

CS/15148 Jamii Housing Co-operative Society Limited
Annual Report and Financial Statements
For the Period Ended 31st December 2020

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Society Information

Management Committee	: Mr. Angelo Gitonga	Chairman
	: Mr. Wilberforce Chebet	Vice Chairman
	: Mr. Harrison Katoni	Hon. Secretary
	: Mr. Ambrose Ogango	Treasurer
	: Mr. Nathan Ogatho	Member
	: Ms Anne Ambwere	Member
	: Mr. James Kiretai	Member
	: Ms. Phanice Etemere	Member
	: Ms Leah Wambiri	Member
Supervisory Committee	: Mr. Harrison Tinga	Chairman
	: Mr. Eric Gatobu	Secretary
	: Ms Mary Musau	Member
Registered Office	: Jamii Housing Co-op Society Limited	
	: Mukenia Road, South B	
	: P.O. Box 36375-00200	
	: NAIROBI	
Independent Auditor	: MakeniMutua and Associates	
	: Certified Public Accountants-CPA(K)	
	: ACK Garden House, 5th Floor	
	: Bishop Rd, 1st Ngong Avenue	
	: P.O. Box 28181-00200	
	: Telefax: 254-020-2713030, Cellphone 0723-254963	
	: Nairobi.	
: Email: info@makenimutuacpa.co.ke		
: Website: www.makenimutuacpa.co.ke		
Principal Banker	: Co-operative Bank of Kenya Limited	
	: Cooperative House Branch	
Ag. General Manager	: Eliud Chepkwony	
	: Tel: 0202186676	
	: Mobile: 0722709227	

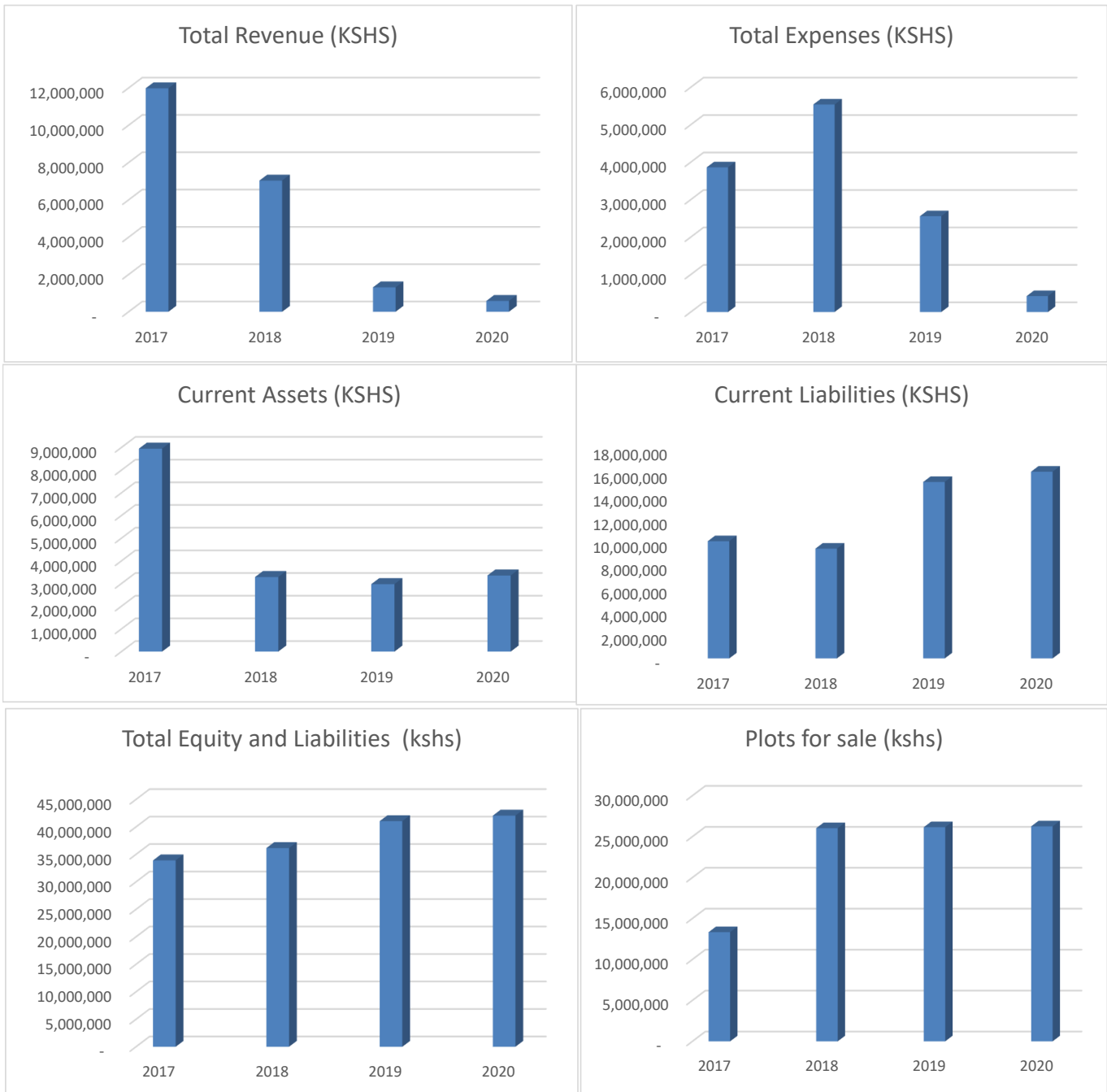
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Statistical Information

	2017	2018	2019	2020
Membership	1,102	1,106	1,120	1,126
	Kshs	Kshs	Kshs	Kshs
Financials				
Total Revenue	11,979,837	7,033,773	1,309,255	580,393
Total Expenses	3,862,862	5,540,954	2,558,800	425,680
Share Capital	14,984,782	16,862,500	17,267,930	17,299,030
Plots for Sale	13,325,900	26,025,900	26,146,530	26,246,030
Members Deposits	2,252,609	1,863,708	1,867,239	1,975,299
Current Assets	8,947,178	3,286,719	2,972,790	3,354,128
Current Liabilities	10,122,508	9,480,059	15,235,960	16,123,892
Total Equity and Liabilities	33,906,739	36,151,556	41,045,543	42,052,333
Key Ratios				
Liquid Ratio				
Liquid asset/total deposit & long term liability	87%	30%	14%	16%
Operating efficiency				
Expenses as a percentage of Income	32%	32%	195%	73%

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Four Year Performance Highlights



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Report of The Management Committee

The Management Committee submit their annual report together with the audited financial statements for the year ended 31st December 2020.

Incorporation

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

Principal Activity

To provide its members living accommodation and livelihood within the area of its operation at a fair and reasonable price.

Results

	2020	2019
	Kshs	Kshs
Surplus/(deficit)before tax	154,713	1,492,819
Income tax expense	(66,955)	(370,642)
Net surplus/(deficit)after tax	87,758	1,122,177
Transfer to statutory reserves	17,552	224,435
Retained earnings for the year	70,206	897,742

Management Committee

The members of the Management Committee who served during the year and to the date of this report are as listed on page 1.

Dividend/Interest on Member Deposits

The Management Committee does not recommend dividend payment in 2020 (nil; 2019) on share capital and neither does it recommend interest on members savings in 2020 (nil; 2019).

Auditor

MakeniMutua and Associates were re-appointed Auditors during the year and are willing to continue in office in accordance with the provisions of the Co-operative Societies Act Cap 490.

By the Order of The Management Committee

.....

Mr. Harrison Katoni

Hon. Secretary

Date2021

Statement of The Management Committes' Responsibility

The Co-operative Societies Act,Cap 490 requires the Management Committee to prepare accounts for each financial year, which give a true and fair view of the society's financial position at the end of each year and of its operating results for the year. It also requires the Management Committee to ensure the Society keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the society.They are also responsible for safegurding 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 society's general meeting.

The Management Committee accepts responsibility for annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgement and estimates in conformity with 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 accounts give a true and fair view of the state of financial affairs of the Society and of its operating results.

The Management Committee further accepts responsibility for maintanance of accounting records which may be relied upon in the preparation of accounts, as well as adequate system of internal control.

Nothing has come to the attention of the Management Committee 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 the**2021** and signed on its behalf by:

.....
Mr. Angelo Gitonga
Chairperson

.....
Mr. Harrison Katoni
Hon. Secretary

.....
Mr. Ambrose Ogango
Treasurer

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Statement of Comprehensive Income

	Notes	2020 Kshs	2019 Kshs
Revenue			
Income from Operations	4	50,000	1,244,500
Cost of sales	5	(17,250)	(81,900)
Gross Profit		32,750	1,162,600
Other Income	6	12,000	28,000
Interest income	7	535,643	118,655
Total Income		580,393	1,309,255
Administrative Expenses	8	(311,852)	(486,640)
Governance Expenses	9	(113,828)	(2,072,160)
Net operating Surplus/(Deficit) before income tax		154,713	(1,249,545)
Income tax	17	66,955	17,798
Net surplus/(Deficit) for the year		87,758	(1,267,343)
20% transfer to Statutory reserve		17,552	-
Surplus/ (deficit) for the year available for retention		70,206	(1,267,343)

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Statement of Financial Position

	Notes	2020 Kshs	2019 Kshs
Assets			
Current Assets			
Cash & cash equivalents	10	2,565,832	2,117,540
CIC Money Market	11	6,140,016	5,604,373
Plots for Sale	14	26,246,030	26,146,530
Current Tax Receivable	17	788,296	855,250
Total Current Assets		35,740,173	34,723,693
Non Current Assets			
Fixed Assets	16	6,312,160	6,321,850
Total Non Current Assets		6,312,160	6,321,850
Total Assets		42,052,333	41,045,543
Liabilities			
Members Deposits	12	1,975,299	1,867,239
Trade Payables and Accrued Expenses	13	4,658,593	4,643,721
Plot/Land Deposits	15	9,490,000	8,725,000
Total Liabilities		16,123,892	15,235,960
Shareholders Funds			
Share Capital	18	17,299,030	17,267,930
Reserves	19	8,629,411	8,541,653
Total Shareholder Funds		25,928,441	25,809,583
Total Funds Employed		42,052,333	41,045,543

The Financial Statements on pages 9 to 24 were approved by the Management Committee on the.....**June 2021** and were signed on its behalf by:

.....
 Mr. Angelo Gitonga
Chairperson

.....
 Mr. Ambrose Ogango
Treasurer

.....
 Mr. James Kiretai
Member

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Statement of Changes in Equity

	Share Capital Kshs	Retained Earnings Kshs	Statutory Reserve Kshs	Total Kshs
Year Ended 31st December 2019				
At start of the year	16,862,500	7,568,878	2,240,118	26,671,496
Surplus/(Deficit) for the year	-	(1,267,343)	-	(1,267,343)
Issued Share Capital	405,430	-	-	405,430
Transfer to statutory reserve	-	-	-	-
At end of year	17,267,930	6,301,535	2,240,118	25,809,583
Year ended 31st December 2020				
At start of the year	17,267,930	6,301,535	2,240,118	25,809,583
Surplus/(Deficit) for the year	-	87,758	-	87,758
Issued Share Capital	31,100	-	-	31,100
Transfer to statutory reserve	-	(17,552)	17,552	-
At end of year	17,299,030	6,371,741	2,257,670	25,928,441

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Statement of Cashflows

	Notes	2020 Kshs	2019 Kshs
Cash flows from operating activities			
Receipts from sale of land	4	50,000	1,244,500
Interest on member deposits		-	(112,630)
Payments to employees and suppliers	22	(351,140)	(2,530,830)
		(301,140)	(1,398,960)
Increase/(Decrease) in operating liabilities			
Members deposits	12	108,060	3,531
Plot Deposits	15	765,000	5,910,000
Trade payable and accrued expenses	13	(67,228)	(125,800)
Net cash from operating activities before income taxes		504,692	4,388,771
Income Tax Paid	17	-	(447,780)
Net cash from operating activities		504,692	3,940,991
Cash flow from investing activities			
Disposal/(Purchase) of Land	14	(99,500)	(120,630)
Interest Income Received	7	535,643	118,655
Investment in CIC Money Market	11	(535,643)	(5,116,356)
Purchase of assets	16	-	-
Net Cash from investing activities		(99,499)	(5,118,331)
Cash flow from financing activities			
Shares contributions	18	31,100	405,430
Registration fees	6	12,000	28,000
Net cash from financing activities		43,100	433,430
Net (Decrease)/Increase in cash & cash equivalent		448,293	(743,910)
Cash & cash equivalents at the beginning of the year		2,117,540	2,861,450
Cash & cash equivalents at the end of the year	10	2,565,832	2,117,540

Summary of significant accounting policies

1 Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation

The financial statements have been prepared under the historical cost basis, except where otherwise stated in the accounting policies below and have been prepared in accordance with International Financial Reporting Standards and comply in all material respects.

1.2 Going Concern

The financial performance of the society is set out in the Director's report and in the statement of comprehensive income. The financial position of the society is set out in the statement of financial position. Disclosures in respect of risk management and capital management are set out in note 3.

Based on the financial performance and position of the society and its risk management policies, the directors are of the opinion that the society is well placed to continue in business for the foreseeable future and as a result, the financial statements are prepared on a going concern basis.

1.2.1 Covid-19 Pandemic

According to the World Bank's Global Economic Prospects Report, (January 2021), the global economy is estimated to have contracted 4.4% in 2020 from the 2.3% real GDP posted in 2019 with the Sub-Saharan Africa region estimated to have contracted 3.7% from the 2.4% real GDP posted in 2019. In the Baseline forecast, global GDP is expected to expand 4% in 2021, predicted on proper pandemic management and effective vaccination limiting the community spread of COVID-19 in many countries, as well as continued monetary policy accommodation accompanied by diminishing fiscal support.

The slowdown in economic activity in 2020 could be seen in the contraction of quarterly economic performance as compared with the prior year 2019. Quarterly Statistical Release by the Kenya National Bureau of Statistics for the 3rd Quarter gross Domestic Product Report indicates an estimated 1.1% real GDP decline compared to 5.8% growth for the same quarter in 2019, (KNBS Quarterly GDP, January 2021).

Summary of significant accounting policies (Continued)

b) New and Revised Standards

i) Adoption of new and revised standards

The following new and revised standards and interpretations have also become effective for the first time and have been adopted by the Society where relevant to its operations:

a. 'Definition of Material (Amendmnts to IAS 1 and IAS 8), effective for annual reporting periods beginning on or after 1st January 2020 clarifying the definition of 'material' and aligning the definition used in the conceptual framework and the standards.

b. Interest Rate Benchmark Reform (Amendment to IFRS 9, IAS 39 and IFRS 7) effective for annual periods beginning on or after 1st January 2019 clarifying that entities would continue to apply certain hedge accounting requirements assuming that the interest rate benchmark on which the hedged cash flows and the cash flows from the hedging instrument are based will not be altered as a result of interest rate benchmark reform.

c. 'Covid-19-Related Concessions (Amendment to IFRS 16) for annual reporting periods beginning on or after 1st June 2020. The amendment provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

The adoption of the above has had no material effect on the Society's accounting policies or disclosures.

ii). New and revised standards and interpretations which have been issued but are not effective.

The following revised standards and interpretations have been published and will be effective in the year of reporting as prescribed. The Society has not early adopted any of these amendments or interpretations.*

a. 'IFRS 17 'Insurance Contracts' (issued May 2017) effective for annual periods beginning on or after 1 January 2021 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts.

b. 'Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) effective for annual reporting periods beginning on or after 1st January 2023.

Summary of significant accounting policies (Continued)

c. 'Reference to the Conceptual Framework (Amendments to IFRS 3) that update an outdated reference to the conceptual framework in IFRS 3 without significantly changing the requirements in the standard; effective for annual reporting periods beginning on or after 1st January 2022.

d. 'Property, Plant and Equipment-Proceeds before Intended Use (Amendments to IAS 16); that prohibit deducting from the cost an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management, instead an entity recognises the proceeds from selling such items and the cost of producing those items in profit or loss; effective for annual reporting periods beginning on or after 1st January 2022.

e' Onerous Contracts -Cost of Fulfilling a Contract(Amendments to IAS 37), specifying that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'- which can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts; effective for annual periods effective for annual periods beginning on or after 1st January 2022.

The Directors have assessed the potential impact of the above and expect that they will not have a significant impact on the Society's financial statements for the period to 31st December 2020.

2 Summary of significant accounting policies

a) Revenue Recognition

Sales of goods are recognized in the period on which the society transfers ownership documents to the customer; the customer has accepted and signed the documents.

Sales of goods are recognized in the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services provided.

Revenue represents the fair value of the consideration received or receivable for the sales of goods and services, and is stated net of rebates and discounts. Interest income is recognized on a time proportion basis using the effective interest rate method.

Summary of significant accounting policies (Continued)

b) Other Income

- Entrance fee is recognised when a new member joins the society;
- Dividend is recognised when the right to receive income is established. Dividend are reflected as a component of other operating income based on the underlying classification of the equity instrument;
- Commission income is recognised upon successful completion of the transaction;
- Miscellaneous income is recognised upon performance of the services agreed on.

c) Fixed Assets

These comprise utility plots at the respective sites at the valued at the selling price of the other plots at the point of disposal.

d) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises of purchases and all other costs attributed to bring goods to that particular condition and location. Net realisable value is the estimated selling price in the ordinary course of business less the estimated selling cost and any other related expense.

Inventory for the Society include Plots for Sale.

e) Trade Payables

Trade payables are stated at their nominal value.

f) Cash and Cash Equivalent

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

g) Financial instruments

Financial assets and financial liabilities are recognised when the society becomes a party to the contractual provisions of the instrument. Management determines all classification of financial instruments at initial recognition.

h) Taxation

Current tax is provided on the basis of the results for the year, as shown in the financial statements, adjusted in accordance with tax legislation applicable to the society.

Summary of significant accounting policies (Continued)

In particular under section 19A (4) of the Income Tax Act, the society being a designated society that carries on business as a Credit and Savings Co-operative Society, income tax only arises on interest income from non-members (and investments) and any other income not arising from activities.

i) Share Capital

Member interests are classified as equity where the entity has an unconditional right to refuse redemption of the members' shares.

Provisions in the Co-operative societies Act, regulations or the Sacco by-laws impose unconditional prohibitions on the redemption of members' shares.

j) Reserves

Statutory Reserve

Transfers are made to the statutory reserve fund at a rate of 20% of net operating surplus after tax in compliance with the provision of section 47 (1 and 2) of the Co-operative Societies Act, Cap 490 and the by-laws of the society. This reserve is not distributable.

Fair Value Reserve

The fair value reserve arises on the fair valuation of available-for-sale financial assets. Where a revalued financial asset is sold, the portion of the reserve that relates to that financial asset, and is effectively realized, is recognized in profit or loss. Where a revalued financial asset is impaired, the portion of the reserve that relates to that financial asset is recognized in profit or loss. Gains and losses transferred from equity into statement of comprehensive income during the period are included in other gains and losses. The amounts in this reserve are not distributable.

Summary of significant accounting policies (Continued)

3 Financial Risk Management

The society's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The society's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the society's financial performance.

Risk management is carried out by the risk sub-committees under policies approved by the directors. The risk sub-committee identifies, evaluates and manages financial risks in close co-operation with various departmental heads. The directors provides written principles for overall risk management, as well as written policies covering specific areas, such as liquidity risk, interest rate risk, credit risk, and investment of excess liquidity.

The sub-committee reports to the directors on all aspects of risks including nature of risks, measures instituted to mitigate risk exposures etc.

i) Interest Rate Risk

The society's exposure to interest rate risk arises from borrowings/interest bearing liabilities and interest bearing assets/advances/financial assets.

Financial assets and liabilities advanced and obtained at different rates expose the society to fair value interest rate risk, except where the instruments are carried at amortised costs. The society maintains adequate ratios of borrowings when compared to total borrowings in fixed interest rates.

ii) Credit Risk

This risk emanates primarily from plots sold on credit to members. This risk is monitored and managed through the ability of the member to meet the payment obligations.

iii) Liquidity Risk

The society seeks to ensure that it maintains sufficient funds at all times to meet its operational needs including liabilities. Cash flow statement is used as tool to monitor the

iv) Operational Risk

Operational risk is associated with human error, system failure and inadequate procedures and controls. Ideally, it's a loss risk arising from inadequate information, technology failure, and breach of internal controls, fraud and other operational risks.

- There is clear duty segregation to ensure internal controls are adhered to.
- All operations are carried out with compliance to regulations and law; co-operative Act, tax laws and by – laws.
- There is compliance to ethical behavior and corporate governance at management and operational level.

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Notes to the financial statements

4 Income from Operations

Revenue

Product Sales- Donyo Sabuk land	-	22,000
Product Sales-Eldoret Kiplombe land	50,000	1,222,500
Total Revenue	50,000	1,244,500

5 Cost of Sales: Expenditure on Plots

Professional charges

Eldoret Kiplombe	-	81,900
Donyo Sabuk Expenses	17,250	-
Total Project Expenses	17,250	81,900

Net Income from Operations

32,750 **1,162,600**

6 Other Operating Income

Entrance Fees	12,000	28,000
Total Other Income	12,000	28,000

7 Interest Income

Interest Income from CIC Money Market	535,643	118,655
Total Interest income	535,643	118,655

8 Administrative Expenses

Staff Salaries and wages	100,432	101,234
Audit fees	65,000	65,000
VAT on audit fee	10,400	9,100
Supervision Fees and Recoverable Expenses	6,700	6,700
Telephone and postage	12,000	17,700
Registration & Subscriptions with NACHU	-	18,000
Tax Filing Expenses	16,100	-
Printing & Stationery	-	5,000
Subsistence and transport	3,350	23,400
Tax Penalty	10,000	-
Rent	60,000	65,000
Office Expenses	11,400	138,036
Depreciation	9,690	29,070
Bank Service Charges	6,780	8,400
Total Administrative Expenses	311,852	486,640

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	2020	2019
	Ksh	Kshs
9 Governance Expenses		
AGM Expenses	-	434,000
Education & Training	-	47,000
Committee Sitting Allowance	113,828	1,591,160
Total Governance Expenses	113,828	2,072,160
10 Cash and Cash Equivalents		
Co-operative Bank-Current Account	2,377,418	813,336
Jamii Sacco Society-Inter Sacco Account	168,315	509,003
Cash in Transit -Paybill	-	660,700
Paybill	20,100	134,502
Total Cash and Cash Equivalent	2,565,832	2,117,541
11 Investments		
CIC Money Market	6,140,016	5,604,373
As at 31st December	6,140,016	5,604,373
12 Members Deposits		
Balance b/f	1,867,239	1,863,708
Contributions during the year	126,610	348,503
Withdrawals during the year	(18,550)	(344,972)
As at 31st December	1,975,299	1,867,239

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	2020	2019
	Kshs	Kshs
13 Trade Payables and Accrued Expenses		
Audit fees	65,000	65,000
VAT on Audit fees	10,400	9,100
Supervision Fees	6,700	6,700
Accruals	13,572	-
Estate Committee Control Account	23,600	23,600
Other Creditors (12 a)	4,539,321	4,539,321
As at 31st December	4,658,593	4,643,721
12a Other Payables		
Statutory deductions	2,481	2,481
Provision for Eldoret Kiplombe Project Road Network	1,000,000	1,000,000
Electricity Provision Isinya project	3,536,840	3,536,840
Total Other Payables	4,539,321	4,539,321
14 Plots for sale		
Kitale Waitaluk Plot		
As at 1st January	26,146,530	26,025,900
Additions	99,500	120,630
Disposal	-	-
As at 31st December	26,246,030	26,146,530
Relates to the Plots at Waitaluk which are yet to be disposed		
15 Plot Prepayments		
Waitaluk Land Deposits		
Bal b/f	8,725,000	2,815,000
Contribution during the year	1,560,000	6,150,000
Refunds during the year	(795,000)	(240,000)
Total Waitaluk Prepayments	9,490,000	8,725,000
Total Deposits	9,490,000	8,725,000

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16 Fixed Assets

	Utility Plots Kshs	Computers Kshs	Site Office Kshs	Borehole Kshs	Total Kshs
Applicable Rate		30%	33.3%		
Cost					
As at 1st January 2020	4,600,000	96,900	269,810	1,712,160	6,678,870
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31st December 2020	4,600,000	96,900	269,810	1,712,160	6,678,870
As at 1st January 2019	4,600,000	96,900	269,810	1,712,160	6,678,870
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31st December 2019	4,600,000	96,900	269,810	1,712,160	6,678,870
Depreciation					
As at 1st January 2020	-	87,210	269,810	-	357,020
Charge for the year	-	9,690	-	-	9,690
As at 31st December 2020	-	96,900	269,810	-	366,710
As at 1st January 2019	-	58,140	269,810	-	327,950
Charge for the year	-	29,070	-	-	29,070
As at 31st December 2019	-	87,210	269,810	-	357,020
Net Book Value					
As at 31st December 2020	4,600,000	-	-	1,712,160	6,312,160
As at 31st December 2019	4,600,000	9,690	-	1,712,160	6,321,850

Utility plots in 2017 relate to 4 utility plots @kshs 550,000 in Kiplombe in the Ownership of Jamii Housing Society
The Borehole as initially designated Work In Progress in Isinya completed but yet to be handed over to the Estate management Committee. Management has not deemed it necessary to depreciate it until the transfer is finalized.

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	2020	2019
	Kshs	Kshs
17 Tax Account		
Balance brought forward	(855,251)	(425,269)
a. Net Surplus/(Deficit) before tax	(380,930)	(1,368,200)
Add back :Income tax penalties and interest	10,000	-
Less: Other operating income (note 4)	(12,000)	(28,000)
Restated net Surplus/(Deficit) before tax	(382,930)	(1,396,200)
b. Interest Income		
Interest from CIC Money market	535,643	118,655
50% Interest from CIC Money Market	267,822	59,328
Total Taxable Income	267,822	59,327
Tax expense @ 25%	66,955	17,798
Payments for the year	-	(447,780)
Current Tax payable/(Receivable)	(788,296)	(855,251)
18 Share Capital		
As at 1st January	17,267,930	16,862,500
2017 Interest on Member Deposits capitalized	-	112,630
Contribution for the year	31,100	292,800
As at 31st December	17,299,030	17,267,930
19 Reserves		
Statutory Reserves	2,257,670	2,240,118
Retained Earnings	6,371,741	6,301,535
Total Reserves	8,629,411	8,541,653

CS/15148 Jamii Housing Co-operative Society Limited
Annual Report and Financial Statements
For the Period Ended 31st December 2020

Notes to the Financial Statements

	Note	2020 Kshs	2019 Kshs
20 Dividend and Interest on member deposits			
As at 1st January		-	112,630
Prior year adjustment on interest (note 19)	21	-	-
Capitalization of 2017 interest		-	(112,630)
As at 31st December		<u>-</u>	<u>-</u>
21 Prior year adjustment			
Interest on member deposits		-	112,630
Total prior year Adjustment		<u>-</u>	<u>112,630</u>
<p>Prior year adjustment relates to interest on member deposits as per AGM Resolution 3/2017 at 5%.</p>			
22 Payment to Employees and Suppliers			
Cost of Sales: Expenditure on Plots	4	17,250	81,900
Administrative Expenses	8	311,852	486,640
Governance Expenses	7	113,828	2,072,160
Audit fees	8	(65,000)	(65,000)
VAT on audit fee	8	(10,400)	(9,100)
Supervision Fees and Recoverable Expenses	8	(6,700)	(6,700)
Depreciation	8	(9,690)	(29,070)
Total payments to employees & suppliers		<u>351,140</u>	<u>2,530,830</u>