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

MINISTRY OF INDUSTRY
TRADE AND COOPERATIVES'
State Department for Cooperative
MAIN REGISTRY
16 APR 2021
No. ....
P.O. Box 30547 - 00100
GPO, NAIROBI, KENYA

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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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

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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**

Financial	**Kshs**	**Kshs**
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

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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	2019
	Kshs	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

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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, 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 63 - 40600, SIAYA
DATE:..................SIGN:..................

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

Date ....

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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**

REGISTERED
SEC. 25 (9) CO-OPERATIVE SOCIETIES ACT
26 APR 2021
CO-COMMISSIONER FOR CO-OPERATIVE

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**

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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**

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Bunista Sacco Society Limited
Notes to the financial statements for the year ended 31st December, 2020– continued

	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
Sales of envelopes	34,770	5,362
Typesetting services	-	370
Printing services	**22,890**	**64,362**
Binding services	4,440	24,070
Lamination 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)**

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
Cost	Ksh	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
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**