

Statement of Comprehensive Income

		2016	2015
	Notes	Kshs	Kshs
Revenue:			
Interest on loans and advances	3a	63,659,533	54,667,658
Other interest Income	3b	3,671,803	3,339,372
Total interest income		67,331,337	58,007,029
Interest expenses	4	(34,161,186)	(29,948,460)
Net interest income		33,170,151	28,058,570
Other operating income	5	11,853,766	9,652,565
Total Income		45,023,917	37,711,135
Personnel expenses	6(a)	13,586,259	12,969,379
Administration expenses	6(b)	3,199,971	3,151,354
Governance expenses	6(c)	2,165,084	1,867,340
Marketing and public relations expenses	6(d)	292,519	335,400
Depreciation And Amortization	6(e)	1,590,338	1,712,064
Financial expenses	6(f)	2,905,702	(1,535,748)
Other operating expenses	6(g)	8,889,355	4,361,202
Total Expenses		32,629,228	22,860,990
Net operating surplus before income tax		12,394,689	14,850,145
Income tax expense		2,364,839	1,533,973
Net surplus for the year		10,029,849	13,316,172
Other Comprehensive Income			
Increase/(Decrease) in fair value of available for sale investments		(2,142,227)	(6,437,207)
Other comprehensive income for the year, net of tax		(2,142,227)	(6,437,207)
Total comprehensive income		7,887,622	6,118,965

Statement of Financial Position


	Notes	2016 Kshs	2015 Kshs
Assets			
Cash and Cash Equivalents	10	38,173,406	43,882,692
Prepayments and sundry receivables	11	38,318,767	30,109,496
Loans to members	12	359,654,432	319,184,009
Investments	13	31,181,179	33,323,406
Property and equipment	14	4,263,907	4,412,030
Intangible Assets	15	-	103,942
Total Assets		471,591,692	431,015,577
Liabilities			
Members' deposits	16	340,334,688	304,939,925
Interest on members' deposits	17	30,896,168	25,417,016
Payables and accruals	18	7,361,752	9,150,497
Tax payable	19	1,004,723	(673,721)
Cash and Cash Equivalents (Overdraft)	10	385,788	9,547,496
Total liabilities		379,983,119	348,381,214
Equity			
Share capital	20	18,582,909	16,369,856
Reserves	21	73,025,667	66,264,510
Total Equity		91,608,576	82,634,366
Total Liabilities And Equity		471,591,692	431,015,577



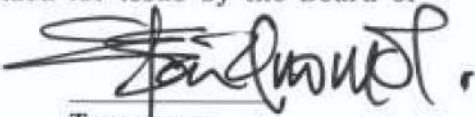
The financial statements on pages 9 to 23 were authorized for issue by the Board of Directors and signed on its behalf by:


 Chairman

01/03/2017
 Date


 Board Member

01/03/2017
 Date


 Treasurer

01.03.2017
 Date

Statement of Changes in Equity	Share capital	Statutory Reserve	Fair Value Reserve	Capital Reserve	Insurance Fund	Retained earnings	Proposed Dividends, Honoraria and Bonus	Total
At 1 January 2015	9,759,035	7,743,437	35,492,777	134,210	-	18,235,238	849,619	72,214,317
Total comprehensive income/(loss) for the year	-	-	-	-	-	13,316,172	-	13,316,172
Transfer to statutory reserve	-	2,663,234	-	-	-	(2,663,234)	-	-
Contributions during the year	6,610,821	-	-	-	(436,946)	-	-	6,173,875
Additions during the year	-	-	-	-	-	181,212	-	181,212
Change in fair value of financial assets measured at fair value	-	-	(6,437,207)	-	-	-	-	(6,437,207)
Transactions with owners:								
Bonus	-	-	-	-	-	(300,000)	300,000	-
Honoraria	-	-	-	-	-	(460,000)	460,000	-
Dividend paid-2014	-	-	-	-	-	-	(849,619)	(849,619)
Proposed Dividends-2015	-	-	-	-	-	(1,964,383)	1,964,383	-
At 31 December 2015	16,369,856	10,406,671	29,055,570	134,210	(436,945)	26,345,004	2,724,383	84,598,750
Restated 2014 ending balance								
At 1 January 2016	16,369,856	10,254,671	29,055,571	134,210	(436,946)	26,497,005	2,724,383	84,598,750
Profit/(loss) for the Period	-	-	-	-	-	10,029,849	-	10,029,849
Change in fair value of financial assets measured at fair value	-	-	(2,142,227)	-	-	-	-	(2,142,227)

Statement of Changes in Equity (cont.')

Additions during the year	-	-	-	-	3,834	3,834
For the period	2,213,053	-	-	(370,300)	-	1,842,753
Transfer To Statutory Reserve	-	2,005,970	-	-	(2,005,970)	-
Dividend Paid-2015	-	-	-	-	(1,964,383)	(1,964,383)
Bonus Paid-2015	-	-	-	-	(300,000)	(300,000)
Honoraria Paid-2015	-	-	-	-	(460,000)	(460,000)
Bonus	-	-	-	-	(360,000)	360,000
Honoraria	-	-	-	-	(600,000)	600,000
Proposed Dividends-2016	-	-	-	-	(2,415,778)	(2,415,778)
At 31 December 2016	18,582,909	12,260,641	26,913,343	134,210	(807,246)	3,375,778
						31,148,940
						91,608,576

Statement of Cash Flow

	2016	2015
	Kshs	Kshs
Cash flow from operating activities		
Interests Receipts	67,331,337	58,007,029
Interest Payments	(28,682,034)	(26,818,659)
Payment to Employees and Suppliers	(31,038,890)	(24,376,887)
Other Operating Income	11,853,766	9,652,565
Net profit before tax	19,464,178	16,464,048
Increase in operating Assets		
Net Loans to Members	(40,470,423)	(27,394,329)
Trade and other Receivables	(8,209,271)	3,317,616
Total	(48,679,694)	(24,076,713)
Increase in operating liabilities		
Deposits From Members	35,394,762	(21,188,550)
Trade and Accrued Expenses	175,638	7,202,375
Total	35,570,400	(13,986,175)
Net cash from operating Activities before income taxes	6,354,884	(21,598,840)
Income tax paid	(686,395)	(974,919)
Net cash from operating Activities	5,668,489	(22,573,759)
Cash flow from investing activities		
Purchase of property and equipment	(1,338,273)	(362,600)
Proceeds from recall of investments – Kuscco	-	4,549,809
Net cash From investing activities	(1,338,273)	4,187,209
Cash flow from financing activities		
Share capital contributions	2,213,053	6,610,821
Honorarium and staff Bonus paid	(760,000)	(600,000)
Insurance Fund	(370,300)	(436,946)
Repayment of Long term Borrowing	-	(782,852)
Dividends paid	(1,960,549)	-
Net cash from financing activities	(877,796)	4,791,023
Net (decrease) increase in cash and cash equivalent	3,452,420	(13,595,526)
Cash and cash equivalent at the beginning of the year	34,335,197	47,930,722
Cash and cash equivalent at the end of the period	37,787,618	34,335,197