

Statement of Comprehensive Income for the Year ended 31 December 2015

		2015	2014
		<u>KShs</u>	<u>KShs</u>
Revenue:	Note		
Interest on loans and advances	3a	54,667,658	52,194,043
Other interest Income	3b	3,339,372	2,983,273
Total interest income		58,007,029	55,177,316
Interest expenses	4	(29,948,459)	(29,838,010)
Net interest income		28,058,570	25,339,306
Other operating income	5	9,652,565	10,514,024
Total Income		37,711,135	35,853,329
Personnel expenses	6(a)	13,269,379	12,040,482
Administration expenses	6(b)	3,151,354	3,111,349
Governance expenses	6(c)	2,327,340	2,435,008
Marketing and public relations expenses	6(d)	335,400	620,436
Depreciation And Amortization	6(e)	1,712,064	1,700,323
Financial expenses	6(f)	642,233	821,631
Other operating expenses	6(g)	4,361,202	4,872,129
Allowance for loss on loan impairment	12(b)	(2,177,981)	2,366,661
Total Expenses		23,620,990	27,968,020
Net operating surplus before income tax		14,090,145	7,885,310
Income tax expense		1,533,973	886,290
Net surplus for the year		12,556,172	6,999,020
Other Comprehensive Income			
Surplus/(deficit) on revaluation of property, plant and equipment		-	-
Increase/(Decrease) in fair value of available for sale investments		(6,437,207)	34,324,872
Other comprehensive income for the year, net of tax		(6,437,207)	34,324,872
Total comprehensive income		6,118,965	41,323,892

CS/2664 Magadi Savings and Credit Co-Operative Society Limited
Annual Report and Financial Statements
For the Year ended 31st December 2015

Statement Of Financial Position As at 31st December 2015

		2015 KShs	2014 RESTATED KShs	2014 KShs
	Note			
Assets				
Cash and Cash Equivalents	10	43,882,692	50,955,120	50,955,120
Prepayments and sundry receivables	11	29,745,552	33,063,169	33,063,169
Loans to members	12(a)	319,184,009	291,789,680	291,789,680
Investments	13	33,323,406	44,310,422	44,310,422
Income Tax Claimable		673,721	1,082,502	1,082,502
Property and equipment	15	4,412,031	5,177,634	6,162,725
Intangible Assets		103,943	687,804	-
TOTAL ASSETS		431,325,355	427,066,330	427,363,617
LIABILITIES				
Members' deposits	14	304,939,925	326,128,476	326,128,476
Tax payable		-	-	-
Dividends Payable		1,964,383	849,619	849,619
Payables and accruals	15	32,999,186	25,796,811	25,796,811
Cash and Cash Equivalents (Overdraft)	10	9,547,496	3,024,397	3,024,397
Interest bearing liabilities	17	(0)	782,852	782,852
Total liabilities		349,450,990	356,582,155	356,582,155
EQUITY				
Share capital	18	16,369,856	9,759,036	9,759,036
Reserves	18	65,504,511	61,605,663	61,022,430
Total Equity		81,874,368	71,364,698	70,781,465
TOTAL LIABILITIES AND EQUITY		431,325,355	427,946,850	427,363,617

The financial statements on pages 6-28 were authorized for issue by the Board of Directors on 24th February 2016 and signed on its behalf by:

Chairperson.....
Lucy Kaburia

Treasurer.....
Gordon Opiyo

Board Member.....

Statement of Changes in Equity for the period ended 31 December 2015

	Share capital KShs	Statutory Reserve	Fair Value Reserve	Capital Reserve	Revaluation surplus KShs	Insurance Fund	Retained earnings KShs	Total KShs
At 1 January 2014	8,025,378	6,343,633	1,167,905	134,210	-	8,574,990	2,911,424	27,157,541
Total comprehensive income/(loss) for the year	-	-	-	-	-	-	6,999,020	6,999,020
Transfer to retained Earnings and Insurance expense	-	-	-	-	-	(9,525,540)	8,516,126	(1,009,414)
Transfer to statutory reserve	1,733,657	1,399,804	-	-	-	-	(1,399,804)	-
Contributions during the year	-	-	-	-	-	950,550	-	2,684,207
Additions during the year	-	-	-	-	-	-	1,474,858	1,474,858
Change in fair value of financial assets measured at fair value	-	-	34,324,872	-	-	-	-	34,324,872
Transactions with owners:								
Bonus	-	-	-	-	-	-	-	-
Honoraria	-	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	(849,619)	(849,619)
At 31 December 2014	9,759,036	7,743,437	35,492,777	134,210	-	0	17,652,005	70,781,465
Restated 2014 ending balance								
Adjustments								
As restated	9,759,036	7,743,437	35,492,777	134,210	-	0	18,235,238	71,364,698
At 1 January 2015	9,759,036	7,743,437	35,492,777	134,210	-	0	18,235,238	71,364,698
Profit/(loss) for the Period	-	-	-	-	-	-	12,556,172	12,556,172
Change in fair value of financial assets measured at fair value	-	-	(6,437,207)	-	-	-	-	(6,437,207)
Additions during the year	-	-	-	-	-	-	181,212	181,212
For the period	6,610,821	-	-	-	-	(436,946)	-	6,173,875
Transfer to retained Earnings and Insurance expense	-	-	-	-	-	-	-	-
Transfer To Statutory Reserve	-	2,511,234	-	-	-	-	(2,511,234)	-
Proposed Dividends	-	-	-	-	-	-	(1,964,383)	(1,964,383)
At 31 December 2015	16,369,856	10,254,671	29,055,570	134,210	-	(436,945)	26,497,005	81,874,368

* Relates to Kshs.880,520 resulting from understatement of retained earnings in 2014 books of accounts and (297,287) an understatement of depreciation from reclassification of intangible assets (note 17).

Statement of Cash Flows for the Period ended 31 December 2015

	2015	2014
	<u>KShs</u>	<u>KShs</u>
Cash flow from operating activities		
Interests Receipts	58,007,029	55,177,316
Interest Payments	(4,531,444)	(8,219,416)
Payment to Employees and Suppliers	(24,376,887)	(25,970,496)
Other Operating Income	9,652,565	8,754,609
Cash lost through fraud	-	-
	38,751,263	29,742,013
Increase in operating Assets		
Net Loans to Members	(27,394,329)	21,143,758
Trade and other Receivables	3,317,616	16,649,489
	(24,076,713)	37,793,247
Increase in operating liabilities		
Deposits From Members	(21,188,550)	29,808,768
Trade and Accrued Expenses	7,202,375	(4,244,978)
	(13,986,175)	25,563,790
Net cash from operating Activities before income taxes	688,375	93,099,050
income tax paid	(974,919)	(3,321,897)
Net cash from operating Activities	(286,544)	89,777,153
Cash flow from investing activities		
purchase of property and equipment	(362,600)	(558,792)
proceeds on disposal of plant and Equipment	-	-
purchase/Sale of investment securities	-	(9,874,708)
Proceeds from recall of investments - Kuscco	4,549,809	19,127,028
Net cash From investing activities	4,187,209	8,693,528
Cash flow from financing activities		
share capital contributions	6,610,821	1,733,657
Members Interest Paid	(22,287,215)	(17,137,870)
Proceeds from Borrowings	-	-
Honorarium and staff Bonus paid	(600,000)	-
Insurance Fund	(436,946)	(58,864)
Repayment of Long term Borrowing	(782,852)	(57,672,541)
Dividends paid	-	(639,313)
Prior Year Adjustments	-	1,474,856
Net cash from financing activities	(17,496,192)	(72,300,075)
Net (decrease) increase in cash and cash equivalent	(13,595,526)	26,170,607
cash and cash equivalent at the beginning of the year	47,930,722	21,760,114
cash and cash equivalent at the end of the period	34,335,197	47,930,722