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SHIRIKA SACCO SOCIETY LIMITED

REPORT & ACCOUNTS

AS AT

31ST DECEMBER, 2016



BILLSMITH & CO.

CERTIFIED PUBLIC ACCOUNTANTS(K)

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SHIRIKA SACCO SOCIETY LIMITED**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31st DEC 2016**

			2016	2015
			KSHS	KSHS
Revenue	Notes			
Interest on loans and advances	3 (a)		202,691,329 *	185,880,09
Other Interest incomes	3 (b)		28,481,077	16,888,70
Total interest			231,172,406 ✓	202,768,79
Less: Interest on members deposits	4	9.5%	142,307,435	106,424,08
Interest for WSS		5 %	3,391,221	
Net interest incomes			85,473,750	96,344,70
Other Operating incomes	5		5,812,936	2,007,33
			91,286,686 ✓	98,352,04
Administrative Expenses				
Financial expenses	7		738,687	128,158,23
Administrative Expenses	7		10,172,216	7,566,30
Staff expenses	7		22,260,730 ✓	14,005,71
Governance expenses	7		11,572,425	8,295,37
Depreciation/amortisation	7		2,536,213	955,12
Marketing expense	7		2,711,056	1,726,46
Total Expenditure			49,991,327	45,364,82
Net operating surplus before income tax			41,295,359	52,987,22
Income tax expenses	9		-4,344,105	-2,537,75
Dividends			-90,000 ✓	-30,000
Net surplus for the year			36,861,255	50,419,46
Other comprehensive incomes				
Other comprehensive incomes for the	6		1,120,082 ✓	588,012
Total comprehensive income			37,981,337	51,007,48
Net surplus for the year			37,981,337 *	51,007,48

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SHIRIKA SACCO SOCIETY LIMITED**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016**

		2016 KSHS	2015 KSHS
ASSETS			
Cash and Bank Balances	10	✓ 316,364,026 ✓	295,355,021
Receivables	11	✓ 140,919,709 ✓	89,149,075
Taxation overpaid	9	✓ 2,893,775 ✓	439,175
Loan to Members	13	✓ 1,541,366,402 ✓	1,357,032,535
Stocks	24	✓ 193,239 ✓	103,727
Investments	14	✓ 9,357,214 ✓	11,908,563
Deposit with suppliers	12	✓ 389,955 ✓	389,955
Intangible assets	15	✓ 5,913,955 ✓	0
Plant, Property & Equipments	16	✓ 8,513,991 ✓	6,118,929
		2,025,912,266	1,760,496,980
LIABILITIES			
Members Deposit	17	✓ 1,570,085,126 ✓	1,365,866,567
Burial Benovolent Fund	18	✓ 33,518,876 ✓	39,106,356
Interest/dividends to members	4	✓ 159,444,648 ✓	119,236,573
Payables	19	✓ 19,747,195 ✓	36,067,449
		1,782,795,846	1,560,276,945
Share capital	20	✓ 131,029,749 ✓	116,125,124
Reserves	21	✓ 112,086,672 ✓	84,094,910
		243,116,421	200,220,034
TOTAL LIABILITIES AND EQUITY		2,025,912,266	1,760,496,980



The financial statements were authorised for issue by the Board of Directors on 19th January 2017 and signed on its behalf by:

1) CHAIRMAN [Signature] 2) Board Member [Signature] 3) Board Member [Signature]

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SHIRIKA SACCO SOCIETY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st DEC 2016

	Share Capital	Revaluation Reserve	Statutory Reserve	WSS RESERVE	Capital Reserve	Retained Earnings	BBF RESERVE	Total
At Start of the Year 2015	21,067,078	1,088,838	11,793,582	2,510,906	676,577	31,362,293	0	68,499,274
Changes in Equity in 2015								
Prior year adjustment						-1,530,988		-1,530,988
Surplus for the year						53,545,232		53,545,232
Changes in fair value of financial assets measured at fair value		-277,928						-277,928
Provision for Tax						-2,537,752		-2,537,752
Issue for Share Capital	703,458					703,458		703,458
Transfer to statutory			10,201,496			-10,201,496		-
Dividends capitalised	2090641					-11,612,512		2,090,641
Provision for Dividends						-923,342		-11,612,512
Increase in wss reserve				-923,342				-923,342
Transfer from Deposit	92263947					92,263,947		92,263,947
As at 31st december 2015	116,125,124	810,910	21,995,078	1,587,564	676,577	59,024,777	0	200,220,030
At Start of the Year 2016	116,125,124	810,910	21,995,078	1,587,564	676,577	59,031,703	0	200,226,956
Changes in Equity in 2016								
Prior year adjustment						-1,583,986		-1,583,986
Surplus for the year						42,325,441		42,325,441
Changes in fair value of financial assets measured at fair value		147,071						147,071
Provision for Tax						-4,344,105		-4,344,105
Issue for Share Capital	14,904,625					14,904,625		14,904,625
Transfer to statutory			7,596,267			-7,596,267		-
Dividends capitalised						-13,102,975		-13,102,975
Provision for Dividends						-1,299,166		-1,299,166
Increase in wss reserve				-1,299,166				-1,299,166
Transfer to BBF reserve						5,842,559		5,842,559
As at 31st december 2016	131,029,749	957,981	29,591,345	288,398	676,577	74,729,811	5,842,559	243,116,421

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SHIRIKA SACCO SOCIETY LIMITED**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st DEC 2016**

	2016 KSHS	2015 KSHS
CASH FLOW FROM OPERATING ACTIVITIES		
Interest receipt	202,691,329	185,880,091
Other incomes	34,294,013	18,896,042
Interest paid	-118,593,556	-126,220,513
Payment to suppliers & customers	-49,129,100	-33,570,122
	<u>69,262,686</u>	<u>44,985,498</u>
Increase / Decrease in operating Asset		
Loans to members	-184,333,867	-120,353,822
(Increase)/Decrease in debtors	-51,770,634	-10,704,931
(Increase)/Decrease in deposits	0	-185,000
(Increase)/Decrease in Stocks	-89,512	68,310
	<u>-236,194,013</u>	<u>-131,175,443</u>
Increase / Decrease in operating Liabilities		
Members Deposits	204,218,559	157,909,412
Burial Benovelent Fund	255,079	-2,392,829
Creditors and accrued expenses	-16,313,332	-7,816,815
	<u>188,160,306</u>	<u>147,699,768</u>
Net cashflows from operating activities before income tax	<u>21,228,979</u>	<u>61,509,823</u>
Tax paid	-6,798,705	-2,969,363
	<u>-6,798,705</u>	<u>-2,969,363</u>
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>14,430,275</u>	<u>58,540,460</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of asset	-3,503,770	-1,755,069
Purchase of Software	-7,341,460	0
Purchase of investments	2,698,419	-632,488
Dividends received	1,120,082	588,012
Net cash from investing activities	<u>-7,026,729</u>	<u>-1,799,545</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Share capital contribution	14,904,625	703,458
Withdrawable Savings Scheme Reserve	-1,299,166	-923,341
Net cash from financing activities	<u>13,605,459</u>	<u>-219,883</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>21,009,005</u>	<u>56,521,032</u>
CASH AND CASH EQUIVALENT: BEGINNING	<u>295,355,021</u>	<u>238,833,989</u>
CASH AND CASH EQUIVALENT: ENDING	<u><u>316,364,026</u></u>	<u><u>295,355,021</u></u>