

STIMA INVESTMENT  
CO-OPERATIVE SOCIETY LTD  
ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
**2017**



**Investment Co-operative  
Society Ltd**

You Invest, We Multiply

[www.stimainvestment.co.ke](http://www.stimainvestment.co.ke)





## CORE PURPOSE

To create wealth for our members.

## VISION

Innovative in wealth creation.

## MISSION

To invest member funds in the most viable and secure ventures through prudent management of resources to secure maximum returns, growth and sustainability.

## CORE VALUES

1. **Innovative** - We are innovative in meeting our customers current and changing needs while taking calculated risks in wealth creation.
2. **Caring** – We care about our customers lives and investments and we are passionate in ensuring that they are secured and grown.
3. **Team work** - We work hard together as a team, because we understand that we are all critical to the success of SIC –Each role matters.
4. **Integrity** – We uphold integrity in all our operations. We are reliable.
5. **Professionalism**- We shall ensure we remain professional in all our dealings both in our internal and external stake holders

*You invest, We multiply*

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**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31/12/2017**

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**SOCIETY INFORMATION**

**BOARD OF DIRECTORS**

Mr.Sigilai Kirui	-		National Chairman
Mr.Augustus Nyarotso	-	Re - Elected on 24 <sup>th</sup> March 2017	National Vice Chairman
Mr.Christopher Muhanji	-		National Treasurer
Ms. Angelicah Kinyumuh	-		Hon. Secretary
Ms. Beatrice Kipngok	-		Member
Mr.Dick Kwinga	-	Re - Elected on 24 <sup>th</sup> March 2017	Member
Ms. Ann Muthiga	-		Member
Ms. Caroline Odipo	-		Member
Mr. Francis Njoroge	-	Elected on 24 <sup>th</sup> March 2017	Member
Nelson Irungu	-		Chief Executive Officer

**SUPERVISORY COMMITTEE**

Eng. Julius M. Riungu	-		Chairman
Ms. Phyllis Koinange	-	Re - Elected on 24 <sup>th</sup> March 2017	Secretary
Mr. Aden Derrow	-		Member

**REGISTERED OFFICE**

Stima Investment Plaza,  
5th Floor,  
Mushembi Road, Off Limuru Road,  
Parklands Nairobi  
L.R. 209/1430/2  
P.O. BOX 37895-00100  
Tel: 0709 495000, 0709 495100, 0713 905195, 0731 298917  
Email: [customercare@stimainvestment.co.ke](mailto:customercare@stimainvestment.co.ke)  
Website: [www.stimainvestment.co.ke](http://www.stimainvestment.co.ke)

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**SOCIETY INFORMATION (Continued)**

**BANKERS**

**Stima Sacco Society Limited**

Nairobi Branch  
P.O. Box 75629-00200  
Nairobi, Kenya

**Co-operative Bank of Kenya Limited**

Stima Plaza Branch  
P.O. Box 68764-00600  
Nairobi, Kenya

**Rafiki Micro-Finance**

P.O. Box 12755-00400  
Nairobi, Kenya

**Standard Chartered Bank Limited**

Moi Avenue Branch  
Nairobi

**AUDITORS**

**Mbaya & Associates**

Certified Public Accountants (K)  
3rd Floor, Western Heights  
Karuna Road, Westlands.  
P.O. Box 45390-00100,  
Nairobi, Kenya.

# BOARD OF DIRECTORS



Sigilai Kirui  
National Chairman



Augustus Nyarotso  
National Vice Chairman



Chris Muhanji  
National Treasurer



Angelicah Kinyumuh  
Hon. Secretary



Nelson Irungu  
CEO



Beatrice Kipng'ok  
Director



Caroline Odipo  
Director



Ann Muthiga  
Director



Dick Kwiga  
Director



Francis Njoroge  
Director

## SUPERVISORY COMMITTEE



Eng. Julius Riungu  
Supervisory Chairman



Phyllis Koinange  
Supervisory Secretary



Derow Aden Ali  
Supervisory Member

# MANAGEMENT TEAM



Nelson Irungu - CEO



Francis Wambugu  
Projects Manager



Moses Omusamia  
ICT Manager



Robert Nderitu  
Business Development  
& Marketing Manager



Teresiah Ng'ang'a  
Insurance Manager



Erick Okuku  
Ag. Accountant



## NOTICE OF THE ANNUAL DELEGATES MEETING

Notice is hereby given to Stima Investment Co-operative delegates, that the 13<sup>th</sup> Annual Delegates Meeting (ADM) will be held at the Kenya Institute of Curriculum Development (former K.I.E) on Friday 27<sup>th</sup> April, 2018 starting 8.30a.m to transact the following business:-

1. To read the notice convening the meeting.
2. To confirm and adopt minutes of the ADM held on 24<sup>th</sup> of March, 2017.
3. To consider matters arising from the minutes.
4. To consider and if thought appropriate, adopt the following reports:
  1. Report of the National Chairman
  2. Report of the Supervisory Committee
  3. Report from the Auditors for the financial year 2017
5. Address by the Chief Guest.
6. To consider, and if thought appropriate, adopt Financial Statements and the Budget Estimates for the year 2018.
7. To appoint Auditors for the year 2018.
8. To conduct elections for the members of the Board and Supervisory Committees.
9. To transact any other business for which 7 days' notice would have been given

  
ANGELICAH KINYUMUH  
HON. SECRETARY  
12<sup>th</sup> April, 2018

**MINUTES OF THE 12TH ANNUAL DELEGATES MEETING OF STIMA INVESTMENT CO-OPERATIVE SOCIETY LTD HELD ON 24TH MARCH 2017 AT THE KENYA SCHOOL OF MONETARY STUDIES, NAIROBI.**

**PRESENT**

**BOARD OF DIRECTORS**

1. Mr. Sigilai Kirui - National Chairman
2. Mr. Chris Muhanji - National Vice Chairman
3. Ms. Angelicah Kinyumuh - Hon. Secretary
4. Mr. Augustus Nyarotso - Director
5. Ms. Beatrice Kipng'ok - Director
6. Mr. Dick Kwinga - Director
7. Ms. Carol Odipo - Director
8. Ms. Ann Muthiga - Director
9. Mr. Nelson Irungu - Chief Executive Officer

**SUPERVISORY COMMITTEE MEMBERS**

1. Ms. Phyllis Koinange - Supervisory Secretary
2. Mr. Aden Derow Ali - Supervisory Member

**DELEGATES**

The meeting was attended by 162 delegates

**IN ATTENDANCE**

1. Lynn Nyongesa - Chief Guest
2. Mr. John Kuria - Provincial Co-operative Officer, Ministry of Industrialization and Enterprise Development  
Industrialization Development
3. Mr. Mike Mbaya - Auditor – Mbaya & Associates
4. Mr. Titus Marago - Auditor – Mbaya & Associates

**APOLOGIES**

1. Mrs. Regina Karauri - National Treasurer
2. Eng. Julius M. Riungu - Supervisory Chairman

### **MIN.ADM/01/17: OPENING REMARKS**

The National Chairman called the meeting to order at 9:15 am followed by a word of prayer from one of the delegates. The Chairman welcomed all and invited the delegates, Board members and Supervisory Committee members present to introduce themselves. The Chief Executive Officer then introduced himself and all other staff members present in the meeting.

### **MIN.ADM/02/17: NOTICE OF THE MEETING**

The Hon. Secretary read the notice convening the 12<sup>th</sup> Annual Delegates Meeting, and upon confirmation of quorum, the meeting was declared legally convened and constituted to carry out its business.

### **MIN.ADM/03/17: CONFIRMATION OF THE MINUTES OF THE ADM HELD ON 4TH MARCH, 2016**

The minutes of the 11<sup>th</sup> ADM held on 4<sup>th</sup> March, 2016 were unanimously confirmed as a true and correct record of the proceedings of the meeting. They were adopted after a proposal by Mr. Daniel Yator of Nakuru KPLC Depot and seconded by Mr. Moses Kamau, delegate Emali.

### **MIN.ADM/04/17: CONFIRMATION OF THE MINUTES OF THE SPECIAL DELEGATES MEETING HELD ON 25TH NOVEMBER, 2016**

The minutes of the Special Delegates Meeting held on 25<sup>th</sup> November, 2016 were unanimously confirmed as a true and correct record of the proceedings of the meeting. They were adopted and proposed by Mr. Joseph Waweru, Nakuru E-House delegate and seconded by Mr. Jeremiah Cheruiyot, delegate Migori.

### **MIN.ADM/05/17: MATTERS ARISING FROM MINUTES OF THE ADM HELD ON 4TH MARCH, 2016**

There were no matters arising from the minutes.

### **MIN.ADM/06/17: MATTERS ARISING FROM MINUTES OF THE SDM HELD ON 25TH NOVEMBER, 2016**

There were no matters arising from the minutes.

### **MIN. ADM/07/17: REPORT OF THE SUPERVISORY COMMITTEE**

The report was presented by the Supervisory Committee Secretary, Phyllis Koinange, on behalf of the Supervisory Committee Chairman Eng. Julius Riungu, who had sent his apology.

The committee noted that the business environment had been particularly challenging during the year under review, which in turn had significant financial as well as economic consequences. Despite this, however, the Society managed to show some significant improvements where Membership grew from 9,310 to 11,670; Share capital grew by 38% from Kshs.973m to Kshs.1,341m and total expenses (excluding interest expense) reduced from Kshs.76.1m to Kshs.75.4m. However, the total income decreased from Kshs. 325m to Kshs. 261m; surplus for the year decreased from Kshs. 237m to 167m, and sale of lands revenue decreased from Kshs. 252m to Kshs.192m.

The committee noted the following issues had still not been fully addressed:- unclaimed dividends had been credited to the accounts of the affected members, but this information had not been communicated to the individual members. The committee recommended that this is done with immediate effect. The committee further reported on the slow issuance of title deeds, and expressed the need to speed up the processing of these titles. The 2<sup>nd</sup> lift in Stima Investment Plaza 2 was reported as not functional, despite the fact that Stima Investment Plaza 2 was completed in 2014 and is now fully occupied. However, the committee informed the delegates that the Board had assured them that the necessary commissioning would be carried out by end of May 2017.

The committee reported that the affairs of the Society had been undertaken with a lot of professionalism at the Board level, management and by the employees of the Society.

It was noted that during the period under review, there was a significant drop in land sales, which was greatly attributed to the slow uptake of the lands and the delay in processing of title deeds on acquired lands. However, the committee reported that the Board had reviewed the land buying process, and a new land policy developed in which land will be acquired through a competitive process.

The committee reported that in an effort to reduce over reliance on the land sales, the Society enacted a Strategic Plan aimed at diversifying and increasing the income streams among them as follows:- an Insurance Agency, Stima Projects Development Company and Agribusiness.

Further, the committee reported that the Society had rolled out the Enterprise Resources Program (ERP) software, which shall interlink all the processes in the Society in an effort to provide real time responses and solutions.

During the year under review, a baseline customer satisfaction survey was undertaken, which placed the satisfaction index at 67%.

The report was unanimously adopted upon proposal by Mr. Robert Abuga, Bomet Depot delegate and seconded by Mr. Patrick Ndirangu, delegate Masinga.

### **MIN.ADM/08/17: STATEMENT BY THE NATIONAL CHAIRMAN**

The Chairman welcomed the Chief Guest, other invited guests and Delegates to the Society's Annual Delegates Meeting.

The Chairman gave an outline of the country's economy in the year under review, which was a set of mixed fortunes as the projected economic growth by the Kenyan Government was about 7%, while the actual G.D.P growth realised was 5.9%. This was due to the rise in inflation, which pushed down disposable income of the Kenyan citizens. The interest rate capping by the Government during the year also saw most of the financial institutions reduce on their lending to customers. This in turn resulted in reduced rate of borrowing by our customers, thus slowing down the sales of the lands, houses and other products.

The Chairman further reported that during the year, there was re-organization in the Ministry of lands and urban development, which led to several of the land registries temporarily closed. This in turn contributed largely to the delay in delivery of title deeds, and further the slow uptake of lands by customers, which led to a significant drop in land sales. However, despite the tough economic year, the asset base increased to Kshs.2.5b against the previous financial period of Kshs. 2.19b.

The Chairman reported that the Society anticipates to operationalise the over the counter trading of shares (OTC) from the second half of the year. Upon operationalization of the OTC, the Society will close direct recruitment of new membership, to facilitate cost effective trading of shares through the OTC.

Our second key strategic option is to diversify the income streams of the Society, so that we can cushion members in years of fluctuations on the main income stream. The Chairman reported that during the year, we managed to streamline the construction company, and it is now fully functional with its first main project being the Stima Plains residential housing development.

The Chairman informed delegates that the final and most critical strategic move is to raise Kshs.1.3b to construct three rental commercial buildings to increase our income from the current Kshs. 50m to Kshs.200m annually. He urged all to impress upon our members to contribute each the agreed additional share capital of Kshs.108,000 within the shortest time possible.

The Chairman's report was unanimously adopted after being proposed by Emmans Otadoh, delegate KPLC Stima plaza, seconded by David Langat – Eldama Ravine, delegate.

#### **MIN.ADM/09/17: ADDRESS BY THE CHIEF GUEST, FORMER DIRECTOR OF ICT, MINISTRY OF LANDS, MRS. LYNNE NYONGESA.**

The National Chairman invited the Chief Guest Mrs. Lynne Nyongesa, former Director of ICT, Ministry of Lands.

The Chief Guest commended the growth of Stima Investment over the past years, and encouraged the society to take the challenges it has been experiencing previously as positive lessons. This she said, will take the Society to the next level.

The Chief Guest informed all that she had picked up the concerns raised by the Chairman on the issue of delayed title deeds to the Society by the Ministry, and further assured all of her commitment to work closely with the Society, especially on the issue of issuance of title deeds for lands sold by the Society.

In conclusion, she congratulated everyone and encouraged all stakeholders to invest.

#### **MIN.ADM/10/17: AUDITORS' REPORT**

The report was presented by Mr. Mike Mbaya and Titus Marago both from Mbaya & Associates, the Society's auditors.

The Auditor gave an unqualified opinion on the financial reports and accounts of the Society. They reported that the Society's financial statements were in agreement with the books kept by the Society, and cash flows for the year ended 31<sup>st</sup> December 2016 were in accordance with the statutory requirements.

The auditors' report was unanimously adopted after a proposal by Mr. Philip Sawe and seconded by Wairimu Njehia from the Institute of Energy Studies.

#### **MIN. ADM/11/17: PRESENTATION OF 2016 ACCOUNTS**

The National Vice-Chairman Mr. Chris Muhanji, presented the report for the year ended 31<sup>st</sup> December, 2016 on behalf of the Treasurer Mrs. Regina Karauri. The revenue decreased from Kshs.

642,799,000 in the year 2015 to Kshs. 470,135,600 in the year 2016. This represented a drop in revenue generated in 2016. The gross profit margin also dropped by 23% from Kshs. 252,153,010 to Kshs. 192,314,016. This was attributed to a decrease in land sales, as well as slow uptake of our Stima Village houses that are on sale. Our surplus before taxation stood at 166,876,555 in 2016, which represents a 29% drop from the previous years' 236,552,521m. The Financial report was adopted after being proposed by Daniel Yator, delegate Nakuru KPLC and seconded by Gilbert Kemboi, delegate Iten Depot.

### **MIN.ADM/12/17: BUDGET ESTIMATES FOR 2017/2018**

The budget was presented by Mr. Chris Muhanji, National Vice-Chairman on behalf the National Treasurer, Mrs. Regina Karauri.

He presented the society revenue estimates at 1.92b, up from an estimate of 1.57b in 2016. Recurrent expenditure was estimated at Kshs.1.39b for 2017 compared to 1.138 b for 2016. Surpluses for the two years were estimated to be Kshs. 527m in 2017 compared to 459m in 2016.

The budget was unanimously adopted having been proposed for approval by Mr. James Mukoya, delegate Kapenguria and seconded by Francis Njoroge, delegate REA.

### **MIN.ADM/13/17: RESOLUTIONS**

The delegates passed the following resolutions:-

#### **1. DIVIDENDS FOR 2016**

That an amount of KSH 154,796,054.00 be paid to the members who were in the members' register on 31.12.2016 and have completed payment of the minimum 300 shares worth KSH 30,000/- and 60,000/- as the case may be, and registration fee as prescribed in the membership policy.

The resolution was proposed by Christine Riaroh, Kisumu E- House Delegate and seconded by Samuel Karanja, delegate Oloitoktok.

#### **2. HONORARIA FOR 2016**

That an amount of Kshs. 912,000.00 be paid out to all the Board and Supervisory members who served in the Society as at 31<sup>st</sup> December 2016.

The resolution was proposed by James Ngugi, delegate Oryx Energies, and seconded by Christine Riaroh, Kisumu E-House delegate.

#### **3. REVIEW OF THE DELEGATES TERM IN OFFICE**

That the term of delegates be increased from the current 1 year to 2 (two) years, for effective delivery of their mandate, to take effect on the date of the next delegates election.

The resolution was proposed by Edwin Marwa, Sotik and seconded by Peter Muchiri, Naivasha KPLC delegate.

## MIN.ADM/14/17: APPOINTMENT OF AUDITORS FOR THE YEAR 2017

The meeting approved award of audit services to M/s Mbayya and Associates for the period to 31<sup>st</sup> December, 2017 at a cost of Kshs 720, 360 (Kenya shillings seven hundred and twenty thousand three hundred and sixty only) inclusive of VAT.

The resolution was proposed by Joseph Wambua, GDC Nakuru, and seconded by Phoebe Okong'o, Kakamega delegate.

## MIN.ADM/15/17: BOARD ELECTIONS

The election was presided over by Mr. John Kuria from the Ministry of Industrialization and Co-operative Development. Mr. Kuria explained that in compliance with the co-operative rules, one third of the Board members were bound to retire annually by rotation. The officer thereby declared vacant the seats of the retiring Board members namely Mrs. Regina Karauri, Mr. Dick Kwinga and Mr. Augustus Nyarotso who were eligible for re-election. Seven candidates were proposed and seconded as follows:-

1. **Mr. Francis Njoroge**, proposed by Mr. Haniel Mwangi seconded by Ms. Lillian Ochieng.
2. **Ms. Hogla Wanjohi**, proposed by Mr. Joseph Waweru seconded by Mr. Stanley Muiruri.
3. **Mr. Emmans Otadoh**, proposed by Mr. Robinson Odhiambo seconded by Mr. Jacob Ayub.
4. **Mr. Bill Wachira**, proposed by Ms. Christine Riaroh seconded by Mr. David Serem.
5. **Mr. Augustus Nyarotso**, proposed by Mr. Robert Wasike seconded by Mr. Mark Okunga.
6. **Mr. Francis Memia**, proposed by Mr. Moses Kamau seconded by Mr. Jotham Soita.
7. **Mr. Dick Kwinga**, proposed by Mr. Chepkemoi Kimalel seconded by Mr. James Ngugi.

Voting was done by show of hands, and the returning officer, upon counting the votes declared Mr. Augustus Nyarotso, Mr. Dick Kwinga and Mr. Francis Njoroge duly elected to the positions of Directors of Stima Investment Co-operative Society Ltd.

## MIN.ADM/16/17: SUPERVISORY COMMITTEE ELECTIONS

The Co-operative Officer explained that Ms. Phyllis Koinange, Supervisory Committee Secretary, was due for retirement and being eligible, was offering herself for re-election. He further invited any other delegate who wished to be considered for the position to offer themselves.

Three candidates were proposed and seconded as follows:-

1. **Mr. Alfred Mbinda**, proposed by Mr. Oshwald Ngeti seconded by Mr. Stanley Muiruri.
2. **Ms. Phyllis Koinange**, proposed by Mr. Daniel Yator seconded Ms. Beatrice Wairegi.
3. **Mr. Philip Sawe**, proposed by Mr. David Langat seconded by Mr. Moses Ndegwa.

The Returning Officer, upon counting the votes through show of hands declared Ms. Phyllis Koinange, duly elected a member of the Supervisory Committee.

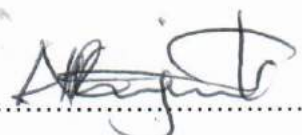
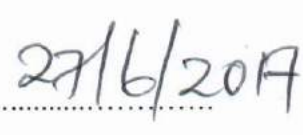
**MIN.ADM/17/17: NOTICE OF MOTION TO AMEND SOCIETY BY-LAWS**

A Notice of motion by Mr. Joseph Wambua, Delegate GDC Nakuru, to amend the society by-laws to consider delegates from other areas apart from Nairobi to be elected to the Board was debated by the delegates, but was not concluded. It was agreed that the motion will be revisited in the next Annual Delegates Meeting.

**MIN.ADM/18/17: CLOSING REMARKS**

After confirming from the Hon. Secretary that there was no other business for which seven days' notice had been given as provided for in the Society by-laws, the Chairman adjourned the meeting at 4.35 p.m.

CHAIRMAN..........DATE.....

SECRETARY..........DATE.....



**STATEMENT BY THE NATIONAL CHAIRMAN, STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED, DURING THE 13TH ANNUAL DELEGATES' MEETING HELD AT THE KENYA INSTITUTE OF CURRICULUM DEVELOPMENT ON THE 27TH OF APRIL 2018.**

Our Chief Guest – Dr. Gideon Muriuki

Nairobi County Cooperatives Officer

My fellow members of the Board of Directors

Members of the Supervisory Committee

Fellow delegates

Distinguished guests

Ladies and gentlemen

May I take this opportunity, on behalf of the Board of Directors, Management, and staff of Stima Investment Cooperative Society Ltd., to welcome you all to this years' Annual Delegates' Meeting. It is a great pleasure to be with you as we deliberate on the progress of our Society, **Karibuni Sana.**

**Kenya Macro Economic overview**

The Kenyan economy in 2017 recorded a decline in growth compared to the year 2016. According to data from the Kenya National Bureau of Statistics, the projected economic growth by the Kenyan Government was about 7%, while the actual G.D.P growth realised 5.9%. This was due to the rise in inflation, which pushed down disposable income of the Kenyan citizens. This scenario, coupled with the long electioneering period during the year, led to most of the listed companies, Co-operative Societies and SACCOs in Kenya issuing profit warnings to their shareholders. The interest rate capping by the Government during the year also saw most of the financial institutions reduce on their lending to customers. This in turn resulted in reduced rate of borrowing by our customers, thus slowing down the sales of our lands, houses and other products.

During the year, the extended electioneering and political activity period also affected our Society's business and generally made our customers adopt a wait and see attitude towards buying our plots and houses, which has led to a significant drop in our land sales from **Kshs. 470m** in 2016 to **Kshs. 249m** in 2017, a **52%** drop in sales. Due to this, the profit from land business which accounts for 80% of our business reduced by **27%** from **Kshs. 192m** in 2016 to **Kshs. 151m** in 2017.

Fellow delegates, in spite of the reduced trading results in 2017, I would like to assure you that your Society is still solid and stable. As shown in the Financial Report, our asset base increased from **Kshs. 2.5 billion** in 2016 to **Kshs. 2.8 billion** in 2017 and share capital increased from **Kshs. 1.3 billion** in 2016 to **Kshs. 1.6 billion** in 2017. The total assets held for sale during the year was **Kshs. 1.5 billion**, while our total liability reduced from **Kshs. 1 billion** in 2016 to **Kshs. 816 million** in 2017. All we need to do in order to return to higher profitability and dividends in 2018 is join hands to sell the assets held for sale and other new products.

## Major Planned Projects:

During the year 2018, the Society will endeavour to undertake the following major Projects:

- Kangundo Road Housing Project, which will entail construction of 327 units at an anticipated cost of **Kshs 1.5 billion** and expected income of **Kshs300 million**. This will be done through partnership with financiers and developers.
- Parklands Commercial building, which will involve construction of commercial/residential units at an estimated cost of **Ksh 600 million** and expected income of **Kshs 150 million** This will also be implemented under joint venture arrangement.
- Pangani Heights, which will be implemented as joint venture with other investors, taking advantage of the Government's low cost housing initiative.

## Staff Reorganization

To every Organization, employees are the most important asset that drives it to achieve its goals and strategies. During the year, the Board commissioned a Consulting firm to review the Organization Structure and undertake a staff audit to assess the skills gaps, remuneration and overall employee job satisfaction, with a view to motivating, attracting and retaining competent and committed staff that will turn around the Society. The Consultant's Report will be implemented in 2018.

## Dividend payments.

In view of the reduced trading results in 2017 mentioned earlier, the Board of Directors recommends sharing of the net income of **Kshs. 58 million** by paying dividends on the members' shares at the rate of 3.5% per share on a weighted method for all the fully paid up shares as at 31<sup>st</sup> December, 2017.

## Future Outlook.

Fellow delegates, in spite of the reduced profitability realised by the Society in 2017, the Board of Directors and Management are determined to put in place measures to turn around the low fortunes of 2017. Our drive for diversification to other income generating streams is alive and is intended to reduce over-reliance on our traditional lands sale business. In this endeavour, I wish to confirm that the following business streams have been fully set up and now expected to supplement our incomes for this year:-

- Stima Investment Insurance Agency Ltd
- Stima Investment Projects Development Company Ltd
- Stima Investment Real estate Agency

The above business streams will cushion members in years of fluctuations on the main income streams from land and houses. Additionally, we shall institute various cost cutting measures on our operating expenditure.

## Appeal to stakeholders

Dear delegates, for the Society to successfully achieve its goal of creating wealth for its members, it needs you and me to work together, support each other, but more importantly be good ambassadors of the Society. We must at all times patronise the products sold by the Society and market them to our members and the public. Specifically, we must enhance our shares and capitalise our dividends in order to raise capital that will be invested to generate more income and profits. Let us all cooperate in supporting the planned projects and programmes and seek to defend the Stima Investment brand which we have jointly built over the last decade or more, in order to realise better returns in future. I urge members to continuously protect and promote the image and the Society brand in all fora. As we are all aware, organizations are always destroyed by negative publicity and propagation of negative rumours.

## Conclusion

As I conclude, I would like to convey my gratitude, on behalf of the Board, Management, and staff of the Society, to you, fellow delegates, our members and all our stakeholders and business partners for their support without which the Society's continued growth and performance would not have been possible.

I would also like to recognize and appreciate our Guest of Honour, Dr. Gedion Muriuki, the Co-operative Bank fraternity, friends and supporters within the cooperative movement, the Commissioner for Cooperative Development and his staff, for their continued guidance and support.

Thank you.



**MR. SIGILAI KIRUI**

**NATIONAL CHAIRMAN**

**STIMA INVESTMENT COOPERATIVE SOCIETY LTD.**

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
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**REPORT OF THE MANAGEMENT COMMITTEE.**

The members of the management committee submit their annual report together with the audited financial statements for the year ended 31<sup>st</sup> December 2017.

**Incorporation**

The society is incorporated in Kenya under the Cooperative Societies Act. Cap 490 of 1997 amended 2004 and is domiciled in Kenya.

**Principal activity.**

The principal activity of the society is investment.

<b>Results</b>	<b>31.12.2017</b>	<b>31.12.2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Surplus before tax	66,812,012	166,876,555
Income Tax expense	6,317,551	10,554,921
Net Surplus (deficit) after Tax	2,035,936	1,525,580
Retained surplus for the year	1,628,749	1,220,464
Rebates on members' share capital	58,458,525	154,796,054

**Management Committee**

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

**Auditors**

Mbaya & Associates, Certified Public Accountants (K), who were re-appointed during the year have expressed their willingness to continue in office in accordance with the Co-operative Societies (Amended ) Act,2008

**By order of management committee**

Signature..... Date. 19/04/2018  
 Secretary.

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31/12/2017**

### STATISTICAL INFORMATION

	31.12.17	31.12.16	
Membership - Active	13,456	9,032	49%
- Dormant	109	278	-61%
	13,565	9,310	46%

### FINANCIAL

	Kshs.	Kshs.	
Total Assets	2,869,685,534	2,576,174,377	11%
Current assets	1,953,213,513	1,623,217,441	20%
Investments	43,892,716	34,858,285	26%
Members Funds/Equity	2,053,661,663	1,565,496,932	31%
Non Current Loan	379,454,447	191,960,972	98%
Total Liabilities	816,023,871	1,010,677,445	-19%
Core capital	2,053,661,662	1,565,496,932	31%
Share capital	1,670,243,563	1,341,598,451	24%
Institutional Capital	382,385,724	226,330,629	69%
Total Revenue	223,934,549	261,533,074	-14%
Total Expenditure	(157,122,538)	(94,656,518)	66%
Surplus Before Distribution Items	66,812,012	166,876,555	-60%
Rebates to members' share capital	58,458,525	154,796,054	-62%

### KEY RATIOS

#### Profitability

Gross profit margin = Gross profit/income	60.7%	40.9%
Return on shareholder fund = profit before tax/shareholders fund	0.4%	0.8%

#### Liquidity Ratio

Current ratio = Current Assets/Current Liabilities	447.4%	198.3%
Cash ratio = cash equivalence/current liabilities	8.1%	7.1%

#### Financing

Gearing ratio = Total liabilities/shareholders funds		
Total liabilities	39.7%	64.6%
Interest cover = operating profit/interest expense	15.6%	64.1%

#### Capital Adequacy Ratio

Core Capital/ Total Assets	13.4%	8.7%
Institutional Capital/ Total Assets	71.6%	60.8%

#### Operation Efficiency

Total operating Expenses/ Total Revenue	142.5%	276.3%
Rebates Rate	3.5%	17.0%

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
**FOR THE YEAR ENDED 31/12/2017**  
**STATEMENT OF THE MANAGEMENT COMMITTEE'S RESPONSIBILITIES**

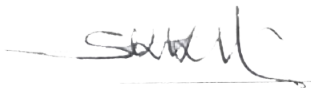
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The Societies Act requires the management committee to prepare Financial Statements for each year which give a true and fair view of the state of affairs of the Society as at the end of the financial year and of the operating results of the Society for that year. It also requires the management committee to ensure the Society keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society. They are also responsible for safeguarding the assets of the Society.

The management committee accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Accounting Standards and in the manner required by the Co-operative Societies Act.

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. The management committee further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial 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.

 Chairman

19/04/2018  
Date

 Treasurer

19/04/2018  
Date

CS/10856  
**STIMA INVESTMENT CO-OPERATIVE SOCIETY  
 LIMITED**  
**FOR THE YEAR ENDED 31/12/2017**  
**AUDITOR'S REPORT**

**To the Members of Stima Investment Cooperative Society Limited**

**Auditors Report on the Financial Statements**

We have audited the financial statements of Stima Investment Cooperative Society Limited, which comprise the statement of comprehensive income, statement of financial position as at 31 December 2017, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the Management committees' report, as set out on pages 2 to 22.

In our opinion, the financial statements give a true and fair view of the state of financial affairs of the company as at 31 December 2017 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 Cooperative Society's Act.

**Basis for our opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, 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 a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>1. Assets Held for Sale</b>            Assets held for sale forms 46% of the total assets. These represent all parcels of land of the Society not sold during the year and any new stock acquired during the year or transfers from investment property. We consider this a key audit matter because these parcels of land are held in trust for the members. They are sold off to willing buyers and the income generated is used in settling the obligations of the Society and for the benefit of the members in form of dividend allocation after taxation. If the assets held for sale are misstated, the resultant statement of financial position will also be misstated.</p> <p><b>2. VAT control account</b>            VAT control account records all the VAT on sales and purchases. At the year end, it had a balance of Kshs 76,430,379 as per the system whereas i-tax has a balance of Kshs 101,956,660. There is unreconciled difference of Kshs 25,526,291 between the two. We consider this a key audit matter since the amount is significant and remains unreconciled.</p>	<p>We verified the Society's policies for investment in land and assessed their reasonableness. We also verified the management assertions for assets held for sale namely: existence, accuracy and completeness.            We recomputed the assets held for sale amounts by determining the vendor amount of each parcel of land acquired during the year, cost of sales, income generated from land sales and the remaining assets held for sale.</p> <p>We verified the VAT balance with the balance at the end of the year as per i-tax portal and the balances did not agree.</p>

### 3. Revenues

The revenues generated by the Society have slightly decreased by 14% from the previous year. Revenues comprise of land sales, rental income, interest income, income from house sales and other operating income as set out in notes 2 to 7 on the financial statements. We considered this a key audit matter because all revenues generated by the Society should be recognized in tandem with the Society's revenue recognition policy. Misstatement of revenues creates an inherent risk of fraudulent revenue recognition and gives a false representation of the profit and loss position of the Society.

### 4. Share Capital

The share capital constitutes 58% of the total liabilities. This amount during the year stood at Kshs. 1.67 Billion as shown under Note. 12. It summarizes the total value of shares that the Society's members hold.

The minimum number of shares held by each member is 300 shares at Ksh. 200 each as stipulated by the Society's By-laws.

We consider this a key audit matter since it denoted non-withdrawable funds that the Society holds.

### 5. Investment property

Investment property comprises 29% of the total assets. The investment property at the end of the year stood at Kshs. 825 Million as under Note. 20.

This is a key audit matter because any significant rise of investment property will affect the liquidity ratio of the Society.

In addition, we considered this a key audit matter due to transfers of some parcels of land under investment property to assets held for sale in the course of the year.

### 6. Internal Control systems

Internal controls systems consist of laid down policies and procedures, Information Technology system and security measures. This assures achievement of the Society's objectives in operational effectiveness, efficiency and security of activities. It also enables accuracy of information, reliable financial reporting, and compliance with laid down laws, regulations and policies.

We consider this a key audit matter because internal controls are effective in reducing the risk of error and fraudulent activities that may result into incomplete and inaccurate information.

We assessed the revenue recognition criteria used by the Society and verified this against the revenues reported by the Society for the current financial year.

We also verified the management's assumptions of completeness, accuracy and existence of revenue.

We obtained the members register and verified the shareholding as per the requirements of the by-laws.

Share capital forms the backbone of the Society and misstatement of the share capital means that the dividends declared to members may not reflect the true position.

We recomputed the cost of investment property at the end of the year by verifying the disposals of investment property during the year.

In addition to this, we recomputed the amortization charged for the year in accordance with International Accounting Standard 40.

We evaluated the nature of the Society's internal controls to ensure they are properly designed to cater for all probable risks.

We also obtained understanding of key internal control processes and the management's monitoring of these controls to ensure proper implementation.



### Directors' Responsibility for the Audited Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### Auditors' Responsibility

Our responsibility is to express an opinion on these audited 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 whether the audited financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the audited financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the audited 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 audited 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 management, as well as evaluating the overall presentation of the audited financial statements.

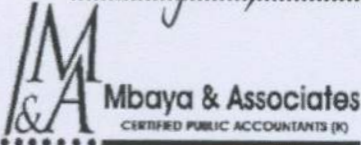
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Report on Other Legal and Regulatory Requirements

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

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- In our opinion proper books of account have been kept by the Society, so far as appears from our examination of those books; and
- The Society's statement of financial position and profit and loss account are in agreement with the books of account.

The Engagement Partner responsible for the audit resulting in this independent auditor's report is CPA Andrew Bulemi Practicing No 2071.

*Mbaya & Associates*  
**Mbaya & Associates**  
CERTIFIED PUBLIC ACCOUNTANTS (C)

MBAYA & ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS  
P. O. Box 45390-00100, NAIROBI.

Date: *19 April 2018*

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31/12/2017**

**INCOME STATEMENT**

	NOTES	2017 Kshs.	2016 Kshs.
<b>INCOME</b>			
Land sales	2	249,299,000	470,135,600
Less : cost of sales	3	(98,013,944)	(277,821,584)
<b>Net Income From Land</b>		<b>151,285,056</b>	<b>192,314,016</b>
Rental income	4	52,049,441	50,915,872
Interest income	5	521,148	104,747
Other Operating Income	6	17,553,905	15,820,313
Income from house sales	7	2,525,000	2,378,126
		<b>72,649,494</b>	<b>69,219,058</b>
<b>Total Income</b>		<b>223,934,549</b>	<b>261,533,074</b>
Administrative expenses	9	(81,484,652)	(75,358,251)
Other operating expenses	10	(75,637,886)	(19,298,267)
<b>Total Expenses</b>		<b>(157,122,538)</b>	<b>(94,656,518)</b>
<b>NET SURPLUS/ DEFICIT BEFORE REBATES &amp; TAX</b>		<b>66,812,012</b>	<b>166,876,555</b>
Provision for Rebates	8	(58,458,525)	(154,796,054)
<b>Net operating surplus before tax</b>		<b>8,353,487</b>	<b>12,080,501</b>
Current year income Tax charge	22	(6,317,551)	(10,554,921)
<b>Net surplus after tax</b>		<b>2,035,936</b>	<b>1,525,580</b>
Transfer to statutory reserve		(407,187)	(305,116)
<b>Retained surplus for the year</b>		<b>1,628,749</b>	<b>1,220,464</b>
<b>Rebates rate</b>		<b>3.5%</b>	<b>17.0%</b>

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31/12/2017**

**STATEMENT OF FINANCIAL POSITION**

		2017	2016
<b>REPRESENTED BY</b>	NOTES	<b>Kshs.</b>	<b>Kshs.</b>
<b>Non-Current Assets</b>			
Property and equipments	19	46,731,925	47,117,477
Investment Property	20	825,847,380	870,981,174
Other Financial assets	21	43,892,716	34,858,285
		<u><b>916,472,021</b></u>	<u><b>952,956,936</b></u>
<b>Current Assets</b>			
Cash and cash equivalent	11	3,142,101	30,934,752
Trade & Other Receivables	13	350,581,608	338,186,968
Assets held for sale	17	1,567,079,804	1,226,765,721
Other short-term investments	18	32,410,000	27,330,000
		<u><b>1,953,213,513</b></u>	<u><b>1,623,217,441</b></u>
<b>TOTAL ASSETS</b>		<u><b>2,869,685,534</b></u>	<u><b>2,576,174,377</b></u>
<b>Non current Liabilities</b>			
Long term Loans	15	<u>379,454,447</u>	<u>191,960,972</u>
<b>Current Liabilities</b>			
Rebates payable	8	64,245,589	200,293,313
Tax payable	22	4,151,595	6,402,720
Trade payables & accrued expenses	14	368,172,240	612,020,440
		<u>436,569,423</u>	<u>818,716,473</u>
<b>TOTAL LIABILITIES</b>		<u><b>816,023,871</b></u>	<u><b>1,010,677,445</b></u>
<b>SHARE HOLDERS' FUND</b>			
Share capital	Page 8	1,670,243,563	1,341,598,451
Reserves	16	383,418,100	223,898,481
<b>TOTAL SHAREHOLDERS' FUND</b>		<u><b>2,053,661,663</b></u>	<u><b>1,565,496,932</b></u>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' FUND</b>		<u><b>2,869,685,534</b></u>	<u><b>2,576,174,377</b></u>

The financial statements on pages 7-22 were authorized for issue by the management committee on..... and signed on its behalf by:

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

CS/10856

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED  
ANNUAL REPORT & FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31/12/2017**

**STATEMENT OF CHANGES IN EQUITY**

	<b>SHARE CAPITAL</b>	<b>RETAINED EARNINGS</b>	<b>SHARE PREMIUM</b>	<b>STATUTORY RESERVES</b>	<b>REVALUATION RESERVE</b>	<b>OTHER RESERVE</b>	<b>TOTAL EQUITY</b>
As at 1st January, 2017	1,341,598,451	(9,497,229)	122,419,253	4,778,629	105,165,452	1,032,376	1,565,496,932
Changes in fair value of financial Assets	-	3,464,523	-	-	-	-	3,464,523
Restated Balance	<b>1,341,598,451</b>	<b>(6,032,706)</b>	<b>122,419,253</b>	<b>4,778,629</b>	<b>105,165,452</b>	<b>1,032,376</b>	<b>1,568,961,455</b>
Surplus/ (Deficit) for the year	-	2,035,936	-	-	-	-	2,035,936
Additions	475,899,324	-	-	-	-	-	475,899,324
Transfers to Share premium	(154,019,159)	-	154,019,159	-	-	-	-
Transfer to statutory reserve	-	(407,187)	-	407,187	-	-	-
Transfers from Creditors	6,764,947	-	-	-	-	-	6,764,947
As at 31st Dec 2017	<b>1,670,243,563</b>	<b>(4,403,958)</b>	<b>276,438,412</b>	<b>5,185,817</b>	<b>105,165,452</b>	<b>1,032,376</b>	<b>2,053,661,662</b>

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31/12/2017**

**CASHFLOW STATEMENT**

	<b>2017</b>	<b>2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
Net Income from land sales	151,285,056	192,314,016
Rental income	52,049,441	50,915,872
Other operating income	7,900,480	10,955,715
Income from sale of houses	2,525,000	2,378,126
Payment to employees & suppliers	(60,887,907)	(75,805,640)
	<b>152,872,070</b>	<b>180,758,089</b>
<b>Increase /Decrease in operating Assets</b>		
Trade & other receivables	(12,394,640)	80,597,139
Asset held for sale	(340,314,083)	(325,305,076)
<b>Increase /Decrease in operating Liabilities</b>		
Trade payables & accrued expenses	(237,681,751)	70,521,484
<b>Net Cash flow From Operation before tax</b>	<b>(437,518,404)</b>	<b>6,571,635</b>
Tax paid	(8,568,676)	(13,614,551)
<b>Net Cash flow From Operation after tax</b>	<b>(446,087,080)</b>	<b>(7,042,916)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Purchase of shares	-	(7,509,000)
Dividend received	5,624,994	4,864,598
Interest received	521,148	104,747
Other short-term investment	(5,080,000)	(100,000)
Purchase of PPE	(4,864,943)	(13,199,588)
Purchase of Investment Property	-	(135,327,900)
<b>Net Cash flow from Investing Activities</b>	<b>(3,798,801)</b>	<b>(151,167,143)</b>
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
Increase/Decrease in Share capital	328,645,112	368,585,994
Rebates and honoraria paid	(194,506,249)	(179,495,606)
Net loan Financing	133,935,208	(69,357,202)
Increase/Decrease in Share premium	154,019,159	32,332,136
<b>Net Cash flow from Financing Activities</b>	<b>422,093,230</b>	<b>152,065,322</b>
<b>Net Increase/Decrease in Cash &amp; Cash Equivalent</b>	<b>(27,792,652)</b>	<b>(6,144,737)</b>
Cash &Cash Equivalent at the beginning	30,934,752	37,079,489
<b>Cash &amp; Cash Equivalent at the End</b>	<b>3,142,101</b>	<b>30,934,752</b>

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31/12/2017**

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**1. Summary of significant accounting policies**

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

**a. Statement of compliance & basis of preparation**

The financial statements are prepared in accordance and comply with international financial reporting standards. Financial statements are presented in the functional currency, Kenya shillings and prepared under historical cost convention, as modified by revaluation of certain assets as prescribed by International Financial Reporting Standards (IFRSs).

**b. Revenue recognition**

Revenue on sale of land to members is recognized upon payment of more than 25% of the cost which is calculated based on the market prices and additional cost incidental to the land in question. The balance is receivable within 3 months thereafter. Interest from bank, Dividends from share investments are recognized as when earned. Rental income is recognized net of VAT.

**c. Depreciation/ Amortisation**

Depreciation is calculated on a straight-line basis to allocate the costs or revalued amounts over their estimated useful lives as follows:

<b>Land</b>	<b>Lease period of 99 years</b>
Buildings	2.5%
Furniture, fittings and equipments	12.5%
Software	20%
Computers and accessories	30%

**d. Land amortization**

Land amortization is done depending on the remaining lease years of each leasehold property. The asset's residual value and lives are reviewed, Adjusted if appropriate at each balance sheet date.

**e. Apportionment of Expenses**

The expenses are apportioned as follows:

<b>Expense</b>	<b>Stima Investment</b>	<b>Land business</b>
Committee Expenses	20%	80%
Administrative expenses	20%	80%
Financial Expenses	50%	50%
Members Expenses	50%	50%
Other Expenses	50%	50%
Professional Expenses	50%	50%

**f. Financial Assets**

The society has classified its financial instruments into the following categories:

- Held to maturity investment:** These comprise non-derivative financial assets with fixed or determinable payments and fixed maturity that the society has a positive intention and ability to hold to maturity.

- ii. **Land Debtors and other receivables:** These comprise non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, and excludes assets which the society intends to sell immediately or in the near-term or those which the society upon initial recognition designates as at fair value thought profit or loss .
- iii. **Available-for-sale :** These comprise non-derivative financial assets that are not classified under any of the other categories of financial assets.

**g. Tax**

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

**h. Statutory Reserves.**

Transfers are made to the statutory reserves fund at a rate of 20% of net operating surplus after tax provision of section 47 (1&2) of the cooperative societies act Cap 490.

**i. Trade and other payables**

Trade and other payables are recognized initially at fair values and subsequently measured at amortized cost using the effective interest rate method.

**j. Cash and cash equivalents**

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 insignificant risk of changes in value.

**k. Borrowings**

Borrowing costs, net of any temporary investment income on those borrowings, that are attributable to acquisition, construction or production of a qualifying asset are capitalized as part of the asset. The net borrowing cost capitalized is either the actual borrowing cost incurred on the amount borrowed specifically to finance the asset; or in the case of general borrowings, the borrowing cost is determined using the overall weighted average cost of the borrowings on all outstanding borrowings during the year less any specific borrowings directly attributable to the asset and applying this rate to the borrowing attributable to the asset. Capitalization of borrowing costs ceases when all activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other borrowing costs are recognized in the profit or loss in the year in which they are incurred.

**l. Investment properties**

“Investment properties are long-term investments in land and buildings that are not occupied substantially for own use. Investment properties are initially recognized at cost and subsequently carried at fair value representing open market value at the reporting date and is determined annually by independent external registered values. Changes in fair value are recorded in profit or loss.

Subsequent expenditure on investment properties where such expenditure increases the future economic value in excess of the original assessed standard of performance is added to the carrying amount of the investment property. All other expenditure is recognized as an expense in the year which it is incurred.

Gains and losses on disposal of investment property are determined by reference to their carrying amount and are taken into account in determining operating profit.”

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31/12/2017**

<b>2 LAND SALES</b>	<b>2017</b>	<b>2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Rangau	81,220,000	189,380,000
Malindi	80,450,000	98,580,000
Konza 3	17,424,000	86,267,600
Isinya Valley	15,405,000	-
Juja land	10,175,000	14,000,000
Green Isinya	9,360,000	-
Bahati Special	9,000,000	-
Riat	7,000,000	47,600,000
Konza Special	5,700,000	-
Naivasha	5,700,000	2,800,000
Lamu 2	3,360,000	16,320,000
Kakamega special	2,400,000	-
kitengela 1 special	1,200,000	-
Thika 2 special	480,000	-
Lamu	425,000	2,448,000
Ukunda	-	12,740,000
	<b><u>249,299,000</u></b>	<b><u>470,135,600</u></b>
<b>3 Cost of Sales</b>		
Malindi	43,333,229	57,176,400
Rangau Special	21,690,016	113,628,000
Isinya Valley	7,105,722	-
Konza 3	5,997,426	51,131,524
Green Isinya	4,989,859	-
Konza Special	2,907,314	-
Riat	2,665,523	27,440,000
Bahati Special	2,496,839	-
Naivasha	2,353,035	1,568,000
Juja Special	2,183,410	8,400,000
Lamu 2	1,087,570	9,792,000
Kakamega special	619,882	-
kitengela 1 special	269,910	-
Thika 2 special	168,606	-
Lamu	145,602	1,395,360
Ukunda	-	7,290,300
	<b><u>98,013,944</u></b>	<b><u>277,821,584</u></b>



**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31/12/2017**

	<b>2017</b>	<b>2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
<b>4 RENTAL INCOME</b>		
KPLC	34,284,346	31,751,801
Stima Sacco	15,349,276	14,725,367
Syokimau Houses	1,674,201	368,966
Family bank ATM	210,126	480,000
Wananchi Group	234,255	150,000
Mpesa shop	198,000	180,000
Safaricom ltd	85,000	300,000
KenGen	14,237	2,959,738
	<b>52,049,441</b>	<b>50,915,872</b>
<b>5 INTEREST INCOME</b>		
Fixed deposit interest	521,148	104,747
	<b>521,148</b>	<b>104,747</b>
<b>6 OTHER OPERATING INCOME</b>		
Stima Sacco Dividends	5,325,431	4,506,776
Entrance Fee	3,225,062	8,578,442
Changes in fair value of financial Assets	4,028,431	-
Land application fee	1,404,300	662,001
Real Estate Penalties	1,116,803	65,694
Share transfer fee	1,032,000	862,000
Land withdrawal penalties	510,000	443,703
Insurance Commission	376,315	39,587
Land transfer fees	216,000	291,000
Safaricom dividends	196,280	302,109
CIC dividends	63,441	711
KCB shares dividends	32,718	11,200
Syokimau house penalties	20,000	13,288
HF Group share dividends	7,125	9,750
Kengen dividends	-	3,640
Kenya Power dividends	-	23,591
NIC dividends	-	6,821
	<b>17,553,905</b>	<b>15,820,313</b>
<b>7 INCOME FROM HOUSE SALES</b>		
Net income from house sales	2,525,000	2,378,126
	<b>2,525,000</b>	<b>2,378,126</b>
<b>8 PROVISION FOR REBATES</b>		
Bal b/f	200,293,313	223,792,865
Rebates paid	(194,506,249)	(178,295,606)
Rebates 2017	58,458,525	154,796,054
Rebates Payable	<b>64,245,589</b>	<b>200,293,313</b>

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<b>9 ADMINISTRATIVE EXPENSES</b>	<b>2017</b>	<b>2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
<b>a. Committee expenses</b>		
Board & Supervisory Expense	3,079,671	1,548,868
Board & Supervisory Training	1,463,091	5,870,424
Proposed committee Honoraria	-	1,200,000
	<b>4,542,762</b>	<b>8,619,292</b>
<b>b. Members' expenses</b>		
Members education/Elections	3,963,064	2,941,317
AGM Expenses	2,005,260	1,529,906
Delegates education	1,526,665	1,714,059
	<b>7,494,989</b>	<b>6,185,281</b>
<b>c. Staff expenses</b>		
Salaries & wages	15,114,592	13,410,151
Medical Insurance	2,168,419	1,676,650
Staff training	2,061,414	196,250
Gratuity	1,301,171	239,648
Staff benchmarking	690,446	1,352,082
Staff telephone allowances	64,637	168,000
Staff capacity devt	43,815	2,382,941
Staff bonus	-	2,500,000
	<b>21,444,493</b>	<b>21,925,722</b>
<b>d. Other office expenses</b>		
Land amortization	16,045,215	17,874,999
Advertising & Marketing	9,574,201	4,957,370
Consultancy fees	6,651,373	1,887,902
Depreciation	5,250,495	5,227,570
Office expenses	2,063,783	3,310,257
Tax Consultancy	1,915,000	-
Insurance	896,435	1,710,302
Legal Fees	861,167	-
Stationery	679,562	1,031,226
ICT Costs	570,830	-
Electricity	568,660	277,896
Land rent and rates	505,907	72,103
Office transport	448,762	193,302
Audit expenses	667,000	667,000
Internal Audit fees	380,000	554,217
Cleaning	331,105	204,854
Ushirika	282,336	332,124
Software maintenance	142,560	203,483
Repairs and maintenance	53,166	22,140
Cooperative Regulation Cost	39,950	-
Tender allowances	8,000	29,650
Water	-	4,663
Supervisory fees	66,900	66,900
	<b>48,002,407</b>	<b>38,627,956</b>
<b>Total administrative expenses</b>	<b>81,484,652</b>	<b>75,358,251</b>

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	<b>2017</b>	<b>2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
<b>10 OTHER OPERATING EXPENSES</b>		
Provision for Real Estate Interest Owed	21,380,653	18,850,878
Interest on Loans	53,558,268	-
Bank charges	698,966	447,389
	<u><b>75,637,886</b></u>	<u><b>19,298,267</b></u>
<b>11 CASH AND CASH EQUIVALENT</b>		
MPESA	1,057,418	2,949,911
Coop bank - Project account	672,182	426,245
Coop bank - Current account	638,000	19,257,009
Standard chartered bank	447,212	447,212
Stima Sacco Fosa - land account	292,432	2,925,695
Petty cash account	2,825	5,000
Coop bank - Real Estate Fund account	104,220	3,299,015
Rafiki Micro-Finance	1,000	757,100
Stima Sacco Fosa - current account	(73,188)	867,566
	<u><b>3,142,101</b></u>	<u><b>30,934,752</b></u>
<b>12 SHARE CAPITAL</b>		
The Society has paid up shares of 16702435.63 for Ksh.100 per share.	1,670,243,563	1,341,598,452
	<u><b>1,670,243,563</b></u>	<u><b>1,341,598,452</b></u>

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
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	<b>2017</b>	<b>2016</b>
<b>13 TRADE &amp; OTHER RECEIVABLES</b>	<b>Ksh</b>	<b>Kshs.</b>
Advance to PDC	98,989,640	17,000,000
House debtors	81,957,000	138,633,937
VAT control	76,430,379	76,430,379
Rangau	19,527,807	14,800,472
Malindi 1/8	10,474,910	15,308,416
Konza 3	9,675,986	9,359,376
Malindi 1/4	7,940,527	-
Lamu 2	6,929,287	5,558,287
Riat 2	6,301,900	7,780,000
Naivasha	4,510,259	1,231,000
Lamu 1	3,646,250	4,972,378
Bahati land	1,997,980	15,707,927
Green Isinya	1,839,680	9,100,000
Kikambala land	982,060	1,343,560
Juja land	850,006	3,435,581
Thika 2 special	400,000	-
Konza Special	373,814	-
Isinya Valley	358,000	-
Service charge	1,583,464	1,712,997
Kisumu Land refund	2,375,000	2,375,000
Vipingo land	3,188,759	3,188,759
Kathwana land	1,771,000	1,771,000
Ukunda	977,900	977,900
Kitale land	7,500,000	7,500,000
	<b>350,581,608</b>	<b>338,186,968</b>
<b>14 TRADE PAYABLES &amp; ACCRUED EXPENSES</b>		
Real Estate Fund	213,806,525	196,363,313
Land payables	37,696,751	296,243,751
Syokimau house creditors	28,666,358	1,560,000
Unidentified deposits	26,308,302	1,652,482
Provision for real estate interest	21,380,653	18,850,878
Provision for interests and penalties	10,400,000	10,400,000
Land Creditors	10,312,151	57,071,135
Stima Plains Creditors	8,959,000	8,959,000
Deposit on Rent	6,517,991	6,130,991
CoreTec Systems and Solutions	1,759,095	1,759,095
Kikambala wall deposits	1,574,666	1,574,666
Other payables	528,231	-
Audit expenses	200,100	667,000
Supervision & registration fees	66,900	66,900
Deposits due to insurance agency	15,000	-
Staff bonus	-	2,500,000
Members creditors	-	6,764,947
Retention fee	(19,483)	1,456,282
	<b>368,172,240</b>	<b>612,020,440</b>

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	<b>2017</b>	<b>2016</b>
	<b>Kshs</b>	<b>Kshs.</b>
<b>15 LONG TERM LOANS</b>		
Cooperative bank Kenya Ltd	276,108,199	171,520,583
Stima sacco society Ltd	103,346,248	20,440,389
	<b>379,454,447</b>	<b>191,960,972</b>
<b>16 RESERVES</b>		
Retained earnings	(4,403,958)	(9,497,229)
Share premium	276,438,412	122,419,253
Revaluation reserve	105,165,452	105,165,452
Statutory reserves	5,185,817	4,778,629
Other reserves	1,032,376	1,032,376
	<b>383,418,100</b>	<b>223,898,481</b>
<b>17 ASSETS HELD FOR SALE</b>		
Malindi	476,362,840	294,490,000
Kangundo project	191,088,959	191,088,959
Green Isinya	162,880,575	-
Syokimau Project	429,939,661	477,914,661
Lamu 2	112,683,362	113,424,000
Naivasha	76,808,521	30,400,000
Lamu	49,013,148	41,905,000
Konza 3	37,541,102	42,451,200
Kathwana II	12,600,000	12,600,000
Ukunda	5,880,000	5,880,000
Riat	9,788,496	15,791,458
Isinya Valley	1,672,697	-
Nanyuki	820,443	820,443
	<b>1,567,079,804</b>	<b>1,226,765,721</b>
<b>18 OTHER SHORT-TERM INVESTMENTS</b>		
Stima Sacco Ltd Deposits	32,410,000	27,330,000

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
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**19 PROPERTY AND EQUIPMENTS**

	Buildings Plaza I & II	Computers & Accessories	Furniture & Equipment	Software	Totals
Rate	2.5%	30%	12.5%	20%	
<b>Cost As at 01.01.2017</b>	29,208,320	10,181,112	15,208,396	13,736,614	68,334,442
Additions	1,125,360	2,535,712	1,203,871	-	4,864,943
Revaluation	-	-	-	-	-
<b>AS AT 31.12.17</b>	<b><u>30,333,680</u></b>	<b><u>12,716,824</u></b>	<b><u>16,412,267</u></b>	<b><u>13,736,614</u></b>	<b><u>73,199,385</u></b>
<b>DEPRECIATION</b>					
<b>As at 01.01.2017</b>	<b>2,804,408</b>	<b>8,094,877</b>	<b>5,871,451</b>	<b>4,446,229</b>	<b>21,216,965</b>
Charge for the year	688,232	1,386,584	1,317,602	1,858,077	5,250,495
<b>As at 31.12.2017</b>	<b><u>3,492,640</u></b>	<b><u>9,481,461</u></b>	<b><u>7,189,053</u></b>	<b><u>6,304,306</u></b>	<b><u>26,467,460</u></b>
<b>NET BOOK VALUE</b>					
<b>As at 31.12.2017</b>	<b><u>26,841,040</u></b>	<b><u>3,235,363</u></b>	<b><u>9,223,214</u></b>	<b><u>7,432,308</u></b>	<b><u>46,731,925</u></b>
<b>As at 31.12.2016</b>	<b><u>26,403,912</u></b>	<b><u>2,086,235</u></b>	<b><u>9,336,945</u></b>	<b><u>9,290,385</u></b>	<b><u>47,117,477</u></b>

**20 INVESTMENT PROPERTY**

	Land	Buildings	Totals
<b>Cost</b>			
As at 01.01.2017	379,585,378	561,632,111	941,217,489
Additions	-	-	-
Transfers to Assets held for sale <b>AS AT 31.12.17</b>	(30,335,977)	-	(30,335,977)
	<b><u>349,249,401</u></b>	<b><u>561,632,111</u></b>	<b><u>910,881,512</u></b>
<b>AMORTISATION</b>			
As at 01.01.2017	15,608,348	54,627,967	70,236,315
Charge for the year	3,370,112	12,675,104	16,045,215
Disposal	(1,247,399)	-	(1,247,399)
As at 31.12.2017	<b><u>17,731,060</u></b>	<b><u>67,303,071</u></b>	<b><u>85,034,131</u></b>
<b>NET BOOK VALUE</b>			
<b>As at 31.12.2017</b>	<b><u>331,518,340</u></b>	<b><u>494,329,040</u></b>	<b><u>825,847,380</u></b>
<b>As at 31.12.2016</b>	<b><u>363,977,030</u></b>	<b><u>507,004,144</u></b>	<b><u>870,981,174</u></b>

**STIMA INVESTMENT CO-OPERATIVE SOCIETY LIMITED**  
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**21 OTHER FINANCIAL ASSETS**

**Quoted Shares**

	Actual Cost of shares	No. of shares	Price per share as at 31.12.16	Value as at 31.12.16	Price per share as at 30.12.17	Value as at 30.12.17	Change in value
Kengen	98,000	16,800	5.80	97,440	8.55	143,640	46,200
Mumias Sugar	181,015	26,300	1.30	34,190	1.10	28,930	(5,260)
NIC	192,700	5,457	26.00	141,882	33.75	184,174	42,292
NBK	195,150	6,468	7.20	46,570	9.35	60,476	13,906
KCB	246,400	11,200	28.75	322,000	42.75	478,800	156,800
HFCK	283,500	15,000	14.00	210,000	10.40	156,000	(54,000)
Centum	287,300	20,570	37.00	761,090	43.75	899,938	138,848
Safaricom Shares	788,100	213,000	19.15	4,078,950	26.75	5,697,750	1,618,800
KPLC	1,363,050	78,637	8.15	640,892	9.10	715,597	74,705
Co-operative Bank	3,000,000	378,960	13.20	5,002,272	15.95	6,044,412	1,042,140
Co-operative Insurance Company	614,250	530,000	3.80	2,014,000	5.60	2,968,000	954,000
<b>Total</b>	<b>7,249,465</b>	<b>1,302,392</b>		<b>13,349,285</b>		<b>17,377,716</b>	<b>4,028,431</b>

**Unquoted shares**

Stima sacco ltd shares(@ Par Value of  
Ksh.100)

26,515,000

43,892,716

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	<b>2017</b>
	<b>Kshs.</b>
<b>22 Income Tax Computation</b>	
Income tax has been derived as follows:	
Net profit reported	8,353,487
<b>Add Back</b>	
Depreciation	5,250,495
Land amortization	16,045,215
Less:	
Wear and tear Allowances	(4,562,263)
Non taxable income - Change in fair value of financial assets	(4,028,431)
Total Taxable Income	<u><b>21,058,504</b></u>
Current year income Tax charge @30%	6,317,551
bal b/f	6,402,720
Less Instalment Tax Paid	(8,568,676)
Less Withholding tax	-
Tax Payable.	<u><b>4,151,595</b></u>



# STIMA INVESTMENT COOPERATIVE SOCIETY LTD

## ELECTED DELEGATES FOR THE YEAR 2018

### REGIONS DEPOT

#### NAIROBI OUTER STATIONS

	DEPOT		NUMBER	EMAIL
	<b>WAJIR</b>			
	Enow Hussein	16691	0723 256271	EHusseinDayo@kplc.co.ke
	<b>GARISSA</b>			
	Eliud Jaoko Oyomo	16785	0721 690502	Eoyomo@kplc.co.ke
	<b>MARSABIT</b>			
	Husein Godana Galgalo	10160	0714 230452	GHussein@kplc.co.ke
	<b>MOYALE</b>			
	Yasin Hasan	10176	0721 564819	yassinhasan20@yahoo.com
	<b>HABASWEN</b>			
	Roba Wario	9005	0715 344759	wroba@kplc.co.ke
	<b>LODWAR/TURKWEL</b>			
	Allan Limo	15646	0726 834886	Alimo@kplc.co.ke
	<b>MANDERA</b>			
	Adow Ibrahim Alike	4237	0725 662280	ialike@kplc.co.ke
	<b>HOLA</b>			
	Bernard Osinde	81625	0726 374821	Banunda@kplc.co.ke

#### NAIROBI AREA

	DEPOT			
	<b>E. HSE NRB</b>			
	Chris Muhanji	2244	0733 660375	Cmuhanji@kplc.co.ke
	Kamau Githinji	17016	0721 539521	Gcgithinji@gmail.com
	Phenny Abisae	51431	0722 919600	Pabisae@kplc.co.ke
	John K. Kivasa	17171	0721 536875	Johnkivasa@gmail.com
	Maurice Mwangi Waweru	19351	0710 982156	MMwangiWaweru@kplc.co.ke
	Francis Memia	7428	0727 057777	fmemia@gmail.com
	Caroline Odipo	12736	0710 403930	Codipo@kplc.co.ke
	<b>KITENGELA/ATHI RIVER</b>			
	Hogla Wakesho	8864	0722 966717	hwanjohi@kplc.co.ke
	<b>NBI WEST</b>			
	Alfred Peter Mbinda	13730	0722 783793	Amgbinda@kplc.co.ke
	Sebastuan Adala	3328	0722 293946	Sadala@kplc.co.ke

	<b>RONGAI</b>			
	Lenard Namasaka	85009	0728 850027	Lnamasaka@kplc.co.ke
	<b>REA</b>			
	Francis Ngugi Njoroge	REA0142	0723 420272	njorogefrancis10@yahoo.com fnjoroge@rea.co.ke
	Eng. Joni Kondiek	REA0116	0729830605	janyango@rea.co.ke
	<b>RUARAKA ELE PROTECTION</b>			
	Billy Wachira	16763	0722 719914	bwachira@kplc.co.ke
	<b>RUARAKA DC</b>			
	Simon Kahiu	5080	0723 709610	Skahiu@kplc.co.ke
	<b>ROYSAMBU</b>			
	Regina Thuku	7409	0722 865372	Rthuku@kplc.co.ke
	Patrick Kanyotu	11671	0723 327578	Pkanyotu@kplc.co.ke
	<b>RUARAKA CC</b>			
	Samuel N Githae	13569	0722 871743	Sgithae@kplc.co.ke
	Jared Arudhi	14786	0722 925026	arudhi2030@gmail.com
	<b>NBI SOUTH</b>			
	Samuel Gathura Kiboro	10945	0723 939424	Sgathura@kplc.co.ke
	Derow Aden Ali	15626	0720 756777	DAden@kplc.co.ke
	<b>JUJA CONTROL</b>			
	Mary Njeri Njau	16840	0721 577431	njerinjau@gmail.com
	<b>RUARAKA TRANSPORT</b>			
	Raymond Kahiu	13802	0722 773146	rkahiu@kplc.co.ke
	David Mutai	14526	0720 265198	Dmutai@kplc.co.ke
	<b>LIMURU</b>			
	Timothy Mule	5587	0722 399457	Tmule@kplc.co.ke
	<b>KETRACO</b>			
	George Ngugi	13118	0720 879817	Gngugi@ketraco.co.ke
	<b>MERIDIAN</b>			
	Julius Riungu	TSA007	0723 107846	jmriungu@yahoo.com
	Sigilai Kirui	9213	0722 728147	Skirui02@gmail.com
	Joseph Njogu Nganga	430	0708 837162	ngash290@gmail.com
	<b>BIASHARA/GROUPS</b>			
	Elizabeth Katanu Mbebe	J002	0722 740115	katanuilako@gmail.com
	Pascal Kiseli Basailio	SI11078	0729 956946 0733 956946	pascalkiseli12@gmail.com; Pascalkiseli13@gmail.com
	<b>ORYX ENERGIES LTD</b>			
	James Maimbah Ngugi	1023	0714 637056	james.ngugi@oryxenergies.com

	<b>ERC</b>			
	Robert Mahenia	15718	0722 215940	robert.mahenia@erc.go.ke
	<b>JIVANJEE</b>			
	David Serem	1971	0722 851306	Dserem@kplc.co.ke
	<b>STIMA PLAZA - KPLC</b>			
	Geophrey Luvisi	51338	0731 540434/0729 110974	amgeoff@gmail.com
	Eng.kahoro Wachira	14631	0727 410585	wwachira@kplc.co.ke
	Emmans Otadoh	4541	0722 789880	eotadoh@kplc.co.ke
	Beatrice Wairegi	17083	0723 839338	bwairegi@kplc.co.ke
	<b>RUARAKA METRE</b>			
	Benjamin Komen	16471	0733 595068	benjakom34@gmail.com
	<b>RUIRU</b>			
	Andrew Kamamia	17601	0725 952603	andrewkamamia@gmail.com
	<b>STIMA - KENGEN</b>			
	Purity Kamau	70016	0725 862344	pkamau@kengen.co.ke
	Augustus Nyarosto	8494	0729 735758	anyarotso@kengen.co.ke
	Beatrice Kipngok	14924	0720 547198	bkipngok@kengen.co.ke
	<b>INSTITUTE OF ENERGY STUDIES</b>			
	Wairimu Njehia	8170	0722 725407	wnjehio@kplc.co.ke
	<b>GDC- NRB</b>			
	Felix Okumu	100074	0735 317312	okumuomondi@gmail.com
	<b>STIMA INV. PLAZA 1 &amp; 2</b>			
	Charles Maina Mwangi	12248	0722 857821	hechem44@yahoo.com
	Patrick Kanyotu	11671	0723 327578	Pkanyotu@kplc.co.ke
	<b>ISIOLO RD</b>			
	Stephen Kamau Macharia	16238	0720 468236	Smkamau@kplc.co.ke
	<b>STIMA SACCO</b>			
	Abdulrazaaq Adan	20069	0710 537294	aadul@stima-sacco.com
	<b>AGGREKO</b>			
	Douglas Muiruri	AGG002205	0720 175784	mdouglasmburu@yahoo.com
	<b>GITHUNGURI</b>			
	John Mwangi	81770	0720 804178	gatinumwas@gmai.com
	<b>NAMANGA</b>			
	Octavious Manyiki	14062	0724 612671	Omanyeki@kplc.co.ke
	<b>KAJIADO</b>			
	Philip Mango	12753	0722 771231	Pmango@kplc.co.ke

COAST				
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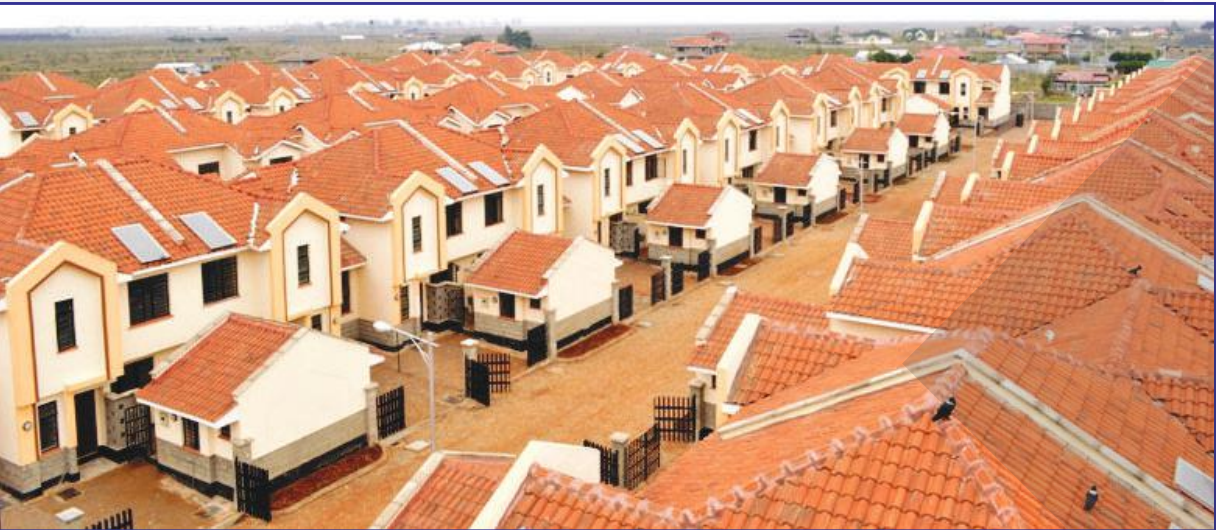


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