

Statement of Comprehensive Income for the Year ended 31 December 2014

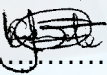
		2014 KShs	2013 KShs
Revenue:	Note		
Interest on loans and advances to members	3a	52,194,043	57,022,088
Other interest Income	3b	2,983,273	2,127,844
Total interest income		55,177,316	59,149,933
Interest expenses	4	(29,838,010)	(29,263,433)
Net interest income		25,339,306	29,886,500
Other operating income	5	10,514,024	14,877,374
Total Income		35,853,329	44,763,874
Operating Expenses			
Personnel	6(a)	12,353,692	15,280,515
Administration	6(b)	2,798,139	4,920,351
Governance	6(c)	2,435,008	1,988,288
Marketing and Publicity	6(d)	620,436	593,373
Depreciation And Amortization	6(e)	1,700,323	2,078,503
Bank Charges	6(f)	821,631	1,174,922
Other Operating Expenses	6(g)	4,872,129	10,000,387
Allowance for loss on loan impairment	12(b)	2,366,661	1,509,402
Total Expenses		27,968,020	37,545,741
Net operating surplus before income tax		7,885,310	7,218,133
Income tax expense	8	886,290	1,852,719
Net surplus for the year		6,999,020	5,365,414
Other Comprehensive Income			
Surplus/(deficit) on revaluation of property, plant and equipment		-	-
Increase/(Decrease) in fair value of available for sale investments		34,324,872	1,167,905
Other comprehensive income for the year, net of tax		34,324,872	1,167,905
Total comprehensive income		41,323,892	6,533,319

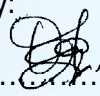
Statement Of Financial Position As at 31st December 2014

		2014 KShs	2013 KShs
	Note		
Assets			
Cash and Cash Equivalents	10	50,955,120	23,690,713
Prepayments and Receivables	11	33,063,169	49,712,658
Income Tax Claimable	8	1,082,502	-
Loans to members	12(a)	291,789,680	312,933,438
Investments	13	44,310,422	17,863,697
Property and equipment	17	6,162,725	7,304,256
TOTAL ASSETS		427,363,617	411,504,762
LIABILITIES			
Cash and Cash Equivalents	10	3,024,397	1,930,600
Members' deposits	14	326,128,476	296,319,708
Tax payable	8	-	1,291,123
Dividends Payable		849,619	802,538
Payables and accruals	15	25,796,811	25,547,859
Interest bearing liabilities	16	782,851	58,455,393
Total liabilities		356,582,155	384,347,221
EQUITY			
Share capital	18	9,759,036	8,025,378
Reserves	18	61,022,429	19,132,163
Total Equity		70,781,465	27,157,541
TOTAL LIABILITIES AND EQUITY		427,363,617	411,504,762



The financial statements on pages 19-48 were authorized for issue by the Board of Directors on 6th February 2015 and signed on its behalf by:


.....
Lucy Kaburia (Mrs. Ominde)
Chairperson


.....
Gordon Opiyo
Treasurer


.....
Member

CS/2664 Magadi Savings and Credit Co-Operative Society Limited
Annual Report and Financial Statements
For the Year ended 31st December 2014

Statement of Changes in Equity for the period ended 31 December 2014

	Share capital KShs	Statutory Reserve	Fair Value Reserve	Capital Reserve	Revaluation surplus KShs	Insurance Fund	Retained earnings KShs	Total KShs
At 1 January 2013	7,048,436	5,270,550	-	134,210	1,310,930	7,493,953	1,953,488	23,211,568
Prior year adjustments	-	-	-	-	-	-	(2,031,857)	(2,031,857)
Transfer to income	-	-	-	-	(1,310,930)	-	-	(1,310,930)
As restated	7,048,436	5,270,550	-	134,210	-	7,493,953	(78,369)	19,868,781
Total comprehensive income/(loss) for the year	-	-	-	-	-	-	5,365,414	5,365,414
Transfer to statutory reserve	-	1,073,083	-	-	-	-	(1,073,083)	-
Contributions during the year	976,942	-	-	-	-	-	-	976,942
Additions during the year	-	-	-	-	-	1,081,037	-	1,081,037
Fair value gain/(loss) on C.I.C. shares	-	-	1,167,905	-	-	-	-	1,167,905
Transactions with owners:								
Bonus	-	-	-	-	-	-	(200,000)	(200,000)
Honoraria	-	-	-	-	-	-	(300,000)	(300,000)
Proposed Dividends	-	-	-	-	-	-	(802,538)	(802,538)
At 31 December 2013	8,025,378	6,343,633	1,167,905	134,210	-	8,574,990	2,911,424	27,157,541
At 1 January 2014	8,025,378	6,343,633	1,167,905	134,210	-	8,574,990	2,911,424	27,157,541
Profit/(loss) for the Period	-	-	-	-	-	-	6,999,020	6,999,020
Change in fair value of financial assets measured at fair value	-	-	34,324,872	-	-	-	-	34,324,872
Transfer to retained Earnings *	-	-	-	-	-	-	1,474,858	1,474,858
For the period	1,733,657	-	-	-	-	950,550	-	2,684,207
Transfer to retained Earnings and Insurance expense**	-	-	-	-	-	(9,525,540)	8,516,126	(1,009,414)
Transfer To Statutory Reserve	-	1,399,804	-	-	-	-	(1,399,804)	-
Proposed Dividends	-	-	-	-	-	-	(849,619)	(849,619)
At 31 December 2014	9,759,036	7,743,437	35,492,777	134,210	-	-	17,652,005	70,781,465

* Relates to Kshs 1,008,995 Business disposal account balance written off and Kshs 465,860 unallocated dividends written back to the Retained Earnings

** Ksh 8,516,125.95 was transferred to retained earnings after paying insurance expenses for the year of Ksh 1,009,414.

Statement of Cash Flows for the Period ended 31 December 2014

	2014 KShs	2013 KShs
Cash flow from operating activities		
Interests Receipts	55,177,316	57,356,298
Interest Payments	(8,219,416)	(8,109,541)
Payment to Employees and Suppliers	(25,970,496)	(32,309,860)
Other Operating Income	8,754,609	13,415,681
Cash lost through fraud	-	(1,516,211)
	<u>29,742,013</u>	<u>28,836,366</u>
Increase in operating Assets		
Net Loans to Members	21,143,758	(67,654,111)
Trade and other Receivables	16,649,489	23,555,956
	<u>37,793,247</u>	<u>(44,098,155)</u>
Increase in operating liabilities		
Deposits From Members	29,808,768	29,524,933
Trade and Accrued Expenses	(4,244,978)	313,763
	<u>25,563,790</u>	<u>29,838,696</u>
Net cash from operating Activities before income taxes	93,099,050	14,576,907
income tax paid	(3,321,897)	(119,049)
	<u>89,777,153</u>	<u>14,457,858</u>
Net cash from operating Activities		
Cash flow from investing activities		
purchase of property and equipment	(558,792)	(2,234,965)
proceeds on disposal of plant and Equipment	-	4,947,871
purchase/Sale of investment securities	(9,874,708)	(5,706,798)
Proceeds from recall of investments - Kuscco	19,127,028	-
Net cash From investing activities	8,693,528	(2,993,892)
Cash flow from financing activities		
share capital contributions	1,733,657	976,942
Members Interest Paid	(17,137,870)	(10,982,572)
Proceeds from Borrowings	-	35,800,000
Insurance Fund	(58,864)	1,081,037
Repayment of Long term Borrowing	(57,672,542)	(27,089,967)
Dividends paid	(639,313)	(287,358)
Prior Year Adjustments	1,474,856	-
Net cash from financing activities	(72,300,075)	(501,918)
Net (decrease) increase in cash and cash equivalent	26,170,606	10,962,048
cash and cash equivalent at the beginning of the year	21,760,114	10,798,065
cash and cash equivalent at the end of the period	<u>47,930,722</u>	<u>21,760,114</u>