

CS/3530



**KANISA REGULATED NON-WDT SACCO SOCIETY LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

Mcjoel & Associates  
Certified Public Accountants (K)  
P.O Box 14840-00800  
Nairobi, Kenya  
[info@mcjoelassociates.com](mailto:info@mcjoelassociates.com)



**Statement of comprehensive income**

	Notes	2022 Kshs	2021 Kshs
<b>Revenue</b>			
<b>Interest Income</b>			
Interest on loans and advances to members	4	39,813,342	36,458,922
Other interest income	5	10,598,318	8,864,720
Other operating income	6	6,680,514	604,305
		<u>57,092,174</u>	<u>45,927,947</u>
<b>Total interest</b>			
Interest expenses	7	<u>(27,500,000)</u>	<u>(17,320,000)</u>
Net interest income		29,592,174	28,607,947
		<u>29,592,174</u>	<u>28,607,947</u>
<b>Net revenue</b>			
<b>Expenses</b>			
Administrative expenses	8	(10,748,218)	(7,260,935)
Other operating expenses	10	(1,169,925)	(1,027,162)
Marketing expenses	11	(422,118)	(581,813)
Financial expenses	12	(6,703,229)	(9,211,248)
Governance expenses	13	<u>(4,087,136)</u>	<u>(4,480,598)</u>
<b>Total expenses</b>		<u>(23,130,626)</u>	<u>(22,561,756)</u>
<b>Net operating surplus before income tax</b>		6,461,548	6,046,191
Less: Income tax expense	27	<u>(1,608,796)</u>	<u>(1,313,682)</u>
<b>Net surplus for the year</b>		4,852,752	4,732,509
20% Transfer to Statutory Reserve Fund		<u>(970,550)</u>	<u>(946,502)</u>
<b>Surplus available for distribution</b>		3,882,202	3,786,007
<b>Dividend and honorarium</b>			
Provision for dividends	24a	(2,400,000)	(2,000,000)
Provision for honoraria	24b	<u>(450,000)</u>	<u>(350,000)</u>
<b>Transferred to revenue reserves</b>		<u>1,032,202</u>	<u>1,436,007</u>

Statement of financial position

	Notes	2022 Kshs	2021 Kshs
<b>ASSETS</b>			
Cash and cash equivalents	14	9,508,911	18,321,138
Trade and other receivables	15	22,835,070	16,330,669
Loans to members	16	376,160,083	323,263,600
Financial assets	17	4,142,000	4,142,000
Investments	18	97,897,760	127,044,174
Plant, property and equipment	19	1,869,146	1,784,039
Intangible assets	20	2,408,837	2,371,046
<b>Total assets</b>		<b>514,821,807</b>	<b>493,256,666</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Liabilities</b>			
Members deposits	21	415,050,212	409,623,380
Members savings scheme	22	9,257,594	8,020,206
Interest on Members Deposits	23	27,000,000	17,000,000
Trade and other payables	25	8,462,745	6,641,156
Insurance fund	26	-	10,711,300
Income tax payable	27	1,608,796	1,313,682
<b>Total liabilities</b>		<b>461,379,347</b>	<b>453,309,724</b>
<b>EQUITY</b>			
Share capital	28	26,457,498	23,665,559
Reserves (Page 12)	29	26,984,962	16,281,383
		<b>53,442,460</b>	<b>39,946,942</b>
<b>Total liabilities and equity</b>		<b>514,821,807</b>	<b>493,256,666</b>

**APPROVED**  
 for publication and presentation  
 to AGM or ADM subject to observations issued  
**24 FEB 2023**  
 SIGN:   
 THE SACCO SOCIETIES REGULATORY AUTHORITY

The financial statements on page 11 to 25 were approved for issue by the Board of Directors on... 22<sup>nd</sup> FEBRUARY 2023 and were signed on its behalf by:

  
 Ann Kloi  
 Chairperson

  
 Richard Ochola  
 Treasurer

  
 Boniface Maina  
 Honorary Secretary

*Kanisa Regulated Non-WDT Sacco Society Limited GS/3530*  
*Financial statements*  
*For the year ended 31 December 2022*

**Statement of changes in equity**

	Share capital Kshs	Statutory reserves Kshs	Revenue reserves Kshs	Proposed Dividend Kshs	Total Kshs
<b>For the year ended 31 December 2021</b>					
As at 01 January 2021	21,196,751	9,763,295	4,135,579	-	35,095,625
Issue of share capital	2,468,808	-	-	-	2,468,808
Surplus for the year	-	-	4,732,509	-	4,732,509
Tax provision	-	-	-	-	-
Transfers to statutory reserve fund	-	946,502	(946,502)	-	-
Other transfers during the year					
2020-Proposed honorarium	-	-	(350,000)	350,000	-
2020-Proposed dividend	-	-	(2,000,000)	2,000,000	-
Balance at 31 December 2021	<u>23,665,559</u>	<u>10,709,797</u>	<u>5,571,586</u>	<u>2,350,000</u>	<u>42,296,942</u>
<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
Tax provision	-	-	-	-	-
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>

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

Kanisa Regulated Non-WDT Sacco Society Limited CS/3530  
 Financial statements  
 For the year ended 31 December 2022

**Statement of cash flows**

		<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Cash flows from operating activities</b>			
Interest receipts	4	39,813,342	36,458,922
Other operating income	6	6,788,099	854,568
Interest payments		<u>(17,000,000)</u>	<u>(27,500,000)</u>
		29,601,441	9,813,490
Payments to employees and suppliers		<u>(20,360,619)</u>	<u>(12,534,594)</u>
		9,240,822	(2,721,104)
<b>Increase/(decrease) in operating assets</b>			
(Increase)/(increase) in trade and other receivables	15	(6,504,401)	(3,345,560)
(increase)/decrease in net loan to members	16	(45,271,977)	44,184,247
		<u>(51,776,378)</u>	<u>40,838,687</u>
<b>Increase/(decrease) in operating liabilities</b>			
Increase/increase in net deposits from members	21	5,426,832	7,258,249
Increase/increase in trade and other payables	25	399,579	341,469
Honoraria Paid	24b	(350,000)	(450,000)
Increase/(decrease) in Members savings	22	1,237,388	(790,113)
(Decrease)/Increase in Insurance fund	26	(10,711,300)	2,190,742
Audit fee paid		<u>(132,000)</u>	<u>(49,700)</u>
		(4,129,501)	8,500,647
<i>Net cash (used in)/generated from operating activities</i>		(46,665,057)	46,618,230
Income tax paid		<u>(1,338,749)</u>	<u>(644,390)</u>
<b>Net cash (used in) / generated operating activities</b>		<u>(48,003,806)</u>	<u>45,973,840</u>
<b>Financing activities</b>			
Purchase of property and equipment		(1,200,360)	(1,796,781)
Purchase of investment	18	29,146,414	(51,394,232)
Purchase of financial assets	17	-	(3,000,000)
Interest received from investment	18	10,453,586	8,594,232
Proceeds from issue of ordinary shares	28	2,791,939	2,468,808
Dividends paid	24	<u>(2,000,000)</u>	<u>(1,800,000)</u>
<i>Net cash generated / (used in) from financing activities</i>		<u>39,191,579</u>	<u>(46,927,973)</u>
<b>Net (decrease) in cash and cash equivalent</b>		(8,812,227)	(954,133)
Cash and cash equivalent at the beginning of the year		18,321,138	19,275,271
Cash and cash equivalent at the end of the year	14	<u>9,508,911</u>	<u>18,321,138</u>