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**KASAMBYA CO-OPERATIVE SAVINGS &  
CREDIT SOCIETY LTD (SACCO)**

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**ANNUAL REPORT AND  
AUDITED FINANCIAL STATEMENTS**

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**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Issued: March, 2022**

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## **MANAGEMENT, OFFICERS AND ADMINISTRATION**

### **MANAGEMENT (DIRECTORS)**

The directors who held office during the period under review up to the date of presentation of this report are;

1. Mr. Felix Tusingwire (Chairman)
2. Mr. Kyewalyanga Wahabu (Secretary)
3. Mr. Bahati Robert (Treasurer)

### **REGISTERED OFFICE AND PLACE OF BUSINESS**

Kasambya Village  
P.O.Box 96  
Mubende

Tel: +256-752-922520  
+256-775-125122

### **AUDITORS**

Springs & Tugye Associates LLP, CPAs  
Kisozi House, Plot 6/8 Nakasero Lane,  
P.O. Box 11976,  
Kampala, Uganda.

### **BANKERS**

Centenary Bank (U) Limited  
Post Bank (U) Limited

## MANAGEMENT'S REPORT

Management submits their report together with the audited financial statements for the year ended 31<sup>st</sup> December 2021. This report is divided into three main sections; the explanatory information and review of the business, the financial results of the business operations and the explanatory notes to the financial statements.

### 1. Registration

Kasambya SACCO is registered as a savings and credit society under the Cooperative Savings Act.

### 2. Principal activities

The Principal activity of the entity is to provide savings deposits and loan services to the members of the SACCO. The loans are provided at a competitive rate to ensure value to the members.

### 3. Results

The results for the year are set out on pages 7 to 12.

### 4. Management

The management and or directors who served during the year are reported on page 3, under the management section.

### 5. Auditors

The auditors, Springs & Tugye LLP, being eligible were appointed in office in accordance with the provisions of the Cooperative Savings Act.

### 6. Approval of the financial statements

The financial statements were approved at a meeting of directors held on 20 / 03 / 2022.

BY ORDER OF THE MANAGEMENT



Chairman



Secretary



Treasurer

Date: 20 / 03 / 2022

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

Under Co-operative Societies Act, CAP 112, the Executive Committee is required to prepare financial statements for each year that give a true and fair view of the state of affairs of the SACCO as at the end of the financial year. The EC members are required to ensure that the SACCO keeps proper accounting records of its income, expenditure, liabilities and assets.

The EC members accept responsibility for the financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and the requirements of the Uganda Co-operative Societies Act, CAP 112 and the SACCO Bye-Laws. The members are of the opinion that the financial statements give a true and fair view of the Income and Expenditure Statement and the Statement of financial position as at 31 December 2021. The members further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The members have made an assessment of the SACCO's ability to continue as a going concern and have no reason to believe the SACCO will not be a going concern for the next twelve months from the date of this statement.

The Auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the International Financial Reporting Standards and the Co-operative Societies Act, CAP 112 together with the SACCO Bye-Laws.

### Approval of the Financial Statements

The Financial Statements, as indicated above, were approved by the Executive Committee on 20 / 03 / 2022 and were signed on its behalf by:

  
.....  
Chairperson, Executive Committee

  
.....  
Treasurer, Executive Committee

  
.....  
Secretary, Executive Committee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KASAMBYA SACCO**

### **Opinion**

We have audited the financial statements of KASAMBYA SACCO ("the SACCO"), which comprise the Statement of Financial Position as at 31 December 2021, and the Statements of Comprehensive Income, Statement of Changes in Equity and Statement of Cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In Our Opinion, the financial statements give a true and fair view of the financial position of KASAMBYA SACCO as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), internal policies, the Cooperative Societies (Amendment) Act 2020 and the Cooperative Regulation as amended in 2019.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company 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 Uganda 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 EC members are responsible for the other information set out on pages 2 to 5. The other information comprises the information included in the General Information, Directors' Report and Statement of Directors' Responsibility but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **Responsibilities of Executive Committee for the Financial Statements**

The EC members are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), the Companies Act of Uganda and for such internal control as the directors 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 Directors are responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditors' 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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### Report on Other Legal Requirements

As required by the Cooperative Societies Act Cap 112, we report to you, based on our audit, that:

- (i) we have obtained all the information and explanations which, to the best of our knowledge and belief, were considered necessary for the purposes of our audit;
- (ii) in our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books; and
- (iii) the Statements of Financial Position and Comprehensive Income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is Maria Nabbanja Ssentamu – P0079.



Springs & Tugye Associates LLP  
Certified Public Accountants of Uganda  
P.O Box 11976,  
Kampala.

3<sup>rd</sup> March /2022

*M.N. Ssentamu*  
Engagement Partner



## FINANCIAL STATEMENTS

### Statement of Comprehensive Income

	Notes	2021 Ushs	2020 Ushs
Interest income	2	318,463,200	223,913,987
Interest expenses	3	(26,481,070)	(16,079,600)
<b>Net interest income</b>		<b>291,982,130</b>	<b>207,834,387</b>
Fees and commissions income	4	43,169,722	24,075,499
Other income	5	19,470,757	23,925,458
<b>Gross operating income</b>		<b>354,622,609</b>	<b>255,835,344</b>
Non-interest expense	6	(269,719,484)	(217,507,593)
<b>Surplus/(deficit) for the year before tax</b>		<b>84,903,125</b>	<b>38,327,751</b>
Tax charge for the year	7	-	-
<b>Net profit after tax</b>		<b>84,903,125</b>	<b>38,327,751</b>

*The notes on pages 13 to 20 form part of these financial statements.*

KASAMBYA Co-operative Savings & Credit Society Limited (SACCO)  
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**Statement of Financial Position**

	Notes	2021 Ushs	2020 Ushs
<b>ASSETS</b>			
<b>Current Assets</b>			
Loan portfolio	8	973,602,334	861,493,219
Cash and bank balances	9	225,793,827	338,282,621
Inventory	10	2,408,000	2,408,000
Prepayments	11	1,047,700	1,047,700
<b>Total current assets</b>		<b>1,202,851,861</b>	<b>1,203,231,540</b>
<b>Non-current assets</b>			
Property, plant and equipment	12	269,043,613	236,814,264
Investments	13	10,900,000	10,900,000
<b>Total non-current assets</b>		<b>279,943,613</b>	<b>247,714,264</b>
<b>Total assets</b>		<b>1,482,795,474</b>	<b>1,450,945,804</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Non-current liabilities</b>			
Long term loan	14	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Current liabilities</b>			
Members' deposits	15	787,692,018	883,481,993
Accounts payables	16	101,137,164	82,943,139
<b>Total current liabilities</b>		<b>888,829,182</b>	<b>966,425,132</b>
<b>Total liabilities</b>		<b>888,829,182</b>	<b>966,425,132</b>
<b>Shareholders' funds (Equity)</b>			
Share capital	17	410,340,000	380,280,000
Statutory reserve fund	17	29,710,138	21,219,825
Cooperative development fund	17	15,045,986	10,800,830
Share transfer fund	17	24,749,700	16,259,387
Revaluation reserve	17	46,594,494	14,857,800
Retained earnings	17	67,525,974	38,397,196
<b>Total shareholders' funds</b>		<b>593,966,292</b>	<b>481,815,037</b>
Differed income	18	-	2,705,635
<b>Total equity and liabilities</b>		<b>1,482,795,474</b>	<b>1,450,945,804</b>

The Financial Statements were approved by the Directors on 20/03/2022 and were signed on their behalf by:

Chairman

Secretary

Treasurer

The notes on pages 13 to 20 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

(ALL AMOUNTS ARE IN UGANDAN SHILLINGS)

	Share capital	Statutory reserve fund	Share transfer fund	Revolving development fund	Revaluation reserve	Retained earnings	Total
<b>As at 1st January 2021</b>	380,280,000	21,219,825	16,259,387	10,800,830	14,857,800	38,397,196	481,815,037
Asset revaluation gain	-	-	-	-	31,736,694	-	31,736,694
Issue of shares	30,060,000	-	-	-	-	-	30,060,000
Net payment of dividends	-	-	-	-	-	(34,548,565)	(34,548,565)
Surplus/(deficit)	-	-	-	-	-	84,903,125	84,903,125
Transfer to statutory reserve fund	-	8,490,313	-	-	-	(8,490,313)	-
Transfer to share transfer fund	-	-	8,490,313	-	-	(8,490,313)	-
Transfer to revolving development fund	-	-	-	4,245,156	-	(4,245,156)	-
<b>As at 31st December 2021</b>	<b>410,340,000</b>	<b>29,710,138</b>	<b>24,749,700</b>	<b>15,045,986</b>	<b>46,594,494</b>	<b>67,525,974</b>	<b>593,966,292</b>

**Note:**

1. A total of 10% of Net Profit for the period was transferred to share transfer fund as required under S. 34(1) of Cooperatives and Savings Act.
2. A total of 5% of Net Profit for the period was transferred to the revolving development fund as required under S.36(1) of Cooperatives and Savings Act
3. The transfers in '1' and '2' above are only made when the profits (Surplus/deficit) are positive.
4. During the period under review, the SACCO declared dividends of Ugshs 34,548,565
5. During the period under review, the SACCO land and building were revalued. The gain in the revaluation process was Ugshs 31,736,694

The notes on pages 13 to 20 form part of these financial statements.

## STATEMENT OF CASH FLOWS

Operating profit		84,903,125
<b>Non-cash transactions</b>		
Depreciation	15,667,346	
Gain on disposal of non-current assets	(2,320,000)	
Realization of differed income	<u>(2,705,635)</u>	
		10,641,711
<b>Operating activities</b>		
Loan portfolio movement	(112,109,115)	
Members deposits	(95,789,975)	
Accounts payable	<u>18,194,025</u>	
		(189,705,065)
<b>Investment activities</b>		
Disposal of non-current assets	2,320,000	
Acquisition of non-current assets	<u>(16,160,000)</u>	
		(13,840,000)
<b>Financing activities</b>		
Issue of shares	30,060,000	
Payment of dividends	<u>(34,548,565)</u>	
		(4,488,565)
<b>Net movements in cash and cash equivalents</b>		<u><b>(112,488,794)</b></u>
Add: Opening cash and cash equivalents		<u>338,282,621</u>
<b>Closing cash and cash equivalents</b>		<u><b>225,793,827</b></u>

The notes on pages 13 to 20 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting policies used in the preparation of the financial Statements

#### a. Going concern basis of preparation of financial statements

A review of the assets and liabilities of the entity indicate that the SACCO is still in sound financial position though the total liabilities are slightly higher than the total equity. Total Assets are however more than total liabilities giving assurance that the SACCO can still continue operating in the next 12 months.

#### b. Basis of accounting

The accounts have been prepared on an accrual basis.

#### c. Recognition of revenue and expenditure

The income as well as expenditure is recorded as received when it is obvious that the income shall be received even if the physical cash has not exchanged hands in relation to the income or expenses.

#### d. Currency

The records in this report are reported in Uganda shillings.

#### e. Basis of preparation

The accounts have been prepared to conform to the requirements of Generally Accepted Accounting Principles.

#### f. Depreciation

Depreciation of the assets of the business is charged fully for all assets. This includes all the assets; those that were in the business at the beginning of the year and those that were acquired during the financial year. This depreciation is charged on a reducing balance method. The rates of depreciation that applied for the non-current assets;

i. Building	2%
ii. Motorcycle	25%
iii. Furniture and fittings	12.5%
iv. Office equipment	12.5%
v. Other equipment	20%
vi. Computer and accessories	33%

Additional explanatory notes are provided in the respective headings below

### 2. Interest income

This is generated from the loans that the SACCO gives out to members. During the period under review, the following balances were reported.

	Interest income	
	2021 Ugshs	2020 Ugshs
Interest received on individual loans	314,920,700	218,415,550
Interest from interest bearing deposits	-	1,075,937
Interest received on group loans	3,542,500	4,422,500
	<b>318,463,200</b>	<b>223,913,987</b>

3. **Interest expenses**

These relate to the expenses that the SACCO has incurred in relation to savings interests as well as other interest expenses in relation to debt financing. The results for the period are indicated below.

<b>Interest expense</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
Interest on savings - individual	439,400	-
Interest paid on time deposits	26,041,670	16,079,600
	<b>26,481,070</b>	<b>16,079,600</b>

4. **Fees and commission income**

This reflects the revenue that the SACCO generates from fees, sales of passbooks as well as surcharges. The details of these for the period under review are reported below.

<b>Fees and commissions income</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
Penalty on time deposits	60,000	200,000
Cash withdrawal charges		-
Account closure charge	10,000	50,000
Commitment fees	26,838,000	18,101,000
Loan application fees	2,100,000	1,390,000
Surcharge on loans	8,254,200	963,700
Recovery of written off loans	1,028,250	-
Income on recovery costs	1,150,000	-
Commissions	-	4,000
Commission on mobile money	1,148,272	921,799
Membership fees	1,270,000	1,250,000
Passbook sales	1,057,000	755,000
Other penalty fees	-	190,000
Ledger fees	254,000	250,000
	<b>43,169,722</b>	<b>24,075,499</b>

5. **Other incomes**

This refers to revenue generated from any other transaction which has not been classified in any of the previous groups. For the period under review, the results below were obtained;

<b>Other income(s)</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
Decrease in provision for bad loans	-	5,166,218
Annual subscription	9,710,000	11,220,000
Other incomes (unclassified)	903,400	287,000
MSACCO Deposits	52,800	34,800
MSACCO Notifications	16,000	19,000
Revenue grant	1,000,000	-
Differed income realized for 2019	2,705,635	5,305,941
Commission received from Post Bank	2,762,922	1,892,499
Gain on disposal of non-current assets	2,320,000	-
	<b>19,470,757</b>	<b>23,925,458</b>

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6. **Non-interest expense**

This refers to all expenses that the SACCO incurs in a given year. They comprise of operating, travel, finance and general expenses. The details of the results for this item for the period under review are contained in a table below.

<b>Non-interest expense</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
<b>Operating expenses</b>		
Loan recovery costs	8,795,000	4,020,000
Loan appraisal	1,492,500	440,000
Loan monitoring costs	2,605,000	545,000
Rent and rates	8,680,000	7,880,000
Power	1,400,000	1,522,900
Legal fees	4,465,000	1,200,000
Consultancy	4,000,000	-
Trainings	3,370,000	1,109,500
Repairs and maintenance	2,955,000	2,463,000
Entertainment of visitors	90,000	56,000
Realized insurance costs	3,390,200	3,390,200
Networking	3,857,000	-
Internet services	930,000	745,000
Telephone and postage	772,000	675,000
Members' education	60,000	460,000
Professional fees (valuation)	100,000	-
Motorcycle running costs	342,000	207,000
Generator fuel	550,000	150,000
Licensing and registration	5,047,300	2,514,300
Committee costs	42,187,000	25,009,000
Annual general meeting	20,891,000	-
Security costs	21,528,000	23,164,000
External audit costs	3,000,000	3,000,000
Reduction of the suspense balance	-	30,000,000
Depreciation	15,667,346	15,587,989
<b>Finance costs</b>		
Bank charges	736,338	869,699
Bad loans - group	-	259,205
Expense on shares in MUBENDE SACCO	-	300,000
<b>Transport</b>		
Travel and transport	7,405,000	6,995,000
Staff transport	12,710,100	7,739,000
<b>Office expenses</b>		
Stationary	6,181,600	5,261,400
General office expenses	4,130,500	3,001,700
Savings Plus Connectivity Fee	-	991,200
<b>Staff costs</b>		
<b>Main staff costs</b>		
Staff salaries (Net)	38,853,200	38,802,000
Salary arrears	2,220,000	-
Staff meals	22,688,000	13,842,000

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Staff clothings	1,410,000	45,000
Staff bonus	-	50,000
NSSF (10%)	4,533,600	4,428,000
Wages	1,232,000	1,159,000
<b>Statutory deductions</b>		
NSSF (5%)	2,226,800	2,214,000
PAYE	4,256,000	3,264,000
<b>Marketing and advocacy</b>		
Advertising and publicity	1,100,000	1,704,500
Mobilization	170,000	70,000
Public relations	3,692,000	2,373,000
	<b>269,719,484</b>	<b>217,507,593</b>

7. **Taxation**

During the period under review, the SACCO did not have any tax liability to be paid. This is as a result of a directive from the government of Uganda exempting SACCOs from paying tax.

8. **Loan portfolio**

This section summarizes all loan balances of the SACCO for the period under review. Only the principal components are included in this section. The details are indicated in a table below.

**Loan portfolio**

	2021 Ugshs	2020 Ugshs
Principal outstanding individual	946,446,634	846,830,069
Principal outstanding Groups	27,155,700	14,663,150
	<b>973,602,334</b>	<b>861,493,219</b>

9. **Cash and bank balances**

During the period under review, the cash and bank balances were as reported in a table below.

**Cash and bank balances**

	2021 Ugshs	2020 Ugshs
CERUDEB	50,698,101	28,432,751
Post bank	100,849,314	205,974,130
Point of sale	63,284	66,734
UCCFS Account	21,362,044	21,362,044
Reserve cash	40,186,550	58,762,200
Mobile Money (Inclusive of mobile banking balances)	12,634,534	23,684,762
	<b>225,793,827</b>	<b>338,282,621</b>

**Break down of Mobile Money balance balances**

MTN Mobile Money 1	3,105	3,105
Airtel Money	4,374,470	10,058,592
MTN Mobile Money 2	3,171,959	12,288,065
MTN Mobile Banking	4,501,000	951,000
Airtel Mobile Banking	584,000	384,000
	<b>12,634,534</b>	<b>23,684,762</b>

10. **Inventory**

During the period under review, the inventory movements and balances were as reported in a table below.

<b>Inventory</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
Equipment (Solar and water tanks)	1,571,000	1,571,000
Envirofit wood stoves	837,000	837,000
	<b>2,408,000</b>	<b>2,408,000</b>

11. **Prepayments**

This refers to the money that the SACCO paid out in advance for a service to be received sometime in the future. During the period under review, the amounts reported in a table below indicate prepayments that remained outstanding by the end of the financial period.

<b>Prepayments</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
Prepaid insurance	847,700	847,700
MSACCO Credit (Prepaid)	200,000	200,000
	<b>1,047,700</b>	<b>1,047,700</b>

12. **Property, plant and equipment (PPE)**

During the period under review, the SACCO had a balance of Ugshs 269,043,613 as net non-current assets (after depreciation). The details of this are reflected in a table on page 20 of this report. The table has the details of PPE computation for the period ending 31<sup>st</sup> December 2021.

13. **Investments**

During the period under review, an additional investment in UCCFs was made. The balances are reported in the table below.

<b>Investments</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
Shares in UCCFS	10,100,000	10,100,000
Shares in UCUSCU	800,000	800,000
	<b>10,900,000</b>	<b>10,900,000</b>

14. **Loan balances**

During the period under review, the loan secured from Microfinance Support Centre (MSC) was paid to zero balance. An additional loan from UCCFs was secured. The loan that was secured was Ugshs 100 million. The remaining balance of the loan from UCCFs was paid to zero balance in the financial year that ended on 31<sup>st</sup> Dec 2020. Summary of the loan balance for the period under review is shown in a table below.

<b>External loan</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
Opening balance	-	8,333,333
Adjustment of the opening balance	-	(17)
Bank charges	-	34
Payments made (principle only)	-	(8,333,350)
Closing balance	-	-

15. **Members' savings (deposits)**

These refer to the savings balances that the SACCO maintained with the members. For the period under review, the balances in the tables below were obtained.

<b>Members' deposits</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
Savings deposits	582,152,018	647,002,993
Time deposits (Fixed deposits)	205,540,000	236,479,000
	<b>787,692,018</b>	<b>883,481,993</b>
<b>Breakdown of savings deposits</b>		
Individual voluntary savings	418,973,789	498,645,444
Group voluntary savings	144,534,802	98,467,477
Individual compulsory savings	6,870,000	37,890,000
Group compulsory savings	184,100	424,100
Share savings	11,589,327	11,575,972
Total savings deposits	<b>582,152,018</b>	<b>647,002,993</b>

16. **Accounts payable**

The SACCO had the following payable balances during the period under review.

<b>Accounts payable</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
<b>Staff expenses payable</b>		
PAYE payable	344,200	272,000
NSSF payable (5%)	184,050	-
NSSF payable (10%)	368,100	-
<b>Provisions</b>		
Provisions for bad loans - individual loans	38,032,917	38,032,917
Provisions for bad loans - group loans	1,140,820	1,140,820
Dividends provisions	21,211,177	630,502
<b>Insurance expense payable</b>		
Loan insurance cover payable (1% of disbursed loans - [Development fee])	39,855,900	42,866,900
	<b>101,137,164</b>	<b>82,943,139</b>

17. **Statement of changes in equity**

This reflects the equity balances for the period under review. These balances are reflected in the statement of changes in equity on page 11 of this report.

18. **Differed income**

During the period under review, the SACCO received assets as a grant from the government through UCCFs. These assets are already in use in the SACCO. They have been recognized as a grant from government and reported as differed income in these accounts [IAS 20]. The realized differed income for the period under review has also been reflected in the profit and loss account as indicated in Note 5 (Other incomes). The details of differed income transactions are reported in a table below.

<b>Differed income</b>		
	<b>2021</b>	<b>2020</b>
	<b>Ugshs</b>	<b>Ugshs</b>
Opening balance	2,705,635	8,011,576
<u>Grant received from UCCFs</u>		
<i>UCCFS software grant</i>	-	-
<i>UCCFS computer set grant</i>	-	-
<i>UCCFS printer grant</i>	-	-
<i>UCCFS solar grant</i>	-	-
	<b>2,705,635</b>	<b>8,011,576</b>
<u>Amounts realized for 2019 (P &amp; L)</u>		
<i>UCCFS software grant</i>	(1,280,050)	(2,510,274)
<i>UCCFS computer set grant</i>	(323,090)	(633,600)
<i>UCCFS printer grant</i>	(443,670)	(870,067)
<i>UCCFS solar grant</i>	(658,825)	(1,292,000)
Closing balance	-	<b>2,705,635</b>

**The Property, Plant and Equipment schedule for the period ending 31st Dec 2021**

	Land	Buildings	Motor Cycles	Furniture & Fittings	Computer and accessories	Other Equipment	Office Equipment	TOTAL
<b>Cost/Carrying value</b>								
As at 1st Jan 2021	40,286,610	165,630,690	19,760,000	23,077,950	45,789,408	31,506,000	10,344,500	336,395,158
Revaluation gains	6,719,971	25,016,723	-	-	-	-	-	31,736,694
Acquisitions	-	-	4,840,000	6,750,000	2,500,000	1,100,000	970,000	16,160,000
Disposal	-	-	(1,000,000)	(510,000)	(810,000)	-	-	(2,320,000)
<b>As at 31st Dec 2021</b>	<b>47,006,581</b>	<b>190,647,413</b>	<b>23,600,000</b>	<b>29,317,950</b>	<b>47,479,408</b>	<b>32,606,000</b>	<b>11,314,500</b>	<b>381,971,852</b>
<b>Depreciation</b>								
As at 1st Jan 2021	-	15,653,994	16,188,580	12,461,065	36,372,892	13,734,744	5,169,620	99,580,894
Charge for the year	-	3,499,868	1,852,855	2,107,111	3,665,150	3,774,251	768,110	15,667,346
Disposal	-	-	(1,000,000)	(510,000)	(810,000)	-	-	(2,320,000)
<b>As at 31st Dec 2021</b>	<b>-</b>	<b>19,153,862</b>	<b>17,041,435</b>	<b>14,058,176</b>	<b>39,228,042</b>	<b>17,508,995</b>	<b>5,937,730</b>	<b>112,928,239</b>
<b>Net Book Value</b>								
As at 1st Jan 2021	40,286,610	149,976,696	3,571,421	10,616,885	9,416,516	17,771,256	5,174,880	236,814,264
<b>As at 31st Dec 2021</b>	<b>47,006,581</b>	<b>171,493,551</b>	<b>6,558,565</b>	<b>15,259,774</b>	<b>8,251,366</b>	<b>15,097,005</b>	<b>5,376,770</b>	<b>269,043,613</b>