

Adoption of external auditors was proposed by Prof. Omolo Ongati and Seconded by Mr. George Otieno

MIN10/BUN/AGM/08/2019: APPROVAL OF THE BORROWING POWERS

Resolution 7:

It was agreed that the borrowing powers will remain at a maximum of 30milliom even though the society had no intention of borrowing in the year 2019.

Adoption of the borrowing powers was proposed by Prof. Omollo Ongati and seconded by Dr. Silas Lagat and approved unanimously.

MIN11/BUN/AGM/08/2019: ELECTIONS

The Sub-county Cooperatives Officer Mr. Ainea Ayamba presided over the elections process.

He made the following remarks before conducting the elections:

a. That the bylaw on elections had been amended to ensure fair representation of academics and nonacademic staff and that retiring and election of officers should be done by people from the respective zones.
b. That the Society should have its own election policy which should guide in any given elections in line with the amended By-law.

c. Members should elect people of good quality and standards and to consider succession plan for the society.

Concerning the preparation of Financial Reports he noted the changes in IFRS9 which requires that loans should be classified and provision should be made as follows when reporting;

	Classification	Percentage provision
i.	Performing	1%
ii.	Watch	5%
iii.	Doubtful	25%
iv.	Substandard	50%
v.	Loss	100%

The Co-operatives officer also noted that SASRA was working on SACCO Regulations to ensure that the non-deposit taking SACCOS are licensed. He further stated that the regulations will ensure that the core capital is not less than 8% of the assets and not less than 5 million.

He advised:

i. That member should increase their income streams and not only depend on salary.
ii. That members ought to change and elect people who can add value to the Society.

Those who were due for elections were:

1. Prof. Maurice Nyadawa - Board
2. Dr. Walter Akuno -Board
3. Wilkister Baraza - Co-opted to the Board from Supervisory Committee

Proposal for the Board Members (Academics)

1. Prof. Maurice Nyadawa
   - Proposed by Prof. Omolo Ongati
   - Seconded by Prof. Regina Nyunja

Proposal for the Board Members (Non-Academics)

1. Dr. Walter Akuno
   - Proposed by Hesbone Oguda
   - Seconded by Samson Odero

2. Mr. Philip Ochieng
   - Proposed by Maureen Oyugi
   - Seconded by Dorothy Otieno

3. Lizzy Misigah
   - Proposed by Mercy Hayanga
   - Seconded by Nerry Sigar

4. Maureen Obuar
   - Proposed by Keziah Ogada

		- Seconded by Curren Wambua
5.	Wilkister Baraza	- Proposed by Benard Okong'o - Seconded by Maureen Otieno
6.	Beryl Okeyo	- Proposed by George Mail - Seconded by Enos Wambu

Results **Votes**

Board Members (Academics)

1. Prof. Maurice Nyadawa - unopposed

Board Members (Non - Academics)

1. Dr. Walter Akuno	95
2. Mr. Philip Ochieng	55
3. Lizzy Misigah	38
4. Maureen Obuar	40
5. Wilkister Baraza	120
6. Beryl Okeyo	16

Elected Board Members

1. Prof. Maurice Nyadawa
2. Wilkister Baraza
3. Dr. Walter Akuno

Proposal for Supervisory Committee

1. Joshua Okul	Proposed by Maureen Otieno Seconded by Millicent Ojal
2. Fredrick Oluoch	Proposed by Samson Odero Seconded by Sharon Odhiambo
3. Philip Ochieng	Proposed by Benard Okongo Seconded by Arthur Noel

Results **votes**

1. Joshua Okul	45 votes
2. Fredrick Oluoch	93 votes
3. Philip Ochieng	19 votes

Elected Supervisory Member:

1. Mr. Fredrick Oluoch

MIN12/BUN/AGM/09/2019: CLOSING REMARKS

Closing remarks by the Vice Chairman of Bondo Teachers Sacco were:

i. He appreciated members for taking their time to vote for their leaders.
ii. He challenged the leadership to improve on the challenges affecting the Society.
iii. He notified the meeting that Disbursement of women enterprise fund was channeled through Bondo Teachers Sacco
iv. That any group that was in need of the funds would easily access the funds through Bondo Teachers Sacco at a fair interest rate.

MIN13/BUN/AGM/10/2019: ADJOURNMENT

The Elected officials were given a chance to thank address members.

The meeting was closed by a word of Prayer from Dr. Walter Akuno.

Chairman: .... **Date** 12/06/2019 .

Confirmed:

Chairman: .... **Date**............................

Secretary.. **Date**............................

REPORT OF THE CHAIRMAN OF BUNISTA SACCO- MR. JOSEPH S. OBONYO EBS, HSC DURING THE 9TH A.G.M ON 15TH MAY, 2021 AT JOOUST MAIN CAMPUS.

- The Guest of Honor- Mr. Vitalis Oketch, Siaya County Commissioner for Co-operatives,

-Distinguished Guests

-Members of Bunista Board of Management and Supervisory Committee,

-Dear members of Bunista Sacco

I feel deeply honored to have been given the opportunity to be the Chairman of one of the most successful Sacco among the university fraternity and in western Kenya and as we celebrate the 10th Anniversary of the society.

Guest of Honour, as we celebrate our 10th Anniversary, I want to remind ourselves of where we have come from and what if any we have achieved.

First, let me acknowledge and thank the brave women and men who put their personality on line to found this society.

Let us appreciate founder Members/Proposers

1. Prof. Beatrice Anyango
2. Ms. Anastacia Apondi
3. Dr/Rev. Walter Akuno
4. Prof. Christopher Gor
5. Mr. Samuel Okeyo
6. Ms. Dorcus Omondi
7. Prof. Reuben Mosi
8. Dr. Richard Juma
9. Mr. Michael Otai

And the long serving chair Joseph S. O'Bonyo. Theses persons founded Bondo University College Sacco Ltd on 15th November, 2010.

The idea of starting co-operative society was born out of starting **Bondo University College Staff Self Help Group** Registered in 24/10/2010 when the 14 members including Dr. Nyagol trusted us with their money. By 7/10/2011 membership had grown to 32 members.

I request that all of us rise up and bow down for a minute for our departed colleagues

a. Mr. Kenneth Aduda (October, 2019)
b. Mr. Martin Owe Olongo (November, 2019)
c. Prof. Mildred Ndeda (March, 2020)
d. Mrs. Anastasia O'Bonyo (April, 2020)

e. Mrs. Meline Awino (June, 2020)
f. Ms. Wilkister Obare (November, 2020)
g. Mr. Hezbon Jomo Oguda (December 2020)

Since that time, Bunista Sacco has grown by leaps and bounds as shown by the following:

		2011	2020	%GROWTH
i.	Active Membership	134	468	80%
ii.	Share capital	468,000.00	5,367,774.00	10%
iii.	Member Deposits	2,036,688.00	113,516,845.00	54%
iv.	Returns To Members (Dividends)-	0	536,777.00	100%
v.	Interest On Deposits-	0	10,897,617.00	100%
vi.	Loans To Members	896,124.00	139,132,208.00	154%
vii.	Total Revenue	24,899.00	21,117,924.00	847%
viii.	BBF Savings	82,700.00	2,477,967.00	28%

The Sacco fraternity in Siaya has recognized this achievement and during the last Ushirika Day celebrations when the society was recognized as:

- 1st Position Overall Best Managed Sacco
- 1st Position Best In Loaning Services
- 1st Position Average Savings per Member
- 1st Position Lowest Expenditure

Having excelled as Siaya Sacco, our mission is to compete effectively with universities based Sacco Nationally and join the Nyanza Giants and target Directorship of Kuscco

Our Guest of Honour, I wish now to report briefly on some of the issues we were mandated to fulfill by 2019 AGM

1. **LOWERING INTEREST RATES**

The issue has been raised virtually at every AGM and the BOM has consequently been mandated to look into this issue. I wish to confirm that one of the core mandates of the society is to offer services inform of cheap loans to the members but this must be weighed against the demand for the members for returns on the investments.
For example by July 2019 when we cleared the 20M loan from KUSCCO, which we were loaning at 2% we introduced "Bahari loan" that is loaned to members at 1.9% for extended period of 60 months. In pursuit of this, the Management requested a member of the Supervisory Committee CPA Asola to chair a committee to advice the Board on this matter, but it did not submit any report. We then assigned the Credit Committee to look into it and in so doing comparative studies with other Societies and the Commercial Banks.
The committee concluded that:

i. Reduction of Interest Rates would increase demand for loans but with a consequence of higher credit default risk
ii. It would have immediate impact on society's profitability/ surplus reducing by 7%
iii. It would also reduce society's retained earnings / reserve which the society depends on as shock absorber s during hard times.

In view of this the Board therefore advises that this discussion on reduction of Interest Rates be looked at by evaluating value of service to members against the demand for return on Investment to members. It is therefore the Board's recommendation that noting the volatile economic environment it is not prudent to reduce the Interest Rates charged on society loans at the moment.

2. SACCO SOFTWARE

We now have enough space to host the equipment and the ICT Expert following the extension of the building. The total amount for the purchase of software is Kshs. 1.5M which has been put in capital budget for 2021 for your approval. Remember one of the requirements from SASRA is that we must have operations Management Information System

3. Acquisition of Super-Agent status

I am glad to report that the society is a fully fledged Super-Agent operating under the name BUNISTA SACCO SOCIETY LTD BONDO-USENGE ROAD. This has enabled us to get our full commission for operating M-pesa services from December 2020 instead of operating under Silky Treasures Bunista Sacco.

4. Society land

The 0.03 Hectares land behind Runda Hostels has been fenced and we are looking to have some of our members who are architects and engineers and we have assigned them the responsibility of designing our offices. The proposal will be presented to you for discussion; meanwhile we have also set a subcommittee to advice on how best to utilize the plot. Later in my report I will make proposal on how to fund the "Office Project"

Highlights

I wish now to provide a report on society's performance in year ending 31st December 2020

		2019	2020	%growth
i.	Membership	438	468	6%
ii.	Share capital	4,014,774	5,367,774	33%
iii.	Members deposits	92,624,424	113,516,845	22%
iv.	Surplus before taxation	6,560,600	5,788,068	(11%)
v.	Loans to members	110,359,961	139,132,208	26%

vi.	Proposed dividends	361,330	536,776	48%
vii.	Proposed interest on deposits	8,799,320	10,897,617	23.8%

ISSUES ON WHICH I REQUIRE YOUR ADVICE AND RESOLUTIONS

1. Payment of Dividends and Interest on Members Deposits ,Honoraria and Staff Incentive

Since the Society has performed fairly well, I propose that as at 31/12/2020 we pay as follows:

a) Dividends on Share capital @10% (9% in 2019) and these results to Kshs. 536,776.00
b) Interest on members deposits @ 9.6% (9.5% in 2019) which will transfer Kshs. 10,897,617.00 to members.

I wish to point out that the actual rate of payment is on interest on members deposits 10% but the management is recommending that 0.4% be retained as Reserve to build up Funds for the construction of the Society Offices. This will add Kshs. 3,847,433.00 to the reserve in 2021

c) Honoraria payment to Board of directors @ Kshs. 100,000.00 be retained at 2019 level
d) Staff incentive Kshs. 45,000.00

2. Funding office construction

As we wait for costing of construction and architectural drawing, it is advisable to begin thinking of how to fund it.
From past experience with capital projects, we would not advise that we borrow from Bank to fund the project, as this has the effect of interfering with the core function of the society, ensuring that funds are available to lend to members on demand.
We are therefore proposing that that we use our savings by reducing interest on deposits by 0.4% or less and boost our Capital Reserve that now stands at Kshs. 1.5 million.
Over this we should be able to accumulate enough funds to start the project which we plan to do in phases.
The office project is estimated to cost 21.3M and we propose to do it phases costing about 7.1M per phase.

3. Election rules

As per section 42(4) one of the duties of directors is to establish appropriate policies. The purpose of these policies is to ensure that those managing our society meet the Minimum Leadership Requirements and are elected in a fair and transparent process.
This document was discussed during the Education Day on 8th November, 2019 and to enhance discussion it was distributed to members a fortnight to the A.G.M and was also available in our website.
Wish to specifically draw your attention to rule:

2.0	Electoral Process
3.0	Eligibility to a BOM/SOM
4.0 & 4.1	Vetting Committee and their Duties
9.0	Electoral Zones
10.0	Mode of Election
11.0	Election Misconduct

If approved the effective date will be 2022 A.G.M.
This policy will ensure we put in place an effective succession plan.

4. DIVIDEND POLICY

This document was also discussed by members during the Education Day on 8/11/2019 and is also available in our website. It is not a major departure from the current practice; however wish to draw the attention of members to Rule:

6	Forms of Dividend
7	Retention Ratio
8	Policy Consideration

5. SASRA CONSIDERATION

In May 2020 the Cabinet Secretary of our Ministry published the Sacco solutions (NON - DEPOSIT TAKING BUSINESS) Regulations 2020 with legal notice no. 82 of 2020 prescribing Regulations to be complied with by ALL Sacco Societies undertaking Back Office Service Activities (BOSA) . This was to take effect 1st January, 2021 and those who will not have complied will cease to exist on or before 30th June, 2021. In order to comply with this requirement the management has put into place sub-committees to ensure that we meet the SASRA Requirements

The Board of Management will ensure that the society complies with SASRA Requirements on or before 30th June, 2021 in time for an onsite inspection with view to ensuring that our Sacco has fulfilled the Requirements to continue operating as BOSA.

6. AMENDMENT OF BY-LAWS

Based on the SASRA Requirements the Board is in the process of finalizing on the amendment of its By-Laws to conform to SASRA By-Laws.

The following are the Proposed By –Laws Amendments

CLAUSE	PROPOSED AREAS
1.1	Name
1.3	Change of Name or Area of Operation
3.3.	Change/Relocation of Head-Office
3.5	Opening Other Places of Business
6.4	Prohibition against Dual Memberships

6.9	Prohibition against Dual Memberships
7.0	Suspension and Expulsion from Membership
7.1	Grounds for Suspension
9.0	Members' Nominees
9.1	Nominee Register
9.2	Members to Nominate Nominees
9.3	Member May Change Nominee(S)
9.5	Payments to Nominee
9.6	Admission of Nominee into Membership
10.2	Capital Adequacy
10.3	Higher Capital Adequacy
10.4	Liquidity
10.6	Restriction on Investments
14.6	Virtual General Meetings
14.7	Virtual Meetings to Comply With Guidelines
19.4	Board Compensation Policy
19.5	Authority May Veto the Compensation Policy
22.3	The Credit and Risk Management Committee
23.0	Supervisory Committee/Internal Audit Function
25.0	Code of Conduct for Officers

7. OFFICE EXTENSION

As explained earlier, the society has been authorized to extend its current offices at Estimate cost of Kshs. 836,188.00 and was completed.
This amount was placed in the Supplementary Budget for 2020 under Capital Budget. We need room to accommodate additional staff and accommodate Society's software. As we stated earlier, there is no way our Sacco will meet members' instant service expectation without computerizing our system and has been noted the society had to have adequate working space.

8. BBF BY-LAWS

The Board has made two proposals towards amendment of BBF By-Laws:

i) For the purpose of the fund, a child is one born alive and registered in the register of birth up to his/her 22nd birthday.
Proposal: a child is one born alive and registered in the register of birth up to his/her 18th birthday or up to age 25years with proof of being a student.

ii) Monthly contribution is Kshs. 500.00 through check-off system ***or any other mode of payment (cash, standing order) but the rate may be reviewed by the Board from time to time.***

9. RECOGNITION OF FOUNDER DIRECTORS

As part of celebrating 10 year of existence the Board has decided to honour the following Founder Directors by giving them plaques

Board of Directors

a) Mr. Joseph O'Bonyo
b) Prof. Monica Ayieko

c) Dr. Walter Akuno
d) Ms. Anastancia Apondi
e) Prof. Christopher Gor
f) Ms. Christine Wafula
g) Mr. Samuel Okeyo

Supervisory Committee

1. Dr. Patrick Hayombe
2. Ms. Marion Nyapola
3. Mr. Paul Ouma

These are the men and women who laid the strong foundation on which the current success is based; their pioneer's spirit is commendable.

10. RECOGNITION OF HIGHEST SAVERS

In recognition of their dedication to save with the society, in order to increase the share capital base of the society, the Board of Management is proposing that the bonus shares be issued on a pro rata basis for the highest savers and share certificates.

Each of the following top ten savers will therefore increase their share capital as shown below:

	Name	M/No	Capital	Bonus Shares	Total Shares
1	*Dr. Benard Okello Nyaare*	*BUN/0009/10*	*21,432.00*	***8,108.00***	*29,540.00*
2	*Prof. Francis Angawa*	*BUN/0025/11*	*13,807.00*	***4,591.00***	*18,398.00*
3	*Mr. Joseph O'Bonyo*	*BUN/0002/10*	*24,461.00*	***4,471.00***	*28,932.00*
4	*Prof. Fred Anangwe Amimo*	*BUN/0267/14*	*20,563.00*	***3,921.00***	*24,484.00*
5	*Prof. Joseph Bosire*	*BUN/0224/14*	*19,649.00*	***3,541.00***	*23,190.00*
6	*Romana Anne Mbinya*	*BUN/0398/17*	*11,000.00*	***3,485.00***	*14,485.00*
7	*Ettah Agalo Doyi*	*BUN/0398/17*	*20,000.00*	***3,166.00***	*23,166.00*
8	*Prof. Mukhebi Adrian*	*BUN/0179/12*	*13,752.00*	***2,974.00***	*16,726.00*
9	*Keziah Ogada*	*BUN/0348/16*	*17,341.00*	***2,908.00***	*20,249.00*
10	*Dr. Charles Helm*	*BUN/0380/16*	*11,000.00*	***2,836.00***	*13,836.00*

11. ELECTION

And finally members, I have served this society for the last ten years as chairman and with your support and that of my colleagues in the Board Of Management seen it grow to a prosperous and stable society if you honour me with a further term of 3years, I shall have served for 13 years or so I am not growing young anymore and I intent to use that time God willing to manage succession and retire but will continue to be a member inshallah. I therefore wish to plead with you to look into the future and elect people who will steer this society into even a better future.

The following members of the Board of Directors and Supervisory Committee are due to retire and I wish to state that they may be considered for Re- election except CPA Asola who is no longer a member of Bunista Sacco.

Board of Directors

1. Mr. Joseph O'Bonyo
2. Mr. Samuel Okeyo

Supervisory Committee

1. CPA. Allan Asola

The decision to re- elect any of them is in your hands.

GOD BLESS BUNISTA SACCO!!!

GOD BLESS JOOUST!!!

MR. JOSEPH S O'BONYO EBS, HSC
CHAIRMAN - BOARD OF DIRECTORS - BUNISTA SACCO

Signed...................................

Date.....13/05/2021.........

BUNISTA SACCO SOCIETY LTD

ELECTIONS POLICY

Contents

1.0 INTRODUCTION

This policy contains all Rules and Procedures governing the entire election process for Bunista Sacco Society Ltd. The purpose of the policy is to ensure that the members of the Board and Supervisory Committee members meet the minimum leadership requirement and are elected in a fair and transparent process. Bunista Sacco Society Ltd has the objective of organizing and promoting quality life of the members by providing quality financial products and services. The Sacco provides a variety of services through Back Office Service Activity and has some other projects to enhance its income.

2.0 ELECTION VETTING PROCESS

a) The Board shall notify the members of the vacancies arising in the Board and Supervisory committee using the official communication of the society.
b) Prior to each Annual General Meeting (At least 90 days) the manager shall communicate to the vetting committee giving it clear tasks.
c) At least 15 days prior to the Annual General Meeting the Board shall receive from the vetting committee the names of the vetted and cleared Board and Supervisory contestants to be placed before the A.G.M.
d) After the nominated candidates have been placed before the meeting there shall be an adoption of the candidates from the floor at their respective electoral zones (proposer and seconder). All candidates thus cleared both by the vetting committee and the members shall be voted upon on the floor by all members present and voting. The method of elections shall be by secret ballot
e) No member shall be entitled to vote by proxy, but a nominated candidate can be elected in absentia.
f) The contestable seats shall be declared vacant by the returning officer at the time of election.
g) The time line for application for any position shall be communicated two months prior to the general meeting.

3.0 ELIGIBILITY TO BE A MEMBER OF THE BOARD OR SUPERVISORY COMMITTEE.

The eligibility criteria shall be in compliance with this policy, the society's By-law 41, the commissioner's guidelines/circulars and any applicable law. All candidates must meet the following requirements:

a) Must be a member of the society for at least 3 years prior to seeking Elective position in the Board or Supervisory committee.
b) Above 18 years of age
c) Able to read and write.

d) Does not receive any remuneration, salary or other payment from the society save in accordance with the Co-operative Societies Act Cap 490.
e) Not a committee member in other two societies
f) Does not lend money on own account.
g) Is undischarged bankrupt
h) Of sound mind
i) Has not been convicted of any offence involving dishonesty or imprisoned for a term exceeding 3 months.
j) Has not been convicted of any offence under the Act or Rules
k) Shall have attained a minimum of O' Level certificate of education
l) Must have at least Kshs.200,000/= (Two hundred thousand) in the society as non withdraw able deposits accumulated through check off at the time of seeking the elective position desired or such other amount as shall be set by the AGM from time to time.
m) Must be a member whose monthly contribution is not less than Kshs. 3,000/-
n) Is not delinquent on loans with the sacco or any other financial institution more than 60 days within two (2) years prior to the election
o) Does not have any uncleared debt owing to the society at the end of its financial year other than in respect of a loan granted under the provision of any regulation made under the Co-operative Societies Act Cap 490.
p) Must not be holding a political party office at any level.

4.0 VETTING COMMITTEE

The society shall have a vetting committee composed of:

a) Sub County Co-operative Officer, who shall be the Chairman of the committee
b) The manager of the society who shall be the Secretary
c) External Auditor of the Sacco or any other staff appointed by the Board of Directors

4.1 DUTIES OF THE VETTING COMMITTEE

The committee shall carry out the following duties:

a) Receive all applications for contesting candidates (which shall be in sealed envelopes), confirm the details in the nomination register and append their signatures on all the application forms
b) Vetting all applicants. All applicants shall be communicated to in writing whether successful or not. The reasons for disqualification shall clearly be spelt in the communication.
c) Preparing and presenting the report to the Board for adoption.
d) Issue all qualifying candidates with nomination clearance certificate which shall be valid for one year.

5.0 CANDIDATES APPLICATION REQUIREMENTS

Any member of the society who is eligible to contest as a member of the Board or Supervisory committee and who meets the set criteria shall forward the following to the Sacco office addressed to the Chairman of the Vetting committee:

(i) Duly filed Election Application form.
(ii) Copies of academic and professional certificates
(iii) At least 2 copies of the most recent pay slips

The manager shall provide the Vetting committee with members statements for the preceding 24 (twenty four) months for the vying candidates.

(i) Share capital statement
(ii) Non Withdraw able deposits statement
(iii) Loans statement
(iv) Any other information the society has and is required by the Vetting committee

Upon receipt of applications the manager shall register the applicant's details in a Nomination register. At minimum the register shall capture the following details:

a) Name of applicant
b) Member number
c) National Identification number
d) Signature of applicant
e) Signature of the manager
f) Date and time.

The applicant or his/her nominated agent shall acknowledge submission of the documents by appending his/her signature in the nomination register.

Retiring Board members and the Supervisory Committee members who are eligible for re-election shall fill the nomination form and submit afresh.

The manager shall acknowledge receipt of all applications by stamping on the submitted nomination form.

6.0 ELECTION DATE

The Election date shall be done during the Annual General Meeting which shall be convened by at least 15 days written notice to the members.

7.0 RETURNING OFFICER

The returning officer shall be a representative of the County Director of Co-operatives or the Sub County Co-operative Officer who shall have the powers to disqualify candidates proved to have engaged in election misconduct

The Returning officer shall announce the results immediately after counting and tallying. He /she will also be responsible for the preparation of the election material including ballot papers.

8.0 ELECTION MATERIALS

The following materials shall be used in the election process:

- Election nomination application form
- Nomination clearance certificate
- Ballot papers
- Transparent ballot box
- Tally sheet

9.0 ELECTORAL ZONES

The zones shall be

a. Academic zones
   Shall consist of 2 members of the Board and 1 member of the Supervisory Committee
b. Non-Academic zones
   Shall consists of 5 members of the Board and 2 members of the Supervisory committee

9.1 ELECTORAL AREAS

The electoral areas shall consist of

a. Administration
b. Finance, Procurement and Audit
c. Catering, Accommodation, Transport and Farm
d. Academics and other Campuses

THE FOLLOWING TABLE SHOWS THE DISTRIBUTION OF MEMBERS OF THE BOARD

ZONES			
NON-ACADEMICS	**Total membership**	**% of membership**	**Distribution to the Board**
Electoral areas			
ADMINISTRATION a. Administration b. Health unit c. Library d. ICT e. Admissions f. Sports g. Dean s h. Spouses & Officers	195	41	3
Finance, Procurement and Audit	36	8	1
Catering & accommodation, Transport, Farm & Estates	93	20	1
ACADEMICS Academics staff in all campuses	144	31	2
	468		7

10.0 MODE OF ELECTION

The election mode shall be secret ballot, and the following procedures will be followed;

a) The pooling centers shall be designated places for each electoral zone within the AGM venue.
b) Eligible voters will those cleared and registered at the respective zones at the time arrival for the meeting.
c) The returning officer shall open the ballot boxes in the presence of the candidates or their agents.
d) Counting of ballots for each individual shall be done audibly by the election officials.
e) The scores for each candidate shall be entered in a prescribed tally sheet and signed by the agents.
f) The returning officer shall then announce the results to those present.

11.0 ELECTION MISCONDUCT

The following actions shall among others constitute election misconduct

a) Securing nomination on false information
b) Concealing information which if it had been brought to the knowledge of the Vetting committee would have led to disqualification of the Candidate.
c) Voter buying, vote rigging.
d) Use of absurd, unpalatable, abusive and unprintable words, Breach of security and use of life threatening statements.
e) Breach of peace during the election period.
f) Acts of omission and commission that scares off votes.

12.0 APPEAL

In case of any dispute concerning elections it shall be referred to the Commissioner for Co-operative Development.

13.0 FORMS

FORM. 1A

BUNISTA SACCO SOCIETY LIMITED

NOMINATION APPLICATION FORM

I…………………………………………………………………………… holder of the National ID No………………………………… Member No………………… do hereby present myself for nominations to contest for a position in Bunista Sacco Society ltd

CANDIDATE'S FULL DETAILS

FULL NAME OF MEMBER	
MEMBERSHIP NUMBER	
DATE OF JOINING THE SOCIETY	
OFFICE TO SERVE (Tick appropriately)	BOARD MEMBER SUPERVISORY COMMITTEE
NATIONAL ID NUMBER	
DATE OF BIRTH	
POSTAL ADDRESS	
PHONE NUMBERS	
EMAIL ADDRESS	
ELECTORAL ZONE	
SHARE CAPITAL	KES
NON- WITHDRAWABLE DEPOSITS	KES
TOTAL OUTSTANDING LOANS	KES.
ACADEMIC QUALIFICATIONS	
PROPOSER	

Additional information

a) Are you a board member of another SACCO?
YES
NO

b) Have you ever been convicted of any offence involving dishonesty or imprisonment for three months or more?
YES
NO

c) Have you ever been named in an inspection report or an enquiry either by the authority or the commissioner?
YES
NO

DECLARATION

I……………………………………………………………………………………… accept and authorize publication of my personal profile by Bunista Sacco Society Ltd for the knowledge of the membership when elected as member of the Board/Supervisory committee. I also understand that my obligations with related party dealings in the Society shall be disclosed to the members annually without the society seeking my approval.

I also confirm that I have read, understood and agreed to be bound by the Co-operative Societies Act & Rules, Regulations, By-laws, Society policies and rules governing the nominations and election procedures in the Society.

Candidate's Signature ……………………………………… Date …………………………

FORM 2A

BUNISTA SACCO SOCIETY LIMITED

ELECTION NOMINATION CERTIFICATE

Name of candidate……………………………………………………………………………………

Following your application for nomination for candidature for the position of………………………………………………your application has been scrutinized by the vetting committee sitting on……………………………………at……………………and in accordance with set rules and regulations of nomination, the vetting committee has duly approved/rejected your candidature for the position.

Reasons for rejection

(a)……………………………………………………………………………………………………
………
…………………………………………………………………………………………………

(b)……………………………………………………………………………………………………
………
…………………………………………………………………………………………………

(c)……………………………………………………………………………………………………
………
…………………………………………………………………………………………………

Vetting Committee Chairman

Sign………………………………

Date………………………………

Vetting committee secretary

Sign……………………………………

Date……………………………………

Official society stamp

FORM 3A.

BUNISTA SACCO SOCIETY LIMITED

ELECTION CERTIFICATE

This is to certify that ………………………………………………………… has on this……………………….. day of ………………… the year ……………….been duly elected as

a member of the(Board/ Supervisory committee) after contesting and winning the election held on ………………………. at…………………………………………………. and successfully garnered ……………………. votes, emerging position…………………… out of ……………………………………

Name of Returning Officer…………………………………………………………………

Signature of the Returning Officer………………………………….. Date ………………....

14.0 AUTHORIZATION

We the undersigned Board Members of Bunista Sacco Society Limited named herein do hereby accept this Election Policy Guidelines for and on behalf of the Society

CHAIRMAN................................ ....

NAME SIGNATURE DATE

VICE CHAIRMAN......................... ....

NAME SIGNATURE DATE

HON.SECRETARY........................... ....

NAME SIGNATURE DATE

TREASURER............................ ....

NAME SIGNATURE DATE

MANAGER ....

NAME SIGNATURE DATE

BUNISTA SACCO SOCIETY LTD

P.O BOX 194-40601
BONDO

DIVIDEND AND INTEREST ON DEPOSITS POLICY

2019

Table of Contents

1. PRELIMINARY

The policy is intended to apply to all future Dividend and Interest on Deposits payments of Bunista Sacco Society Ltd.

2. DIVIDEND / INTEREST ON DEPOSITS

Shall be understood to refer to Bunista Sacco Society Ltd earnings distributed, allocated or paid out to its existing bona fide members as at 31st December of the financial year.

3. STATEMENT OF POLICY

3.1 Objective

The purpose of this policy is to ensure that the Bunista Sacco Society Ltd meets its dividend and Interest on Deposits obligations in line with its member's expectation

3.2 Responsibility

It is the responsibility of the Board of Directors to document, and implements prudent dividend and Interest on Deposits policy in line with the Sacco Act Cap 490 and Bunista Sacco Society Ltd objectives.

The strategy and policy should be communicated with the Board of Directors and senior management and all other appropriate stakeholders.

3.3 Eligibility

Dividend and Interest on Deposits will be paid to BONA FIDE members of Bunista Sacco Society Ltd.

The bona fide members are:-

- Members on the register of members as at 31st December of the financial year.
- Must be an active member
- A member who withdraws his or deposits during the year will not qualify for the payment of dividend / interest on deposits

4. RATE OF DIVIDEND/INTEREST ON DEPOSITS

- Shall be determined by the Board of Directors.
- Interest on member's deposits/ savings shall also be determined by the Board of Director guided by the policy dividend considerations subject to approval by the A.G.M.
- Computation shall be on shares/deposits to members during the past financial year and calculated as a percentage of the share capital and deposits respectively.
- All the above are subject to withholding tax at the prevailing tax rates.

5. DIVIDEND AND INTEREST ON DEPOSITS DECLARATION

5.1 Number of dividend and Interest on Deposits declaration

Bunista Sacco Society Ltd shall only have one dividend declaration for a given Accounting year.

This declaration shall be in respect of;

- Final dividend shall be payable within 4 months after the accounting year to which it relates.

5.1.1 Interim dividend/interest on deposits

This shall be paid at 50% of the previous year's rate. The Board shall determine the payment date.

5.2 Procedure for declaration

A final dividend and Interest on Deposits for any accounting period shall be proposed by the Board of Directors at a Board meeting and evidenced in the Board Minutes. The final proposed dividend and Interest on Deposits shall be presented to the members at the A.G.M for their approval.

5.3 Dividend process

Dividend shall be declared and approved by the Bunista Sacco Society Ltd Board of Directors each time they are paid and subject to the following:-

5.3.1 Declaration date

Is the day the Board of Directors announces their intention to pay dividend and interest on deposits. On this day Bunista Sacco shall create a liability on its books. It owes the money to the members. On the declaration date, the Board shall announce a date of record and payment date.

5.3.2 Date of records

Is the day which bona fide members on records are entitled to the upcoming dividend payment. This shall serve as a due date for deducting the withholding tax on the dividend and interest on deposits.

5.3.3 Payment date

The date of payment of dividend and interest on deposits shall be available to the members.

6. FORMS OF DIVIDEND

6.1 Cash dividends

Shall be paid out of Bunista Sacco's surplus earnings for the financial year to which they are stipulated.

6.2 Bonus shares

These shall be paid out of Bunista Sacco surplus earning for the financial year to which they relate or from the appropriate reserve and shall be credited to the individual members share ledger accounts.

The criteria for awarding bonus shares shall be determined by the Board of Directors. This could be either through:-

6.2.1 Awarding highest savers in terms of deposits/savings or

6.2.2 Awarding members with the highest share capital

7. RETENTION RATIO

The Board shall retain Kshs. 3,000.00 from members deposits annually to boost the society's share capital.

7.1 Dividend payment ratio

The Board shall determine the % net income that is to be paid out to members in the form of dividend, referred to as dividend payout ratio.

8. KEY DIVIDEND POLICY CONSIDERATION

8.1 Financial Statements

All Bunista Sacco Society Ltd dividend payments shall be on the basis of Audited accounts and computed Financial Evaluation measures so as to establish Bunista Sacco's accurate liquidity and state of affairs.

8.2 Legal restrictions

The dividend payments cannot legally exceed Bunista Sacco Society Ltd reserves.

Shares may earn dividends paid from net surplus after required transfers to reserves at the end of the financial year.

8.3 Funding needs

The Board of Directors reserves the right to withhold full or part of dividend payments so as to meet urgent investment needs.

8.4 Member's expectations

The Board of Directors shall be tasked with the responsibility of continually assessing the expectations of its members with regard to the current and future dividends especially in line with Bunista Sacco's performance, for a given financial year.

9. COMMENCEMENT DATE

Bunista Sacco Society Ltd shall set the effective date upon which the approved Dividend and Interest on Deposits Policy shall be enforced.

10. AMENDING AND SUPERSEDING THE POLICY

The document shall provide the manner and procedure for its additions, deletions, alterations and amend subsequent review and adoptions.

11. CONCLUSION

The Board of Directors shall review the final adopted Dividend Policy after every 2 years and any changes arising from such review shall be communicated as soon as possible to all relevant stake holders.

12. ADOPTION OF THE POLICY

We, the undersigned, individually and collectively, give commitment to the implementation of the Dividend Policy by appending our signatures.

No.	Name	Position	Signature
1			
2			
3			
4			
5			
6			
7			

Witnessed by ______________________________

Secretary Manager

BUNISTA SACCO LIMITED

THE SUPERVISORY COMMITTEE

REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR ENDED 31ST DECEMBER 2020.

Dear Members

The Supervisory Committee (SC) is grateful to you, members of BUNISTA SACCO, for the privilege and trust which you accorded us to serve as your watchdog during the year under review. We commend you for the continued commitment to the mission of the SACCO for the past 10 years. We likewise commend the Board of Directors for their commitment in directing the business of BUNISTA during the year. We also recognize the unwavering support from the University Management and dedication of BUNISTA staff during the year 2020.

Mandate

The SC draws its mandate from article 28 of the Cooperative Societies' Rules, 2004 and BUISTA SACCO by-laws. These provisions require that the SC verifies the society's transactions, monitors the implementation of policies, makes periodic reports of our findings to the Board and gives an annual report to the AGM. The goal is to ensure that the Board safeguards the resources entrusted upon them and serves the interest of members.

Scope

We have been conducting inspection of transactions and operations of the SACCO and presenting quarterly reports of our findings and in many cases, making recommendations on the operations to the Board for continuous improvement. During the year under review, we fulfilled our mandate and presented quarterly reports to the Board. In real time, we discussed, at joint meetings of the Board and the SC the reports and ensured that corrective actions proposed by the SC were implemented.

Opinion

In our unqualified opinion, BUNISTA SACCO is financially sound and stable. No material fact has come to our attention during the year under review to suggest otherwise. The core activity of the SACCO was carried out effectively and efficiently to the greatest possible extent. Emerging challenges were surmounted.

CPA David Sanda,
Chairman

Fredrick Meshack Oluoch
Secretary

10th April 2021.

We wish to share with members some highlights for the year ended 31st December 2020.

1.0 MEMBERSHIP

BUNISTA SACCO membership has been on a growth trajectory overall, though slow.

Year	2017	2018	2019	2020	Remarks
Active Membership	420	460	438	468	Slow growth

2.0 MEMBERS PARTICIPATION IN SACCO ACTIVITIES

AGM attendance in the last 2 years were as follows.

Year	2019	2020	Reason for variance
Members Attendance	236 of 438 (53%)	NIL	COVID 19 Pandemic

We encourage that more members purpose to attend the AGMs since it is during these crucial meetings that resolutions are passed, and members get abreast with SACCO performance.

Education Days

Year	2019	2020	Reason for variance
Members Attendance	98 of 438 (22%)	NIL	COVID 19 Pandemic

We call upon members to show up for such activities for you get to be educated on various issues that range from savings to management of your finances.

3.0 MEMBERS PERSONAL ACCOUNTS

We verified members personal accounts for the period ended 31st December 2020 and noted that there was a steady rise in members' deposits.

Deposits

Year	2018	2019	2020	Variance	Remarks
Deposit	78,471,491.00	92,624,424	113,516,845	20,892,421	Favorable

4.0 PRINCIPAL ACTIVITIES OF THE SACCO

The principal activity of the SACCO is to mobilize savings and create a pool of resources from where loans can be advanced to members to engage in provident and development initiatives. During the year under review, loans were disbursed to members and repayments were done in compliance with the laid down regulations. Dividends and interest on deposits are also proposed in compliance with regulations and guidelines. There were however some isolated cases of loan defaulters:

Default outlook

Year	2018	2019	2020	% decline	Variance	Remarks
Amount	1,502,060.63	1,253,470.71	851,890.55	32%	401,580.16	Follow-up by Board enhanced

The Board has taken measures to ensure that the loans are recoverable. On our advice, the SACCO is now registered with a Credit Reference Bureau (CRB) and defaulters are referred to the CRB for listing. In addition, recoveries are made from guarantors. We request members to exhibit high level of honesty and respect to guarantors. It is members' obligation to service loans and honor relationships.

5.0 COMPARATIVE FINANCIAL PERFORMANCE.

The following are highlights from the audited financial statements.

Element	2020	Strategic Plan Target		% change	Remarks
	Actual		Variance		
Member Deposit	113,516,845	71,386,676.00	-42,130,169	63%	Commendable growth above the Strategic Plan targets
Share Capital	5,367,774	13,200,000.00	7,832,226	246%	Below Strategic Plan projection
Loan Disbursements	148,904,409	115,473,242.00	-33,431,167	78%	Commendable growth above Strategic Plan projection
Total Revenue	21,117,924	19,090,200.00	-2,027,724	90%	Marginal growth above Strategic Plan projection

There was a commendable growth in members' deposits and loans disbursed to eligible members. Share capital is gradually growing following resolution by members in 2019 that each member contributes Kshs. 3,000 per year from the deposits to attain a minimum of Kshs. 20,000.00 per member by the year 2023. In the coming years, the share capital will be at the desired level.

6.0 IMPLEMENTATION OF RESOLUTIONS OF THE PREVIOUS AGM

The 8th AGM of BUNISTA held on 27th April 2019 adopted seven resolutions. We were keen to ensure that the Board implemented these resolutions:

1. Building of share capital through Kshs. 3,000.00 deductions from members' savings per year so that in five years, all members have a minimum of Kshs. 20,000.00 each.
2. Payment of dividends @7% and awarding bonuses to supersavers. Today dividends stand @ 10%
3. Payment of Interest on Deposits @ 9.2%. Today interest stand @ 9.6%
4. Payment of Honoraria to the Board Kshs. 90,000 consolidated and staff Kshs. 24,000.00
5. Employment of a Loans Officer
6. Using Siaya County Cooperative Audit Department as external auditors, and,
7. Capping borrowing power @ Kshs. 30 Million, which we are pleased to report that the Board did not even invoke.

All the resolutions were fully implemented to the letter by the Board.

7.0 PENDING ISSUES.

During our routine review of operations of the SACCO, we raised concern over interest rates that BUNISTA has been charging on Normal Loan, Supernormal Loan and its successor, Bahari Loan. A task force was established to interrogate and deliberate on the same and give feedback to the Board. This should be expedited.

In the year 2020, the Annual General Meeting was not held due to closure of the University following COVID 19 Pandemic outbreak and subsequent Government containment measures. Consequently, elections were deferred and are to be held during this AGM. There is a vacancy in the Supervisory Committee following resignation from the society of Mr. Allan Asola who represented academic staff and was also due to retire by a third rotation in 2020. We look forward to members electing a suitable candidate who will reinvigorate our committee.

Conclusion

The society is at a critical juncture where important decisions **MUST** be made; the most notable being on loans uptake and interest rates. We believe that the Board of Directors with the support of members will execute these decisions effectively and efficiently. We must build trust amongst ourselves as members of one family and shun mistrust and suspicion that has recently permeated our family. We need constant and genuine engagement between members and the Board. Our vision in the SC is to nurture an accountable and transparent society. We will spare no effort to provide oversight in building a strong BUNISTA that will stand the test of time now and in years to come.

Long live BUNISTA SACCO!

God bless you all

BUNISTA SACCO SOCIETY LTD
P.O BOX 194-40601 BONDO

DATE: 15TH May 2021.

STATEMENT FROM TREASURER BUNISTA SACCO LTD

The Treasurer is the custodian of your monies and a mandatory signatory for all the account. I wish to inform you as follows:

1) That your money is safe and intact. Not a single coin has been lost in any fraudulent way whatsoever. Members are free to make enquiries with the KCB and Coop banks in Bondo who are our bankers. Please contact the managers of these two banks to confirmation. As a mandatory signatory the bank usually calls the Treasurer to confirm authenticity of all cheques before clearance. Additionally the Board runs an open door policy and members are free to call into our SACCO offices to confirm enquire or check our books. There is a lot of transparency in our operations.
2) SACCOs exist for three reasons:
    - Saving
    - Credits
    - Investment

    Let me discuss each in turn:

A. LOANS TO MEMBERS

i) We are very solvent, so to speak- The society processes loans of any amount in real time, usually twice a week. As at the time of this AGM we have in excess of over 30m in the bank that awaits you to borrow.
    - I am sure over 95% of the members have running loans and now that you are servicing your loan faithfully and that the loan you have which is 4X or 3X your shares is also safe with you. Additionally all our loans are guaranteed other than the services of CRB that we have put in place. In case of death we have an insurance policy with KUSCO. **Your money is safe.**
    - Is there anybody who has applied for a loan and has been turned down that there is no money? We have enough money to loan our members any time.

B. SAVINGS

Members' savings are safe. We encourage members to save more. The savings are safe. Our minimum deposit is Kshs. 2,000.00 but I'm sure we can do better. During this AGM my prayer is that we could raise this to Kshs. 3,000.00 or even more. I wish to recognize the many honourable members who sustain the SACCO by investing high deposits beyond the Kshs. 2,000.00 mark.

C. **INVESTMENT**

- Many SACCO have fallen because of wrong investment. I'm happy to inform you that our SACCO has stuck to its mandate-**SAVING and LENDING.** Proceeds from the lending are usually passed over to members as dividends and interest on deposits. We have grown from 5% in 2010 over the years to 9.5% in 2019. For the 2020 the figures are likely to be higher. We boost of 9.6% if you will approve today. We can do better in the future.
- Dividends and Interest on loans are only approved in AGM. Last year for example due to COVID we asked members to approve this virtually, upon which we paid members. Backed with a circular from the Commissioner which instructed all Sacco's to pay dividends and interest on deposits pending A.G.M approvals when COVID situation gets better, we paid our members. For this year we received authority from the Commissioner to hold physical AGM under strict COVID-19 protocols. The Law allows Boards to give an advance payment to members of not more than 50% of previous year's interest on deposits before the A.G.M. The Board chose to invoke this rule and approved 50% to those who needed cash. I wish to report that a total of 254 members received a total of Kshs. 2,160,837.00 as interim interest on deposits. Others shall receive their full payment after this A.G.M. The Board proposes this to be a policy such that every year in March members can receive the same in lieu of the A.G.M.
- For the first time we posted our Audited report two weeks ahead of the A.G.M. We hope members have gone through it.

D. **REFRESHMENT:** Traditionally we have given members some snacks followed by a small token for transport. Initially set at Kshs. 500.00 then to Kshs. 600.00. I wish to report that this year due to COVID-19 situation, we may not provide the usual snack. This A.G.M shall last only 2 hrs as per the Commissioner's directive. Subsequently we propose to enhance the token to Kshs. 800.00 to cater for the snack. We shall however provide water during the meeting.

E. **BUDGET FOR THIS YEAR**
Having mentioned our achievement may I now table our 2021 budget for your consideration and your approval.

Once again members let us work as a team. This SACCO belongs to all of us.

Rev Dr Walter Akuno, PhD

TREASURER

	INCOME AND EXPENDITURE BUDGET FOR 2021			
			2020	2021
	NAME	CODE	ACTUAL	BUDGET
1	INCOME		KSHS	KSHS
1 A)	INTEREST ON LOANS	74		
	i) NORMAL		5,123,390.00	6,719,063.00
	ii) EMERGENCY		547,940.00	857,075.61
	iii) INSTANT		327,012.00	707,786.00
	iv) OKOA		60,420.00	120,000.00
	v) SUPERNORMAL LOAN		6,111,379.00	1,702,000.00
	VI) ASSET FINANCING LOAN		156,432.00	300,000.00
	vii) SCHOOL FEES LOAN		162,597.00	172,500.00
	viiii) HOME DEVELOPMENT LOAN		2,430,367.00	2,048,779.00
	ix) BAHARI LOAN		5,691,113.00	10,698,720.00
	x) COVID LOAN		178,827.00	208,935.00
	TOTAL INTEREST ON LOANS FOR THE YEAR		20,789,477.00	23,534,858.61
1 B)	ADD : SUNDRY INCOME	90		
	i) LOAN APPRAISAL FEE		69,900.00	84,000.00
	ii) SACCO MEMBERSHIP FEE		24,000.00	72,000.00
	iii) CPS MEMBERSHIP FEE		31,000.00	48,000.00
	iv) ESS MEMBERSHIP FEE		4,000.00	36,000.00
	v) SHARE CAPITAL TRANSFER FEE		1,000.00	3,000.00
	viii) INTEREST FROM KUSCCO SAVINGS		37,758.00	-
	ix) M-PESA COMMISSION		70,249.00	180,000.00
	x) COMMISSION FROM DEPOSITS		119,360.00	0.00
	TOTAL SUNDRY INCOME FOR THE MONTH		357,267.00	423,000.00
1 C)	TOTAL INCOME		21,146,744.00	23,957,858.61
	LESS: OPERATIONAL EXPENSES			
	PERSONNEL EXPENSES			
	i) WAGES	131		48,000.00
	ii) SALARY	132	1,710,533.00	2,539,440.00
	iii) LEAVE ALLOWANCE		25,000.00	30,000.00
	iii) NSSF		12,000.00	13,200.00
	TOTAL PERSONNEL EXPENSES		1,747,533.00	2,630,640.00

	NAME	CODE	ACTUAL	BUDGET
2 B)	**GOVERNANCE**			
	i) TRAVEL & SUBSISTENCE	137	47,500.00	104,000.00
	ii) MANAGEMENT COMM. SITTING ALLOWANCE	181	843,700.00	1,400,305.00
	TOTAL GOVERNANCE EXPENSES		**891,200.00**	**1,504,305.00**
2 C)	**ADMINISTRATION**			
	i) AGM/SGM EXPENSES		0.00	453,300.00
	ii) EDUCATION OF MEMBERS AND COMMITTEE	184	168,385.00	643,050.00
	iii) PRINTING & STATIONARIES	191	127,210.00	120,050.00
	iv) POSTAGE AND TELEPHONE ALLOWANCE	192	28,190.00	40,000.00
	v) BANK CHARGES	171	103,992.00	130,000.00
	vi) PUBLIC RELATIONS	193	101,000.00	125,500.00
	vii) RENT		24,000.00	84,000.00
	viii) SUBSCRIPTIONS (METROPOL, WEBSITE)		45,500.00	45,500.00
	ix) SASRA SUBSCRIPTIONS			48,000.00
	viii) MARKETING			227,500.00
	viii) STRATEGIC PLAN TRAINING			207,600.00
	TOTAL ADMINISTRATION EXPENSES		**598,277.00**	**2,124,500.00**
2 D)	**OTHER EXPENSES**			
	i) AUDIT EXPENSES	157	33,000.00	183,000.00
	ii) SUBSISTENCE	185	96,630.00	100,000.00
	iii) REPAIRS AND MAINTAINANCE		91,860.00	100,000.00
	iv) KUSCCO YEARLY MEMBERS SUBCRIPTION		22,000.00	30,000.00
	v) CPS & ESS INTEREST		456,699.00	624,000.00
	iv) CONTIGENCY	199	26,140.00	70,000.00
	TOTAL EXPENDITURE FOR OTHER EXPENSES		**726,329.00**	**1,107,000.00**
2 E)	***TOTAL EXPENDITURE FOR THE YEAR***		***3,963,339.00***	***7,366,445.00***
3	**BALANCE C/D (SURPLUS)**		**17,183,405.00**	**16,591,413.61**

1	BUDGETARY NOTES 2021 MONTHLY			
	PARTICULARS	**KSHS**		**KSHS**
1A)	**INCOME**	**PER MONTH**	**PERIOD**	**PER YEAR**
	i) NORMAL	559,921.92	12	6,719,063.00
	ii) EMERGENCY	71,422.97	12	857,075.61
	iii) INSTANT	58,982.17	12	707,786.00
	iv) OKOA	10,000.00	12	120,000.00
	v) SUPERNORMAL LOAN	141,833.33	12	1,702,000.00
	VI) ASSET FINANCING LOAN	25,000.00	12	300,000.00
	vii) SCHOOL FEES LOAN	14,375.00	12	172,500.00
	viiii) HOME DEVELOPMENT LOAN	170,731.58	12	2,048,779.00
	ix) BAHARI LOAN	891,560.00	12	10,698,720.00
	x) COVID LOAN	17,411.25	7	208,935.00
		TOTAL		**23,534,858.61**
1B)	**OTHER SUNDRY INCOME**			
	1) LOAN APPLICATION	7,000.00	12	84,000.00
	2) SACCO MEMBERSHIP	6,000.00	12	72,000.00
	3) CPS MEMBERSHIP	4,000.00	12	48,000.00
	4) ESS MEMBERSHIP	3,000.00	12	36,000.00
	5) SHARE CAPITAL TRANSFER FEE	3,000.00		3,000.00
	6) M-PESA COMMISSION	15,000.00	12	180,000.00
		TOTAL		**423,000.00**
1C)	**TOTAL FOR 1A) & 1B)**			**23,957,858.61**

II	BUDGETARY NOTES 2021 - PERSONNEL		
2 A)	**WAGES NEW EMPLOYEE (SACCO)**	**YEAR 2020**	**YEAR 2021**
	KSHS. 8,000.00 X 6 Months	48,000.00	48,000.00
2 B)	**SALARY**	**PER MONTH**	**PER MONTH**
	EMPLOYEE 001		
	i) Basic salary	19,056.25	22,260.00
	ii) House allowance	9,000.00	10,500.00
	iii) Medical allowance	5,500.00	6,500.00
	iv) Mileage allowance	6,000.00	6,500.00
	v) Responsibility allowance		4,000.00
	GROSS PAY PER MONTH	**39,556.25**	**49,760.00**
	TOTAL ANNUALY	**474,675.00**	**597,120.00**
2 C)	**SALARY**	**PER MONTH**	**PER MONTH**
	EMPLOYEE 002	KSHS	KSHS
	i) Basic salary	16,674.22	19,080.00
	ii) House allowance	7,000.00	9,000.00
	iii) Medical allowance	4,500.00	6,500.00
	iv) Mileage allowance	6,000.00	6,500.00
	GROSS PAY	**34,174.22**	**41,080.00**
	TOTAL ANNUALY	**410,090.64**	**492,960.00**
2 D)	**SALARY**	**PER MONTH**	**PER MONTH**
	EMPLOYEE 003	**KSHS**	**KSHS**
	i) Basic salary	10,290.26	10,600.00
	ii) House allowance	4,000.00	5,000.00
	iii) Medical allowance	3,500.00	6,500.00
	iv) Mileage allowance	6,000.00	6,500.00
	GROSS PAY	**23,790.26**	**28,600.00**
	TOTAL ANNUALY	**285,483.12**	**343,200.00**
2 E)	**SALARY**	**PER MONTH**	**PER MONTH**
	EMPLOYEE 004	**KSHS**	**KSHS**
	i) Basic salary	8,988.80	12,720.00
	ii) House allowance	4,000.00	6,000.00
	iii) Medical allowance	3,500.00	6,500.00
	iv) Mileage allowance	6,000.00	6,500.00
	GROSS PAY	**22,488.80**	**31,720.00**
	TOTAL ANNUALY	**269,865.60**	**380,640.00**
2 E)	**SALARY**	**PER MONTH**	**PER MONTH**
	EMPLOYEE 005	**KSHS**	**KSHS**
	i) Basic salary	14,840.00	16,960.00
	ii) House allowance	7,000.00	8,000.00
	iii) Medical allowance	4,500.00	6,500.00
	iv) Mileage allowance	6,000.00	6,500.00
	GROSS PAY	**32,340.00**	**37,960.00**
	TOTAL ANNUALY	**388,080.00**	**455,520.00**

2 E)	**SALARY (INTERNAL AUDITOR)**	**PER MONTH**	**PER MONTH**
	EMPLOYEE 006	**KSHS**	**KSHS**
	i) Basic salary	-	16,000.00
	ii) House allowance	-	8,000.00
	iii) Medical allowance	-	6,500.00
	iv) Mileage allowance	-	6,500.00
	GROSS PAY	-	**37,000.00**
	TOTAL ANNUALY	-	**222,000.00**

2 F)	**NSSF**	**KSHS**	**KSHS**
EMPLOYEE 001	Kshs. 200.00 x 12 months	2,400.00	2,400.00
EMPLOYEE 002	Kshs. 200.00 x 12 months	2,400.00	2,400.00
EMPLOYEE 003	Kshs. 200.00 x 12 months	2,400.00	2,400.00
EMPLOYEE 004	Kshs. 200.00 x 12 months	2,400.00	2,400.00
EMPLOYEE 005	Kshs. 200.00 x 12 months	2,400.00	2,400.00
EMPLOYEE 006	Kshs. 200.00 x 6 months		1,200.00
	TOTAL	**12,000.00**	**13,200.00**

D)	**SUMMARY**	**YEAR 2020**	**YEAR 2021**
STAFF	**SALARY**	**KSHS**	**KSHS**
EMPLOYEE 001	TOTAL ANNUALY	474,675.00	597,120.00
EMPLOYEE 002	TOTAL ANNUALY	410,090.64	492,960.00
EMPLOYEE 003	TOTAL ANNUALY	285,483.12	343,200.00
EMPLOYEE 004	TOTAL ANNUALY	269,865.60	380,640.00
EMPLOYEE 005	TOTAL ANNUALY	388,080.00	455,520.00
EMPLOYEE 006	TOTAL ANNUALY	-	222,000.00
WAGES	TOTAL ANNUALY	48,000.00	48,000.00
NSSF	TOTAL ANNUALY	12,000.00	13,200.00
	TOTAL	**1,888,194.36**	**2,552,640.00**

BUDGETARY NOTES 2021 - MANAGEMENT COMM. SITTING ALLOWANCE

		Rate	No. of members	No. of meetings	Total Annualy	Tax @ 30%	Net allowance
4(A)	**BOARD OF DIRECTORS COMMITTEE**	KSHS			KSHS	KSHS	
	Chairman	7,145.00	1	15	107,175.00	32,152.50	75,022.50
	Vice Chairperson	6,430.00	1	15	96,450.00	28,935.00	67,515.00
	Treasurer	6,430.00	1	15	96,450.00	28,935.00	67,515.00
	Hon. Secretary	6,430.00	1	15	96,450.00	28,935.00	67,515.00
	Committee members	5,720.00	3	15	257,400.00	77,220.00	180,180.00
	TOTAL		7		**653,925.00**	**196,177.50**	**457,747.50**

		Rate	No. of members	No. of meetings	Total Annualy	Tax @ 30%	Net allowance
4(B)	**FINANCE & ADMINISTRATION COMMITTEE**	5,720.00	4	4	91,520.00	27,456.00	**64,064.00**
						-	-
4C)	**CREDIT COMMITTEE**	5,720.00	3	12	205,920.00	61,776.00	**144,144.00**
					-	-	-
4(D)	**SUPERVISORY COMMITTEE**	5,720.00	3	4	68,640.00	20,592.00	**48,048.00**
					-	-	-
4(E)	**BUSINESS DEV'T & EDUCATION COMMITTEE**	5,720.00	3	4	68,640.00	20,592.00	**48,048.00**

4(F)	**ADHOC COMMITTEES**	5,720.00	3	4	68,640.00	20,592.00	**48,048.00**

4(G)	**JOINT MANAGEMENT COMMITTEE**	Rate	No. of members	No. of meetings	Total Annualy	Tax @ 30%	Net allowance
	Chairman	7,145.00	1	4	28,580.00	8,574.00	20,006.00
	Vice Chairperson	6,430.00	1	4	25,720.00	7,716.00	18,004.00
	Treasurer	6,430.00	1	4	25,720.00	7,716.00	18,004.00
	Hon. Secretary	6,430.00	1	4	25,720.00	7,716.00	18,004.00
	Credit committee members	5,720.00	3	4	68,640.00	20,592.00	48,048.00
	Supervisory Committee members	5,720.00	3	4	68,640.00	20,592.00	48,048.00
	TOTAL		10		**243,020.00**	**72,906.00**	**170,114.00**

SUMMARY			
TOTALS FOR THE YEAR	**KSHS GROSS**	**LESS TAX**	**KSHS**
1. MGT BOARD COMMITTEE	653,925.00	(196,177.50)	457,747.50
2. FINANCE & ADMINISTRATION COMM.	91,520.00	(27,456.00)	64,064.00
3.CREDIT COMMITTEE	205,920.00	(61,776.00)	144,144.00
4. SUPERVISORY COMMITTEE	68,640.00	(20,592.00)	48,048.00
5. BUSINESS DEV'T & EDUCATION COMMITTEE	68,640.00	(20,592.00)	48,048.00
6. ADHOC COMMITTEE	68,640.00	(20,592.00)	48,048.00
7. JOINT MANAGEMENT COMMITTEE	243,020.00	(72,906.00)	170,114.00
TOTAL	**1,400,305.00**	**(420,091.50)**	**980,213.50**

BUDGETARY NOTES 2021- AGM

	ANNUAL GENERAL MEETING (AGM)						
	ITEM	Pages	Copies	Total Pages			
1	STATIONERY - (PHOTOCOPIES)						
	A) Audited Report 2019/2020	40	300	12000			
	B) Chairman's report	12	300	3600			
	C) Treasurers report Budget	12	300	3600			
	D) AGM Programme	1	300	300			
	E) AGM Notice	1	300	300			
	F) Minutes for the previous AGM meeting	15	300	4500			
	G) Supervisory Committee Report	8	300	2400			
	H) Ballot papers	200	2	400			
	TOTAL PAGES			27100			
		Pages	Per ream	QTY	Cost per Unit	TOTAL KSHS.	
	Photocopying paper reams required	27100	500	54	450.00	24,300.00	
	Photocopier Tonner			1	14,000.00	14,000.00	
	SUB- TOTAL COST					38,300.00	
				Members	Cost		
2	Transport reimbursement to members present			300	800.00	240,000.00	
3	Snacks for members			300	50.00	15,000.00	
4	Reimbursements					81,700.00	
5	Purchase of hand sanitizers			4	400.00	1,600.00	
	SUB- TOTAL					338,300.00	
1	Plaques for Founder Directors			10	11,000.00	110,000.00	
3	Certificates for highest savers					5,000.00	
	TOTAL					115,000.00	
	GRAND TOTAL					453,300.00	

	BUDGETARY NOTES FOR AGM REIMBURSEMENT	QTY	PERSONS	2021
1	Transport re-imbursement for guest of honour	1	10,000.00	10,000.00
2	Transport re-imbursement for county coop. officers	2	5,000.00	10,000.00
3	Transport re-imbursement for county Auditor	1	3,000.00	3,000.00
4	Wages for casuals	3	400.00	1,200.00
5	Public address system		10,000.00	10,000.00
6	B.O.D sitting allowance		37,500.00	37,500.00
7	Miscelleneous			10,000.00
	TOTAL			81,700.00

VI	BUDGETARY NOTES 2021 - BOARD, STAFF AND MEMBER EDUCATION						
	Particulars	**Pages**	**Copies**	**Total pages**	**QTY**	**UNIT COST**	**TOTAL**
6(A)	1. Stationery for learning materials(photocopies)	10	350	3,500	7 reams	450	3,150.00
	No. of reams required= 4,200/500 = 8 reams						
6(B)	Facilitation fee				2 people	10,000.00	20,000.00
6 C)	Entertainment (snacks)				300 members	150	45,000.00
6(F)	SUNDRY EXPENSES (Casuals)						
	1. Public Address System (for hire)				1 person	5,000.00	5,000.00
	2. Snacks service				3 people	400	1,200.00
	3. Venue arragement and registration				3people	400	1,200.00
	4.B.O.D Allowances				10 Members		37,500.00
	SUB-TOTAL						***113,050.00***
	BOARD & STAFF TRAINING						
6(D)	**MANAGEMENT TRAINING**						
	1. Training charges				5 members	45,000.00	225,000.00
	2. Travelling and Subsistance				5 members	9,000.00	45,000.00
6(E)	**STAFF TRAINING**						
	1. Training charges				5 staffs	45,000.00	225,000.00
	2. Travelling and Subsistance				5 staffs	7,000.00	35,000.00
	SUB-TOTAL						***530,000.00***
6(F)	***STRATEGIC PLAN SEMINAR***						
	1. Facilitation fees				1 person		20,000.00
	2. Travelling and subsistence for Board, Supervisory & Staff				15 members		130,000.00
	3. Conference hall charges , meals						57,600.00
	Sub-Total						***207,600.00***

VII	BUDGETARY NOTES 2021 - STATIONERY			
	ITEM	**QTY**	**UNIT COST**	**TOTAL**
			KSHS	**KSHS**
1	Spring files	25	70	1,750.00
2	Box files	5	200	1,000.00
3	Printing Payment Voucher	12	480	5,760.00
4	Printing Cash Received Voucher	24	480	11,520.00
12	Envelopes size A5	50	100	5,000.00
14	Envelopes size B7	20	100	2,000.00
15	HP Tonner Cartrige 05a - printer	5	7,500.00	37,500.00
16	Task Alfa Tonner Photocopier	3	14,000.00	42,000.00
17	Assorted Pens	1	720	720.00
18	Computer Anti-virus	3	3,500.00	10,500.00
19	Counter books 1 Quire	10	150.00	1,500.00
20	Petty Cash vouchers	12	50.00	600.00
22	Stamp Pad Inks	2	100.00	200.00
	TOTAL			**120,050.00**

	FUNDS FLOW BUDGET 2021				
1	**SOURCES OF FUNDS INFLOW**				
		2020	**2020**	**2021**	**2021**
	PRODUCT	**MONTHLY**	**YEARLY**	**MONTHLY**	**YEARLY**
A	**SAVINGS**	**BUDGETED**	**BUDGETED**	**BUDGETED**	**BUDGETED**
1	SHARES	2,200,000.00	26,400,000.00	2,235,000.00	26,820,000.00
2	BBF	90,000.00	1,080,000.00	120,000.00	1,440,000.00
3	CPS	950,000.00	11,400,000.00	1,050,000.00	12,600,000.00
4	ESS	250,000.00	3,000,000.00	250,000.00	3,000,000.00
	MPESA	15,000.00	180,000.00	15,000.00	180,000.00
5	**SUB-TOTAL**	**3,505,000.00**	**42,060,000.00**	**3,670,000.00**	**44,040,000.00**
B	**LOANS**				
1	NORMAL	1,800,000.00	21,600,000.00	2,120,000.00	25,440,000.00
2	EMERGENCY	450,000.00	5,400,000.00	335,000.00	3,974,899.47
3	INSTANT	180,000.00	2,160,000.00	192,000.00	2,314,772.96
4	SUPER NORMAL	1,850,000.00	22,200,000.00	556,000.00	6,672,000.00
5	OKOA	100,000.00	1,200,000.00	100,000.00	1,044,834.99
6	ASSET FINANCE	100,000.00	1,200,000.00	100,000.00	799,662.35
7	SCHOOL FEES	70,000.00	840,000.00	85,000.00	681,555.18
8	HOME DEVELOPMENT	300,000.00	3,600,000.00	750,000.00	9,000,000.00
9	BAHARI			2,500,000.00	30,000,000.00
10	COVID 19 EMERGENCY			650,000.00	4,480,000.00
11	DIRECT PAYMENTS	1,500,000.00	18,000,000.00	1,500,000.00	18,000,000.00
	SUB-TOTAL	**6,350,000.00**	**76,200,000.00**	**8,888,000.00**	**102,407,724.95**
C	**MEMBERSHIP**				
1	SACCO	6,000.00	72,000.00	6,000.00	72,000.00
2	CPS	4,000.00	48,000.00	4,000.00	48,000.00
3	ESS	3,000.00	36,000.00	3,000.00	36,000.00
4	SUB-TOTAL	13,000.00	156,000.00	13,000.00	156,000.00
	TOTAL	**9,868,000.00**	**118,416,000.00**	**12,571,000.00**	**146,603,724.95**

2	**FUNDS APPLICATIONS**				
A	**LOANS**	**2020 MONTHLY**	**2020 YEARLY**	**2021 MONTHLY**	**2021 YEARLY**
		BUDGETED	**BUDGETED**	**BUDGETED**	**BUDGETED**
1	NORMAL	2,500,000.00	30,000,000.00	2,500,000.00	30,000,000.00
2	EMERGENCY	550,000.00	6,600,000.00	550,000.00	6,600,000.00
3	INSTANT	250,000.00	3,000,000.00	250,000.00	3,000,000.00
4	OKOA	180,000.00	2,160,000.00	180,000.00	2,160,000.00
5	ASSET FINANCE	350,000.00	4,200,000.00	350,000.00	4,200,000.00
6	SUPER NORMAL	2,200,000.00	26,400,000.00	0.00	0.00
7	SCHOOL FEES	60,000.00	720,000.00	60,000.00	720,000.00
8	HOME DEVELOPMENT	250,000.00	3,000,000.00	950,000.00	11,400,000.00
9	BAHARI			2,200,000.00	26,400,000.00
	SUB-TOTAL	**6,340,000.00**	**76,080,000.00**	**7,040,000.00**	**84,480,000.00**
B	**FIXED RECURRENT COSTS**				
1	KUSCCO LOAN				
2	KUSCCO SAVINGS	300,000.00	3,600,000.00	300,000.00	3,600,000.00
3	CPS	740,000.00	8,880,000.00	740,000.00	8,880,000.00
4	ESS	158,000.00	1,896,000.00	158,000.00	1,896,000.00
5	OPERATIONAL COSTS	441,424.00	5,297,088.00	441,424.00	5,297,088.00
6	SUB -TOTAL	1,639,424.00	19,673,088.00	1,639,424.00	19,673,088.00
	TOTAL	**7,979,424.00**	**95,753,088.00**	**8,679,424.00**	**104,153,088.00**
	SURPLUS	**1,888,576.00**	**22,662,912.00**	**3,891,576.00**	**42,450,636.95**

BUDGETARY NOTES 2021				
CAPITAL EXPENDITURE				
		QTY	**PRICE PER UNIT**	**ESTIMATE 2021**
				KSHS
	OFFICE ACCESSORIES			
A)	Desk top Computers	1	75,000.00	75,000.00
B)	Printer HP LaserJet	1	25,000.00	25,000.00
D)	Office Cabinets	1	20,000.00	20,000.00
E)	UPS	1	35,000.00	35,000.00
	Furniture			
A)	Office Chairs	1	9,000.00	9,000.00
B)	Office tables	1	25,000.00	25,000.00
	Total			**189,000.00**
A)	**OFFICE BUILDING ESTIMATE IN PHASES PER YEAR**			7,100,000.00
B)	**MANAGEMENT INFORMATION SYSTEM**			1,500,000.00
	TOTAL			**8,600,000.00**
	GRAND TOTAL			**8,789,000.00**

VIII	**BUDGETARY NOTES 2021**		
	PUBLIC RELATIONS BUDGET FOR 2021		
		DETAILS	**ESTIMATE 2021**
			KSHS
A)	Ushirika Day Celebrations	1 Meeting x 10,000/=	10,000.00
B)	Sacco members transport re-imbersment attending Ushirika day	1 meeting x 5 Members X 1000/=	5,000.00
C)	District Cooperative leadres forum meeting	5000 X 1 Meeting	5,000.00
D)	Ex-offico sitting allowance	15 meetings x 1 member x 3,500.00	52,500.00
E)	KUSCCO Members annual meeting	1 Meeting X 2 Members X 3,500/=	7,000.00
H)	Processing & registration of Audited report	15,000/= X 1	15,000.00
F)	Auditor's Expenses to deliver report to - per diem	1 person X 3 Days X 5,000/=	15,000.00
G)	Quaterly wages for the deductions payroll accountant	4000.00 X 4	16,000.00
	TOTAL		**125,500.00**
IX	**BUDGETARY NOTES 2021**		
	AUDITING EXPENSES BUDGET FOR 2021		
		DETAILS	**ESTIMATE 2021**
A)	Audit Expense fees		183,000.00
	TOTAL		**183,000.00**
x	BUDGETARY NOTES 2021		
	CONTIGENCY EXPENSES BUDGET FOR 2021		
		DETAILS	**ESTIMATE 2021**
	Contigency Expences (10% of total budget)		733,808.00

iv	BUDGETARY NOTES 2021 - MANAGEMENT COMM. TRAVELLING ALLOWANCE				
		Rate	No. of members	No. of meetings	Total Annualy
4(A)	**BOARD OF DIRECTORS COMMITTEE**	KSHS			KSHS
	Chairman	500.00	1	12	6,000.00
	Vice Chairperson	500.00	1	12	6,000.00
	Treasurer	500.00	1	12	6,000.00
	Hon. Secretary	500.00	1	12	6,000.00
	Committee members	500.00	3	12	18,000.00
	TOTAL		7		**42,000.00**

4(B)	**SUPERVISORY COMMITTEE**	500.00	3	4	6,000.00
					-

4(D)	JOINT MANAGEMENT COMMITTEE	Rate	No. of members	No. of meetings	Total Annualy
	Chairman	500.00	1	4	2,000.00
	Vice Chairperson	500.00	1	4	2,000.00
	Treasurer	500.00	1	4	2,000.00
	Hon. Secretary	500.00	1	4	2,000.00
	Credit committee members	500.00	3	4	6,000.00
	Supervisory Committee members	500.00	3	4	6,000.00
	TOTAL		**10**		**20,000.00**

SUMMARY	
TOTALS FOR THE YEAR	**KSHS**
1. MGT BOARD COMMITTEE	42,000.00
4. SUPERVISORY COMMITTEE	6,000.00
6. JOINT MANAGEMENT COMMITTEE	20,000.00
TOTAL	**68,000.00**

iv	BUDGETARY NOTES 2021 - STAFF TRAVELLING				
		Rate	**No. of members**	**No. of meetings**	**Total Annualy**
2	STAFF	3,000.00	1	12	36,000.00
	TOTAL		7		**36,000.00**

SUMMARY	
TOTALS FOR THE YEAR	**KSHS**
MANAGEMENT	68,000.00
STAFF	36,000.00
TOTAL	**104,000.00**

	SASRA REMITTANCES	
		KSHS.
A)	APPLICATION FEE	3,000.00
B)	LICENCING FEE	5,000.00
C)	ANNUAL AUTHORIZATION FEE FOR HEAD OFFICE	30,000.00
D)	ANNUAL AUTHORIZATION FEE FOR PLACE OF BUSINESS	10,000.00
	TOTAL	**48,000.00**

	MARKETING	
		KSHS.
A)	CALENDERS	180,000.00
B)	BROCHURES	10,000.00
C)	BRANDING WHITE PEEL ENVELOPES A4	10,000.00
D)	BRANDING WHITE PEEL ENVELOPES B5	7,500.00
E)	BRANDED PENS	20,000.00
	TOTAL	**227,500.00**

	II BUDGETARY NOTES -BUSINESS 2021			
	STATIONERY			TOTAL
	PARTICULARS	PER UNIT	QUANTITY	
	Tonner	20,300.00	2 Pieces	40,600.00
	Stapler pins 24/6	180.00	3 pcs	540.00
	Stapler pins 23/13	250.00	1 pkt	250.00
	Stapler pins 23/10	250.00	1 pkt	250.00
	Binding tape	245.00	9 pieces	2,205.00
	White out (correction fluid)	150.00	1 pc	150.00
	Lamination porches	1,045.00	2 Ream	2,090.00
	spring files	70.00	60 Files	4,200.00
	Envelopes- A4	200.00	10 bales	2,000.00
	Envelopes- A5	100.00	10 bales	1,000.00
	TOTAL			53,285.00

BUSINESS INCOME AND EXPENDITURE BUDGET - 2021		
	PARTICULARS	
	SALES	***2021***
1	Photocopy	600,000.00
2	Type setting	2,000.00
3	Printing	90,000.00
4	Binding	25,000.00
5	Lamination	10,000.00
6	Envelopes	4,000.00
7	M-PESA	180,000.00
	TOTAL SALES	***911,000.00***
	EXPENSES	
1	Stationery	53,285.00
2	Transport	4,000.00
3	Repair & Maintainace	58,000.00
	TOTAL EXPENSES	***115,285.00***
	BALANCE	**795,715.00**

CS/12880 BUNISTA SAVINGS & CREDIT CO-OPERATIVE SOCIETY LIMITED

ANNUAL REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

STATE DEPARTMENT FOR CO-OPERATIVESNAIROBIC/O CO-OPERATIVE, P. O. BOX 30547 00100 NAIROBI AUDIT, CO-OPERATIVE DEVELOPMENTP. O. BOX 63 40600 SIAYA

CS/ 12880 BUNISTA Savings & Credit Co-Operative Society Limited
Annual report and financial statements for the year ended 31st December, 2020

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CS/12880
Bunista Sacco Society Limited

Society Information
For the year ended 31st December, 2020

The Board of Directors at 31st December,2020

1. Mr. Joseph S. O'Bonyo	-	**Chairperson**
2. Prof. Maurice Nyadawa	-	**Vice Chairman**
3. CPA Wilkister Baraza	-	**Hon. Secretary**
4. Dr. Walter Akuno	-	**Treasurer**
5. Dr. Michael Nyagol	-	**Member**
6. Mr. Samuel Okeyo	-	"
7. Mr.Mark Juma	-	"

Supervisory committee

1. CPA. David Sanda	-	**Chairperson**
2. Mr. Fredrick M. Oluoch	-	**Secretary**
3. CPA. Allan O. Asola	-	**Member**

Secretary manager
Roselyne Awuor

Registered office
P. O. Box 194 - 40601 **BONDO**

Bunista Savings & Credit Co-operative Society Limited
Situated in Jaramogi Oginga Odinga University of Science and Technology Main Campus.

Bankers

Co-operative Bank of Kenya	-	Bondo Branch
Kenya Commercial Bank	-	Bondo Branch

Lawyers
No lawyer

Auditors
State Department for Co-operatives
C/o Department of Co-operatives
Co-operative Audit Services
SIAYA COUNTY

CS/12880
Bunista sacco society limited
Statistical information as at 31st December, 2020

		2020	2019
Membership	Active	479	460
	Dormant	5	-
	Deceased	(5)	(2)
	Withdrawal	(11)	(20)
	Total	**468**	**438**

	Kshs	Kshs
Financial		
Share capital	5,367,774	4,014,774
Members Deposits	113,516,845	92,624,424
Loans to members	139,132,208	110,359,961
Investments	216,000	216,000
Revenue reserve	14,905,999	11,058,566
Statutory reserve	3,997,332	2,865,029
Land property & equipment	2,927,926	2,454,938
Total revenue	21,117,924	19,744,013
Total interest income	20,827,235	19,293,742
Total expenses	3,975,540	3,759,620
Interest payable	10,897,617	8,799,325
Rate on interest payable	9.6%	9.5%

Expenses as a percentage of turnover		
Personnel	8.3%	6.7%
Governance	5.5%	4.9%
Administration	3.1%	4.4%
Interest payable	53.7%	44.6%
Dividend payable	2.5%	1.8%
Honorarium payable	0.5%	0.5%
Others	5%	3%

Key ratio		
Total Expenses/Total revenue	0.019	1:017
Solvency ratio	1.14:1	1.09:1

CS/12880
Bunista Sacco Society limited
Report of the management committee for
The year ended 31st December, 2020

Introduction
The Board of Directors submits their annual report together with the audited report for the year ended 31st December, 2020

Incorporation
The society is incorporated in Kenya under the Co-operative Societies Act Cap 490 and is domiciled in Kenya.

Principal activities
The principal activity of the society continued to be receiving savings from and provision of loans to its members.

Results for the year

	2020 Kshs	2019 Kshs
Net surplus/deficit before taxation	5,788,068	6,560,600
Income Tax expenses	(126,555)	(136,215)
Statutory reserve	(1,132,303)	(1,284,877)
Surplus/deficit after taxation	**4,529,210**	**5,139,508**
Dividend on share capital	(536,777)	(361,330)
Retained surplus for the year	**3,992,433**	**4,778,178**
Interest on members deposits	10,897,617	8,799,320
Dividend payable	536,777	361,330
Honoraria payable	100,000	100,000
Staff incentives	45,000	45,000

Dividend/interest on members deposits
The Board of Directors recommends payment of dividend at the rate of 10% for 2020 (2019 - 9%) and interest on members deposits at the rate of 9.6% for 2020 (9.5% 2019). Interest payable is Kshs. 10,897,617 (2019 –8,799,320), honoraria Kshs. 100,000 (2019- 100,000/-) and staff incentive Kshs.45,000 (2019 – 45,000/-) This will be subject to approval of members at Annual General Meeting.

Board of Directors
The Board of Directors who served during the year and to date of this report are as stated on page 1.
By order of the Board

Signature .... Date ...12th April 2021.
Secretary

CS/12880
Bunista Sacco Society Limited

Report and audited accounts for the year ended 31st December, 2020

Statement of the Board of Director's responsibilities
The Co-operative Societies Act requires the Board of Directors to prepare the financial statements for each financial year which give a true and view of the state of affairs of the society as at the year end of the financial year and the operating results for that year in accordance with IFRS. It also requires the Board of Directors to ensure that the society keeps proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the society.

The Board of Directors accepts responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable prudent judgment and estimates, in conformity with International Financial Reporting standards and in the manner required by the Co-operative Societies Act. The Board is of the opinion that the financial statements give a true and fair view of the affairs of the society and of its operating results in accordance with IFRS. The Board of Directors further accepts responsibility for the maintenance of accounting records which may be relied upon in preparation of financial statements as well as adequate systems of internal financial control.

Nothing has come to the attention of the Board of Directors to indicate that the society will not remain a going concern for at least the next twelve months from the date of these statements.
Approved by the Board of Directors on and signed on its behalf by:-

Chairman .... Date 12th April, 2021

Treasurer .... Date 12th April 2021.

Hon. Secretary .... Date 12th April 2021

CS/12880
Bunista Sacco Society limited

Independent Auditors' report to the members of Bunista Sacco Society limited

Opinion

We have audited accompanying financial statements of Bunista Sacco Society Limited which comprise statement of financial position as at 31st December, 2020, statement of comprehensive income, statement of changes in equity and statement of the cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information. In our opinion, the financial statements, give a true and fair view of the state of the society's financial affairs as at 31st December, 2020 the results of its operations and cash flows for the year ended in accordance with the International Financial Reporting Standards and the requirements of the Co-operative Societies Act, Cap 490 of Laws of Kenya

Board of Directors' responsibility for the financial statements

The Board of Directors of the society are responsible for the preparation these and presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Co-operative Societies Act, Cap 490 of the Laws of Kenya and for such internal controls as the Board determine is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted an audit in compliance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements The procedures elected depend on the auditors' Judgment including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to Provide a basis for our audit opinion.

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Bunista Sacco society Limited

Independent Auditors' report to the members of Bunista Sacco Sacco Society Ltd – continued

Report on Other Legal Requirements

As required by the Co-operative Societies Act, we report to you that the financial statements are in agreement with the books of accounts kept by the society and that, based on our audit, nothing has come to our attention that causes us to believe that the society's business has not been audited:-

b. In accordance with Co-operative Society's by-laws, objective, and any other resolutions made by the society's members at an annual general meeting.

For and on behalf of Co-operative Audit Services
Directorate of Co-operative development, Siaya County

COUNTY DIRECTOR OF CO-OPERATIVE A...
SIAYA COUNTY
P. O. BOX 69 - 40600, SIAYA
DATE.................SIGN...................

Erick Owino Okech
Ag. County Director of Co-operative Audit
SIAYA

Date ....

CS/12880
Bunista Sacco society limited

Statement of comprehensive income for the year ended 31st December, 2020

	Notes	2020 Kshs	2019 Kshs
Revenue			
Interest on loans and advances	2(a)	20,789,477	19,009,782
Other interest incomes	2(b)	37,758	283,960
Interest expenses	2(c)	(11,354,316)	(9,423,793)
Net interest incomes		**9,472,919**	**9,869,949**
Other operating income	3	290,689	450,271
Net operating income		**9,763,608**	**10,320,220**
Operating expenses	4	(3,975,540)	(3,759,620)
Net operating surplus before income tax		**5,788,068**	**6,560,600**
Income tax expenses	5	(126,555)	(136,215)
Net surplus for the year after tax		**5,661,513**	**6,424,385**
20% transfer to statutory reserve	1(d)	(1,132,303)	(1,284,877)
Provision for honoraria		(100,000)	(100,000)
Provision for Staff incentives		(45,000)	(45,000)
Proposed dividend		(536,777)	3(61,330)
Net surplus to revenue reserve account		**3,847,433**	**4,633,178**

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Bunista Sacco society limited

Statement of financial position as at 31st December, 2020

	Notes	2020 Kshs	2019 Kshs
Assets			
Cash& bank balances	6	18,356,642	17,241,915
Receivables & prepayments	7	10,700,736	8,637,528
Loans to members	8	139,132,208	110,359,961
Investments	9	216,000	216,000
Land, property, & equipment	10	2,927,926	2,454,938
Total assets		**171,333,512**	**138,910,342**
Liabilities			
Members deposits	11	113,516,845	92,624,424
Payables & accruals	12	32,035,525	26,837,512
Total liabilities		**145,552,370**	**119,461,936**
Equity			
Share capital	13	5,367,774	4,014,774
Reserves	14	20,413,368	15,433,632
Total equity		**25,781,142**	**19,448,406**
Total liabilities & equity		**171,3333,512**	**138,910,342**

The financial statements were authorized by the Board of Directors on , 2021 and signed on its behalf by:

Chairman .... Hon. Secretary .... Treasurer ....

Date 12th April 2021

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BUNISTA SAVINGS & CREDIT CO-OPERATIVE SOCIETY LTD

ANNUAL REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020

	Notes	Share Capital	Statutory reserve	Revenue reserve	Other reserves	Total
Balance as at 1st January, 2019		2,609,774	1,580,152	6,425,388	1,510,037	12,125,351
Issue for share capital	20	124,000	0	0	0	124,000
Surplus for the year		0	0	6,560,600	0	6,560,600
20% transfer to statutory reserve	21	0	1,284,877	-1,284,877	0	0
Income tax payable 2019	6	0	0	-136,215	0	-136,215
Proposed dividend	21	0	0	-361,330	0	-361,330
proposed honoraria and staff incentives		0	0	-145,000	0	-145,000
transfer from deposits		1,281,000	0	0	0	1,281,000
Additional capital reserve		0	0	0	0	0
Balance as at 31st December, 2019		**4,014,774**	**2,865,029**	**11,058,566**	**1,510,037**	**19,448,406**
Balance as at 1st January, 2020		**4,014,774**	**2,865,029**	**11,058,566**	**1,510,037**	19,448,406
Issue for share capital	20	101,000	0	0	0	101,000
Surplus for the year		0	0	5,788,068	0	5,788,068
20% transfer to statutory reserve	21	0	1,132,303	-1,132,303	0	0
Income tax payable 2020	6	0	0	-126,555	0	-126,555
Proposed dividend	21	0	0	-536,777	0	-536,777
proposed honoraria and staff incentives		0	0	-145,000	0	-145,000
Interest on deposits ploughed back		0	0	0	0	0
transfer from deposits		1,252,000				1,252,000
Additional capital reserve		0	0	0	0	0
Balance as at 31st December, 2020		**5,367,774**	**3,997,332**	**14,905,999**	**1,510,037**	**25,781,142**

CS/12880
Bunista Sacco Society limited

Statement of cash flows for the year ended 31st December, 2020

	2020 Kshs	2019 Kshs
Cash flow from operating activities		
Interest receipts	20,827,235	19,009,782
Other incomes	290,689	734,231
Interest Paid	(456,699)	(624,473)
Payments to suppliers & customers	(3,579,340)	(3,375,041)
	17,081,885	**15,744,499**
Increase/decrease in operating assets		
Increase/ decrease in receivables	(2,063,208)	(1,049,178)
increase/decrease in Loans to members	(28,772,247)	(19,846,136)
	(30,835,455)	**(20,895,314)**
Increase/decrease in operating liabilities		
Increase/decrease in Members deposits	22,144,421	14,152,933
Increase/decrease in Payables	2,436,384	(3,102,592)
Audit and supervision fees paid	(33,000)	(27,500)
interest on members deposits paid	(8,799,320)	(7,219,378)
Management committee honoraria paid	(100,000)	(90,000)
Staff incentive	(45,000)	(24,000)
Cash flow from operating activities	**15,603,485**	**3,689,463**
Cash flows from investing activities		
Purchase of Kuscco Shares	-	-
Purchase of assets	(836,188)	(1,474,254)
Net cash flows from investing activities	**(836,188)**	**(1,474,254)**
Cash flows from financing activities		
Share capital contributions	101,000	1,405,000
Net cash from financing activities	**101,000**	**1,405,000**
Net Changes in cash & cash equivalent	1,114,727	(1,530,606)
Cash & cash equivalent beginning	17,241,915	18,772,521
Cash & cash equivalent ending	18,356,642	17,241,915

1. Summary of significant accounting policies

The principal accounting policies adopted in preparation of these financial statements are set out below:

(a) Statement of compliance & basis of preparation: IAS 1

The financial statements have been prepared in accordance with International Financial Reporting Standards. The principal accounting policies adopted remain unchanged from the previous year.

The financial statements are presented in the functional currency, Kenya shillings (Kshs) and prepared under the historical cost convention, except as specialized below under fair value measurement in accordance with applicable IFRS.

(b) Revenue recognition: IFRS 15

Interest on loans to members is calculated on reducing balance method. Interest income is recognized on a time proportion basis by reference to the principal outstanding and effective interest rate applicable. Interest on loans is charged at 2.5% per month on reducing balance. Interest on bank deposits as well as other income is recognized when received.

(c) Plant property and equipment: IAS 16

Property and equipment are stated at cost less accumulated depreciation. Particular class of property and equipment are subsequently, shown at revalued amounts, based on periodic valuations. Depreciation is calculation on a reducing balance method. The annual depreciation rates applicable are as follows:

Asset	Rate
Land	0%
Building	5%
Safe	5%
Furniture & fittings	12.50%
Computers & Accessories	30%
Office equipment	30.00%
Loose tools	33.30%

(d) Statutory reserve

An amount equivalent to 20% of net surplus is transferred to the statutory reserve fund in accordance with the Co-operative Societies Act.

(e) Intangible assets - Computer software development cost: IAS 38

Generally costs associated with developing computer software programs are recognized as expense incurred. However, costs that are clearly associated with identifiable and unique product which will be controlled by the Sacco and has a profit exceeding the cost beyond one

year, are recognized as intangible assets.
Expenditure which enhances and extends computer software beyond their original Specification and lives is recognized as capital improvement and added to the original cost of the software . Computer software development costs recognized as assets are amortized using straight line method over their useful life not exceeding a period of 3 years.

(f) Financial instruments: IFRS 7&9
Financial assets and liabilities are initially recognized on the Sacco's balance sheet at cost using settlement date accounting, when the Sacco has become a party to the contractual provisions of the instrument.

(g) Held to maturity investments: IAS 40 & IFRS 5
Financial assets with fixed or determinable payments and fixed maturity where the Sacco has the positive intent and hold other than staff loans and other receivables originated by Sacco are measured as amortized cost.

Impairment and un-collectability of financial assets: IAS 36
At each balance sheet date, all financial assets are subject to review for impairment.
In the instance that the Sacco will not be able to collect all amounts due (principal and interest) according to the contractual terms of the staff loans, other receivables, or held to maturity instruments carried at amortized cost an impairment or bad loss has occurred.

(h) Financial liabilities
After initial recognition, the Sacco measures all financial liabilities other than liabilities held for trading at amortized cost. Liabilities held for trading (financial liabilities acquired principally for the purpose of generating profit from short term fluctuations in price or dealer's margin) are subsequently measured at their fair values.

(i) Inventories: IAS 2
Inventories are stated at the lower of cost and net realizable value.
(j) Taxation: IAS 12
Taxation is provided for at the rate of 30% net surplus after adjusting for non allowable expenses under the Income Tax Act.

(k) Adoption of new and revised standards
The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period the estimate is revised if the revision only affects that period or in the period of the provision and future periods if the revision affects both current and future periods.

(l) Key sources of estimation uncertainty

The following is the key assumption concerning the future, and other key sources of estimation uncertainty at the balance sheet date that has a significant risk causing material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Property, equipment and intangible assets

Critical estimates are made by the management committee in determining depreciation and amortization rates of property, equipment and intangible assets.

2(a) Interest income	**2020**	**2019**
	Kshs	**Kshs**
Normal Loans	5,123,390	6,276,965
Supernormal loan	6,111,379	9,718,555
Emergency loan	547,940	813,858
Instant loan	327,012	399,351
Okoa loan	60,420	121,081
Asset financing loan	156,432	150,145
Home development loan	2,430,367	1,462,680
Bahari loan	5,691,113	-
Covid-19 loan	178,827	-
School fees loan	162,597	67,147
	20,789,477	**19,009,782**
2(b) Other Interest income		
Interest from Kuscco savings	37,758	283,960
	37,758	**283,960**
2(c) Interest expenses	**11,354,316**	**9,423,793**
3. Other operating income		
Loan application fee	69,900	96,900
Membership fee	24,000	20,000
Share capital transfer fee	1,000	1,500
Mpesa commission	70,249	177,983
CPS membership fee	31,000	16,000
Contribution from photocopying account	(28,220)	154,736
Contribution from T/shirts account	(600)	(131,600)
ESS membership fee	4,000	6,000
Dividend from KUSCCO	10,364	-
Commission from deposits refund	108,996	108,752
	290,689	**450,271**

		2020	2019
4. Operating expenses		**Kshs**	**Kshs**
Personnel	4(a)	1,795,233	1,328,130
Governance	4(b)	1,108,515	975,300
Administration	4(c)	408,092	869,546
Other expenses	4(d)	663,700	586,644
		3,975,540	**3,759,620**
a) Personnel expenses			
Salaries		1,710,533	1,287,530
NSSF		12,000	10,600
Leave allowance		25,000	-
Travelling and subsistence		47,700	30,000
		1,795,233	**1,328,130**
b) Governance			
Travelling & subsistence		96,430	22,200
Committee sitting allowance		843,700	908,100
Committee education (training)		168,385	45,000
		1,108,515	**975,300**
c) Administration			
AGM/SGM expenses		-	313,350
Members education		-	197,110
Stationery & printing		127,210	76,250
Postage & telephone		28,190	24,570
Bank charges		103,992	97,666
m- pesa charges		47,700	-
Public relations		101,000	160,600
		408,092	**869,546**
d) Other expenses			
Entertainment		-	79,315
Sundry expenses		26,140	36,000
Rent		24,000	-
Repairs & maintenance		91,860	6,750
MFI subscription		58,000	58,000
Subscription to metropol		31,500	-
Kuscco subscription		22,000	22,000
Website renewal		14,000	-
Audit fees		30,000	30,000
Supervision fees		3,000	3,000
Depreciation		363,200	351,579
		663,700	**586,644**

	2020	2019
c) Interest expenses	**Kshs**	**Kshs**
Interest paid on CPS	385,340	196,548
Interest paid on ESS	71,359	57,786
Interest on Kuscco	-	370,139
Interest on members deposits	10,897,617	8,799,320
	11,354,316	**9,423,793**

d) Suppliers & employees for purpose of Cash flow during the year.		
Total expenditure	3,975,540	3,759,620
Less: Depreciation	(363,200)	(351,579)
Audit & supervision fees	(33,000)	(33,000)
	3,579,340	**3,375,041**

5. Income tax expenses

	21,117,924	19,744,013
Add: disallowable expenses	843,700	908,100
Total adjusted taxable income	**21,961,624**	**20,652,113**
Less: non taxable income	(21,117,924)	(19,744,013)
Gross taxable income	**843,700**	**908,100**
Tax allowance @ 50%	(421,850)	(454,050)
Net taxable income	**421,850**	**454,050**
Tax for the year @ 30%	126,555	136,215
Income tax due	**126,555**	**136,215**
Income tax payable	**126,555**	**136,215**

6. Cash & bank balances

KCB Ltd a/c 1133581390	- Bondo (main)	6,400,673	11,949,858
KCB Ltd a/c 1144051665	- " (statutory Reserve)	716,696	680,039
Co-op. Bank a/c 01100623748500 -	" (BBF)	3,067,339	334,372
Co-op. Bank a/c 01100623748501 -	"Business	1,279,874	1,223,344
Mpesa savings (float)		750,000	250,000
Kuscco savings		6,142,060	2,804,302
Balance as at 31st December		**18,356,642**	**17,241,915**

	2020	2019
7. Receivables & prepayments	**Kshs**	**Kshs**
Deductions due from employer	10,563,097	8,482,613
Inventories 7(a)	124,800	126,400
Credit Sales	-	15,000
Mpesa commission due	12,839	13,515
Balance as at 31st December	**10,700,736**	**8,637,528**
7(a) Inventories		
Closing stock T-shirts N16	124,800	126,400
8. Loan balance		
Short term loan to members note 8(a)	126,039,206	66,060,941
Supernormal loan note 8(b)	13,093,002	44,299,020
Balance as at 31st December	**139,132,208**	**110,359,961**
8(a) Short term loan to members		
Balance as at 1st January	66,060,941	47,938,125
Disbursement during the year	148,904,409	80,064,401
Loan repayment during the year	(88,926,144)	(61,941,585)
Balance as at 31st December	**126,039,206**	**66,060,941**
8(b) Supernormal loan		
Balance as at 1st January	44,299,020	42,575,700
Disbursement during the year	-	37,750,231
Repayment during the year	(31,206,018)	(36,026,911)
Balance as at 31st December	**13,093,002**	**44,299,020**
9. Investment property		
Kuscco shares		
Balance as at 1st January	216,000	216,282
Addition during the year	-	-
Balance as at 31st December	**216,000**	**216,000**
10. Land, Property & equipment		
NBV as at 31st December Sch'd A	2,927,926	2,454,938

	2020	2019
11. Members deposits	**Kshs**	**Kshs**
Balance as at 1st January	92,624,424	78,471,491
Contributions during the year	26,259,071	19,665,603
Transfer to share capital	(1,252,000)	(1,281,000)
Deposits refunds during the year	(4,114,650)	(4,231,670)
Balance as at 31st December	**113,516,845**	**92,624,424**

12. Payables and accruals	**2020**	**2019**
Interest payable on members deposits	10,897,617	8,799,320
Provision for income tax	126,555	136,215
Provision for dividend	536,777	361,330
Audit and supervision fees	33,000	33,000
Proposed honorarium to committee	100,000	100,000
Proposed incentive to staff	45,000	45,000
BBF fund	2,477,967	2,527,967
Education saving scheme	283,759	288,500
Kuscco insurance loan cover	16,445,600	13,560,930
CPS	1,089,250	985,250
Balance as 31st December	**32,035,525**	**26,837,512**

12(a) Interest bearing liabilities		
Balance as at 1st January	-	8,209,513
Received during the year	-	-
Loan repayment during the year	-	(8,209,513)
Balance as at 31st December	-	-

12(b) BBF		
Balance as at 1st January	2,527,967	2,342,467
Contributions during the year	1,190,000	1,075,500
Refunds during the year	(1,240,000)	(890,000)
Balance as at 31st December	**2,477,967**	**2,527,967**

	2020	2019
12(c) Education Savings Scheme (ESS)	**Kshs**	**Kshs**
Balance as at 1st January	288,500	161,500
Contributions during the year	2,254,759	2,198,157
Refunds during the year	(2,259,500)	(2,071,157)
Balance as at 31st December	**283,759**	**288,500**

12(d) Loan Cover (contributions towards risk mgt)	**2020**	**2019**
Balance as at 1st January	13,560,930	8,449,394
contributions during the year	4,089772	6,131,289
Premium payments to Kuscco	(1,205,102)	(1,019,753)
Balance as at 31st December	**16,445,600**	**13,560,930**

12(e) Christmas package Savings Scheme		
Balance as at 1st January	985,250	612,150
Contributions during the year	12,204,000	9,500,605
Refunds during the year	(12,100,000)	(9,127,505)
Balance as at 31st December	**1,089,250**	**985,250**

13. Share capital		
Balance as at 1st January	4,014,774	2,609,774
Contributions during the year	101,000	124,000
Transfer from deposits	1,252,000	1,281,000
Balance as at 31st December	**5,367,774**	**4,014,774**

14. Reserves			
Statutory reserves	[note 14(a)]	3,997,332	2,865,029
Revenue reserves	[notes 14(b)]	14,905,999	11,058,566
Capital reserve	[note 14(c)]	1,510,037	1,510,037
Balance as at 31st December		**20,413,368**	**15,433,632**

14(a) Statutory reserve		
Balance as at 1st January	2,865,029	1,580,152
20% transfer to statutory reserve	1,132,303	1,284,877
Balance as at 31st December	**3,997,332**	**2,865,029**

	2020	2019
14(b) Revenue reserve	**Kshs**	**Kshs**
Balance as at 1st January	11,058,566	6,425,388
Surplus for the year	5,788,068	6,560,600
Income tax payable (note 6)	(126,555)	(136,215)
20% transfer to statutory reserve	(1,132,303)	(1,284,877)
Proposed dividend	(536,777)	(361,330)
Proposed honoraria	(100,000)	(100,000)
Proposed staff incentive	(45,000)	(45,000)
Balance as at 31st December	**14,905,999**	**11,058,566**

14(c) Capital reserve	**2020**	**2019**
Balance as at 1st January	1,510,037	1,510,037
Addition during the year	-	-
Balance as at 31st December	**1,510,037**	**1,510,037**

15. Photocopying services to members	**2020**	**2019**
Photocopying services	136,994	452,130
Printing services	34,770	5,362
Typesetting services	-	370
Binding services	**22,890**	**64,362**
Lamination services	4,440	24,070
Envelopes services	2,118	7,015
	201,212	**553,309**

Overhead expenses		
Salary	214,112	278,494
Travelling and subsistence	800	2,400
Purchase of stationery	14,520	117,680
Total expenses	**229,432**	**398,573**
Net profit	**(28,220)**	**154,736**
Contribution to other income account	**(28,220)**	**154,736**

16. T-Shirts trading account	**2020**	**2019**
	Kshs	**Kshs**
Sales of T-shirts	1,000	34,000
Less cost of sales		
Purchases	-	-
Add: opening stock	126,400	-
Less: Closing stock	(124,800)	(126,400)
Cost of sales	**(1,600)**	**(165,400)**
Profit to other income	**(600)**	**(131,600)**

BUNISTA SAVINGS & CREDIT CO-OPERATIVE SOCIETY LIMITED

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ANNUAL REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

SCHEDULE A

FIXED ASSETS TABLE FOR THE YEAR ENDED 31ST DECEMBER, 2020

Items	Land	Building	Furniture & fittings	Safe	Loose tools	Office equip.	Computer & equip.	Total
	Ksh	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Cost								
Balance as at 1/1/2020	1,063,550	408,630	268,134	38,799	1,221	533,647	140,957	2,454,938
Additions	0	0	836,188	0	0	0	0	836,188
Revaluation	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Balance as at 31/12/2020	**1,063,550**	**408,630**	**1,104,322**	**38,799**	**1,221**	**533,647**	**140,957**	**3,291,126**
Depreciation								
rate	0%	5%	12.50%	5%	33.30%	30%	30%	
Balance as at 1/1/2020	0	90,498	110,312	14,200	7,713	600,812	388,422	1,211,957
Charge for the year	0	20,432	138,040	1,940	407	160,094	42,287	363,200
Balance as at 31/12/2020	**0**	**110,930**	**248,352**	**16,140**	**8,120**	**760,906**	**430,709**	**1,575,157**
Nnet Book Value								
Balance as at 31/12/2020	1,063,550	388,198	966,282	36,859	814	373,553	98,670	2,927,926
Balance as at 31/12/2019	**1,063,550**	**408,630**	**268,134**	**38,799**	**1,221**	**533,647**	**140,957**	**2,454,938**

REPUBLIC OF KENYA

COUNTY GOVERNMENT OF SIAYA

DEPARTMENT OF ENTERPRISE & INDUSTRIAL DEVELOPMENT.

Tel: 057 –2524294/0713019670

When replying please quote

Office of the County Co-operative Auditor

Siaya County

P.O. BOX 63, 40600,

SIAYA

Date: 29th April, 2021

Ref: No. ST/1/CDCA/SYA/VOL.I/(34)

The Chairman

Bunista Sacco Soc.

Bondo.

RE: ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

Attached herewith kindly receive the above mentioned report for your perusal and retention.

With co-operative regards.

Erick O. Okech

Ag. County Co-Operative Auditor.

CC

THE SUB COUNTY CO-OPERATIVE OFFICER

BONDO.

CS/12880

BUNISTA SAVINGS & CREDIT CO-OPERATIVE SOCIETY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

STATE DEPARTMENT FOR CO-OPERATIVES, NAIROBI C/O CO-OPERATIVE,

P.O. BOX 30547- 00100 NAIROBI, AUDIT

CO-OPERATIVE DEVELOPMENT

P.O BOX 63- 40600, SIAYA

CS/ 12880 BUNISTA SAVINGS & CREDIT Co-operative Society Li mited

Annual report & financial statement for the year ended 31st December, 2019

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Financial statements

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Bunista Sacco Society Limited

Society Information
For the year ended 31st December, 2019

The Board of Directors at 31st December,2019

1. Mr. Joseph S. O'Bonyo	-	Chairperson
2. Prof. Maurice Nyadawa	-	Vice Chairman
3. CPA Wilkister Baraza	-	Hon. Secretary
4. Dr. Walter Akuno	-	Treasurer
5. Dr. Michael Nyagol	-	Member
6. Mr. Samuel Okeyo	-	"
7. Mr.Mark Juma	-	"

Supervisory committee

1. CPA. David Sanda	-	Chairperson
2. Mr. Fredrick M. Oluoch	-	Secretary
3. CPA. Allan O. Asola	-	Member

Secretary manager
Roselyne Awuor

Registered office
P. O. Box 194 - 40601 **BONDO**

Bunista Savings & Credit Co-operative Society Limited
Situated in Jaramogi Oginga Odinga University of Science and Technology compound

Bankers

Co-operative Bank of Kenya	-	Bondo Branch
KCB	-	Bondo Branch

Lawyers
No lawyer

Auditors
State Department for Co-operatives
C/o Department of Co-operatives
Co-operative Audit Services
SIAYA COUNTY

CS/12880

Bunista sacco society limited

Statistical information as at 31st December, 2019

		2019	2018
Membership	Active	460	419
	Dormant	-	5
	Diseased	(2)	(1)
	Withdrawal	(20)	(9)
	Total	**438**	**414**

Financial	**Kshs**	**Kshs**
Share capital	4,014,774	2,609,774
Members Deposits	92,624,424	78,471,491
Loans to members	110,359,961	90,513,825
Investments	216,000	216,282
Revenue reserve	11,058,566	6,425,388
Statutory reserve	1,2865,029	1,580,152
Land property & equipment	2,454,938	1,437,446
Total revenue	19,744,013	16,909,863
Total interest income	19,293,742	16,303,533
Total expenses	3,759,620	2,952,270
Interest payable	8,799,325	7,219,378
Rate on interest payable	9.5%	9.2%

Expenses as a percentage of turnover		
Personnel	6.7%	8.3%
Governance	4.9%	3.3%
Administration	4.4%	3.7%
Interest payable	44.6%	42.6%
Dividend payable	1.8%	1.04%
Honorarium payable	0.5%	0.05%
Others	3%	0.41%

Key ratio		
Total Expenses/Total revenue	1:019	1:017%
Solvency ration	1.14:1	1.09:1

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Bunista Sacco Society limited

Report of the management committee for

The year ended 31st December, 2019

Introduction

The Board of Directors submits their annual report together with the audited report for the year ended 31st December, 2019

Incorporation

The society is incorporated in Kenya under the Co-operative Societies Act Cap 490 and is. domiciled in Kenya.

Principal activities

The principal activity of the society continued to be receiving savings from and provision of loans to its members.

Results for the year

	2019	2018
	Kshs	Kshs
Net surplus/deficit before taxation	6,560,600	4,134,708
Income Tax expenses	-136,215	-86,205
Statutory reserve	-1,284,877	-809,700
Surplus/deficit after taxation	**5,139,508**	**3,238,803**
Dividend on share capital	-361,330	-182,538
Retained surplus for the year	**4,778,178**	**3,056,265**
Interest on members deposits	8,799,320	7,219,378
Dividend payable	361,330	182,538
Honoraria payable	100,000	90,000
Staff incentives	45,000	24,000

Dividend/interest on members deposits

The Board of Directors recommends payment of dividend at the rate of 9% (2018 - 7%) and interest on members deposits at the rate of 9.5% (9.2% 2018). Interest payable is Kshs. 8,799,320 (2018 – 7,219,378), honoraria Kshs. 100,000 (2018- 90,000/-) and staff incentive Kshs.45,000 (2018 – 24,000/-) This will be subject to approval of members at Annual General Meeting.

Board of Directors

The Board of Directors who served during the year and to date of this report are as stated on page 1.

By order of the Board.

Signature .... Date 12/03/2020

Secretary

CS/12880

Bunista Sacco Society Limited

Report and audited accounts for the year ended 31st December, 2019

Statement of the Board of Director's responsibilities

The Co-operative Societies Act requires the Board of Directors to prepare the financial statements for each financial year which give a true and view of the state of affairs of the society as at the year end of the financial year and the operating results for that year in accordance with IFRS. It also requires the Board of Directors to ensure that the society keeps proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the society.

The Board of Directors accepts responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable prudent judgment and estimates, in conformity with International Financial Reporting standards and in the manner required by the Co-operative Societies Act. The Board is of the opinion that the financial statements give a true and fair view of the affairs of the society and of its operating results in accordance with IFRS. The Board of Directors further accepts responsibility for the maintenance of accounting records which may be relied upon in preparation of financial statements as well as adequate systems of internal financial control.

Nothing has come to the attention of the Board of Directors to indicate that the society will not remain a going concern for at least the next twelve months from the date of these statements.

Approved by the Board of Directors on and signed on its behalf by:-

Chairman .... date 12/03/2020

Treasurer .... date 12/3/2020

Hon. Secretary .... Date 12/03/2020

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Bunista Sacco Society limited

Independent Auditors' report to the members of Bunista sacco Society limited

Opinion

We have audited accompanying financial statements of Bunista Sacco Society Limited which comprise statement of financial position as at 31st December, 2019, statement of comprehensive income, statement of changes in equity and statement of the cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information. In our opinion, the financial statements, give a true and fair view of the state of the society's financial affairs as at 31st December, 2019 the results of its operations and cash flows for the year ended in accordance with the International Financial Reporting Standards and the requirements of the Co-operative Societies Act, Cap 490 of Laws of Kenya

Board of Directors' responsibility for the financial statements

The Board of Directors of the society are responsible for the preparation these and presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Co-operative Societies Act, Cap 490 of the Laws of Kenya and for such internal controls
as the Board determine is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted an audit in compliance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements The procedures elected depend on the auditors' Judgment including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to Provide a basis for our audit opinion.

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Bunista Sacco society Limited

Independent Auditors' report to the members of Bunista Sacco Sacco Society Ltd – continued

Report on Other Legal Requirements
As required by the Co-operative Societies Act, we report to you that the financial statements are in agreement with the books of accounts kept by the society and that, based on our audit, nothing has come to our attention that causes us to believe that the society's business has not been audited:-

b. In accordance with Co-operative Society's by-laws, objective, and any other resolutions made by the society's members at an annual general meeting.

For and on behalf of Co-operative Audit Services
Directorate of Co-operative development, Siaya County

COUNTY DIRECTOR OF CO-
SIAYA COUN
P. O. BOX 63 - 40
DATE:..................SIGN

Erick Owino Okech
Ag. County Director of Co-operative Audit
SIAYA

Date 14/03/2020

CS/12880

Bunista Sacco society limited

Statement of comprehensive income for the year ended 31st December, 2019

	Notes	2019 Kshs	2018 Kshs
Revenue			
Interest on loans and advances	2(a)	19,009,782	16,116,495
Other interest incomes	2(b)	283,960	187,038
Interest expenses	3	-9,423,793	-9,823,040
Net interest incomes		**9,869,949**	**6,366,493**
Other operating income	2(c)	450,271	606,330
Net operating income		**10,320,220**	**7,086,823**
Operating expenses	4	-3,759,620	-2,952,115
Net operating surplus before income tax		**6,560,600**	**4,134,708**
Income tax expenses	6	-136,215	-86,205
Net surplus for the year after tax		**6,424,385**	**4,048,503**
20% transfer to statutory reserve	1(d)	-1,284,877	-809,700
Provision for honoraria		-100,000	0
Provision for Staff incentives		-45,000	0
Proposed dividend		-361,330	0
Net surplus to revenue reserve account		**4,633,178**	**3,238,803**

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Bunista Sacco society limited

Statement of financial position as at 31st December, 2019

	Notes	2019 Kshs	2018 Kshs
Assets			
Cash & bank balances	6	17,241,915	18,772,521
Receivables & prepayments	7	8,637,528	7,588,350
Loans to members	8	110,359,961	90,513,825
Investments	9	216,000	216,000
Land, property, & equipment	10	2,454,938	1,332,263
Total assets		**138,910,342**	**118,422,959**
Liabilities			
Members deposits	11	92,624,424	78,471,491
Payables & accruals	12	26,837,512	27,826,117
Total liabilities		**119,461,936**	**106,297,608**
Equity			
Share capital	13	4,014,774	2,609,774
Reserves	14	15,433,632	9,515,577
Total equity		**19,448,406**	**12,125,351**
Total liabilities & equity		**138,910,342**	**118,422,959**

REGISTERED
SEC. 75 (8) CO-OPERATIVE SOCIETIES ACT CAP
17 MAR 2020
COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT

The financial statements were authorized by the Board of Directors on , 2020 and signed on its behalf by:

Chairman .... Hon. Secretary .... Treasurer ....

Date 12/03/2020

CS - 12880

BUNISTA SAVINGS & CREDIT CO-OPERATIVE SOIETY LTD

ANNUAL REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2019

	Notes	Share Capital	Statutory reserve	Revenue reserve	Other reserves	Total
Balance as at 1st January, 2018		2,184,500	770,452	3,481,788	1,510,037	7,946,777
Issue for share capital	20	425,274	0	0	0	425,274
Surplus for the year		0	0	4,048,503	0	4,048,503
20% transfer to statutory reserve	21	0	809,700	-809,700	0	0
Income tax payable 2018	6	0	0	0	0	0
Proposed dividend	21	0	0	-182,685	0	-182,685
proposed honoraria and staff incentives		0	0	-114,000	0	
Interest on deposits ploughed back		0	0	1,482	0	1,482
Additional capital reserve		0	0	0	0	0
Balance as at 31st December, 2018		**2,609,774**	**1,580,152**	**6,425,388**	**1,510,037**	**12,125,351**
Balance as at 1st January, 2019		**2,609,774**	**1,580,152**	**6,425,388**	**1,510,037**	**12,125,351**
Issue for share capital	20	124,000	0	0	0	124,000
Surplus for the year		0	0	6'560,600	0	6,560,600
20% transfer to statutory reserve	21	0	1,284,877	-1,284,877	0	0
Income tax payable 2019	6	0	0	-136,215	0	-136,215
Proposed dividend	21	0	0	-361,330	0	-361,330
proposed honoraria and staff incentives		0	0	-145,000	0	-145,000
Interest on deposits ploughed back		0	0	0	0	0
transfer from deposits		1,281,000				1,281,000
Additional capital reserve		0	0	0	0	0
Balance as at 31st December, 2019		**4,014,774**	**2,865,029**	**11,058,566**	**1,510,037**	**19,448,406**

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Bunista Sacco Society limited

Statement of cash flows for the year ended 31st December, 2019

	2019	2018
	Kshs	**Kshs**
Cash flow from operating activities		
Interest receipts	19,009,782	16,303,533
Other incomes	734,231	606,330
Interest Paid	-624,473	-2,603,662
Payments to suppliers & customers	-3,375,041	-2,722,597
	15,744,499	**11,583,604**
Increase/decrease in operating assets		
Increase/ decrease in receivables	-1,049,178	-1,306,794
increase/decrease in Loans to members	-19,846,136	-14,542,383
	-20,895,314	**-15,849,177**
Increase/decrease in operating liabilities		
Increase/decrease in Members deposits	14,152,933	21,960,391
Increase/decrease in Payables	-3,102,592	8,238,985
Audit and supervision fees paid	-27,500	-22,000
interest on members deposits paid	-7,219,378	-5,142,511
Management committee honoraria paid	-90,000	-90,000
Staff incentive	-24,000	-20,000
Cash flow from operating activities	**3,689,463**	**8,317,292**
Cash flows from investing activities		
Purchase of Kuscco Shares	0	0
Purchase of assets	-1,474,254	-190,114
Net cash flows from investing activities	**-1,474,254**	**-190,114**
Cash flows from financing activities		
Share capital contributions	1,405,000	425,274
Net cash from financing activities	**1,405,000**	**425,274**
Changes in cash & cash equivalent		
Cash & cash equivalent beginning	18,772,521	14,485,582
Cash & cash equivalent ending	**17,241,915**	**18,772,521**
Net changes in cash & cash equivalent	-1,530,606	4,286,939

1. Summary of significant accounting policies

The principal accounting policies adopted in preparation of these financial statements are set out below:

(a) Statement of compliance & basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards. The principal accounting policies adopted remain unchanged from the previous year.

The financial statements are presented in the functional currency, Kenya shillings (Kshs) and prepared under the historical cost convention, except as specialized below under fair value measurement in accordance with applicable IFRS.

(b) Revenue recognition

Interest on loans to members is calculated on reducing balance method. Interest income is recognized on a time proportion basis by reference to the principal outstanding and effective interest rate applicable. Interest on loans is charged at 2.5% per month on reducing balance. Interest on bank deposits as well as other income is recognized when received.

(c) Plant property and equipment

Property and equipment are stated at cost less accumulated depreciation. Particular class of property and equipment are subsequently, shown at revalued amounts, based on periodic valuations. Depreciation is calculation on a reducing balance method. The annual depreciation rates applicable are as follows:

Asset	Rate
Land	0%
Building	5%
Safe	5%
Furniture & fittings	12.50%
Computers & Accessories	30%
Office equipment	30.00%
Loose tools	33.30%

(d) Statutory reserve

An amount equivalent 20% of net surplus is transferred to the statutory reserve fund in accordance with the Co-operative Societies Act.

(e) Intangible assets - Computer software development cost

Generally costs associated with developing computer software programs are recognized as expense incurred. However, costs that are clearly associated with identifiable and unique product which will be controlled by the Sacco and has a profit exceeding the cost beyond one

year, are recognized as intangible assets.
Expenditure which enhances and extends computer software beyond their original Specification and lives is recognized as capital improvement and added to the original cost of the software . Computer software development costs recognized as assets are amortized using straight line method over their useful life not exceeding a period of 3 years.

(f) Financial instruments
Financial assets and liabilities are initially recognized on the Sacco's balance sheet at cost using settlement date accounting, when the Sacco has become a party to the contractual provisions of the instrument.

(g) Held to maturity investments
Financial assets with fixed or determinable payments and fixed maturity where the Sacco has the positive intent and hold other than staff loans and other receivables originated by Sacco are measured as amortized cost.

Impairment and un-collectability of financial assets
At each balance sheet date, all financial assets are subject to review for impairment.
In the instance that the Sacco will not be able to collect all amounts due (principal and interest) according to the contractual terms of the staff loans, other receivables, or held to maturity instruments carried at amortized cost an impairment or bad loss has occurred.

(h) Financial liabilities
After initial recognition, the Sacco measures all financial liabilities other than liabilities held fOr trading at amortized cost. Liabilities held for trading (financial liabilities acquired principally for the purpose of generating profit from short term fluctuations in price or dealer's margin) are subsequently measured at their fair values.

(i) Inventories
Inventories are stated at the lower of cost and net realizable value.
(j) Taxation
Taxation is provided for at the rate of 30% net surplus after adjusting for non allowable expenses under the Income Tax Act.

(k) Adoption of new and revised standards
The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period the estimate is revised if the revision only affects that period or in the period of the provision and future periods if the revision affects both current and future periods.

(l) Key sources of estimation uncertainty

The following is the key assumption concerning the future, and other key sources of estimation uncertainty at the balance sheet date that has a significant risk causing material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Property, equipment and intangible assets

Critical estimates are made by the management committee in determining depreciation and amortization rates of property, equipment and intangible assets.

2(a) Interest income	**2019**	**2018**
	Kshs	**Kshs**
Normal Loans	6,276,965	4,853,713
Supernormal loan	9,718,555	8,854,220
Emergency loan	813,858	1,195,160
Instant loan	399,351	146,767
Okoa loan	121,081	96,205
Asset financing loan	150,145	297,189
Home development loan	1,462,680	614,079
School fees loan	67,147	59,162
	19,009,782	**16,116,495**

2(b) Other Interest income		
Interest from Kuscco savings	283,960	187,038
	283,960	**187,038**

2(c) Interest expenses	**9,423,793**	**9,823,040**

3. Other operating income		
Loan application fee	96,900	72,800
Membership fee	20,000	66,000
Share capital transfer fee	1,500	1,000
Mpesa commission	177,983	152,751
CPS membership fee	16,000	35,000
Contribution from photocopying account	154,736	247,273
Contribution from T/shirts account	(131,600)	100,000
ESS membership fee	6,000	10,000
Commission from deposits	108,752	21,506
	450,271	**606,330**

		2019	2018
4. Operating expenses		**Kshs**	**Kshs**
Personnel	4(a)	1,328,130	1,410,935
Governance	4(b)	975,300	574,700
Administration	4(c)	869,546	628,352
Other expenses	4(d)	586,644	338,128
		3,759,620	**2,952,115**
a) Personnel expenses			
Salaries		1,287,530	1,387,385
NSSF		10,600	9,600
Travelling and subsistence		30,000	13,950
		1,328,130	**1,410,935**
b) Governance			
Travelling & subsistence		22,200	300
Committee sitting allowance		908,100	543,900
Committee education		45,000	30,500
		975,300	**574,700**
c) Administration			
AGM/SGM expenses		313,350	268,780
Members education		197,110	127,915
Stationery & printing		76,250	59,775
Postage & telephone		24,570	22,550
Bank charges		97,666	62,832
Public relations		160,600	86,500
		869,546	**628,352**
d) Other expenses			
Entertainment		79,315	29,420
Sundry expenses		36,000	54,495
Repairs & maintenance		6,750	3,700
MFI subscription		58,000	-
Kuscco subscription		22,000	20,000
Audit fees		30,000	25,000
Supervision fees		3,000	2,500
Depreciation		351,579	203,018
		586,644	**338,128**
		586,644	**338,128**

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Bunista Sacco Society Limited

Notes to the financial statements for the year ended 31st December, 2019 – continued

	2019	2018
e) Interest expenses	**Kshs**	**Kshs**
Interest paid on CPS	196,548	275,527
Interest paid on ESS	57,786	56,700
Interest on Kuscco	370,139	2,271,435
Committee honoraria	0.00	0
Staff incentives	0.00	0
Interest on members deposits	8,799,320	7,219,378
	9,423,793	**9,823,040**

f) Suppliers & employees for purpose of Cash flow during the year.		
Total expenditure	3,759,620	2,952,270
Less: Depreciation	-351,579	-203,168
Audit & supervision fees	-33,000	-26,500
	3,375,041	**2,722,602**

5. Income tax expenses

Total income	19,744,013	16,909,863
Add: disallowable expenses	908,100	574,700
Total adjusted taxable income	**20,652,113**	**17,484,563**
Less: non taxable income	-19,744,013	-16,909,863
Gross taxable income	**908,100**	**574,700**
Tax allowance @ 50%	454,050	287,350
Net taxable income	**454,050**	**220,750**
Tax for the year @ 30%	136,215	86,205
Income tax due	**136,215**	**86,205**
Income tax payable	**136,215**	**86,205**

6. Cash & bank balances

Cash at hand	0	0
KCB Ltd a/c 1133581390 - Bondo (main)	11,949,858	1,722,406
KCB Ltd a/c 1144051665 - " (statutory Reserve)	680,039	2,152,806
Co-op. Bank a/c 01100623748500 - " (BBF)	334,372	334,492
Co-op. Bank a/c 01100623748501 - "Business	1,223,344	1,005,650
Mpesa savings (float)	250,000	250,000
Kuscco savings	2,804,302	13,307,167
Balance as at 31st December	**17,241,915**	**18,772,521**

	2019	2018
7. Receivables & prepayments	**Kshs**	**Kshs**
Deductions due from employer	8,482,613	7,279,773
Inventories 7(a)	126,400	292,000
Credit Sales	15,000	0
Mpesa commission due	13,515	16,577
Balance as at 31st December	**8,637,528**	**7,588,350**
7(a) Inventories		
Closing stock T-shirts N16	126,400	292,000
8. Loan balance		
Short term loan to members note 8(a)	66,060,941	47,938,125
Supernormal loan note 8(b)	44,299,020	42,575,700
Balance as at 31st December	**110,359,961**	**90,513,825**
8(a) Short term loan to members		
Balance as at 1st January	47,938,125	39,370,456
Disbursement during the year	80,064,401	53,612,500
Loan repayment during the year	-61,941,585	-45,044,831
Balance as at 31st December	**66,060,941**	**47,938,125**
8(b) Supernormal loan		
Balance as at 1st January	42,575,700	36,600,986
Disbursement during the year	37,750,231	37,285,400
Repayment during the year	-36,026,911	-31,310,686
Balance as at 31st December	**44,299,020**	**42,575,700**
9. Investment property		
Kuscco shares		
Balance as at 1st January	216,000	216,282
Addition during the year	0	-282
Balance as at 31st December	**216,000**	**216,000**
10. Land, Property & equipment		
NBV as at 31st December Sch'd A	2,454,938	1,345,167

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Bunista Sacco Society Limited

Notes to the financial statements for the year ended 31st December, 2019 – continued

	2019	2018
11. Members deposits	**Kshs**	**Kshs**
Balance as at 1st January	78,471,491	56,511,100
Contributions during the year	19,665,603	23,475,751
Transfer to share capital	-1,281,000	0
Deposits refunds during the year	-4,231,670	-1,515,360
Balance as at 31st December	**92,624,424**	**78,471,491**

12. Payables and accruals	**2019**	**2018**
Interest bearing liabilities (Kuscco loan)	0	8,209,513
Interest payable on members deposits	8,799,320	7,219,378
Provision for income tax	136,215	86,205
Provision for dividend	361,330	182,685
Audit and supervision fees	33,000	27,500
Proposed honorarium to committee	100,000	90,000
Proposed incentive to staff	45,000	24,000
BBF fund	2,527,967	2,342,467
Education saving scheme	288,500	161,500
Kuscco insurance loan cover	13,560,930	8,449,394
Kuscco risk cover - premium due	0	422,525
CPS	985,250	612,150
Balance as 31st December	**26,837,512**	**27,826,117**

12(a) Interest bearing liabilities		
Balance as at 1st January	8,209,513	19,777,772
Received during the year	0	0
Loan repayment during the year	-8,209,513	-11,568,259
Balance as at 31st December	**0**	**8,209,513**

12(b) BBF		
Balance as at 1st January	2,342,467	1,752,467
Transferred from photocopying business	0	0
Contributions during the year	1,075,500	960,500
Refunds during the year	-890,000	-370,500
Balance as at 31st December	**2,527,967**	**2,342,467**

	2019	2018
12(c) Education Savings Scheme (ESS)	**Kshs**	**Kshs**
Balance as at 1st January	161,500	279,000
Contributions during the year	2,198,157	2,488,710
Refunds during the year	-2,071,157	-2,606,2010
Balance as at 31st December	**288,500**	**161,500**

12(d) Loan Cover (contributions towards risk mgt)	**2019**	**2018**
Balance as at 1st January	8,449,394	5,666,240
contributions during the year	6,131,289	3,582,934
Premium payments to Kuscco	-1,019,753	-799,780
Balance as at 31st December	**13,560,930**	**8,449,394**

12(e) Christmas package Savings Scheme		
Balance as at 1st January	612,150	648,400
Contributions during the year	9,500,605	8,939,600
Refunds during the year	-9,127,505	-8,975,850
Balance as at 31st December	**985,250**	**612,150**

13. Share capital		
Balance as at 1st January	2,609,774	2,184,500
Contributions during the year	124,000	425,274
Transfer from deposits	1,281,000	0
Balance as at 31st December	**4,014,774**	**2,609,774**

14. Reserves		
Statutory reserves [note 14(a)]	2,865,029	1,580,152
Revenue reserves [notes 14(b)]	11,058,566	6,425,388
Capital reserve [note 14(c)]	1,510,037	1,510,037
Balance as at 31st December	**15,433,632**	**9,515,577**

14(a) Statutory reserve		
Balance as at 1st January	1,580,152	770,452
20% transfer to statutory reserve	1,284,877	809,700
Balance as at 31st December	**2,865,029**	**1,580,152**

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Bunista Sacco Society Limited

Notes to the financial statements for the year ended 31st December, 2019 – continued

	2019	2018
14(b) Revenue reserve	**Kshs**	**Kshs**
Balance as at 1st January	6,425,388	3,481,788
indivisible balance - interest on deposits	0	1,482
Surplus for the year	6,560,600	4,048,503
Income tax payable (note 6)	-136,215	0
20% transfer to statutory reserve	-1,284,877	-809,700
Proposed dividend	-361,330	-182,685
Proposed honoraria	-100,000	-90,000
Proposed staff incentive	-45,000	-24,000
Balance as at 31st December	**11,058,566**	**6,425,388**

14(c) Capital reserve	**2018**	**2017**
Balance as at 1st January	1,510,037	1,496,152
Addition during the year	-	13,885
Balance as at 31st December	**1,510,037**	**1,510,037**

15. Photocopying services to members	**2019**	**2018**
Photocopying services	452,130	581,272
Sales of envelopes	5,362	3,585
Typesetting services	370	435
Printing services	**64,362**	**79,545**
Binding services	24,070	7,100
Lamination services	7,015	15,420
	553,309	**687,357**
Overhead expenses		
Salary	278,494	223,899
Travelling and subsistence	2,400	1,850
Purchase of stationery	117,680	156,35
Repairs and maintenance	0	58,000
Total expenses	**398,573**	**440,084**
Net profit	**154,736**	**247,273**
Gain to BBF account	**0**	**0**
Transferred to risk mgt a/c	**0**	**0**
Contribution to other income account	**154,736**	**247,273**

16. T-Shirts trading account	**2019**	**2018**
	Kshs	**Kshs**
Sales of T-shirts	34,000	208,000
Less cost of sales		
Purchases	0	400,000
Add: opening stock	292,000	
Less: Closing stock	(126,400)	-292,000
Cost of sales	**(165,400)**	**108,000**
Profit to other income	**(131,600)**	**100,000**

BUNISTA SAVINGS & CREDIT CO-OPERATIVE SOCIETY LIMITED

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ANNUAL REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

FIXED ASSETS TABLE FOR THE YEAR ENDED 31ST DECEMBER,2019

Items	Land	Building	Furniture & fittings	Safe	Loose tools	Office equip.	Computer & equip.	Total
Cost	Ksh	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Balance as at 1/1/2019	0	414,737	137,189	40,841	1,180	551,448	186,868	1,332,263
Additions	1,063,550	15,400	169,250	0	650	210,905	14,499	1,474,254
Revaluation	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Balance as at 31/12/2019	**1,063,550**	**430,137**	**306,439**	**40,841**	**1,830**	**762,353**	**201,367**	**2,806,517**
Depreciation								
rate	**0%**	**5%**	**12.50%**	**5%**	**33.30%**	**30%**	**30%**	
Balance as at 1/1/2019	0	68,991	72,007	12,158	7,104	372,106	328,012	860,378
Charge for the year	0	21,507	38,305	2,042	609	228,706	60,410	351,579
Balance as at 31/12/2019	**0**	**90,498**	**110,312**	**14,200**	**7,713**	**600,812**	**388,422**	**1,211,957**
Nnet Book Value								
Balance as at 31/12/2019	1,063,550	408,630	268,134	38,799	1,221	533,647	140,957	2,454,938
Balance as at 31/12/2018	**0**	**414,737**	**137,189**	**40,841**	**1,180**	**551,448**	**186,868**	**1,332,263**