



# Kingdom Sacco Ltd.

MY

**FUTURE IS  
BRIGHT**

.....WITH KINGDOM SACCO  
SAVINGS SOLUTIONS.

EFFICIENT



Point of Sales  
Services



SECURE



ATM Services

CONVENIENT



Mobile  
Banking Services

ANNUAL REPORT  
& FINANCIAL  
STATEMENTS  
2016

## STATEMENT OF COMPREHENSIVE INCOME

	<i>Note</i>	<b>2016</b> <i>Kshs.</i>	<b>2015</b> <i>Kshs.</i>
<b>Income</b>			
Interest on loans and advances	5	107,685,855	78,943,197
Other interest income	6	11,021,065	12,294,543
<b>Total interest income</b>		<b>118,706,920</b>	<b>91,237,740</b>
Interest expenses	7	(38,151,634)	(28,451,495)
<b>Net interest income</b>		<b>80,555,286</b>	<b>62,786,245</b>
Member related income	8	1,571,162	1,497,033
Other income	9 (a)	3,310,699	3,293,971
Dividend income	9 (b)	76,733	41,659
Loss on disposal of fixed assets	20	(228,125)	-
<b>Total other income</b>		<b>4,730,469</b>	<b>4,832,663</b>
<b>Total income</b>		<b>85,285,755</b>	<b>67,618,908</b>
Impairment of loans and advances	18(b)	(4,415,553)	(3,432,000)
Staff expenses	10	(24,461,755)	(20,905,533)
Directors expenses	11	(1,711,311)	(1,170,853)
Depreciation	20	(3,121,621)	(4,009,447)
Amortization	19	(1,470,760)	(1,950,679)
Other operating expenses	12(a)	(16,148,190)	(12,971,474)
Marketing expenses	12(b)	(2,336,121)	(1,888,807)
<b>Total operating expenses</b>		<b>(53,665,311)</b>	<b>(46,328,792)</b>
<b>Surplus before income tax expense</b>		<b>31,620,444</b>	<b>21,290,116</b>
Income tax expense	17	(2,161,275)	(2,290,526)
<b>Net surplus for the year</b>		<b>29,459,170</b>	<b>18,999,590</b>
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<b>29,459,170</b>	<b>18,999,590</b>

## STATEMENT OF FINANCIAL POSITION

	<i>Note</i>	2016 <i>Kshs.</i>	2015 <i>Kshs.</i>
<b>ASSETS</b>			
Cash balances	13a)	9,502,187	10,522,030
Balances with banks	13(b)	7,116,902	6,256,214
Short term investments	13(c)	129,997,383	72,055,314
Government securities	14	17,492,609	17,095,860
Non-current assets held for sale	15	697,668	672,260
Loans and advances to members	18	774,216,685	626,673,238
Property and equipment	20	27,712,544	12,204,500
Freehold Land	16	4,044,800	-
Intangible assets	19	1,374,681	2,495,441
Other assets	21	3,725,139	4,545,956
<b>TOTAL ASSETS</b>		<b><u>975,880,598</u></b>	<b><u>752,520,813</u></b>
<b>LIABILITIES AND MEMBERS' FUNDS</b>			
<b>LIABILITIES</b>			
Members' withdrawable deposits	22(a)	245,583,534	172,644,384
Members' non withdrawable deposits	23	522,221,391	424,844,634
Interest payable on member deposits	24	31,099,067	23,511,744
Other Liabilities	25	22,977,237	6,405,618
Income Tax Payable	17	356,659	894,606
		<b><u>822,237,888</u></b>	<b><u>628,300,986</u></b>
<b>MEMBERS' FUNDS</b>			
Share capital		89,037,173	81,470,599
Capital grant		340,425	340,425
Statutory reserve		10,874,576	6,757,586
Revenue reserves		53,390,536	35,651,217
Total members' funds		<b><u>153,642,710</u></b>	<b><u>124,219,827</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b><u>975,880,598</u></b>	<b><u>752,520,813</u></b>



The financial statements on pages 32 to 35 were authorized for issue by the Board of Directors on..

~~25 FEBRUARY~~ 2017 and signed on its behalf by:

Chairman:  Mr. Meshak Ndegwa

Honorary Secretary:  Mr. Peter Mbugua

Treasurer:  Ms. Rosebell Nyawira

The statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 36 to 52.

## STATEMENT OF CHANGES IN EQUITY

Year 2016	Share capital Kshs.	Statutory reserve Kshs.	Capital grant Kshs.	Retained earnings Kshs.	Total Kshs.
<b>At 1 January</b>	<b>81,470,599</b>	<b>6,757,586</b>	<b>340,425</b>	<b>35,651,217</b>	<b>124,219,827</b>
Additional share capital	7,566,574	-	-	-	7,566,574
Prior year adjustments	-	-	-	(3,025)	(3,025)
Surplus for the year	-	-	-	29,459,170	29,459,170
Prior year Dividends – 2015	-	-	-	(7,599,836)	(7,599,836)
Transfer to statutory reserve	-	4,116,990	-	(4,116,990)	-
<b>At 31 December</b>	<b>89,037,173</b>	<b>10,874,576</b>	<b>340,425</b>	<b>53,390,536</b>	<b>153,642,710</b>
<b>Year 2015</b>	<b>Ksh.</b>	<b>Ksh.</b>	<b>Ksh.</b>	<b>Ksh.</b>	<b>Ksh.</b>
<b>At 1 January</b>	<b>62,979,024</b>	<b>4,477,657</b>	<b>340,425</b>	<b>26,064,077</b>	<b>93,861,183</b>
Additional share capital	18,491,575	-	-	-	18,491,575
Surplus for the year	-	-	-	18,999,591	18,999,591
Provision for dividends – 2014	-	-	-	(7,132,522)	(7,132,522)
Transfer to statutory reserve	-	2,279,929	-	(2,279,929)	-
<b>At 31 December</b>	<b>81,470,599</b>	<b>6,757,586</b>	<b>340,425</b>	<b>35,651,217</b>	<b>124,219,827</b>