

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



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Revenue   Interest Income   Income	Statement of comprehensive income	Notes	2023 Kshs	2022 Kshs
Interest on loans and advances to members	Revenue			
Other operating income         6         8,641,022         6,880,514           Total interest         62,098,009         57,092,174           Interest expenses         7         (30,400,000)         (27,500,000)           Net interest income         31,698,009         29,592,174           Net revenue         31,698,009         29,592,174           Expenses         4         (3,563,663)         (3,683,104)           Personnel 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         (4,502,915)         (4,087,136)           Total expenses         2         (24,449,429)         (23,130,626)           Net operating surplus before income tax         7,248,580         6,461,548           Less: Income tax expense         26         (1,413,308)         (1,608,796)           Net surplus for the year         5,835,272         4,852,752 <t< td=""><td></td><td>4</td><td>43,976,533</td><td></td></t<>		4	43,976,533	
Total Interest         62,098,009         57,092,174           Interest expenses         7         (30,400,000)         (27,500,000)           Net interest income         31,698,009         29,592,174           Net revenue         31,698,009         29,592,174           Expenses         8         (3,563,663)         (3,683,104)           Personnel expenses         9         (8,128,546)         (7,065,114)           Cither 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         (4,502,915)         (4,087,136)           Total expenses         (24,449,429)         (23,130,626)           Net operating surplus before income tax         7,248,580         6,461,548           Less: Income tax expense         26         (1,413,308)         (1,608,796)           Net surplus for the year         5,835,272         4,852,752           20% Transfer to Statutory Reserve Fund         (1,167,054)         (970,550)           Surplus available for distribution         4,668,217         3,882,202           Dividend and honorarium<	Other interest income	5	9,480,454	10,598,318
Interest expenses 7 (30,400,000) (27,500,000)  Net interest income 31,698,009 29,592,174  Net revenue 31,698,009 29,592,174  Expenses  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 (4,502,915) (4,087,136)  Total expenses (24,449,429) (23,130,626)  Net operating surplus before income tax  Less: Income tax expense 26 (1,413,308) (1,608,796)  Net surplus for the year 5,835,272 4,852,752  20% Transfer to Statutory Reserve Fund (1,167,054) (970,550)  Surplus available for distribution 4,668,217 3,882,202  Dividend and honorarium  Provision for dividends 248 (2,800,000) (2,400,000)  Provision for dividends 249 (500,000) (450,0000)  Provision for honoraria 1032,200	Other operating income	6	8,641,022	6,680,514
Net interest income         31,698,009         29,592,174           Net revenue         31,698,009         29,592,174           Expenses         4,668,217         29,592,174           Expenses         31,698,009         29,592,174           Expenses         4,688,217         29,592,174           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         (4,502,915)         (4,087,136)           Total expenses         24,449,429)         (23,130,626)           Net operating surplus before income tax         7,248,580         6,461,548           Less: Income tax expense         26         (1,413,308)         (1,608,796)           Net surplus for the year         5,835,272         4,852,752           20% Transfer to Statutory Reserve Fund         (1,167,054)         (970,550)           Surplus available for distribution         4,668,217         3,882,202 </td <td>Total interest</td> <td></td> <td>62,098,009</td> <td>57,092,174</td>	Total interest		62,098,009	57,092,174
Net revenue         31,698,009         29,592,174           Expenses         4         31,698,009         29,592,174           Expenses         31,698,009         29,592,174           Expenses         31,698,009         29,592,174           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         (4,502,915)         (4,087,136)           Total expenses         (24,449,429)         (23,130,626)           Net operating surplus before income tax         7,248,580         6,461,548           Less: Income tax expense         26         (1,413,308)         (1,608,796)           Net surplus for the year         5,835,272         4,852,752           20% Transfer to Statutory Reserve Fund         (1,167,054)         (970,550)           Surplus available for distribution         4,668,217         3,882,202           Dividend and honorarium <th< td=""><td>Interest expenses</td><td>7 _</td><td>(30,400,000)</td><td>(27,500,000)</td></th<>	Interest expenses	7 _	(30,400,000)	(27,500,000)
Expenses         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       (4,502,915)       (4,087,136)         Total expenses       (24,449,429)       (23,130,626)         Net operating surplus before income tax       7,248,580       6,461,548         Less: Income tax expense       26       (1,413,308)       (1,608,796)         Net surplus for the year       5,835,272       4,852,752         20% Transfer to Statutory Reserve Fund       (1,167,054)       (970,550)         Surplus available for distribution       4,668,217       3,882,202         Dividend and honorarium       24a       (2,800,000)       (2,400,000)         Provision for dividends       24a       (500,000)       (450,000)         Provision for honoraria       4,368,237       1,332,202	Net interest income		31,698,009	29,592,174
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       (4,502,915)       (4,087,136)         Total expenses       (24,449,429)       (23,130,626)         Net operating surplus before income tax       7,248,580       6,461,548         Less: Income tax expense       26       (1,413,308)       (1,608,796)         Net surplus for the year       5,835,272       4,852,752         20% Transfer to Statutory Reserve Fund       (1,167,054)       (970,550)         Surplus available for distribution       4,668,217       3,882,202         Dividend and honorarium       24a       (2,800,000)       (2,400,000)         Provision for dividends       24b       (500,000)       (450,000)         Provision for honoraria       1,368,217       1,032,202	Net revenue	<del>-</del>	31,698,009	29,592,174
Personnel expenses  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 (4,502,915) (4,087,136)  Total expenses  Net operating surplus before income tax  Less: Income tax expense  26 (1,413,308) (1,608,796)  Net surplus for the year  27,248,580 (1,608,796)  Net surplus for the year  28 (1,413,308) (1,608,796)  Net surplus for the distribution  Dividend and honorarium  Provision for dividends Provision for honoraria  Provision for honoraria  Provision for honoraria  10 (1,209,737) (1,169,925)  (4,087,138) (6,703,229)  (4,087,136) (24,449,429) (23,130,626)  (4,500,000) (2,400,000)  (4,500,000) (4,500,000)  (4,500,000) (4,500,000)  (4,500,000) (4,500,000)  (4,500,000) (4,500,000)	Expenses			
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       (4,502,915)       (4,087,136)         Total expenses       (24,449,429)       (23,130,626)         Net operating surplus before income tax       7,248,580       6,461,548         Less: Income tax expense       26       (1,413,308)       (1,608,796)         Net surplus for the year       5,835,272       4,852,752         20% Transfer to Statutory Reserve Fund       (1,167,054)       (970,550)         Surplus available for distribution       4,668,217       3,882,202         Dividend and honorarium       24a       (2,800,000)       (2,400,000)         Provision for dividends       24a       (2,800,000)       (450,000)         Provision for honoraria       1,388,217       1,032,202	Administrative expenses	8	(3,563,663)	(3,683,104)
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       (4,502,915)       (4,087,136)         Total expenses       (24,449,429)       (23,130,626)         Net operating surplus before income tax       7,248,580       6,461,548         Less: Income tax expense       26       (1,413,308)       (1,608,796)         Net surplus for the year       5,835,272       4,852,752         20% Transfer to Statutory Reserve Fund       (1,167,054)       (970,550)         Surplus available for distribution       4,668,217       3,882,202         Dividend and honorarium       24a       (2,800,000)       (2,400,000)         Provision for honoraria       24a       (2,800,000)       (450,000)         Provision for honoraria       1,368,217       1,032,202	·	9	(8,128,546)	(7,065,114)
Marketing expenses       11       (1,425,024)       (422,118)         Financial expenses       12       (5,619,544)       (6,703,229)         Governance expenses       13       (4,502,915)       (4,087,136)         Total expenses       (24,449,429)       (23,130,626)         Net operating surplus before income tax       7,248,580       6,461,548         Less: Income tax expense       26       (1,413,308)       (1,608,796)         Net surplus for the year       5,835,272       4,852,752         20% Transfer to Statutory Reserve Fund       (1,167,054)       (970,550)         Surplus available for distribution       4,668,217       3,882,202         Dividend and honorarium       24a       (2,800,000)       (2,400,000)         Provision for dividends       24a       (2,800,000)       (450,000)         Provision for honoraria       1,388,247       1,032,202	·	10	(1,209,737)	(1,169,925)
Financial expenses       12       (5,619,544)       (6,703,229)         Governance expenses       13       (4,502,915)       (4,087,136)         Total expenses       (24,449,429)       (23,130,626)         Net operating surplus before income tax       7,248,580       6,461,548         Less: Income tax expense       26       (1,413,308)       (1,608,796)         Net surplus for the year       5,835,272       4,852,752         20% Transfer to Statutory Reserve Fund       (1,167,054)       (970,550)         Surplus available for distribution       4,668,217       3,882,202         Dividend and honorarium       24a       (2,800,000)       (2,400,000)         Provision for dividends       24b       (500,000)       (450,000)         Provision for honoraria       1,368,217       1,032,202	•	11	(1,425,024)	(422,118)
Governance expenses         13         (4,502,915) (2,087,136)         (4,087,136)           Total expenses         (24,449,429)         (23,130,626)           Net operating surplus before income tax         7,248,580         6,461,548           Less: Income tax expense         26         (1,413,308)         (1,608,796)           Net surplus for the year         5,835,272         4,852,752           20% Transfer to Statutory Reserve Fund         (1,167,054)         (970,550)           Surplus available for distribution         4,668,217         3,882,202           Dividend and honorarium         24a         (2,800,000)         (2,400,000)           Provision for dividends         24b         (500,000)         (450,000)           Provision for honoraria         1,368,217         1,032,202		12	(5,619,544)	(6,703,229)
Net operating surplus before income tax         7,248,580         6,461,548           Less: Income tax expense         26         (1,413,308)         (1,608,796)           Net surplus for the year         5,835,272         4,852,752           20% Transfer to Statutory Reserve Fund         (1,167,054)         (970,550)           Surplus available for distribution         4,668,217         3,882,202           Dividend and honorarium         24a         (2,800,000)         (2,400,000)           Provision for dividends         24b         (500,000)         (450,000)           Provision for honoraria         1,368,217         1,032,202		13	(4,502,915)	(4,087,136)
Net operating surplus before income tax         Less: Income tax expense       26       (1,413,308)       (1,608,796)         Net surplus for the year       5,835,272       4,852,752         20% Transfer to Statutory Reserve Fund       (1,167,054)       (970,550)         Surplus available for distribution       4,668,217       3,882,202         Dividend and honorarium       24a       (2,800,000)       (2,400,000)         Provision for dividends       24b       (500,000)       (450,000)         Provision for honoraria       1,368,217       1,032,202		-	(24,449,429)	(23,130,626)
Less: Income tax expense         Net surplus for the year       5,835,272       4,852,752         20% Transfer to Statutory Reserve Fund       (1,167,054)       (970,550)         Surplus available for distribution       4,668,217       3,882,202         Dividend and honorarium         Provision for dividends       24a       (2,800,000)       (2,400,000)         Provision for honoraria       24b       (500,000)       (450,000)         1 368 217       1 032 202	Net operating surplus before income tax		7,248,580	6,461,548
Net surplus for the year       (1,167,054)       (970,550)         20% Transfer to Statutory Reserve Fund       4,668,217       3,882,202         Surplus available for distribution       4,668,217       3,882,202         Dividend and honorarium       24a       (2,800,000)       (2,400,000)         Provision for dividends       24b       (500,000)       (450,000)         Provision for honoraria       1,368,217       1,032,202	Less: Income tax expense	26	(1,413,308)	(1,608,796)
Surplus available for distribution       4,668,217       3,882,202         Dividend and honorarium       24a       (2,800,000)       (2,400,000)         Provision for dividends       24b       (500,000)       (450,000)         Provision for honoraria       1,368,217       1,032,202	Net surplus for the year	-	5,835,272	4,852,752
Surplus available for distribution           Dividend and honorarium         24a         (2,800,000)         (2,400,000)           Provision for dividends         24b         (500,000)         (450,000)           Provision for honoraria         1,368,217         1,032,202	20% Transfer to Statutory Reserve Fund		(1,167,054)	(970,550)
Provision for dividends       24a       (2,800,000)       (2,400,000)         Provision for honoraria       24b       (500,000)       (450,000)         1,368,217       1,032,202	Surplus available for distribution	•	4,668,217	3,882,202
Provision for dividends       24a       (2,800,000)       (2,400,000)         Provision for honoraria       24b       (500,000)       (450,000)         1,368,217       1,032,202	Dividend and honorarium			
Provision for honoraria 24b (500,000) (450,000)			• .	•
Transferred to revenue reserves 1,368,217 1,032,202		24b		
	Transferred to revenue reserves	:	1,368,217	1,032,202

Statement of financial position			
		2023	2022
ASSETS	Notes	Kshs	Kshs
Cash and cash equivalents	44	10.000	
Trade and other receivables	14 15	12,880,854	9,508,91
Loans to members	16	20,476,295	22,835,070
Financial assets	17	433,325,012 4,142,000	376,160,083
Investments	18	98,016,222	4,142,000
Plant, property and equipment	19	2,096,858	97,897,760
Intangible assets	20	1,916,353	1,869,146 2,408,837
Total assets	The Street Land Countries with Control of the Countries o	572,853,594	
to	APPROVED for publication and presentation AGM or ADM subject to observations Issued	372,033,394	514,821,807
EQUITY AND LIABILITIES	0 5 MAR 2024		
Liabilities	0/1		
Members deposits	Nimm		
Members deposits  Members savings scheme	E SACCO SOCIETIES REGULATORY AUTHORITY	468,626,907	415,050,212
Interest on Members Deposits	22	7,851,853	9,257,594
Trade and other payables	23	30,000,000	27,000,000
Income tax payable	25	7,990,824	8,462,745
	26	426,962	1,608,796
Total liabilities		514,896,547	461,379,347
EQUITY			
Share capital	27	28,436,814	26 457 400
Reserves (Page 12)	28	29,520,234	26,457,498
	_	57,957,048	26,984,962
		01,001,040	53,442,460
Total liabilities and equity	-	572,853,594	514,821,807

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

Ann Kioi

Chairperson

Richard Ochola

Treasurer

Boniface Maina

**Honorary Secretary** 

## Statement of changes in equity

	Share capital	Statutory reserves	Revenue reserves	Proposed Dividend	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
For the year ended 31 December 202	22				
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	26,457,498	11,680,347		2,850,000	56,292,460

<sup>\*</sup> Relates to contributions from members to insurance fund for prior years now transferred to revenue reserves.

## For the year ended 31 December 2023

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	28,436,814	12,847,402	16,672,832	6,150,000	64,107,048

Statement of cash flows	<del>-</del>	0000	0000
Cash flows from operating activities	Notes	2023 Kshs	2022 Kshs
Interest receipts Other operating income Interest payments	4 6 	43,976,533 8,672,037 (27,000,000)	39,813,342 6,788,099 (17,000,000)
		25,648,570	29,601,441
Payments to employees and suppliers		(23,177,117)	(20,360,619)
		2,471,453	9,240,822
Increase/(decrease) in operating assets			
(Decrease)/(increase) in trade and other receivables (increase)/(decrease) in net loan to members	15 16	2,358,775 (57,164,929)	(6,504,401) (45,271,977)
		(54,806,154)	(51,776,378)
Increase/(decrease) in operating liabilities			
Increase/increase in net deposits from members Increase/(decrease) in Members savings Honoraria paid Increase/increase in trade and other payables (Decrease)/Increase in Insurance fund Audit fee paid	21 22 24b 25	53,576,695 (1,405,741) (450,000) (1,399,355) - (116,000) 50,205,600	5,426,832 1,237,388 (350,000) 399,579 (10,711,300) (132,000) (4,129,501)
Not each (used in anomatics activities			
Net cash (used in) operating activities		(2,129,101)	(46,665,057)
Income tax paid		(2,595,142)	(1,338,749)
Net cash (used in) operating activities		(4,724,243)	(48,003,806)
Cash flows from investing activities  Purchase of investment Interest received from investment Purchase of property, plant and equipment Purchase of intangible assets Dividends paid  Net cash generated from investing activities	18 18 19 20 24	(118,462) 9,418,462 (636,830) (146,300) (2,400,000) 6,116,870	29,146,414 10,453,586 (1,200,360) (2,000,000) 36,399,640
Cash flows from financing activities			
Proceeds from issue of ordinary shares	27	1,979,316	2,791,939
Net cash generated from financing activities		1,979,316	2,791,939
Net increase / (decrease) in cash and cash equivalent		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	12,880,854	9,508,911