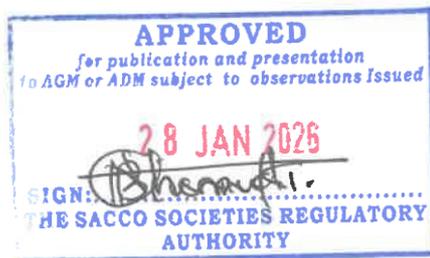


CS / 4217



Co-operative Bank Regulated Non-WDT Sacco Society Limited CS /4217
Annual Report and Financial Statements
For the Year Ended 31st December 2025



D.K Wambua & Associates
Certified Public Accountants.

P.O Box 5957-00100
NAIROBI -KENYA

**Co-operative Bank Regulated Non-WDT Sacco Society Limited CS /4217
Annual Report and Financial Statements
For the Year Ended 31st December 2025**

SOCIETY INFORMATION

BOARD AND SUPERVISORY COMMITTEE MEMBERS

BOARD OF DIRECTORS

Amos Chacha Mwita	Chairperson
George Rukwaru	Vice Chairman
Frida Mitei	Hon. Secretary
Eli Mwangi Waweru	Treasurer
Patrick Ndombi	Member Up to 1st February 2025
Dalmas Mukabalasi	Member
Lewis Mbae	Member
Judy Okero	Member
Martin Kimondo	Member
Ferdinand Mwakisha	Member From 1st February 2025

SUPERVISORY COMMITTEE

James Kamau	Chairperson
Douglas Munene	Secretary up to 1st February 2025
Anne Kaari	Secretary from 1st February 2025
Henry Kweheria	Member From 1st February 2025

CHIEF OFFICER/S

Chief Executive Officer	Pauline W.Gichuki
Finance Manager	Jackline Kimani

REGISTERED OFFICE

Co-op Bank House
P.O Box 48231 - 01000
Nairobi - Kenya

INDEPENDENT AUDITOR

D K Wambua & Associates
Certified Public Accountants
Danny's Court Suite A3 First Floor
Mombasa Rd opposite Nextgen Mall
P.O. Box 5957-00100
Nairobi - Kenya

PRINCIPAL BANKERS AND FINANCIERS

Chairman	Amos Mwita
Treasurer	Eli Waweru
Hon. Secretary	Frida Mitei
Chief Executive Officer	Pauline Gichuki
Finance Manager	Jackline Kimani

Cooperative Bank of Kenya Ltd
Co-op House Branch
Nairobi - Kenya



Co-operative Bank Regulated Non-WDT Sacco Society Limited CS /4217
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Statistical Information

	2025 Kshs Numbers	2024 Kshs Numbers
Membership		
Active	5,761	5,303
Inactive	462	347
	<u>6,223</u>	<u>5,650</u>

	Kshs	Kshs
Financial		
Total assets	6,833,901,792	6,105,133,138
Total deposits	4,168,923,148	3,632,821,978
External Borrowings	226,373,508	259,026,136
Loan and advances to members	5,590,993,553	4,824,898,895
Financial Assets (Sacco)	757,132,143	683,622,467
Financial Assets (Held in Trust)	-	198,684,178
Core capital	912,350,317	726,356,660
Share capital	514,918,716	448,201,061
Institutional capital	1,154,563,747	961,778,066
Retained Earnings	495,595,597	420,189,485
Total revenue	970,600,046	799,643,206
Total Interest Income	701,518,172	598,220,697
Interest on Members Deposits	461,367,691	404,611,506
Dividend on Share Capital	99,388,975	83,370,611
Total expenses	104,351,827	94,188,914
Liquid Assets	685,861,581	534,218,119

	Numbers	Numbers
Employees of the Sacco		
Male	5	5
Female	8	8
	<u>13</u>	<u>13</u>

	SASRA Standards	%	%
Key ratios			
Capital Adequacy Ratio			
Core capital/Total Assets	≥8%	13%	12%
Core Capital/Total Deposits	≥5%	22%	20%
Retained Earnings and Reserves/Core Capital	≥50%	140%	132%
External Borrowing Ratio			
External borrowing/Total assets	≤ 25%	3%	4%
Liquid Ratio			
Liquid asset/Current Liabilities	≥10%	14%	13%
Operating Efficiency/Loan Quality Ratio			
Total expenses/Total revenue		11%	12%
Interest on Member Deposit/Total Revenue		48%	51%
Interest rate on Member Deposits		12%	12%
Dividend rate on member Share Capital		20%	20%
Total Delinquency Loans/Gross Loan Portfolio	≤ 5%	2%	2%

Chairman Amos Mwita
Treasurer Eli Waweru
Hon. Secretary Frida Mitei
Chief Executive Officer Pauline Gichuki
Finance Manager Jackline Kimani

STATEMENT OF CORPORATE GOVERNANCE

Corporate governance is the process and structure used to manage business affairs of the Society towards enhancing prosperity and Corporate accounting with the ultimate objective of realizing members' long term value while taking into account the interest of other stakeholders.

The Board of Directors are responsible for the corporate governance practices of the society. This statement sets out the main practices in operation during the period under review, unless otherwise indicated. The society is committed to business integrity and professionalism in all its activities.

Management Board

The Board has (9) nine members ,and a Chief Executive Officer (CEO) as an Ex-Official. The separate roles of Chairman and the CEO are practised and are clearly defined in the by laws that are regularly revised to be in line with legislation and statutes. The Board meets Monthly to deliberate on the Society's financial performance and discuss reports from each sub-committee and deal with any strategic issues and opportunities for the Sacco.

Board Sub- Committees

The Society had the following sub-committees in place during the period with terms of reference clearly defined in the by laws to facilitate decision making of the Board in the execution of its powers, duties and authorities.

- | | | |
|---------------------------------------|--------------|-------------------|
| 1. Finance & Administration Committee | Chaired by - | Eli Mwangi Waweru |
| 2. Credit & Risk management Committee | Chaired by - | Lewis Mbae |
| 3. Business Development Committee | Chaired by - | George Rukwaru |

Supervisory Committee

The SACCO has (3) three supervisory members

- | | | |
|--------------------------|--------------|-------------|
| 1. Supervisory Committee | Chaired by - | James Kamau |
|--------------------------|--------------|-------------|

Internal Controls

The Society has systems and processes to ensure that requisite controls, physical security of assets and reporting of accurate and up-to date information with a comprehensive accounting system is in place. Further Sacco has contracted an independent external internal auditor who reports to the Board through the Supervisory Committee.

Chairman	Amos Mwita
Treasurer	Eli Waweru
Hon. Secretary	Frida Mitei
Chief Executive Officer	Pauline Gichuki
Finance Manager	Jackline Kimani

Handwritten signatures of the five individuals listed in the table above, each written in blue ink on a horizontal line.

Co-operative Bank Regulated Non-WDT Sacco Society Limited CS /4217
Annual Report and Financial Statements
For the Year Ended 31st December 2025

REPORT OF THE DIRECTORS

The Board of Directors submit their report and the audited financial statements for the year ended 31st December 2025, which disclose the state of affairs of the society.

INCORPORATION

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

PRINCIPAL ACTIVITIES

The Principal activities of the society are receiving shares, savings and issuing of loans to its members.

RESULTS

	2025	2024
	Kshs	Kshs
Surplus/(deficit) before tax	352,818,900	244,821,905
Tax (charge)/credit for the year	(35,013,357)	(17,111,394)
Gain/Loss in Market Value for shares	73,459,676	48,258,908
Transfer to Statutory reserves	78,253,044	55,193,884
Surplus/(deficit) after tax & provisions	391,265,219	275,969,419
Interest on members deposits	461,367,691	404,611,506

INVESTMENT SHARES

The issued and paid up share capital of the society increased during the year to Shs.514,918,716 from Shs.448,201,061 in 2024.

*Co-operative Bank Regulated Non-WDT Sacco Society Limited CS /4217
Annual Report and Financial Statements
For the Year Ended 31st December 2025*

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2025 Kshs	2024 Kshs
Revenue			
Interest on loans and advances	2.a)	701,518,172	598,220,697
Other Interest Income	2.b)	25,356,416	50,984,589
Interest expenses	4. i)	(512,722,675)	(460,118,563)
Net Interest Income		214,151,913	189,086,723
Other operating income	3.	243,725,458	150,437,919
		457,877,371	339,524,642
Expenditure			
Administration expenses	5[a]	(14,750,482)	(21,800,105)
Marketing expenses	5[b]	(706,644)	(513,824)
Depreciation and Amortization	5.(c)	(303,794)	(379,917)
Governance expenses	5 [d]	(24,906,849)	(21,274,987)
Personnel expenses	5 [e]	(42,683,469)	(38,074,061)
Financial expenses	4.(ii)	(21,707,233)	(12,659,844)
Profit before income tax		352,818,900	244,821,905
Tax Provision	20	(35,013,357)	(17,111,394)
Net Surplus		317,805,543	227,710,511
Increase in fair value of financial asset	12[c]	73,459,676	48,258,908
Net comprehensive income for the year		391,265,219	275,969,419
Chairman	Amos Mwita		
Treasurer	Eli Waweru		
Hon. Secretary	Frida Mitei		
Chief Executive Officer	Pauline Gichuki		
Finance Manager	Jackline Kimani		

Co-operative Bank Regulated Non-WDT Sacco Society Limited CS /4217
Annual Report and Financial Statements
For the Year Ended 31st December 2025

STATEMENT OF FINANCIAL POSITION

		2025	2024
		Kshs	Kshs
Assets			
Cash and cash equivalents	6	453,614,525	375,430,739
Receivables and prepayments	8	14,362,716	13,503,189
Interest receivable	9(i)	12,566,544	7,756,506
Loans and advances to members	11	5,590,993,553	4,824,898,895
Financial Asset (Investments) - Sacco	12 (a)	757,132,143	683,622,467
Financial Asset (Investments) - held in Trust	12 (b)	-	198,684,178
Property, Plant and Equipment	13	937,363	945,500
Intangible Asset	14	4,294,947	275,413
Consumable Asset	15	-	16,250
Total		6,833,901,792	6,105,133,138
Liabilities			
Member deposits	16 (i)	4,115,214,868	3,603,909,879
Member's savings	16 (ii)	53,708,280	28,912,100
Trade payables	10	59,718,491	47,951,965
Sundry creditors	12 (b)	-	198,684,178
Interest bearing liabilities	7	226,373,508	259,026,136
Interest on member's deposits	1	461,501,156	404,598,830
Insurance Fund	15	13,229,286	14,216,423
Proposed dividends	18	100,438,714	83,247,429
Provision for ECL	9(ii)	4,911,773	
Tax Payable	20	2,073,445	816,939
Total liabilities		5,037,169,521	4,641,363,878
Equity			
Share capital	21	514,918,716	448,201,061
Reserves	22	786,217,958	595,378,715
Retained Earnings	23	495,595,597	420,189,485
Total Equity		1,796,732,271	1,463,769,261
Total liabilities and equity		6,833,901,792	6,105,133,138



The financial statements on pages 9 to 35 were approved and authorised for issue by the Board of Directors on 12th January 2026 and were signed on its behalf by:

Chairman	Amos Mwita	
Treasurer	Eli Waweru	
Hon. Secretary	Frida Mitei	
Chief Executive Officer	Pauline Gichuki	
Finance Manager	Jackline Kimani	

The notes on pages 14 to 35 form an integral part of these financial statements.
 Report of the independent auditor - pages 7 and 8.

Co-operative Bank Regulated Non-WDT Sacco Society Limited CS /4217
Annual Report and Financial Statements
For the Year Ended 31st December 2025

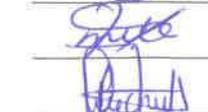
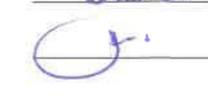
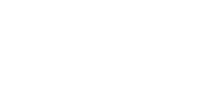
STATEMENT OF CHANGES IN EQUITY

Notes	Share capital Kshs	Statutory Reserve Kshs	General Reserve Kshs	Revaluation Reserve Kshs	Retained Earnings Kshs	Total Equity Kshs
As at January 2025	448,201,061	271,216,639	270,371,942	53,790,132	420,189,485	1,463,769,259
Surplus for the year					317,805,543	317,805,543
Revaluation of shares investments				73,459,676		73,459,676
Shares issued during the year	66,717,655					66,717,655
Proposed dividend					(99,388,975)	(99,388,975)
Proposed Honoraria					(8,300,000)	(8,300,000)
Proposed staff bonus					(9,520,957)	(9,520,957)
Transfer (20%)of Net operating surplus to statutory Reserve		78,253,044			(78,253,044)	-
Transfer to General Reserve			39,126,522		(39,126,522)	-
Increase in expected Credit Loss					(7,809,933)	(7,809,933)
At end of period	514,918,716	349,469,683	309,498,464	127,249,808	(309,498,464)	1,796,732,267

Chairman Amos Mwita
Treasurer Eli Waweru
Hon. Secretary Frida Mitei
Chief Executive Officer Pauline Gichuki
Finance Manager Jackline Kimani

Co-operative Bank Regulated Non-WDT Sacco Society Limited CS /4217
Annual Report and Financial Statements
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STATEMENT OF CASH FLOWS

	Notes	2025 Kshs	2024 Kshs
Cash flows from operating activities			
Interest on loans and other receipt	2a	694,210,162	591,431,124
Interest payment on deposits	4(i)	(404,465,365)	(353,418,699)
Other interest paid	4 & 10	(26,691,568)	(35,001,508)
Payment to employees and suppliers	5	(83,088,986)	(72,199,695)
Other operating income	3	39,381,244	27,573,133
Corporation Tax Paid	20	(2,716,414)	(4,415,523)
Net Change before Working Capital		216,629,073	153,968,832
Loans to members	11	(787,184,628)	(659,266,070)
Increase/(Decrease) in inventory	15	16,250	20,350
Debtors and prepayments	8&9	(10,079,413)	(9,217,413)
		(797,247,791)	(668,463,134)
Decrease/(increase) in operating liabilities			
Deposits from members	16	536,101,169	414,180,285
Trade and accrued expenses	10	(11,614,056)	(10,038,504)
Insurance fund	19	(987,137)	(2,387,866)
Honoraria Paid	10	(7,000,000)	(7,000,000)
Staff bonus	10	(7,754,345)	(5,944,295)
Net cash from operating activities before income taxes		508,745,632	388,809,620
Net cash generated from/(used in) operating activities		(71,873,086)	(125,684,682)
Investing activities			
Interest received	2b & 8	16,014,984	47,565,411
Dividend Received	3	186,489,744	110,795,644
Purchase of property, plant and equipment	13	(295,657)	(290,925)
New System acquisition WIP	14	(4,019,534)	(275,413)
		198,189,537	157,794,717
Financing activities			
Net Dividends Paid	18	(82,197,690)	(57,796,828)
Bank loan repaid	7	(32,652,628)	(65,162,078)
Share Capital for the year	21	66,717,655	110,165,065
Net cash generated from/(used in) financing activities		(48,132,664)	(12,793,841)
Movement in cash and cash equivalents			
At start of year		375,430,739	356,114,547
Increase/(decrease) in cash and cash equivalents		78,183,787	19,316,192
At end of Year		453,614,525	375,430,739
Chairman	Amos Mwita		
Treasurer	Eli Waweru		
Hon. Secretary	Frida Mitei		
Chief Executive Officer	Pauline Gichuki		
Finance Manager	Jackline Kimani		