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**MINISTRY OF AGRICULTURE, LIVESTOCK, FISHERIES AND CO-OPERATIVES
STATE DEPARTMENT FOR CO-OPERATIVE DEVELOPMENT**

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Commissioner for Cooperative Dev.
Social Security House
P.O. Box 40811-00100 GPO
NAIROBI

When replying please quote

11/04/2022

Ref NO. CS/16115

The County Co-operative Auditor
P.O. BOX 30202
NAIROBI

**CERTIFICATE OF ACCOUNTS – FINANCIAL YEAR 31/12/2021
CDF HOUSING**

The accounts of the above Society are forwarded herewith duly approved.

1. Please forward these accounts to the Chairman of the Society together with:

- a) Debit Note No. of the **Kshs. / = being** the fees as authorized under section 23(1) of the act.
- b) A fee Note for **Kshs. 15,600** from the External Auditor will be sent direct by the Auditor to the Society. Bankers Cheques in settlement of (a) should be made payable to the Commissioner for Co-operative Development." Cheques in settlement of (b) should be sent direct to the Auditor concerned.

AUDITOR/MANAGEMENT

C. Subject Income tax for the year to corporate Tax as per the Income Tax Act.

Javel M. Murira

**JAVEL M. MURIRA, DCA
For: COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT**

CS/NO 16115

CDF HOUSING CO-OPERATIVE SOCIETY LIMITED



**FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31ST DECEMBER 2021**

CS/NO 16115
CDF HOUSING CO-OPERATIVE SOCIETY LIMITED
REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2021

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**CDF HOUSING CO-OPERATIVE SOCIETY LIMITED
REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2021**

SOCIETY INFORMATION

EXECUTIVE COMMITTEE

NAPHTALLY MULESI OCHUMA	Chairman
JANE WANJIRU KARIUKI	Vice Chairman
ALLAN ROTICH CHEMAYIEK	Treasurer
MARY GORETTI WANJALA	Secretary
JACTON OMONDI OJOW ELIAB	Member
SILVERIUS WAKOLI	Member
DAVID KABERIA MURUNGI	Member

SUPERVISORY COMMITTEE

TOM WASIKE	Chairman
MARY MASINDE MWAKI	Secretary
WESLEY RONO MAINA	Member

REGISTERED OFFICE

CDF Housing Co-op Society Ltd
Harambee House
Nairobi

Auditors

Ministry of Agriculture, Livestock and Fisheries
P.O BOX 40811
Nairobi

Principal bankers

Co-operative bank
Parliament road

CS/NO 16115
CDF HOUSING COOPERATIVE SOCIETY LIMITED
REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2021

Management Committee report

The Management committee submit the annual report together with the audited financial statements for the year ended 31 December, 2021

Incorporation

The Society is incorporated in Kenya under the Co-operative Societies Act, Cap 490 and is domiciled in Kenya.

Principal activity

The Principal activity of the society continues to be mobilizing savings from members and the provision of affordable housing to its members

Results for the period	2021	2020
	kshs	kshs
Surplus/ (Deficit) for the year before tax	151,677	1,846,703
Transfer to Statutory Resrves	(30,335)	(369,341)
Retained surplus for the year	121,342	1,477,362

Management Committee

The members of management committee who served during the year and to the date of this report is as listed on page 1.

By Order of the Management Committee

Signature.......... Date.....
HON SECRETARY

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CDF HOUSING CO-OP SOCIETY LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DEC 2021

	2021	2020
STATISTICAL INFORMATION		
MEMBERSHIP		
ACTIVE	180	170
FINANCIAL		
Members Deposits	35,434,700	34,691,000
Share Capital	10,627,000	8,450,000
Current Assets	52,265,686	53,963,631
Current Liabilities	3,775,871	8,611,551
Reserves	2,610,957	2,459,280
Total Assets	52,448,528	54,211,831
Total Liabilities	39,210,571	43,302,551
Revenues	1,154,300	3,607,801
<u>KEY RATIOS</u>		
Liquidity Ratio	13.84:1	6.27:1

CDF HOUSING CO-OP SOCIETY LTD

#REF!


MANAGEMENT COMMITTEE RESPONSIBILITIES


The Co-operative Societies Act, Cap 490 requires the management committee to prepare financial statements for each year which give a true and fair view of the affairs of the society at the end of the financial year and of its operating results for that year in accordance with the International Financial Reporting Standards. It also requires the management committee to ensure that the society keeps proper accounting records which disclose with reasonable accuracy, the financial position of the society. They are also responsible for safeguarding the assets of the society and ensuring that the business of the society has been conducted in accordance with its objectives, by-laws and any other resolutions made at the society's general meeting.


The management committee accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgement and estimates in conformity with the International Financial Reporting Standards and in the manner required by the Co-operative Societies Act, Cap 490. The management committee is 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 in accordance with the International Financial Reporting Standards. The management committee further accepts responsibility for the maintenance of the accounting records, which may be relied upon on the preparation of the financial statements as well as adequate systems of internal financial 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.

Approved by the management committee on 2022 and signed on its behalf by:

Chairman 

Hon Secretary 

Treasurer 

Date

CDF HOUSING CO-OP SOCIETY LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.12.2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CDF HOUSING COOPERATIVE SOCIETY LTD.

Opinion.

We have audited the accompanying financial statements of CDF Housing Cooperative Society Limited, which comprise the statement of financial position as at 31 December 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes ,including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Society 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 and the requirements of the Kenyan Co-operative Societies Act.

Basis for opinion

We have 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 scetion of our report.

We are independent of the society 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 financial statements in Kenya, and we have fulfilled our 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 audit opinion.

Key Audit matters

Key audit matters are those matters that,in our professional judgement,were of most significance in our auidt of the financial statements of the current period. These matters were adressed in the context of our audit of the financial statements as a whole ,and in forming our opinion thereon,and we do not provide separate opinion on these matters.

Management committee's responsibility for the financial statements

The management committee of the Society are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Co-operative Act, and for such internal control as the management committee may determine is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

CONTINUATION OF REPORT OF INDEPENDENT AUDITOR TO MEMBERS OF CDF HOUSING CS LTD

Report on other legal requirements

As required by the Kenyan cooperative societies Act we report to you that the financial statements are in agreement with the books 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 the Cooperative Societies Act.

(B) In accordance with the Co-operatives objectives, by-laws and any other resolutions made by the Society at a general meeting.

For and on behalf of

MINISTRY OF AGRICULTURE, LIVESTOCK, FISHERIES AND CO-OPERATIVES


CPA BETTY C RONO

DEPUTY COUNTY DIRECTOR CO-OP AUDIT

NAIROBI CITY COUNTY

Date... 12/11/2022

CS/NO 16115

CDF HOUSING CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	2021 kshs	2020 Kshs
Revenue			
Operating income	2	210,158	2,764,777
Other operating income	4	942,000	841,000
Other interest income	5	2,142	2,024
Gross revenue		<u>1,154,300</u>	<u>3,607,801</u>
Rebates to members		-	(800,000)
Net revenue		1,154,300	2,807,801
Expenditure			
Administrative expenses	6	(992,220)	(953,850)
Other operating expenses	7	<u>(10,403)</u>	<u>(7,248)</u>
		(1,002,623)	(961,098)
Net surplus/ deficit before tax		151,677	1,846,703
Net surplus/ deficit after tax		151,677	1,846,703
20% transfer to statutory Reserve		(30,335)	(369,341)
Surplus to retained earnings		121,342	1,477,363

CS/NO 16115
CDF HOUSING CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2021

ASSETS	NOTES	2021 KHS	2020 KHS
Cash and cash equivalent	8	3,260,930	4,550,638
Trade & Other Receivables	9	49,004,756	49,412,993
Other Financial Assets	11	25,342	23,200
Intangible Asset	13	157,500	225,000
Total assets		52,448,528	54,211,831
LIABILITIES			
Members deposits	14	35,434,700	34,691,000
Trade and other payables	17	3,775,871	8,611,551
Total Liabilities		39,210,571	43,302,551
SHARE HOLDERS FUNDS			
Share capital	15	10,627,000	8,450,000
Reserves	16	2,610,957	2,459,280
TOTAL EQUITY		13,237,957	10,909,280
TOTAL LIABILITIES & SHAREHOLDERS FUND		52,448,528	54,211,831

14 APR 2022
 Javel M. Murira
 Sig
 JAVEL M. MURIRA
 FOR: COMMISSIONER OF CO-OPERATIVES

The financial statements on page 6-13 were authorised by the management committee on and signed on its behalf by

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

CS/NO 16115

CDF HOUSING CO-OPERATIVE SOCIETY LIMITED

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2021

STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained Earnings</u>	<u>Statutory reserves</u>	<u>Total</u>
As at 1/1/2020	8,350,000	290,536	322,041	8,962,577
Surplus before tax	-	1,846,703	-	1,846,703
Provision for taxation	-	-	-	-
20% Statutory reserves	-	(369,341)	369,341	-
Issued Share Capital	100,000	-	-	100,000
As at 31/12/2021	8,450,000	1,767,898	691,382	10,909,280
As at 1/1/2021	8,450,000	1,767,898	691,382	10,909,280
Surplus before tax	-	151,677	-	151,677
Provision for taxation	-	-	-	-
20% Statutory reserves	-	(30,335)	30,335	-
Issued Share Capital	2,177,000	-	-	2,177,000
As at 31/12/2021	10,627,000	1,889,240	721,717	13,237,957

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CDF HOUSING CO-OPERATIVE SOCIETY LIMITED
CASHFLOW STATEMENT AS AT 31ST DECEMBER 2021

	2021 Kshs	2020 Kshs
Cashflows from operating activities		
Land sales		2,764,777.00
Property loan interest received	210,158.00	
Other operating income	942,000	841,000
Payment to employees and suppliers	(837,923)	(895,498)
	<u>314,235</u>	<u>2,710,279</u>
Increase or Decrease in operating asset		
Trade and other receivables	408,237	(20,795,496)
	<u>408,237</u>	<u>(20,795,496)</u>
Increase or Decrease in Operating liabilities		
Members deposits	743,700	(12,960,500)
Trade and other payables	(4,932,880)	(1,012,116)
	<u>(4,189,180)</u>	<u>(13,972,616)</u>
Net cash flow from Operating activities	(3,466,708)	(32,057,833)
Cash flow from Investing Activities		
Other financial assets	(2,142)	(2,024)
Software acquisition		(225,000)
Interest from CIC	2,142	2,024
Increase in Assets held for sale	-	38,535,224
Net cash flow from Investing activities	(0)	38,310,224
Cash flow from Financing Activities		
Bank Loan	-	(6,149,551)
Share Capital	2,177,000	100,000
Net cash flow from Financing activities	2,177,000	(6,049,551)
Net Decrease/ increase in cash and cash equivalent	(1,289,708)	202,840
Cash and cash Equivalent at the beginning of the year	4,550,638	4,347,798
Cash and cash Equivalent at the end of the year	3,260,930	4,550,638

1. Significant Accounting Policies

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

a) Statement of Compliance and Basis of Preparation

i) The financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS).

ii) Basis of measurement

The financial statements are presented in functional currency, Kenya Shillings (Kshs), which is the prevailing currency within the primary economic environment, and are prepared under the historical cost convention basis, as modified by revaluation of certain assets as prescribed by IFRSs.

iii) Use of estimates and judgement

The preparation of the financial statement in conformity with IFRS requires the use of management judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and payments during the reporting period. It also requires management to exercise its judgement in the process of applying the policies adopted by the Society. Although such estimates and assumptions are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period of income in which the estimate is reviewed and in any future periods affected.

b) Revenue Recognition

Revenue from sale of land is recognised when the transaction with the buyer is substantively complete which Interest income, which comprises interest receivable from bank deposits, loans and investment in securities, is Dividend income is recognised if declared before the financial statements are authorised for issue. Other income is recognised as it accrues.

ii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and deposits repayable on demand with banks net of bank overdrafts. Deposits are repayable on demand if they are available within 24 hours without penalty. Bank overdrafts are included in borrowings under the current liabilities.

iii) Property and Equipment

All property and equipment are initially recorded at cost. Depreciation is calculated on reducing balance method to write down the cost of each asset to its residual value over its estimated useful life.

Asset	Rate (%)
Software	30%

It is the society policy not to amortise or depreciate assets during the year of acquisition.

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CDF HOUSING CO- OPERATIVE SOCIETY LIMITED
REPORT AND ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2021
NOTES TO THE ACCOUNTS

	2021 kshs	2020 kshs
2 Operating income		
Land sales (Note 3)	-	2,764,777
Interest on property loans	210,158	-
	<u>210,158</u>	<u>2,764,777</u>
3 Land sales		
Sale of 35 plots(Size 50X100)		
1,180,000.00		41,300,000
Cost of 35 plots(50X100)		
1,101,006.39		38,535,223
	<u>-</u>	<u>2,764,777</u>
4 Other operating income		
Entrance fees	14,000	2,000
Operation fees	928,000	839,000
	<u>942,000</u>	<u>841,000</u>
5 Other Interest income		
Interest from CIC	2,142	2,024
	<u>2,142</u>	<u>2,024</u>
6 Administrative expenses		
Printing & Stationery	-	
AGM Expenses	375,000	
Education Expenses	-	
System Maintenance	39,600	39,550
Audit & Supervision Fee	15,600	15,600
Book keeping & Accountancy	42,000	50,000
Administrative expenses	32,520	27,700
Committee expenses	331,000	566,000
Committee accomodation	-	160,000
Software amortization	67,500	
Repairs and maintenance	9,000	
Transport	80,000	95,000
	<u>992,220</u>	<u>953,850</u>
7 Other operating expenses		
Bank charges	10,403	7,248
	<u>10,403</u>	<u>7,248</u>
8 Cash and cash equivalent		
Bank Co-operative Savings Account	3,260,930	4,550,638
	<u>3,260,930</u>	<u>4,550,638</u>
9 Trade and other Receivables		
CDF Sacco	102,000	-
NG-CDF Board	28,913	
Property Acquisition loan(Note 10)	3,482,850	-
Owing by land buyers	39,367,500	45,189,500
Nachu Savings	6,023,493	4,223,493
	<u>49,004,756</u>	<u>49,412,993</u>

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CDF HOUSING CO- OPERATIVE SOCIETY LIMITED
REPORT AND ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2021
NOTES TO THE ACCOUNTS

10 Property loan

Balance B/F	-	-
Issued during the year	5,300,000	
Paid in the year	<u>(1,817,150)</u>	<u>-</u>
Balance C/F	<u>3,482,850</u>	<u>-</u>

Loan facility to members for propoerty acquisition

11 Other Financial Assets

CIC Unit Trust	25,342	23,200
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12 Assets Held for Sale

Land(0.048HA Kajiado Kaptutiei/97841)

Balance B/F	-	38,535,224
Land sold		<u>(38,535,224)</u>
	<u>-</u>	<u>-</u>

13 Intangible Asset - Software

Cost

As at start of the year	225,000	225,000
Additions	-	-
As at year end	<u>225,000</u>	<u>225,000</u>

Amortization

As at start of the year	-	-
Charge for the year (30%)	67,500	-
As at year end	<u>67,500</u>	<u>-</u>
Net book Value	<u>157,500</u>	<u>225,000</u>

14 Members Savings

Balance B/F	34,691,000	47,651,500
Contributions	13,533,700	12,164,000
Shares used to buy land	<u>(12,790,000)</u>	<u>(25,124,500)</u>
	<u>35,434,700</u>	<u>34,691,000</u>

15 Share Capital

Balance B/F	8,450,000	8,350,000
Issued	2,177,000	100,000
Withdrawals	<u>-</u>	<u>-</u>
	<u>10,627,000</u>	<u>8,450,000</u>

16 Reserves

Statutory	721,717	691,382
Retained earnings	<u>1,889,240</u>	<u>1,767,898</u>
	<u>2,610,957</u>	<u>2,459,280</u>

17 Trade & other payables

System Maintenance	39,600	39,600
Provision for rebates to members (Note 18)	-	1,600,000
Audit & Supervision fee	15,600	15,600
Member plot deposits	3,678,671	6,675,151
Sacco Software Acquisition	-	225,000
Book keeping Fee	42,000	56,200
	<u>3,775,871</u>	<u>8,611,551</u>

18 Rebates to members

As at start of the year	1,600,000	800,000
Provision for the year		800,000
Paid during the year	<u>(1,600,000)</u>	<u>-</u>
As at year end	<u>-</u>	<u>1,600,000</u>