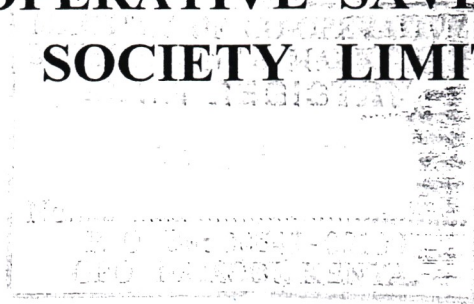


CS/NO.1979

**BUNGE CO-OPERATIVE SAVINGS AND CREDIT
SOCIETY LIMITED.**



**BALANCE SHEET AND FINAL
ACCOUNTS**

**AS AT
31st DECEMBER 2008.**

**MINISTRY OF CO-OPERATIVE
DEVELOPMENT AND
MARKETING
P.O BOX 40811
NAIROBI.**

CS/NO 1979

BUNGE SAVINGS AND CO-OPERATIVE CREDIT SOCIETY LTD

STATISTICAL INFORMATION AS AT 31.12.2008

	31.12.2008	31.21.2007
Number of members	676	651
	KSHS	
Share Capital /Deposits	294,284,112.00	345,070,958.00
Entrance fees	99,645.00	56,145.00
Statutory reserve fund	4,701,919.00	3,604,310.00
Appropriation Account	11,164,163.00	7,679,479.00
Capital Reserve	175,100.00	175,100.00
Current assets	336,300,999.00	383,137,507.00
Current liabilities	27,888,551.00	28,559,273.00
Loan to members	270,834,593.00	267,939,733.00
Proposed dividends	24,000,000.00	24,000,000.00
Turnover	32,161,229.00	31,613,117.00
Investments	1,925,294.00	1,891,003.00
Liquidity Ratio	12.0:1	13.4:1

EXPRESSED AS A PERCENTAGE OF TURNOVER 100%

Financial Expenses	0.47%	0.50%
Administrative expenses	0.42%	0.10%
Committee expenses	1.97%	1.40%
Members expenses	1.88%	2.90%
Staff expenses	3.10%	4.00%
Rebates to members	74.62%	75.80%
Professional expenses	0.14%	0.10%
Other Expenses	0.31%	0.40%
Surplus	17%	14.40%

MANAGEMENT COMMITTEE MEMBERS

CHAIRMAN	JAMES N. MWANGI
V/CHAIRMAN	ALOYS N. TINEGA
SECRETARY	A S AKATSA LUKOYE
TREASURER	SAMUEL O. OBUDO
COMMITTEE MEMBER	DAVID W. WEKESA
COMMITTEE MEMBER	ESTHER M. KAMAU (MRS)
COMMITTEE MEMBER	ERIC SAIDI
COMMITTEE MEMBER	PETER A. MEIKOKI
COMMITTEE MEMBER	JANE K. MWANZA

SUPERVISORY COMMITTEE MEMBERS

CHAIRMAN	GORGE MATORE
SECRETARY	JORAM SHAMJI
MEMBER	PATRICK M. MBULU

AUDITORS:

MINISTRY OF CO-OPERATIVES DEVELOPMENT AND MARKETING
AUDIT DEPARTMENT

CS NO/1979

BUNGE SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LTD

STATEMENT OF THE MANAGEMENT COMMITTEE'S RESPONSIBILITIES


On the financial statements for the year ended 31st December 2008

The Co-operative Societies Act requires Management Committee to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the society at the end of the financial Year and its operating results for that year. It also requires the committee to ensure that the society keeps proper accounting records, which disclose, with reasonable accuracy, the financial position of the society. They are also responsible for safeguarding the Assets of the Society.

The Management Committee accept responsibility for the Annual Accounts which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with international Accounting Standards and the requirement of the Co-operative Societies Act. The Management Committee is of the opinion that the accounts give a true view of the state of the financial affairs of its society and of its operating results. The Management further accepts responsibility for the maintenance of accounting records, which may be relied upon in preparation of accounts, 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 form the date of this statement.

Signed by:

Chairman.....

Treasurer.....

Committee Member.....

Date..... 14-04-2009

CS NO/1979

BUNGE SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LTD
AUDITORS REPORT TO THE MEMBERS FOR THE YEAR ENDED
31ST DECEMBER 2008.

We have audited the attached accounts set out on page 4 to 8. The accounts are in agreement with the books of accounts, which have been properly kept. We obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit.

PERSPECTIVE RESPONSIBILITIES OF MANAGEMENT COMMITTEE AND INDEPENDENT AUDITORS

Under the provisions of Co-operative Societies Act, the Management Committee is responsible for the preparation of accounts, which give a true and fair view of the society's state of affairs and its results. Our responsibility is to express an independent opinion on the accounts based on our Audit and report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with International Auditing Standards. These Standards require that we plan and perform our audit to obtain reasonable assurance that the accounts are free of material misstatements. An Audit includes the examination on a test basis of evidence supporting the amounts and disclosures in the Financial Statements. It also includes assessment of the accounting policies used and significant estimates made by the Management Committee as well as an evaluation of the overall presentation of the accounts.

OPINION

In our opinion, proper books of accounts have been kept and the accounts give a true and fair view of the state of affairs of the society as at 31st December 2008 and of its results for the year then ended and comply with the requirements of the Co-operative Societies Act.

FOR AND ON BEHALF OF
AUDIT SERVICE DIVISION
MINISTRY OF CO-OPERATIVE DEVELOPMENT AND MARKETING


G.W. MWANGI (MRS)
PROVINCIAL CO-OPERATIVE AUDITOR
NAIROBI PROVINCE

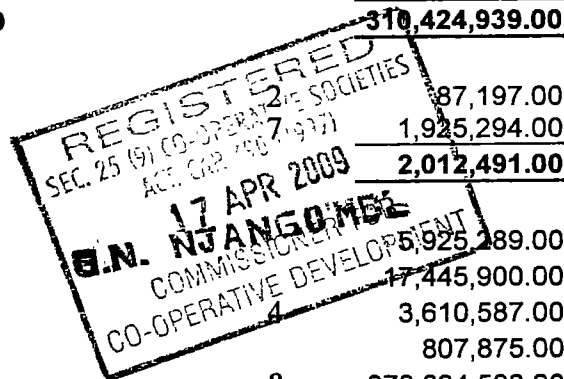
DATE 15/04/09.....

CS/NO 1979

BUNGE SAVINGS AND CO-OPERATIVE CREDIT SOCIETY LTD
BALANCE SHEET AS AT 31-12-2008

NOTES

		31.12.2008	31.12.2007
		KSHS	KSHS
Share Capital/Deposits	8	294,284,112.00	345,070,958.00
Entrance fee		99,645.00	56,145.00
Statutory Reserve Fund		4701919.00	3,604,310.00
Appropriation account		11,164,163.00	7,679,479.00
Capital Reserve		175,100.00	175,100.00
TOTAL MEMBERS FUND		310,424,939.00	356,585,992.00
<u>REPRESENTED BY:</u>			
Fixed assets		87,197.00	116,725.00
Investments		1,925,294.00	1,891,033.00
TOTAL		2,012,491.00	2,007,758.00
<u>CURRENT ASSETS</u>			
CFP KUSCCO		5,925,289.00	5,473,789.00
Old mutual fund		17,445,900.00	46,900,923.00
Debtor members		3,610,587.00	4,276,304.00
Debtor employer		807,875.00	149,202.00
Loans to members	8	270,834,593.00	267,939,733.00
Cash & Bank savings account	5	37,676,755.00	58,397,556.00
TOTAL CURRENT ASSETS		336,300,999.00	383,137,507.00
<u>CURRENT LIABILITIES</u>			
Rebates to members		24,000,000.00	24,000,000.00
Audit & Supervision fees		46,400.00	44,200.00
Staff bonus		150,000.00	100,000.00
Honoraria		750,000.00	550,000.00
Provision for tax		5,751.00	5,751.00
Sinking fund		644,525.00	219,440.00
P.A. Y.E		-	6,700.00
Employer Savings scheme		541,302.00	438,820.00
Unclaimed dividends		461,837.00	1,655,410.00
Creditors	8	1,288,736.00	1,538,952.00
TOTAL CURRENT LIABILITIES		27,888,551.00	28,559,273.00
WORKING CAPITAL		308,412,448.00	354,578,234.00
NET ASSETS		310,424,939.00	356,585,992.00



AUDITORS REPORT ATTACHED

Chairman *[Signature]*

Treasurer *[Signature]*

Committee member *[Signature]*

Date *14-04-2009*

CS/NO 1979**BUNGE SAVINGS AND CO-OPERATIVE CREDIT SOCIETY LTD****APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31.12.2008**

	31.12.2008		31.12.2007
	KSHS		KSHS
Balance B/F	7,679,479.00		5,401,936.00
Prior year Adjustment	=		<u>(729,332.00)</u>
Adjusted balance	<u>7,679,479.00</u>		<u>4,672,604.00</u>
This year's surplus	5,488,044.00		4,578,282.00
20% statutory reserve	(1,097,609.00)		(915,656.00)
Provision for Honoraria	(750,000.00)		(550,000.00)
Provision for Tax	(5,751.00)		(5,751.00)
Provision for staff bonus	(150,000.00)		<u>(100,000.00)</u>
Retained Surplus	<u>3,484,684.00</u>		<u>3,006,875.00</u>
Balance carried forward	<u>11,164,163.00</u>		<u>7,679,479.00</u>

STATUTORY RESERVE FUND ACCOUNT

Balance brought forward	3,604,310.00	2,688,654.00
Charge for the year	<u>1,097,609.00</u>	<u>915,656.00</u>
Balance Carried forward	<u>4,701,919.00</u>	<u>3,604,310.00</u>

CS NO/1979

BUNGE SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LTD

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.12.2008

	31.12.2008	31.12.2007
	KSHS	KSHS
<u>OPERATING INCOME</u>		
Interest on members loans	30,650,989.00	28,083,919.00
Interest from bank savings	38,340.00	38,340.00
Interest from fixed deposits	-	172,090.00
Interest from revolving account	51,668.00	1,364,985.00
	<u>30,740,997.00</u>	<u>29,659,334.00</u>
<u>OTHER INCOMES</u>		
Dividends from Co-op Bank	249,050.00	-
Kenya airways dividends	-	-
KUSCCO CFP Interest	142,784.00	133,237.00
Old Mutual Interest	1,005,059.00	1,835,187.00
Kengen Dividends	9,154.00	3,359.00
CIC Dividends	14,185.00	-
	<u>1,420,232.00</u>	<u>1,971,783.00</u>
<u>TOTAL INCOME</u>	<u>32,161,229.00</u>	<u>31,631,117.00</u>
<u>EXPENDITURE</u>		
<u>FINANCIAL EXPENSES</u>		
Bank Charges	150,783.00	162,719.00
KUSCCO Service charge	2,400.00	2,400.00
	<u>153,183.00</u>	<u>165,119.00</u>
<u>PROFESSIONAL EXPENSES</u>		
Audit fee	42,000.00	40,000.00
Supervision fee	4,200.00	4,000.00
Recoverable expenses	200.00	200.00
	<u>46,400.00</u>	<u>44,200.00</u>
<u>ADMINISTRATIVE EXPENSES</u>		
Office expenses	33,943.00	33,445.00
Printing and Stationery	101,674.00	5,930.00
	<u>135,617.00</u>	<u>39,375.00</u>

COMMITTEE EXPENSES

Sitting Allowance	138,000.00	138,000.00
Committee expenses	428,290.00	292,700.00
Education & Seminars expenses	58,750.00	23,500.00
Sup: Committee expenses	<u>10,000.00</u>	<u>8,500.00</u>
	635,040.00	462,700.00

MEMBERS EXPENSES

AGM Expenses	606,000.00	501,850.00
Education day expenses	-	420,000.00
Rebates to members	<u>24,000,000.00</u>	<u>24,000,000.00</u>
	24,606,000.00	24,921,850.00

STAFF EXPENSES

Salary & Wages	576,200.00	607,200.00
House allowances	252,000.00	276,000.00
Leave allowance	33,875.00	45,500.00
Medical expenses	32,772.00	245,719.00
Traveling expenses	72,000.00	80,000.00
Employee savings scheme	<u>28,410.00</u>	<u>30,248.00</u>
	995,257.00	1,284,667.00

OTHER EXPENSES

Postage expenses	-	900.00
Depreciation	29,528.00	41,062.00
Repair & maintenance	-	600.00
Donations	60,000.00	10,000.00
funerals expenses	-	49,100.00
Ushirika day	10,000.00	5,000.00
Misceleneous	2,160.00	2,449.00
Withholding tax	<u>-</u>	<u>25,813.00</u>
	101,688.00	134,924.00

Total expenditure	<u>26,673,185.00</u>	<u>27,052,835.00</u>
Net surplus for the end year	<u>5,488,044.00</u>	<u>4,578,282.00</u>

CS/NO 1979

BUNGE SAVINGS AND CO-OPERATIVE CREDIT SOCIETY LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DEC 2008

31.12.2008

CASH FLOW FROM OPERATING ACTIVITIES

KSHS

Surplus before tax	5,488,044.00	
<u>ADJUSTMENTS</u>		
Depreciation	29,528.00	
Rebates to members	24,000,000.00	
Audit and supervision fees	46,400.00	
		<u>29,563,972.00</u>

WORKING CAPITAL CHANGES

Increase/decrease in debtors	7,044.00	
Increase/decrease in creditors	270,651.00	
Honoraria paid	(550,000.00)	
Staff bonus paid	(100,000.00)	
Rebates paid	(25,193,573.00)	
Audit fee paid	(44,200.00)	
Tax paid	(5,751.00)	
		<u>(25,615,829.00)</u>

NET CASHFLOW FROM OPERATING ACTIVITIES A 3,948,143.00

CASHFLOW FROM INVESTING ACTIVITIES

Increase/decrease in loans	(2,894,860.00)	
Increase/decrease in CFP	(451,500.00)	
Increase/decrease in Investments	(34,261.00)	
Increase/Decrease in Old Mutual fund	29,455,023.00	
NET CASH FROM INVESTING ACTIVITIES B <u>26,074,402.00</u>		

CASHFLOW FROM FINANCING ACTIVITIES

Increase/Decrease in share/Deposits	(50,786,846.00)	
Increase in entrance fees	43,500.00	
NET CASHFLOW FROM FINANCING ACTIVITIES C <u>(50,743,346.00)</u>		

Increase/decrease from cash & cash equivalent A+B+C <u>(20,720,801.00)</u>		
Cash & cash equivalent at the start of the year <u>58,397,556.00</u>		
Cash and cash equivalent at the end the year <u>37,676,755.00</u>		

CS/NO 1979

BUNGE SAVINGS AND CO-OPERATIVE CREDIT SOCIETY LTD

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2008

NOTE 1: ACCOUNTING POLICIES

a. The society prepares its accounts for a period of twelve months ending 31st December every year

b. The society prepares its financial statements on the historical cost convention accounting basis

NOTE 2: FIXED ASSETS SCHEDULE

ITEMS	Opening balance	RATE	DEPRECIATION	NBV
Furniture	31,372.00	12.50%	3,922.00	27,450.00
Computer	58,297.00	30%	17,489.00	40,808.00
Printer	27,056.00	30%	8,117.00	18,939.00
	<u>116,725.00</u>		<u>29,528.00</u>	<u>87,197.00</u>

NOTE 3: 2008 BUDGET

The society management operated within the approved budget by the society members during the AGM.

NOTE 4: DEBTOR EX-MEMBERS KSHS 3610587

Refer to attached schedule

NOTE 5: CASH AND BANK BALANCES

Savings account	2,692,418.00
Current Account	29,679,685.00
Revolving account	5,304,652.00
	<u>37,676,755.00</u>

NOTE 6: CREDITORS KSHS. 1,288,721

Refer to attached schedule

NOTE 7: NOTE 7: INVESTMENT

KUSCCO Shares	484,261.00
Kenya Airways -4026@11.25	45,405.00
Kengen Shares - 6431@11.90	76,528.00
Co-op bank Shares -@9.50	34,261.00
Co-op bank Shares -@ 1/=	1,084,839.00
CIC Shares unquoted	200,000.00
	<u>1,925,294.00</u>

NOTE 8 : SHARES/DEPOSITS & LOANS

	Shares/Deposits	Loans
Legders balance	294,284,112.00	270,834,593.00
Members Schedule	294,284,112.00	270,834,593.00
Difference	Nil	Nil

shares should be separated from members deposit - AGM to decide how many shares for each member.

NOTE 9: PROPOSED DIVIDENDS KSHS. 24,000,000.00

The CMC proposed dividends to the society's members to be distributed at the rate of 7.5% subject to approval at the AGM

NOTE 10: INCOME TAX COMPUTATION

Interest from Savings account

Tax at 50% of 38,340

30% of 19,170

Tax due 5,751

NOTE 11: SINKING FUND ACCOUNT INSURANCE

The fund was created for the purpose of self insurance of members loans and the funds are paid to an insurance company (CIC) during the year. The balance after payment was Kshs. 644,525.00.

NOTE 12: UNCLAIMED DIVIDEND KSHS. 461,837.00

This is unclaimed dividends from previous years. The society management should look for ways of paying out to the owners or beneficiaries.

SCHEDULE "A"

SUNDRY CREDITOR EX MEMBERS AS AT 31-12-2008

NO	PAYROLL NO.	NAME	CLOSING DATE	BALANCE
1	325170	HON.F.B.TUVA	31.12.1993	5,977.00
2	326063	HON F.K.KIMOSOP	28.02.1986	2,720.00
3	325311	HON OGINGA ODINGA	31.03.1994	6,000.00
4	326238	HON J.M.GACHIJI	31.12.1993	4,720.00
5	325779	HON.K.ARAP SOI	31.12.1992	4,055.00
6	930605	HON L.G.SAGINI	31.12.1995	23,000.00
7	325709	HON M.O.MZAMIL	31.12.1994	4,029.00
8	93015549	HON REV.JAVAN OMANI	31.12.1992	11,237.00
9	8828634	HON DR BONAYA GODANA	30.04.2006	640,000.00
10	97075826	HON GURRACH B. GALGALO	30.04.2006	434,598.00
11		JOSEPHINE NG'ANG'A		2,400.00
12	20080086	HON LORNA LABOSO	26.05.2008	150,000.00
				1,288,736.00

BUNGE CO-OPERATIVE SAVINGS & CREDIT SOCIETY LTD

SCHEDULE "B"

SUNDRY DEBTORS EX-MEMBERS AS AT 31.12.2008

NO	PAYROLL NO	NAME	LOAN BALANCE
1	326165	A.M.VELLE	6,944.00
2	89076486	ANGELO WACHIRA	1,098.00
3	325989	ANTHONY E.EPRONO	12,960.00
4	93015761	ARATE H.AHMED	13,000.00
5	88129278	B.K.KANYONI	1,700.00
6	88048317	BENSON K.KOROMICHA	17,480.00
7	325944	C.K.KAMO	8,866.00
8	352004	C.L.AMUZA	8,550.00
9	326011	C.OOICHE	31,490.00
10	33942	C.OOJIRO	9,605.00
11	326189	C.O.OROKO	10,896.00
12		CHARLES KINGARA	9,916.00
13	325845	D.K MBATIA	28,610.00
14	80050116	D.MGAHANWA	10,370.00
15		D.M.NJOROGE	5,645.00
16	326192	D.NKIOTHIO	1,076.00
17	7809436	DAVID GESAKA	14,800.00
18	93015646	DR.OTIENO KOPIYO	36,386.00
19	326082	E.N.MIYORO	8,794.00
20		E.W.MUNGAI	60,660.00
21	326031	ESTHER WANYIRI	9,429.00
21		EVANS K.BOGONKO	10,585.00
23	325773	G.F.MICHE	6,684.00
24	326085	G.G.NAMU.	3,250.00
25	325384	G.M GATHERU	29,940.00
26		G.P ODHIAMBO	50,030.00
27	92001539	GILBERT M.LEKOPIEN	5,000.00
29	89143089	GISA OLE SOPHIA	9,666.00
30	326176	H.W.GITHIAGA	24,730.00
31	326305	HON A.I.MOHAMED	12,804.00
32	93015989	HON ADAN M.ABDULLAHI	110,000.00
33	325605	HON D.M.AMIN	10,635.00
34	325577	HON G.MURIUKI	356.00
35	326110	HON GOH DEHON	730.00
36	93015133	HON H.RUHIU	7,500.00
37	83074753	HON J.N.MUNGAI	416.00
38	325885	HON P.A.ANYUMA	19,500.00
39	325924	HON P.T.MUNGAI	13,500.00
40	326120	HON S.M .GOR	9,014.00
41	325472	HON T.OGADA	28,046.00
42	326116	HON W.K. KORIR	19,580.00
43		J.A.ATIENO	17,085.00
44	326006	JOSEPH A.ATIENO	13,705.00
45	325065	J.K..SELLA	3,812.00

46	326148	J.M.CHEGE	1,448.00
47	325810	J.M MULI	232.00
48		J.M.MUNYAO	13,872.00
49	77043134	J.MUTUA.KIMONDO	5,280.00
50	325980	J.N.KAMAU	1,970.00
51	326157	J.W.MULONGO	180.00
52	326152	K.E.ROTICH	5,411.00
53	83074795	HON.KATANA NZAI	114,438.00
54	326213	KIPLANGAT TOROITICH	21,530.00
55	325841	L.G.GITAU	257,630.00
56	325961	M.CK.WAMBUA	28,366.00
57	325625	M .E.MAYIENDA	10,395.00
58	326144	M.M.MASINDE	13,890.00
59	325872	MACHARIA MAGUTU	8,980.00
60	330813	MARY A.RADO	569.00
61		MBITHI MWEU	28,795.00
62	326209	MIRIAM OSMAN	5,522.00
63		MOMANYI NYAMAI	10,564.00
64	325548	N.,M.BUDALA	16,640.00
65	83057808	NICHOLAS MUNGAI	21,825.00
66	326183	NYERERE M.MBITHI	7,987.00
67	326071	O.K.MUCHIRI	5,905.00
68	91096688	ONESMUS M. KILONZO	5,023.00
69	79194339	P.K.KAVIVYA	5,465.00
70	326078	P.M.KAHWAI	14,964.00
71	69027093	PETER S.NYANGAU	35,884.00
72	325974	R.C.KINUTHIA	6,272.00
73	325823	RHODA A.ISICHE	16,566.00
74	326196	RISPER A.OMINO	1,900.00
75	1900326489	ROSELINE A.ADONGO	6,400.00
76		S.MUTHEMBA NJOROGE	5,310.00
77	326505	S.O.ACHIENGA	7,532.00
78	88035681	S.O.ASARIA	22,600.00
79	325874	S..W.MURIUKI	14,443.00
80	32619	STANLEY MWANGI	1,060.00
81	83074826	SUSAN N.KUNGU	15,400.00
82	326376	VIOLET CHEGE	21,950.00
83	326175	W.O.OSINO	6,745.00
			1,483,786.00

BUNGE CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LTD**SCHEDULE "C"****SUNDRY DEBTOR EX-MEMBER AS AT 31-12-2008**

	PAYROLL NO	NAME	LOAN BAL
1	76031786	MR MURUMBA WERUNGA	235,244.00
2	91022778	MS REGINA N.MOGENI	34,760.00
3	82034938	MR ERIC GULAVIC	158,200.00
4	99003495	MR TINGKWA O.LENARERIO	127,235.00
6	99003721	MR DOMINIC TINGISHA	172,443.00
7	97004605	MR SIYAD A.KONTOMA	2,000.00
8	94057756	MR PETER OMBOK	53,932.00
9	77014232	MR RICHARD M.NDIRANGU	2,100.00
10	80095433	MR JAMES NJUGUNA MWANGI	25,358.00
12	89063857	MRJOHN K.NJAU	18,682.70
13	88035699	MR ELIJAH MUVIKU	59,100.00
15	190032494	MR JOHN MWANGI MATHIA	132,017.00
16	73033488	MR ALFRED MUDONYI	13,300.00
17		NJEHU GATABAKI	467,020.00
18	99003602	RONALD .K. LANGAT	50,132.40
		DECEASED	
19		MR.STANLEY OGWENO	15,993.00
20	77043142	MR.JACKSON E.LOTIENG	62,848.00
21	91039416	MS.LYDIA W.NGARI	190,200.00
22	87104516	MS.FLORENCE MUNANGA	2,100.00
23	83067722	MR. ROMAN K. MWEU	96,136.00
24	95000508	MR.SAMMY M.CHESIRE	22,000.00
25		MR.DAVID ZIAH	186,000.00
			2,126,801.10