



Box 58581
Code-00200
Nairobi

Lontel Sacco

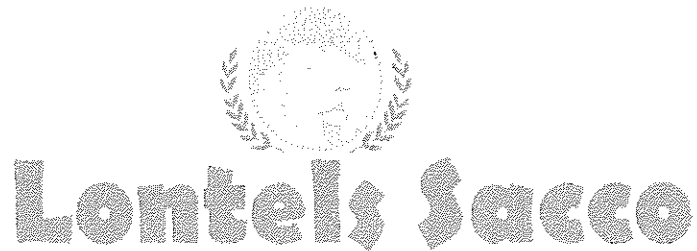
21st MEMBERS ANNUAL GENERAL MEETING – 15/04/2023

TIME	ACTIVITY	BY WHOM
12.00 – 12.30hrs	Arrival of members + invited guests	
12.30 – 14.00hrs	Buffet Lunch	
14.00 – 14.15hrs	Prayers + Introductions	Kelvin Mwangi - MC
14.15 – 15.00hrs	Invited Guests Speeches	Guests
15.00 – 17.00hrs	As per Agenda	MC/Co-op officer
17.00 – 17.15hrs	Vote of Thanks	Kenneth Mwashigadi
17.15 – 18.00hrs	Tea + Cookies	

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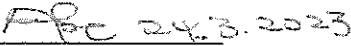
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NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL MEETING OF
THE MEMBERS WILL BE HELD ON SATURDAY 15 APRIL 2023 AT
MERIDIAN HOTEL (BEST WESTERN) IN NAIROBI AT 12.00 PM.

AGENDA:

1. Confirmation of minutes of previous AGM
2. Chairman's Report
3. Reading of the Accounts for year ended 31 December 2022
4. Presentation of the Budget
5. Other committee Reports
6. PCO'S Report
7. Election of new officials
8. Appointment of Auditors
9. Other Resolutions
10. Any Other Business


ARTHUR BONDE
CHAIRMAN

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MINUTES OF LONTELS SACCO LTD AGM HELD ON 06 APRIL 2019 AT MARBLE ARK HOTEL

PRESENT:

- Members as per attendance register
- Central Management Committee
- Supervisory Committee

IN ATTENDANCE:

- Mr. Peter Theuri, Co- operative Officer
- Mrs. Jane Ngaruiya, Co- operative Officer
- Mr. John Ngige, Mugo Mungai & Co Auditors

ABSENT WITHOUT APOLOGY:

- Peter Osoro – CMC Member

AGENDA:

1. Confirmation of minutes of previous AGM
2. Matters Arising
3. Chairman's Report
4. Reading of the Audited accounts for the year ended 31st December 2018
5. Presentation of Budget
6. Other Committee Reports
7. Address by PCO representative
8. Elections of officials
9. Appointment of Auditors
10. Resolutions
11. AOB

The meeting was called to order at 15:30 pm with a word of prayer from Mr. Godfrey Ojwang. Introduction for all was made by Kelvin Mwangi the V. Chairman.

AGM 01/04/2019: CONFIRMATION OF MINUTES OF PREVIOUS AGM MEETING

The minutes were read by Raphael Mwangi the Sacco secretary

Adoption of the minutes was proposed by Stephen Kioko and seconded by Sospeter Mungai.

AGM-02/04/2019: MATTERS ARISING

There was no matters brought forward

AGM-03/04/2019: CHAIRMANS REPORT

Chairman thanked members who attended the AGM; He read his report which all members had a copy.

The report showed growth on membership, revenues and loans.

Housekeeping Matters

Chairman advised members to first take loan applications to Irene before they start looking for guarantors and approval. This will assist in calculating the exact payment to avoid conflicts on actual deductions.

Chairman reminded members to be a bit cautious when guaranteeing loans, more so where an applicant seems to be high risk to avoid being deducted loans on behalf of defaulters

Chairman advised members who deposit money directly into the Sacco bank account to ensure the bank teller indicates their name or membership no in the banking slip to avoid money being posted to suspense account.

Chairman reminded members of the use of the website.

The chairman read his report which was adopted after being proposed by Stella Njoroge and seconded by Francis Maina.

AGM-04/04/2019: ACCOUNTS FOR THE YEAR ENDED 31.12.2018

The accounts were read by John of Mugo Mungai auditors. He informed members that the accounts report was as per international reporting standards.

Adoption of the accounts was proposed by John Weru and seconded by Erick Omondi.

Various questions were asked and satisfactory explanations was done by Leila the Sacco Treasurer

AGM-05/04/2019: PRESENTATION OF BUDGET FOR 2020

The budget was presented by Leila Omar in pictorial/graph format. It showed the Sacco growth in terms of membership and subsequent increase of expenses

Adoption of the budget was proposed by Joseph Gichuki and seconded by Jactone Omollo.

Question on loan schedule were asked and members were assured that our system can now generate accounts.

More questions asked by members were answered by Leila accordingly.

AGM-06/04/2019: OTHER COMMITTEE REPORTS

The report by supervisory committee was read by Wallace Mungai.

Wallace said that the Sacco is growing.

He advised members to service their loans to avoid being taken to CRB, and get difficult on securing loans even to other institution.

Wallace mentioned that over deduction of loans was reported severally, however refunds were done but members suffer inconvenience. Cmc should work on this.

He also urged members to attend the AGM meetings and bring up any issue necessary.

Wallace also recommended election of cmc members from other branches ie Serena, Mksc and Swtc.

Wallace requested the cmc to do anything to ensure the membership doesn't go down and find ways of activating dormant accounts.

He advised members to take loans which can be invested.

He commended CMC for being able to hold AGM 3weeks ahead of the previous one.

Wallace also advised the incoming auditors to be prepared to deal with a strict supervisory committee.

The report was proposed by Amelia Choda and seconded by Nicolas Mudasia.

AGM 07/04/2019: PCO REPORT FROM THE MINISTRY OF CO-OPERATIVES

Mrs Jane Ngaruiya congratulated members for the growth of Sacco, and thanked the Chairman and Committee members for good management. She commended members to save more, take loans and repay back quickly.

Mrs Jane Ngaruiya also advised members that loan is a seed should be invested to produce more.

She urged members to repay loans to the last cent.

AGM 08/04/2019: ELECTIONS

The elections were presided by Jane Ngaruiya. She informed the meeting that Leila Omar, Elijah Aberi and Peter Osoro were retiring officials but eligible for re-election except Peter Osoro. Members resolved the officials to continue in office.

Elijah Aberi was proposed by Alex Ndingiri and seconded by Josiah Ngunjiri.

Leila Omar was proposed by James Njunge and seconded by Nancy Cherutich.

Sospeter Mungai was proposed by Namu Wangila and seconded by Mary Mukiri.

Supervisory, Felishina Mukuhi was retiring.

Members resolved the official to continue in office.

This was proposed by Charity Ithagi and seconded by Mary Kimani

AGM 09/04/2019: APPOINTMENT OF AUDITORS

This was conducted by PCO (Peter Theuri) he said that auditors are supposed to serve for 3 years as a good practice. Saccos having front office and back office activities are guided by SASRA Laws in auditor appointment.

Members were to appoint new auditors since that was the last audit of Mugo &Mungai co.

Auditor's application was from Amg Kenya with quotation fee of 85,000 and Billsmith & co with quotation fee of 42,000.

Billsmith was elected to serve for 3 years .This was proposed by Christopher Musonye and Seconded by Namu Wangila.

AGM10/04/2019: RESOLUTIONS

- ❖ Dividends to be paid to members as opposed to ploughing back to shares. This was proposed by Godfrey Ojwang and seconded by Robert Njoroge.
- ❖ Rebates 10% and dividends 10% to be paid cash.
- ❖ Honoraria to be paid to CMC officials was proposed by Agnes Kingoo and seconded by Isaac Ngugi.

AGM 11/04/2019: AOB

- Dividend to be paid by 12.04.19 direct to bank accounts, below 70k to be paid by Mpesa.
- Members were reminded that the Sacco was their business and they should participate fully in terms of developing the business.
- Secretary requested members to market the Sacco to non members and reminded them that the Sacco has an incentive for that.

Raphael, the Sacco secretary gave a vote of thanks and complimented all the members who managed to attend the AGM meeting and urged them to keep it up as the Sacco is their business. He encouraged members on borrowing (investments)

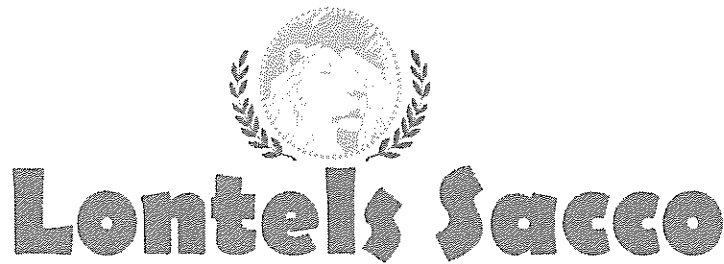
There being no any other business, the meeting ended with a word of prayer from Godfrey Ojwang at 18.40 pm.

Chairman..........

Secretary.....

Date-----31.5.2019-----

Date-----



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Chairman's Report For Year Ended December 2022

Date: 15th April 2023; 21st Members AGM

Greetings Members,

It has been a while since our last AGM on 6th April 2019 due to the COVID-19 disaster in year 2020 and subsequent shut down of Norfolk Hotel in May 2020 to April 2022. Despite these major setbacks, the Sacco has proved to be resilient enough to survive through the low moments that we all experienced. I take a bow to all members who steadfastly trusted and remained hopeful that Lontels will be back in business, indeed we ARE BACK IN BUSINESS! In a very special way, I thank our members who did not rush to withdraw their savings during the difficult period, instead they remained patient and trusting that their money was safe. Forever grateful to these members!

Below are some of our key performance indicators (KPIs). Unlike previous reports showing only last year comparison, I have included year 2019 to give us a clearer picture of our state of affairs

KPIs	Year 2022	Year 2021	Year 2019	Var% to 2021	Var% to 2019
Membership Nos	148	53	257	279%	-57%
Loans disbursed	7.6M	2.4M	60.3M	316%	-793%
Revenues	1.6M	0.7M	12M	228%	-750%
Expenses	1.3M	1.1M	2.1M	18%	-61%
Rebates proposed	0%	0%	10%		-10%
Share capital dividend	15%	0%	10%		5%
Non-performing loans	14.8M		6.5M		127%
NPL ratio to total loans	21%		6%		15%

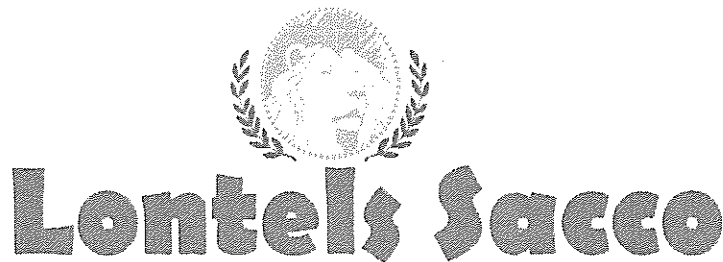
Audited Financial Statements FY 2022

Our financial statements show a liquidity ratio of 3% implying we are doing poorly in terms of revenue generation. At the onset of covid-19, committee took a decision to cushion members from the burden of servicing their loans by suspending interest on loans from May 2020 to November 2022 thus affecting our main revenue stream. Target is to improve liquidity to 10% mainly through product innovation.

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Budgets for Year 2023

The budgets, which is an outlook for the remainder of year will be achieved as long as there is no major disruption within the country and the world in general. We keep our fingers crossed on the ongoing Russia/Ukraine war.

Election of new Officials

Please note below officials will be retiring;

CMC Members

- Raphael Mwangi – not offering self for re-election
- Mercy Ndungu – eligible for re-election
- Gloria Wambugu – eligible for re-election

Supervisory Members

- Felishina Mukuhi – not offering self for re-election
- Duncan Wambua – not offering self for re-election

Appointment of Auditors

I propose to the general meeting to allow Bill Smith & Co to continue with audit of our books. This is the first time they are attending our AGM due to covid-19 disruption.

Loan Defaulters

Loan defaulters is the biggest challenge our society is currently facing. CMC will strive to bring down NPL ratio to an acceptable level. Standard practice dictates NPL ratio should not exceed 10%

Housekeeping Matters

Members can now conveniently access their statements using their smart phones. Download "smartappke" application from google play store and follow the simple instructions to install.

Thank you,


Arthur Bonde
Chairman

Email: info@lontelssacco.co.ke

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CS/ 7062

LONTELS SACCO SOCIETY LIMITED

AUDITED ACCOUNTS

AND

FINANCIAL REPORTS

FOR THE YEAR ENDED

31ST DECEMBER 2022

CS/ 7062: Lontels Sacco Society Ltd
Annual report and financial statements
For the year ended 31 December 2022

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CS/ 7062: Lontels Sacco Society Ltd
Annual report and financial statements
For the year ended 31 December 2022

SOCIETY INFORMATION

MANAGEMENT COMMITTEE

Arthur Bonde	-	Chairman
Kelvin Mwangi	-	Vice - Chairman
Raphael Mwangi	-	Hon. Secretary
Leila Omar	-	Hon.Treasurer
Gloria Wambugu	-	Member
Elijah Aberi	-	Member
Mercy Ndungu	-	Member
Kenneth Mwashighadi	-	Member
Sospeter Mungai	-	Member

SUPERVISORY COMMITTEE MEMBERS:

Wallace Nganga	-	Chairman
Felishina Mukuhi	-	Secretary
Duncan Wambua	-	Member

REGISTERED OFFICE :

THE NORFOLK HOTEL
PO.BOX 58581-00200,
NAIROBI.

INDEPENDENT AUDITOR:

BILLSMITH & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS (K)
P.O. BOX 21559
NAIROBI

PRINCIPAL BANKERS:

CO-OPERATIVE BANK OF KENYA, .
UNIVERSITY WAY BRANCH
NAIROBI

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STATISTICAL INFORMATION

	2022	2021
Membership No. -Active	148	53
-Dormant	141	315
	<u>289</u>	<u>368</u>

FINANCIAL:-

Total Assets	75,534,402	90,468,372
Members Deposits	52,884,069	68,538,738
Loan and advances to members	70,470,137	89,571,483
Investments	120,462	120,462
Share Capital	17,227,718	16,860,517
Total Interest Income	1,625,249	695,400

KEY RATIOS:-

Liquidity Ratio:-

Liquid Assets/current liabilities	3%	1%
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For the year ended 31 December 2022

REPORT OF THE MANAGEMENT

The Management have the pleasure to present its report and audited financial Statements for the year ended 31 December 2022, which disclose the state of affairs of the society.

INCORPORATION

The society is incorporated in Kenya under the cooperative Societies Act, Cap 490 and Licensed under the Sacco Societies Act No. 14 of 2008, and is domiciled in Kenya.

PRINCIPAL ACTIVITY

The society continued with its principal activity of receiving savings from, and giving loans to its members at an interest rate of 1% per month on reducing balance.

MANAGEMENT COMMITTEE

The Management Committee during the close of the period are shown on page 1.

INDEPENDENT AUDITORS

Billsmith & Company. Certified Public Accountants(K) were appointed in office and have expressed willingness to continue in office subject to the members approval at the Annual General Meeting.

BY ORDER OF MANAGEMENT COMMITTEE

SECRETARY

SIGNATURE.....DATE ...16th March...2023

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STATEMENT OF THE MANAGEMENT COMMITTEE RESPONSIBILITIES



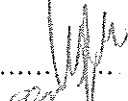

The Co-operative Societies requires the Management Committee to prepare accounts of each financial period which give a true and fair view of the affairs of the Society at the end of the financial period and its operating results for that year in accordance with IFRS. It also requires the Management to ensure that the Society keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society. They are also responsible for safeguarding the assets of the Society and ensuring that the business has been conducted in accordance to its objectives, by-laws and any other resolution made at the societies general meeting.

The Management accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Co-operative Societies Act. The Management are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the society and of its operating results. The Management further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal control.

Nothing has come to the attention of the Management to indicate that the Society will not remain a going concern for at least the next twelve months from the date of this statement.

The management acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the Management Committee on ~~10th~~^{12th} March 2023 and signed on

Chairman.....
Treasurer.....
Secretary.....
Member.....

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF LONTELS SACCO SOCIETY LIMITED
Opinion**

We have audited the financial statements of Lontels Sacco Society Ltd as set out on pages 7 to 14, which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the society's financial position as at 31 December 2022, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the Co-operatives Societies Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The management committee is responsible for the other information. The other information comprises the report of the management committee and financial and statistical information which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

Responsibilities of management for the financial statements

The management committee is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Co-operatives Societies Act, and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the management is responsible for assessing the society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of independent auditor that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

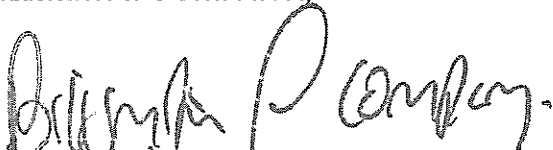
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the current period and are therefore the key audit matters. We describe these matters in our report of the independent auditor unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal requirements

As required by the Kenya Co-operative Societies Act, we report to you that the financial statements are in agreement with the books of account kept by the society and that based on our audit nothing has come to our attention that causes us to believe that the society's business has not been conducted:

- a) In accordance with the provisions of Co-operative Societies Act.
- b) In accordance with the Co-operative Society's objective, by-laws and any other resolutions made at the society's general meeting.

BILLSMITH & COMPANY.


CERTIFIED PUBLIC ACCOUNTANTS
Date.....*8th March*.....2023

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INCOME STATEMENT

	NOTES	2022 KShs	2021 KShs
REVENUE			
Interest from members loans		1,625,249	695,400
Total Interest Income		1,625,249	695,400
Other Income - Entrance Fees	9	14,500	-
Net Interest Income		1,639,749	695,400
EXPENDITURE			
Administrative Expenses	10	1,370,162	1,196,494
Other Operating Expenses	11	75,451	71,759
Total expenses		1,445,612	1,268,253
Net Surplus for the year		194,136	(572,852)
20% transfer to Statutory Reserve		(38,827)	-
Surplus for the period available for distribution		155,309	(572,852)

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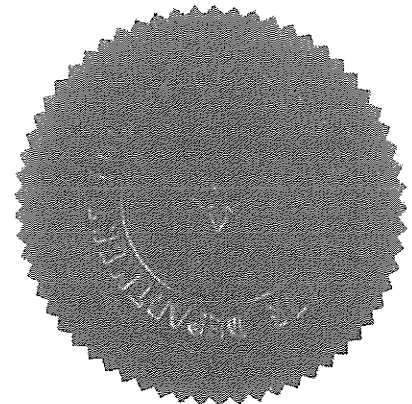
STATEMENT OF THE FINANCIAL POSITION

	NOTES	2022 KShs	2021 KShs
ASSETS			
Computers	1		20,844
Cash and Cash equivalents	2	2,950,590	426,680
Debtors and Receivables	3	93,590	52,590
Loan to members	4	70,470,137	89,571,483
Contributions control	4,ii	1,899,623	276,314
Financial Investments	5	120,462	120,462
TOTAL ASSETS		75,534,402	90,468,372
LIABILITIES			
Members Deposits	6	52,884,069	68,538,738
Creditors ,Accruals and Provisions	7	917,647	758,287
Proposed Interest on Members Deposits	8	3,635,790	3,635,790
TOTAL LIABILITIES		57,437,506	72,932,814
SHAREHOLDERS' FUNDS			
Share Capital		17,227,718	16,860,517
Statutory Reserve Fund		587,745	548,917
Retained Earnings		281,433	126,124
		18,096,896	17,535,557
Total Liabilities and Shareholders fund		75,534,402	90,468,372

REGISTERED
 Co-operative Societies
 ACT CAP 490 (Amended 2004)
 15 MAR 2023
 Sign: JAVEL M. MURIRA
 FOR: COMMISSIONER OF CO-OPERATIVES

The Financial Statements set out on pages 7 to 14 were approved by the management committee on 19th March 2023 for issue and signed on their behalf by:

Chairman.....
 Treasurer.....
 Secretary.....



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 Annual report and financial statements
 For the year ended 31 December 2022

STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL	STATUTORY RESERVE	RETAINED EARNINGS	TOTAL
YEAR ENDED 31.12.2022	Kshs	Kshs	Kshs	Kshs
Balance as at 1.01.2022	16,860,517	548,917	126,124	17,535,558
Issues of shares	367,201	-	-	367,201
Transfer	-	38,827	(38,827)	-
Surplus(Deficit) for the year	-	-	194,136	194,136
Balance as at 31.12.2022	17,227,718	587,744	281,433	18,096,896
YEAR ENDED 31.12.2021	Kshs	Kshs	Kshs	Kshs
Balance as at 1.01.2021	16,806,767	548,917	698,976	18,054,661
Issues of shares	53,750	-	-	53,750
Surplus(Deficit) for the year	-	-	(572,852)	(572,852)
Balance as at 31.12.2021	16,860,517	548,917	126,124	17,535,558

CS/ 7062: Lontels Sacco Society Ltd
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CASH FLOW STATEMENT

	2022	2021
	KShs	KShs
OPERATING ACTIVITIES		
Interest received	1,625,249	695,400
Payments suppliers	(1,424,767)	(1,208,300)
	<u>200,482</u>	<u>(512,899)</u>
increase/decrease in operating assets		
loans to members	19,101,345	6,628,856
Receivables	(41,000)	332,545
Contribution Control	(1,623,309)	(95,366)
	<u>17,437,036</u>	<u>6,866,035</u>
increase/decrease in operating liabilities		
members deposit	(15,654,669)	(6,698,284)
payables	159,360	25,477
	<u>(15,495,309)</u>	<u>(6,672,807)</u>
Net cashflow from Operating Activities	<u>2,142,208</u>	<u>(319,671)</u>
Cashflow from Financing Activities		
Share capital contributions	367,202	53,750
Entrance fee	14,500	-
	<u>381,702</u>	<u>53,750</u>
Net Increase /(Decrease) in cash and cash equivalents	2,523,910	(265,921)
Cash and cash equivalent at the beginning of the year	426,680	692,601
Cash and cash equivalent at the end of the year	<u><u>2,950,590</u></u>	<u><u>426,680</u></u>

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES:

The principal accounting policies adopted in the preparation of these financial statements are set out below

a) Basis of Accounting

The financial statements are prepared on going concern basis and in accordance and compliance with Financial International Reporting Standards (IFRSs) .The financial statements are presented in the functional currency, Kenya Shillings (Kshs) and prepared under historical costs conventional.

b) Depreciation

Depreciation has been calculated on straight line method at rates designated to write down the costs of assets over their estimated useful life,using the following

	Rate
Computers	33.3%

c) Revenue Recognition

Interest on loans to members is computed at 1% per month on reducing balance basis. Revenue is recognized on accrual basis.

d) Statutory Reserve

Transfers are made to statutory reserve fund at the rate of 20% on net operating surplus after tax in compliance with the provision of section 47(1&2) of the Co-operative Act, Cap 490

NOTES AND OBSERVATIONS

	2022 KShs	2021 KShs
1 FIXED ASSETS-COMPUTERS		
COST		
Balance as at 1st January	920,360	920,360
Balance as at 31st December	<u>920,360</u>	<u>920,360</u>
Disposals		
Accumulated Depreciation		
Balance as at 1st January	899,516	839,563
Charge for the year	20,844	59,953
Balance as at 31st December	<u>920,360</u>	<u>899,516</u>
Net Book Value as at 31 December	<u><u>0</u></u>	<u><u>20,844</u></u>
2 CASH & CASH EQUIVALENT		
Current Account	1,076,609	225,512
Savings Account	1,773,981	101,165
M-pesa Bulk Float	100,000	100,000
Total	<u><u>2,950,590</u></u>	<u><u>426,680</u></u>
3 DEBTORS & Prepayments		
Insurance CIC		
Alex Nganga	22,271	11,271
Amos Maitenge	40,014	40,014
K Maundu	61,404	61,404
S Muragu	13,900	13,900
Kelvin Mwangi	11,500	11,500
Claim balances	1,000	-
Prepayment others	80,000	40,000
Provision for Bad Debts	(136,500)	(136,500)
Total	<u><u>93,590</u></u>	<u><u>52,590</u></u>
4.i LOANS TO MEMBERS		
Balance b/f	89,571,483	96,200,339
Loan issued during the year	7,612,000	2,435,900
Interest for the year	1,611,245	214,790
Recovered during the year	(28,324,594)	(9,279,546)
Total	<u><u>70,470,137</u></u>	<u><u>89,571,483</u></u>
4.ii Contribution Control		
Norfolk Hotel	1,621,912	166,823
Cipejeta Conservancy	20,550	27,264
Serena Hotels	47,661	82,227
Mara Safari Club	5,000	-
Mt Kenya Safari Club	704,500	-
Total	<u><u>1,899,623</u></u>	<u><u>276,314</u></u>

NOTES CONTINUED

5 INVESTMENTS

	2022	2021
	KShs.	KShs.
KUSCCO- Membership	10,250	10,250
Shares	110,212	110,212
Total	<u>120,462</u>	<u>120,462</u>

6 MEMBERS DEPOSIT

Balance brought forward	68,538,738	75,237,022
Contribution for the year	4,995,238	392,900
Withdrawals	(9,071,262)	(2,843,325)
Transfer to loan	(11,578,645)	(4,247,859)
Balance carried forward	<u>52,884,069</u>	<u>68,538,738</u>

7 PAYABLES & ACCRUALS

Registration Fees	4,400	4,200
CIC	6,997	6,997
AGM expenses	541,260	541,260
Training	85,000	72,500
Provision for Audit fees	42,000	40,000
VAT on Audit Fees	6,720	6,400
Audit Disbursement	5,000	-
Sundry Creditors	51,930	51,930
Payment due to members	74,542	-
Unpaid Claims	99,798	-
Administrative Fees	-	35,000
TOTAL	<u>917,647</u>	<u>755,287</u>

8 INTEREST ON MEMBERS DEPOSIT

Balance b/f	3,635,790	3,635,790
Proposed for the year	-	-
Less: paid for the year	-	-
Balance c/f	<u>3,635,790</u>	<u>3,635,790</u>

9 ENTRANCE FEES

New entrants	14,500	-
Balance carried forward	<u>14,500</u>	<u>-</u>

CS/ 7062: Lontels Sacco Society Ltd
Annual report and financial statements
For the year ended 31 December 2022

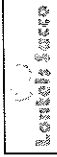
NOTES CONTINUED

10 ADMINISTRATIVE EXPENSES

	2022	2021
	Kshs	Kshs
Insurances	178,621	253,045
Printing and Stationery	45,630	8,784
Systems Expenses	262,960	170,000
General Expenses	3,000	223
Duty Meals	5,840	-
Audit Fees	42,000	40,000
VAT on Audit Fees	6,720	6,400
Accountancy	7,000	-
Bad Debts written off	312	-
Supervision fees and recoverable expenses	4,400	4,200
Training	20,000	15,000
Sitting allowances	143,400	62,000
Transport travel & Accomodation	29,310	16,460
Postages & Telephone	61,650	62,350
Depreciation	20,844	59,953
Disbursements	5,000	4,000
Salaries & Wages	428,000	421,750
Internet and SMS	68,996	66,229
CSR/Donations	5,000	1,700
Equipment Maintenance	31,479	4,400
	<u><u>1,370,162</u></u>	<u><u>1,196,494</u></u>

11 OTHER OPERATING EXPENSES

Bank charges	69,405	66,510
M-pesa Fees	6,046	5,249
	<u><u>75,451</u></u>	<u><u>71,759</u></u>



BUDGETS FOR YEAR 2023

ACCT	ACCOUNT NAME	BUDGET 2023												BUDGET DEC 2023	BUDGET YTD 2023	ACTUAL YTD 2022	VAR %2022	ACTUAL YTD 2019
		FEB 2023	MAR 2023	APR 2023	MAY 2023	JUN 2023	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023						
PL001000	Entrance Fees	1,500	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	6,500	14,500	-55%	11,500
PL002000	Interest on loans	1,075,577	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	6,075,577	1,145,694	430%	12,166,543
PL006000	Accrued Interest															465,554	-100%	
	Total INCOME	1,077,077	500,500	500,500	500,500	500,500	500,500	500,500	500,500	500,500	500,500	500,500	500,500	500,500	6,082,077	1,625,748	274%	12,178,043
PL200000	Printing & Stationery	3,700	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	28,700	26,280	9%	26,505
PL201000	Audit Disbursements														5,000	5,000	0%	10,000
PL202000	Bank Charges	15,804	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	85,904	69,405	24%	103,291
PL203000	Accountancy														8,000	7,000	14%	
PL204000	Audit fees														42,000	42,000	0%	42,000
PL205000	Supervision Fees														4,400	4,400	0%	3,700
PL207000	General Expenses														350	350	17%	
PL211000	ICT Expenses														20,000	20,000	-24%	209,500
PL212000	Training														5,000	5,000	150%	50,000
PL214000	Insurances														25,000	25,000	40%	530,000
PL215000	Bad Debts w/off	800	400	400	400	400	400	400	400	400	400	400	400	400	4,800	1,650	-100%	234,526
PL217000	Postages														2,000	2,000	191%	196,191
PL218000	Duty Meals	28,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	20,000	5,840	242%	2,300
PL219000	Transport & Travel expenses														148,000	29,310	405%	6,000
PL220000	Sitting Allowances	10,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	15,000	143,400	5%	111,500	
PL222000	Telephone Costs	70,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	65,000	60,000	0%	149,050
PL225000	Depreciation - Fixed Assets	596	600	600	600	600	600	600	600	600	600	600	600	600	6,596	6,046	212%	59,000
PL230000	Admin Services/Consultancy														20,000	19,350	10%	47,397
PL236000	Mpesa Transaction Fees														2,000	2,000	9%	347,200
PL237000	Membership Cards														2,000	5,000	-100%	25,474
PL238000	CSR/Donations	11,500	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	69,500	68,996	1%	80,750
PL239000	Internet Costs																	
PL240000	Bank SMS Services																	
PL241000	Bank Collection Fees																	
PL245000	CRB Costs																	
PL800000	Equipment Maintenance																	
PL900000	Sales & Marketing																	
PL900000	Income Tax Expense																	
PL905000	Var Input Expense																	
	Total EXPENSE	140,500	163,150	163,150	163,150	163,150	163,150	163,150	163,150	163,150	163,150	163,150	163,150	163,150	1,838,120	1,445,612	27%	2,281,642
	SHRPLUS/(LOSS)	936,577	337,350	337,350	337,350	337,350	337,350	337,350	337,350	337,350	337,350	337,350	337,350	337,350	4,243,957	180,136	2256%	9,896,401