

CS/NO 16115

CDF HOUSING CO-OPERATIVE SOCIETY LIMITED



**FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31ST DECEMBER 2023**

CS/NO 16115

CDF HOUSING CO-OPERATIVE SOCIETY LIMITED

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2023

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CDF HOUSING CO-OPERATIVE SOCIETY LIMITED
REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2023

SOCIETY INFORMATION

EXECUTIVE COMMITTEE

NAPHTALLY MULESI OCHUMA	Chairman
JANE WANJIRU KARIUKI	Vice Chairman
DAVID KABERIA MURUNGI	Treasurer
JOSEPHINE MUTINDA MUTUA	Secretary
SILVERIUS WAKOLI	Member
FRANCIS OGUTU ONYANGO	Member
JACTONOMONDI OJOW ELIAB	Member

SUPERVISORY COMMITTEE

TOM WASIKE	Chairman
MARY MASINDE MWAKI	Secretary
WESLEY RONOH MAINA	Member

REGISTERED OFFICE

CDF Housing Co-op Society Ltd
Harambee House
Nairobi

Auditors

Ministry of Co-operatives and Micro, Small &
Medium Enterprises Development
P.O BOX 40811
Nairobi

Principal bankers

Co-operative Bank
Parliament Road

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Management Committee report

The Management committee submit the annual report together with the audited financial statements for the year ended 31 December, 2023

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

	2023	2022
	kshs	kshs
Surplus/ (Deficit) for the year before tax	1,367,177	1,534,368
Transfer to Statutory Resrves	(191,405)	(306,872)
Retained surplus for the year	<u>765,619</u>	<u>707,494</u>

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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	2023	2022
STATISTICAL INFORMATION		
MEMBERSHIP	200	186
ACTIVE	148	135
DORMANT	47	0
EXITS	5	-
FINANCIAL		
Members Deposits	41,722,844	33,261,944
Share Capital	11,127,000	10,627,000
Current Assets	59,472,795	59,904,238
Current Liabilities	2,949,153	9,939,113
Reserves	4,582,349	3,625,326
Total Assets	60,381,346	60,553,383
Total Liabilities	44,671,997	46,301,057
Revenues	4,027,939	6,653,931
KEY RATIOS		
Liquidity Ratio	5.6:1	6.03


CDF HOUSING CO-OP SOCIETY LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DEC 2023
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 2024 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 31.12.2023

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 2023, 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 2023 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 section 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 audit of the financial statements of the current period. These matters were addressed 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 general meeting.

For and on behalf of

MINISTRY OF CO-OPERATIVES AND MSMES



CPA BETTY C RONO

DEPUTY COUNTY DIRECTOR CO-OP AUDIT

NAIROBI CITY COUNTY

Date..... 15/04/2024.....

CO-OPERATIVE SOCIETY LIMITED
COMPREHENSIVE INCOME AS AT 31ST DECEMBER 2023

	2,023	2,022
Notes		
2	3,064,708	5,847,128
4	941,000	804,500
5	22,231	2,303
	<u>4,027,939</u>	<u>6,653,931</u>
18	-	(3,100,000)
	4,027,939	3,553,931
6	(2,638,856)	(2,007,252)
7	(21,906)	(12,312)
	<u>(2,660,762)</u>	<u>(2,019,564)</u>
Income tax	1,367,177	1,534,367
Income tax	(410,153)	1,534,367
Income tax	957,024	1,534,367
Income tax Reserve	(191,405)	(306,873)
Income tax		(500,000)
Income tax		(20,000)
Income tax	765,619	707,494

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CDF HOUSING CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2023

	Notes	2023 Ksh	2022 Ksh
ASSETS			
Cash and cash equivalent	8	23,132,409	6,850,289
Trade & Other Receivables	9	36,340,387	53,053,949
Other Financial Assets	11	799,876	27,645
Land	12	-	466,250
Property & Plant	15	108,675	155,250
Total assets		60,381,346	60,553,383
LIABILITIES			
Members deposits		41,722,844	33,261,944
Trade and other payables		2,949,153	9,939,113
Rebates to Members			3,100,000
Total Liabilities		44,671,997	46,301,057
SHARE HOLDERS FUNDS:			
Share capital	14	11,127,000	10,627,000
Reserves	16	4,582,349	3,625,326
TOTAL EQUITY		15,709,349	14,252,326
TOTAL LIABILITIES & SHAREHOLDERS FUND		60,381,346	60,553,383

REGISTERED
 SEC. 25(7) Co-operative Societies
 ACT CAP 490 (Amended 2004)
19 APR 2024¹⁸
 Sign.....*Murira*.....
JAVEL M. MURIRA
 COMMISSIONER OF CO-OPERATIVES

The financial statements on page 6-14 were authorised by the management committee on and signed on its behalf by

Chairman.....*[Signature]*.....
 Treasurer.....*[Signature]*.....
 Secretary.....*[Signature]*.....
 Date.....



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REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2023

STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained Earnings	Statutory reserves	Total
As at 1/1/2022	10,627,000	1,889,241	721,717	13,237,958
Surplus before tax	-	1,534,368	-	1,534,368
Provision for taxation	-	-	-	-
20% Statutory reserves	-	306,872	(306,872)	0
Honoraria	-	(500,000)	-	(500,000)
Staff bonus	-	(20,000)	-	(20,000)
As at 31/12/2022	10,627,000	3,210,481	414,845	14,252,326
As at 1/1/2023	10,627,000	2,596,734	1,028,591	14,252,325
Surplus before tax	-	1,367,177	-	1,367,177
Provision for taxation	-	(410,153)	-	(410,153)
20% Statutory reserves	-	(191,405)	191,405	-
Issued Share Capital	500,000	-	-	500,000
As at 31/12/2023	11,127,000	3,362,353	1,219,995	15,709,349

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 ANNUAL REPORT AND FINANCIAL STATEMENT FOR THE YEAR ENDED 31.12.2023
 CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022

	2023 Kshs	2022 Kshs
Cash flows from operating activities		
Income from sales	2,433,750	5,484,850
Property loan interest received	630,957	362,278
Net operating income	941,000	804,500
Payment to employees & Suppliers	(2,651,075)	(1,956,714)
Income/loss	<u>1,354,632</u>	<u>4,694,914</u>
Use or Decrease in operating asset and other receivables	16,490,831	(4,049,193)
	<u>16,490,831</u>	<u>(4,049,193)</u>
Use or Decrease in Operating liabilities	8,460,900	(2,172,756)
Members deposits and other payables	(8,790,228)	5,627,643
	<u>(329,327)</u>	<u>3,454,887</u>
Cash flow from Operating activities	17,516,136	4,100,608
Cash flow from Investing Activities		
Purchase of printer	-	(45,000)
Financial assets	(755,287)	(2,530)
Income from CIC/NACHU	-	2,530
Financial statements on page 6-14 were authentic	735,557	(466,250)
Cash flow from Investing activities	<u>(19,730)</u>	<u>(511,250)</u>
Cash flow from Financing Activities		
Capital	500,000	-
Cash flow from Financing activities	<u>500,000</u>	<u>-</u>
Increase/ increase in cash and cash equivalent	16,282,121	3,589,358
cash Equivalent at the beginning of the year	6,850,288	3,260,930
cash Equivalent at the end of the year	<u><u>23,132,409</u></u>	<u><u>6,850,288</u></u>

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%
Printer	30%

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NOTES TO THE ACCOUNTS

9 Trade and other Receivables	2,023	2,022
CDF Sacco	Kshs	Kshs
NG-CDF Board	20,000	361,148
Property Acquisition loan(Note10)	-	1,331,107
Owing by land buyers	5,280,394	4,450,201
Nachu Savings	29,516,500	45,388,000
	<u>1,523,493</u>	<u>1,523,493</u>
	<u>36,340,387</u>	<u>53,053,949</u>

10 Property Loan		
Balance B/F	4,450,201	3,482,850
Add-Issued during the year	4,819,954	3,834,418
Less-repaid in the year	3,989,762	2,867,067
Balance C/F	<u>5,280,394</u>	<u>4,450,201</u>
Loan facility to members for property acquisition		

11 Other Financial Assets		
CIC Unit Trusts	799,876	27,645

12 Asset held for sale		
Land-Ruiru2-1 (50x100)	-	466,250
	-	-
	-	<u>466,250</u>

13 Members Savings		
Balance B/F	33,261,944	35,434,700
Add-Contributions	15,102,900	11,460,884
Less-Shares used to buy Kitengela Plots	(3,194,000)	(5,874,000)
Shares used to buy Ruiru 1	-	(2,357,000)
Shares used to buy Ruiru 2	(283,000)	(1,654,000)
Share refunds	(1,092,000)	(2,944,140)
Shares used as Entrance fees	(6,000)	(6,000)
Shares used as operation fees	(933,000)	(798,500)
Deposits transfred to share capital	(450,000)	-
Deposits used for Title deed processing	(684,000)	-
	<u>41,722,844</u>	<u>33,261,944</u>

14 Share Capital		
Balance B/F	10,627,000	10,627,000
Issued	500,000	-
Withdrawals	-	-
	<u>11,127,000</u>	<u>10,627,000</u>

15 Property & Plant	Software Rate 30%	Printer Printer 12.5%	Total Property & Plant
Rate			
Cost	225,000	45,000	270,000
As at 01/01/2022	-	-	-
Additions	225,000	45,000	270,000
As at 31/12/2022			
Amortisation/Depreciation			
Accumulated Depreciation	67,500	-	67,500
Charge for the year	47,250	-	47,250
As at 31/12/2022	114,750	-	114,750
Net Book Value			
As at 31/12/2022	110,250	45,000	155,250
Cost	Rate 30%		
As at 01/01/2023	225,000	45,000	270,000
Additions	-	-	-
As at 31/12/2023	225,000	45,000	270,000
Amortisation/Depreciation			
Accumulated Depreciation	114,750	-	114,750
Charge for the year	33,075	13,500	46,575
As at 31/12/2023	147,825	13,500	161,325
Net Book Value			
As at 31/12/2023	77,175	31,500	108,675

16 Reserves

Statutory	1,219,995	414,845
Retained Earnings	3,362,353	3,210,481
	4,582,349	3,625,326

17 Trade & other payables

Accounts payable-Land	-	6,000,000
Accounts payable-Survey	-	530,000
System Maintenance	39,600	39,600
Audit & Supervision fee	20,000	15,600
Member plot deposits	2,414,096	2,783,096
Honoraria	-	500,000
Staff bonus	-	20,000
Book Keeping fees	22,000	42,000
Staff Salary Arrears for Dec2023	28,210	-
Corporate tax	410,153	-
Statutory deductions	15,094	8,818
	2,949,153	9,939,113

18 Rebates to Members

As at start of year	3,100,000	-
Provision for the year	-	3,100,000
Paid during the year	(3,100,000)	-
As at year end	-	3,100,000