

CS/3530



**KANISA REGULATED NON-WDT SACCO SOCIETY LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**



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**Statement of comprehensive income**

	Notes	2023 Kshs	2022 Kshs
<b>Revenue</b>			
<b>Interest income</b>			
Interest on loans and advances to members	4	43,976,533	39,813,342
Other interest income	5	9,480,454	10,598,318
Other operating income	6	8,641,022	6,680,514
		<u>62,098,009</u>	<u>57,092,174</u>
<b>Total interest</b>			
Interest expenses	7	<u>(30,400,000)</u>	<u>(27,500,000)</u>
Net interest income		31,698,009	29,592,174
		<u>31,698,009</u>	<u>29,592,174</u>
<b>Net revenue</b>			
<b>Expenses</b>			
Administrative expenses	8	(3,563,663)	(3,683,104)
Personnel expenses	9	(8,128,546)	(7,065,114)
Other operating expenses	10	(1,209,737)	(1,169,925)
Marketing expenses	11	(1,425,024)	(422,118)
Financial expenses	12	(5,619,544)	(6,703,229)
Governance expenses	13	<u>(4,502,915)</u>	<u>(4,087,136)</u>
<b>Total expenses</b>		<u>(24,449,429)</u>	<u>(23,130,626)</u>
<b>Net operating surplus before income tax</b>		7,248,580	6,461,548
Less: Income tax expense	26	<u>(1,413,308)</u>	<u>(1,608,796)</u>
<b>Net surplus for the year</b>		5,835,272	4,852,752
20% Transfer to Statutory Reserve Fund		<u>(1,167,054)</u>	<u>(970,550)</u>
<b>Surplus available for distribution</b>		4,668,217	3,882,202
<b>Dividend and honorarium</b>			
Provision for dividends	24a	(2,800,000)	(2,400,000)
Provision for honoraria	24b	<u>(500,000)</u>	<u>(450,000)</u>
<b>Transferred to revenue reserves</b>		<u>1,368,217</u>	<u>1,032,202</u>


**Statement of financial position**

	Notes	2023 Kshs	2022 Kshs
<b>ASSETS</b>			
Cash and cash equivalents	14	12,880,854	9,508,911
Trade and other receivables	15	20,476,295	22,835,070
Loans to members	16	433,325,012	376,160,083
Financial assets	17	4,142,000	4,142,000
Investments	18	98,016,222	97,897,760
Plant, property and equipment	19	2,096,858	1,869,146
Intangible assets	20	1,916,353	2,408,837
<b>Total assets</b>		<b>572,853,594</b>	<b>514,821,807</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Liabilities</b>			
Members deposits	21	468,626,907	415,050,212
Members savings scheme	22	7,851,853	9,257,594
Interest on Members Deposits	23	30,000,000	27,000,000
Trade and other payables	25	7,990,824	8,462,745
Income tax payable	26	426,962	1,608,796
<b>Total liabilities</b>		<b>514,896,547</b>	<b>461,379,347</b>
<b>EQUITY</b>			
Share capital	27	28,436,814	26,457,498
Reserves (Page 12)	28	29,520,234	26,984,962
		<b>57,957,048</b>	<b>53,442,460</b>
<b>Total liabilities and equity</b>		<b>572,853,594</b>	<b>514,821,807</b>



The financial statements on page 11 to 25 were approved for issue by the Board of Directors on 27th February 2024 and were signed on its behalf by:

  
 Ann Kioi  
 Chairperson

  
 Richard Ochola  
 Treasurer

  
 Boniface Maina  
 Honorary Secretary

*Kanisa Regulated Non-WDT Sacco Society Limited CS/3530*  
*Financial statements*  
*For the year ended 31 December 2023*

**Statement of changes in equity**

	<b>Share capital Kshs</b>	<b>Statutory reserves Kshs</b>	<b>Revenue reserves Kshs</b>	<b>Proposed Dividend Kshs</b>	<b>Total Kshs</b>
<b>For the year ended 31 December 2022</b>					
As at 01 January 2022	23,665,559	10,709,797	5,571,586	-	39,946,942
*Prior year adjustment*	-	-	8,700,827	-	8,700,827
Issue of share capital	2,791,939	-	-	-	2,791,939
Surplus for the year	-	-	4,852,752	-	4,852,752
Transfers to statutory reserve fund	-	970,550	(970,550)	-	-
Other transfers during the year					
2022-Proposed honorarium	-	-	(450,000)	450,000	-
2022-Proposed dividend	-	-	(2,400,000)	2,400,000	-
Balance at 31 December 2022	<u>26,457,498</u>	<u>11,680,347</u>	<u>15,304,615</u>	<u>2,850,000</u>	<u>56,292,460</u>
<i>* Relates to contributions from members to insurance fund for prior years now transferred to revenue reserves.</i>					
<b>For the year ended 31 December 2023</b>					
As at 01 January 2023	26,457,498	11,680,347	15,304,615	2,850,000	56,292,460
Issue of share capital	1,979,316	-	-	-	1,979,316
Surplus for the year	-	-	5,835,272	-	5,835,272
Transfers to statutory reserve fund	-	1,167,054	(1,167,054)	-	-
Other transfers during the year					
2023-Proposed honorarium	-	-	(500,000)	500,000	-
2023-Proposed dividend	-	-	(2,800,000)	2,800,000	-
Balance at 31 December 2023	<u>28,436,814</u>	<u>12,847,402</u>	<u>16,672,832</u>	<u>6,150,000</u>	<u>64,107,048</u>

**Statement of cash flows**

	Notes	2023 Kshs	2022 Kshs
<b>Cash flows from operating activities</b>			
Interest receipts	4	43,976,533	39,813,342
Other operating income	6	8,672,037	6,788,099
Interest payments		<u>(27,000,000)</u>	<u>(17,000,000)</u>
		25,648,570	29,601,441
Payments to employees and suppliers		<u>(23,177,117)</u>	<u>(20,360,619)</u>
		2,471,453	9,240,822
<b>Increase/(decrease) in operating assets</b>			
(Decrease)/(increase) in trade and other receivables	15	2,358,775	(6,504,401)
(increase)/(decrease) in net loan to members	16	<u>(57,164,929)</u>	<u>(45,271,977)</u>
		<u>(54,806,154)</u>	<u>(51,776,378)</u>
<b>Increase/(decrease) in operating liabilities</b>			
Increase/increase in net deposits from members	21	53,576,695	5,426,832
Increase/(decrease) in Members savings	22	(1,405,741)	1,237,388
Honoraria paid	24b	(450,000)	(350,000)
Increase/increase in trade and other payables	25	(1,399,355)	399,579
(Decrease)/Increase in Insurance fund		-	(10,711,300)
Audit fee paid	25	<u>(116,000)</u>	<u>(132,000)</u>
		50,205,600	(4,129,501)
<i>Net cash (used in) operating activities</i>		(2,129,101)	(46,665,057)
Income tax paid		<u>(2,595,142)</u>	<u>(1,338,749)</u>
<i>Net cash (used in) operating activities</i>		<u>(4,724,243)</u>	<u>(48,003,806)</u>
<b>Cash flows from investing activities</b>			
Purchase of investment	18	(118,462)	29,146,414
Interest received from investment	18	9,418,462	10,453,586
Purchase of property, plant and equipment	19	(636,830)	(1,200,360)
Purchase of intangible assets	20	(146,300)	-
Dividends paid	24	<u>(2,400,000)</u>	<u>(2,000,000)</u>
<i>Net cash generated from investing activities</i>		<u>6,116,870</u>	<u>36,399,640</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of ordinary shares	27	<u>1,979,316</u>	<u>2,791,939</u>
<i>Net cash generated from financing activities</i>		<u>1,979,316</u>	<u>2,791,939</u>
<b>Net increase / (decrease) in cash and cash equivalent</b>		3,371,943	(8,812,227)
Cash and cash equivalent at the beginning of the year		9,508,911	18,321,138
Cash and cash equivalent at the end of the year	14	<u>12,880,854</u>	<u>9,508,911</u>