



# **SHUUKU COOPERATIVE SAVINGS & CREDIT SOCIETY LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**



Certified Public Accountants

**SHUUKU COOPERATIVE SAVINGS AND CREDIT SOCIETY LTD**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

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**SHUUKU COOPERATIVE SAVINGS & CREDIT SOCIETY LTD**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

**BOARD OF DIRECTORS**

Mr. Bongonzya Mugumya Stephen	Chairperson
Mr. Bugembe Levi	Vice Chairperson
Mrs. Ahairwe Jolly Kwoshaba	Secretary
Mr. Mutuhe Naboth	Treasurer
Mr. Tinka Daglas	Member
Mr. Mugarura Benon	Member
Mr. Betonda Alex	Member
Ms. Kabatense Loida Daisy	Member
Mr. Kakuru Ronald	Member

**SUPERVISORY BOARD**

Mr. Mugenyi Julius	Chairperson
Mrs. Atuhair Edidah	Member
Mr. Muboona Andrew	Member

**REGISTERED OFFICE** P.O. Box 65  
Kabwohe

**BANKERS** Stanbic Bank - Mbarara Branch  
DFCU Bank - Ishaka Branch  
Post Bank - Mbarara Branch

**AUDITORS** BMR Associates  
Certified Public Accountants  
Parliament Avenue  
P.O. Box 33455, Kampala - Uganda  
Tel: +256 -414-385158  
E-mail: associatesbmr@yahoo.com / associatesbmr@gmail.com



**SHUUKU COOPERATIVE SAVINGS & CREDIT SOCIETY LTD**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

**REPORT OF THE BOARD OF DIRECTORS**

The Board members submit their report and the audited financial statements for the year ended 31st December 2023, which show the state of the SACCO's affairs.

**1 PRINCIPAL ACTIVITIES**

The SACCO's principal activity is to provide savings and credit services to its members.

**2 RESULTS**

	2023 Ushs	2022 Ushs
Surplus before Tax	769,672,163	428,486,396
Tax	-	-
Net Surplus/(Deficit) for the Year	<u>769,672,163</u>	<u>428,486,396</u>

**3 DIVIDENDS**

The SACCO paid Shs 66,463,922 as dividends for the year ended 31 December 2022. The Board has not yet proposed dividends for the year ended 31 December 2023.

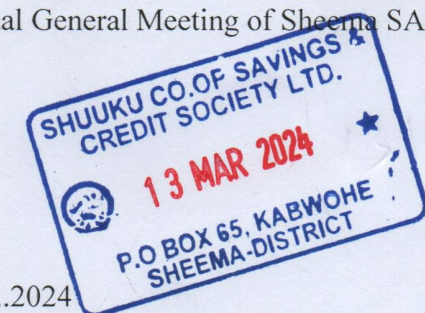
**4 AUDITORS**

The auditors, BMR Associates, Certified Public Accountants were appointed during the year and have expressed their willingness to continue in office. The appointment of Auditors is the responsibility of the Annual General Meeting of Sheema SACCOs Union, to which the SACCO is a member.

By Order of the Board

Secretary

*[Signature]*



.....2024



**SHUUKU COOPERATIVE SAVINGS & CREDIT SOCIETY LTD**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

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**STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES**

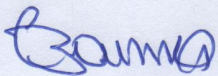
The Cooperative Societies Act, Cap. 112 requires the Board members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the SACCO as at the end of the financial year, and of the surplus or deficit of the SACCO for that year. In preparing those financial statements, the Board members are required to:

- 1) Select suitable accounting policies and then apply them consistently;
- 2) Make judgements and estimates that are reasonable and prudent;
- 3) State whether applicable accounting standards have been followed;
- 4) Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the SACCO will continue in business.

The Board members are responsible for keeping proper accounting records, which disclose with reasonable accuracy, at any time, the financial position of the SACCO, and to enable them to ensure that the financial statements comply with the Cooperative Societies Act, Cap. 112 and other regulations for SACCOs. They are also responsible for safeguarding the assets of the SACCO, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

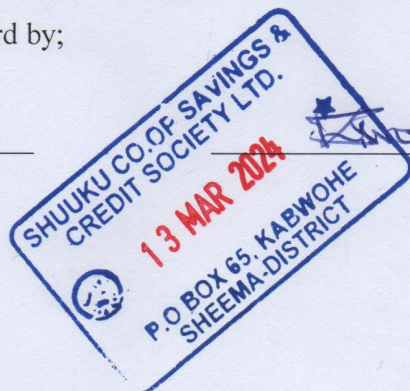
Nothing has come to the attention of the Board to indicate that the SACCO will not remain a going concern for at least twelve months from the date of this statement.

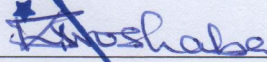
Signed on behalf of the Board by;



Chairperson

...13/03/2024





Secretary

...13/03/2024



**Partners**

- Bigirwa Arthur  
- Muhereza Yason  
- Rwera Patrick

Amadinda House, Second Floor  
Room 2, Opposite Farmers House  
Parliament Avenue  
P.O. Box 33455, K'la - Uganda  
Tel: +256-414-385158  
Mob: +256-772-868410  
+256-772-552874  
E-mail :associatesbmr@yahoo.com  
associatesbmr@gmail.com

**Independent Report of the Auditors**

**To the Members of Shuuku Cooperative, Savings & Credit Society Ltd for the year ended 31 December, 2023**

**Opinion**

We have audited the accompanying financial statements of **Shuuku Cooperative Savings & Credit Society Ltd** which comprise the Statement of Financial Position as at **31 December, 2023**, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cashflows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Shuuku Cooperative Savings & Credit Society Ltd as at **31 December, 2023** and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and Cooperative Societies Act, Cap.112.

**Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and Guidelines issued by the Institute of Certified Public Accountants of Uganda. 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 SACCO in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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. No Key audit matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and so we do not provide a separate opinion on these matters.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the SACCO's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the SACCO or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the SACCO's financial reporting process.



## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit 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 SACCO's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the SACCO's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the SACCO to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

As required by the Cooperative Societies Act, Cap.112, we report to you based on our audit, that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
2. In our opinion, proper books of account have been kept by the SACCO so far as appears from our examination of those books; and
3. The SACCO's Statement of Financial Position and Statement of Comprehensive Income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is CPA Muhereza Yason.



**SHUUKU CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

		<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>Ushs</b>	<b>Ushs</b>
<b>Income</b>			
Interest Income	4	3,137,230,449	2,405,649,041
Interest Expenses	5	(844,949,886)	(550,761,777)
<b>Net Interest Income</b>		<b>2,292,280,563</b>	<b>1,854,887,264</b>
Fees and Commissions	6	590,477,794	458,283,146
<b>Gross Operating Income</b>		<b>2,882,758,357</b>	<b>2,313,170,410</b>
Non-Interest Expenses	7	(2,284,366,898)	(2,019,182,446)
<b>Net Operating Income</b>		<b>598,391,459</b>	<b>293,987,964</b>
Add: Other Comprehensive Income	8	171,280,704	134,498,432
<b>Surplus Before Tax</b>		<b>769,672,163</b>	<b>428,486,396</b>
Income Tax Expense for the Year	20	-	-
<b>Net Surplus for the Year</b>		<b>769,672,163</b>	<b>428,486,396</b>
<b>Appropriations</b>			
Net Surplus After Tax for the Year		769,672,163	428,486,396
Statutory Reserves	10%	(76,967,216)	(42,848,640)
Share Transfer Fund	5%	(143,110,432)	(125,595,893)
Cooperative Development Revolving Fund	5%	(38,483,608)	(21,424,320)
National Cooperative Education Fund	1%	(7,696,722)	(4,284,864)
Capital Development Fund	10%	(76,967,216)	(42,848,640)
Tax Exempted by Government		(205,543,771)	(106,491,813)
<b>Balance Disposable</b>		<b>220,903,197</b>	<b>84,992,228</b>

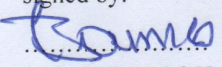


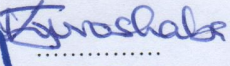
**SHUUKU CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER, 2023**

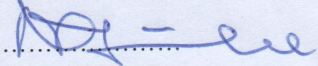
	Notes	2023 Ushs	2022 Ushs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	9	721,620,165	558,545,682
Loans and Advances to Members	10	12,933,924,831	9,142,124,316
Other Receivables	11	130,104,071	82,458,238
Inventory	12	1,467,000	1,533,000
<b>Total Current Assets</b>		<b>13,787,116,067</b>	<b>9,784,661,236</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	1,210,055,397	1,194,843,335
Investments	13	14,020,000	32,020,000
<b>Total Non-Current Assets</b>		<b>1,224,075,397</b>	<b>1,226,863,335</b>
<b>Total Assets</b>		<b>15,011,191,464</b>	<b>11,011,524,571</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Members' Savings Deposits	14	6,423,843,163	5,164,923,432
Other Payables	15	139,539,112	81,367,529
External Loans Due in 12 Months	17(b)	1,465,416,913	413,415,594
Corporation Tax Payable	20	-	-
<b>Total Current Liabilities</b>		<b>8,028,799,188</b>	<b>5,659,706,555</b>
<b>Non-Current Liabilities</b>			
External Loans Due in more than 12 Months	17 (a)	1,388,061,659	649,084,400
Deferred Income - Capital Grants	16(a)	215,019,775	270,969,042
<b>Total Non-Current Liabilities</b>		<b>1,603,081,434</b>	<b>920,053,442</b>
<b>Total Liabilities</b>		<b>9,631,880,622</b>	<b>6,579,759,997</b>
<b>Equity</b>			
Members' Share Capital	18	2,862,208,644	2,511,917,853
Statutory Reserves		366,743,461	289,776,245
Cooperative Development Revolving Fund		170,637,871	132,154,263
Youth Revolving Fund		1,000,000	1,000,000
National Cooperative Education Fund		114,090,983	106,394,262
Capital Development Fund		384,604,555	307,637,339
Share Transfer Fund		907,012,353	763,901,921
Revaluation Reserve		(97,299,679)	(97,299,679)
Tax Exemption Reserve		351,236,944	145,693,173
Retained Earnings		319,075,709	270,589,198
<b>Total Equity</b>		<b>5,379,310,842</b>	<b>4,431,764,573</b>
<b>Total Liabilities and Equity</b>		<b>15,011,191,464</b>	<b>11,011,524,571</b>

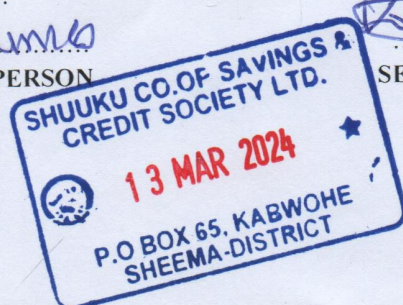
The notes set out on pages 11 - 19 form an integral part of these Financial Statements.

These Financial Statements were approved by the Board on 13/03/2024 and were signed by:

  
**CHAIRPERSON**

  
**SECRETARY**

  
**TREASURER**





**SHUUKU CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

	Members' Share Capital Shs	Share Transfer Fund Shs	Cooperative Development Revolving Fund Shs	Statutory Reserves Shs	National Cooperative Education Fund Shs	Youth Revolving Fund Shs	Capital Development Fund Shs	Revaluation Surplus Shs	Tax Exemption Reserve Shs	Revaluation Loss Shs	Retained Earnings Shs	TOTAL Shs
<b>As at 1 January 2022</b>	2,256,359,196	638,306,028	110,729,944	246,927,605	102,109,398	1,000,000	264,788,699	4,260,321	39,201,360	(101,560,000)	185,596,970	3,747,719,521
Additions	255,558,657	-	-	-	-	-	-	-	-	-	-	255,558,657
Surplus/(Deficit) for the Year											428,486,396	428,486,396
Transfer to Tax Exemption Reserve									106,491,813		(106,491,813)	-
Transfer to Reserves		125,595,893	21,424,320	42,848,640	4,284,864	-	42,848,640				(237,002,356)	-
<b>As at 31 December, 2022</b>	<b>2,511,917,853</b>	<b>763,901,921</b>	<b>132,154,263</b>	<b>289,776,245</b>	<b>106,394,262</b>	<b>1,000,000</b>	<b>307,637,339</b>	<b>4,260,321</b>	<b>145,693,173</b>	<b>(101,560,000)</b>	<b>270,589,198</b>	<b>4,431,764,573</b>
 As at 1 January, 2023	 2,511,917,853	 763,901,921	 132,154,263	 289,776,245	 106,394,262	 1,000,000	 307,637,339	 4,260,321	 145,693,173	 (101,560,000)	 270,589,198	 4,431,764,573
Additions	317,058,830	-	-	-	-	-	-	-	-	-	-	317,058,830
Scrip Dividends Paid Out	33,231,961										(33,231,961)	-
Dividends Paid to Savings Accounts											(33,231,961)	(33,231,961)
Surplus/(Deficit) for the Year											769,672,163	769,672,163
Staff and Patronage Bonuses											(11,728,927)	(11,728,927)
Transfer to Tax Exemption Reserve									205,543,771		(205,543,771)	-
Tax Arrears Paid											(94,223,837)	(94,223,837)
Transfer to Reserves	-	143,110,432	38,483,608	76,967,216	7,696,722	-	76,967,216	-	-	-	(343,225,195)	-
<b>As at 31 December, 2023</b>	<b>2,862,208,644</b>	<b>907,012,353</b>	<b>170,637,871</b>	<b>366,743,461</b>	<b>114,090,983</b>	<b>1,000,000</b>	<b>384,604,555</b>	<b>4,260,321</b>	<b>351,236,944</b>	<b>(101,560,000)</b>	<b>319,075,709</b>	<b>5,379,310,840</b>

**SHUUKU CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED**  
**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

		<b>2023</b>	<b>2022</b>
		<b>Ushs</b>	<b>Ushs</b>
<b>Operating Activities</b>			
Surplus before Tax		769,672,163	428,486,396
<b>Adjustments for:</b>			
Depreciation & Amortisation	3	88,729,111	178,269,627
Loss on Asset Disposal		4,673,828	529,897
Loss on Investment (Land in Bushenyi)		9,000,000	-
Capital Grants Realised	17(a)	(55,949,266)	(84,235,881)
<b>Operating Surplus before Working Capital Changes</b>		<b>816,125,836</b>	<b>523,050,039</b>
(Increase) in Loan Portfolio	10	(3,791,800,515)	(1,695,850,053)
Decrease/(Increase) in Other Receivables	11	(47,645,833)	(4,461,196)
(Increase)/Decrease in Inventory	12	66,000	(268,000)
(Decrease)/Increase in Short-Term Loans	17(b)	1,052,001,319	(642,292,711)
(Decrease)/Increase in Members' Deposits	14	1,258,919,731	1,331,875,780
(Decrease)/Increase in Sundry Payables	15	58,171,583	35,111,084
<b>Net Cash Generated from Operations</b>		<b>(654,161,879)</b>	<b>(452,835,057)</b>
Tax Paid in the Year	20	-	
<b>Net Cash from Operations</b>		<b>(654,161,879)</b>	<b>(452,835,057)</b>
<b>Investing Activities</b>			
Purchase of Fixed Assets & Construction	3	(118,715,000)	(319,176,400)
Movement on investments		18,000,000	-
Proceeds from Sale of Assets		1,100,000	2,200,000
<b>Net Cash Generated from Investing Activities</b>		<b>(99,615,000)</b>	<b>(316,976,400)</b>
<b>Financing Activities</b>			
Increase in Share Capital	18	350,290,791	255,558,657
Dividends Paid		(66,463,922)	-
Patronage and Incentive Bonuses		(11,728,927)	-
Adjustment in Retained Earnings		(94,223,837)	-
Movements in Long-Term Loans	17(a)	738,977,259	586,697,707
<b>Net Cash Flow from Financing Activities</b>		<b>916,851,364</b>	<b>842,256,364</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>163,074,483</b>	<b>72,444,907</b>
Cash and Cash Equivalents at 1 January	10	558,545,682	486,100,775
<b>Cash and Cash Equivalents at the End of Year</b>		<b>721,620,165</b>	<b>558,545,682</b>
<b>Statement of Reconciliation of Cash &amp; Cash Equivalents</b>			
		<b>2023</b>	<b>2022</b>
		<b>Ushs</b>	<b>Ushs</b>
Cash and Cash Equivalents		721,620,165	558,545,682
		<b>721,620,165</b>	<b>558,545,682</b>

**SHUUKU CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

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**1 General**

Shuuku Co-operative Savings & Credit Society Ltd was registered as a Savings & Credit Co-operative Society (SACCO), under the Co-operative Societies Act, 1991 (CAP. 112).

**2 Accounting Policies**

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

**(a) Basis of Accounting**

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards.

**(b) Revenue Recognition**

Interest is charged on outstanding loan balances, and recognized on actual-receipt basis.

**(c) Furniture, Computers and Equipment**

Furniture, Computers and Equipment are stated at cost less accumulated depreciation.

Depreciation is calculated on reducing balance basis at annual rates estimated to write off carrying values of the assets over their expected useful lives as follows:

Motor Cycles	25%
Furniture & Fittings	12.5%
Office Equipment	20.0%
Computer Hardware	33.3%
Computer Software	33.3%
Buildings	2.5%

**(d) Trade receivables**

Trade receivables are carried at anticipated realisable value. Specific provision is made for bad and doubtful loans, basing on the loan-aging analysis, and associated amounts expensed during the year. Bad debts are written off during the year in which they are identified when all reasonable steps to recover them have failed.

**(e) Cash and cash equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise cash on hand, balances at bank, MTN Mobile Money and money held in agency banking.

**(f) Taxation**

The SACCO in its operations earns taxable income as per amendments made in July 2014 to the Income Tax Act 1997. The Government of Uganda gave SACCOs a tax holiday of 10 years from 1 July 2017.



**SHUUKU CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

**NOTE 3: PROPERTY, PLANT & EQUIPMENT**

	Land	Buildings	Work in Progress (Building)	Motor Cycles	Computer Hardware	Computer Software	Office Equipment	Furniture and Fittings	Total
Depreciation Rate	0%	2.50%	-	25%	33.30%	33.30%	20%	12.50%	
COST	Ushs	Ushs	Ushs	Ushs	Ushs	Ushs	Ushs	Ushs	
As at 1st Jan. 2023	30,800,000	451,291,674	501,030,907	90,800,000	46,159,000	366,472,765	122,021,400	63,362,000	1,671,937,746
Retirement of WIP		547,550,907	(501,030,907)	-	-				46,520,000
Additions					14,520,000		15,755,000	41,920,000	72,195,000
Disposals				(32,300,000)					(32,300,000)
As at 31st Dec.2023	30,800,000	998,842,581	-	58,500,000	60,679,000	366,472,765	137,776,400	105,282,000	1,758,352,746
<b>DEPRECIATION</b>									
As at 1 Jan. 2023	-	72,941,978	-	34,775,001	21,502,446	294,800,272	39,244,400	13,830,313	477,094,411
Disposals	-	-	-	(17,526,172)					(17,526,172)
Charge for the Year	-	16,303,129	-	10,312,793	10,882,680	23,866,940	17,584,817	9,778,753	88,729,111
As at 31st Dec.2023	-	89,245,107	-	27,561,622	32,385,126	318,667,212	56,829,217	23,609,066	548,297,349
<b>NBV</b>									
As at 31st Dec. 2023	30,800,000	909,597,474	-	30,938,378	28,293,874	47,805,553	80,947,183	81,672,934	1,210,055,397
As at 31st Dec. 2022	30,800,000	378,349,696	501,030,907	56,024,999	24,656,554	71,672,493	82,777,000	49,531,687	1,194,843,335

**SHUUKU COOPERATIVE SAVINGS & CREDIT SOCIETY LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

<b>Notes (Continued)</b>	<b>2023 (Ushs)</b>	<b>2022 (Ushs)</b>
<b>4) Interest Income</b>		
Interest from Loans and Advances	3,105,218,388	2,371,360,509
Interest from Link Bank	32,012,061	34,288,532
<b>Total Interest Income</b>	<b>3,137,230,449</b>	<b>2,405,649,041</b>
<b>5 Interest Expenses</b>		
Interest Paid on Fixed-Term Deposits	434,110,635	290,162,516
Interest Paid on Sight Savings	48,446,548	41,815,360
Interest Paid on External Loans	264,295,103	218,783,901
Other Financing Expenses	98,097,600	-
<b>Total Interest Expenses</b>	<b>844,949,886</b>	<b>550,761,777</b>
<b>6 Fees and Commissions</b>		
Entrance Fees	7,445,000	7,565,000
Account Maintenance Fees	52,749,231	44,214,850
Loan Processing Fees	168,049,530	120,166,000
Loan Application Form Fees	32,610,000	29,365,000
Loan Appraisal Fees	25,016,000	21,686,000
Recovery Fees & Penalty on Late Loans	194,636,501	165,007,551
Loan Monitoring Fees	19,140,000	-
Commission on Mobile Banking	27,126,953	14,758,176
Commission on Agency Banking - Stanbic	255,351	344,369
Commission on Bulk SMS	19,745,837	15,972,100
Other Commissions	30,284,391	26,521,600
Sale of Other Stationery	12,749,000	12,682,500
Written off Loan Recovered	670,000	-
<b>Total Fees and Commission Income</b>	<b>590,477,794</b>	<b>458,283,146</b>
<b>7 Non-Interest Expenses</b>		
Annual General Meeting	92,138,100	55,494,600
Board Expenses	16,365,500	16,398,000
Supervisory Committee Expenses	14,697,500	18,167,000
Executive Committee Expenses	12,887,000	13,153,000
Loans Committee Expenses	17,465,000	14,118,500
Member Mobilisation & Education Committee	6,096,000	6,738,000
Procurement Committee	326,000	-
Staff Salaries	494,837,005	435,669,057
SACCO Contribution to NSSF during 2023	48,955,522	42,792,888
SACCO Contribution to NSSF - Arrears	-	10,498,737
Gratuities	24,741,842	-
Administrative Costs	406,549,420	367,983,221
Training	67,192,700	122,754,000
Travel and Transportation	92,153,500	70,436,000
Office Rent	44,380,000	28,200,000
Electricity	15,263,837	9,958,000
Telephone, Internet and Postage	45,607,300	38,302,600
Maintenance Costs - Motor Cycles	16,730,200	31,181,180
Maintenance Costs - Computers	75,169,852	46,495,392
Maintenance Costs - Solar Equipment	8,808,100	7,487,000
Depreciation	64,862,171	56,234,196
Armortisation of Intangible Asset	23,866,940	122,035,431
Stationery and Printing	37,405,025	37,493,898
Marketing and Publicity	207,987,638	106,316,700
Security Expenses	121,487,600	92,288,600
Insurance Premium on Cash	15,011,047	11,870,274
Contribution to Sheema SACCOs Union	50,133,600	16,963,500
Subscription to Other Partner Organisations	3,236,000	3,000,000
Loan-Related Costs	224,864,700	177,036,900
Bank Charges	7,452,971	6,453,259
Renovation	9,219,000	5,637,500
Internal Audit Expenses	-	17,000,000
Legal Charges	2,000,000	-
Consultancy	2,100,000	20,900,000
Insurance of Motor Cycles	60,000	2,542,210
Bad Debts Written Off	-	6,807,906
Maintenance Costs - Furniture	642,000	245,000
Loss on Disposal of Assets	13,673,828	529,897
<b>Total Non-Interest Expenses</b>	<b>2,284,366,898</b>	<b>2,019,182,446</b>

**SHUUKU COOPERATIVE SAVINGS & CREDIT SOCIETY LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

	<b>2023</b>	<b>2022</b>
	<b>Ushs</b>	<b>Ushs</b>
<b>8 Other Comprehensive Income</b>		
Income Realized from Capital Grants	55,949,266	81,772,581
Operational Grant Income	-	2,463,300
Decrease in Provision for Loan Losses	115,331,438	50,262,551
<b>Total Other Comprehensive Income</b>	<b>171,280,704</b>	<b>134,498,432</b>
<b>Total Income</b>	<b>3,898,988,947</b>	<b>2,998,430,619</b>
<b>9 Cash, Bank Balances &amp; Cash Equivalents</b>		
Stanbic Bank	300,404,710	95,395,452
DFCU Bank	3,121,590	100,006
Post Bank	18,728	-
Cash at Kishabya Branch	66,014,900	34,343,200
Cash at Nyeihanga Branch	90,747,100	100,979,400
Cash at Rwanyamukinya Branch	50,058,300	6,469,200
Cash at Bugamba Branch	48,600,300	55,555,200
Cash at Kabwohe Branch	10,752,800	25,251,500
Cash at Nyamukana Branch	31,289,400	34,035,300
Cash at Mbarara Branch	36,262,100	
Mobile Banking	35,515,823	79,196,253
Agency Banking - Stanbic	5,090,277	1,607,771
Kitagata SACCO	12,650	12,400
Savings in UCCFS	43,731,487	125,600,000
<b>Total Cash, Bank Balances &amp; Cash Equivalents</b>	<b>721,620,165</b>	<b>558,545,682</b>
<b>10 Loans and Advances to Members</b>		
Loan Portfolio (Gross)	13,225,229,766	9,548,760,689
Less: Provision for Bad Debts	(291,304,935)	(406,636,373)
<b>Net Loans Outstanding</b>	<b>12,933,924,831</b>	<b>9,142,124,316</b>



**SHUUKU COOPERATIVE SAVINGS & CREDIT SOCIETY LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

Notes (Continued)		2023	2022
		Ushs	Ushs
11	<b>Other Receivables</b>		
	Prepaid Insurance	4,346,203	2,138,135
	Prepaid Bulk SMS	515,766	624,529
	Prepaid Rent	3,630,000	3,850,000
	Prepaid User License	44,025,128	13,200,000
	Receivable (Gloria)	51,297,974	51,297,974
	Staff Advances	6,600,000	1,200,000
	Advance on Fund Processing	19,598,000	-
	Advance - Land Title Providers	-	10,000,000
	Sundry Debtors	91,000	147,600
		<b>130,104,071</b>	<b>82,458,238</b>
12	<b>Inventory</b>		
	Stationery Stock	1,467,000	1,533,000
		<b>1,467,000</b>	<b>1,533,000</b>
13	<b>Investments</b>		
	Shares in UCA	600,000	600,000
	Shares in AMFIA	400,000	400,000
	Shares in UCCFS	11,000,000	11,000,000
	Shares in Sheema SACCOs Union	500,000	500,000
	Shares in UCSCU	1,500,000	1,500,000
	Shares in Kitagata SACCO	20,000	20,000
	Plot of Land - Bushenyi	-	18,000,000
	<b>Total</b>	<b>14,020,000</b>	<b>32,020,000</b>
14	<b>Members' Deposits</b>		
	Sight Savings - Minors	288,294,138	149,160,153
	Sight Savings - Others	2,860,930,263	2,752,200,203
	Fixed-Term Deposits	3,274,618,762	2,263,563,076
	<b>Total</b>	<b>6,423,843,163</b>	<b>5,164,923,432</b>

**SHUUKU COOPERATIVE SAVINGS & CREDIT SOCIETY LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2023**

	<b>2023</b>	<b>2022</b>
	<b>Ushs</b>	<b>Ushs</b>
<b>15 Other Payables</b>		
Prepaid Interest - Motor Vehicle Loan	28,225,000	-
Solar - Incafex	6,401,006	6,401,006
Withholding Tax Payable	2,969,521	138,472
Chaapa Payable	30,000,000	13,500,000
Insurance Payable	3,081,047	2,386,683
Supplier - Motor Cycles	4,933,696	4,933,696
PAYE	-	3,654
NSSF	-	287,684
Unidentified Deposits	1,990,000	-
Funeral Contribution Fund	9,508,000	13,408,000
Interest Accrued on External Loans	22,111,594	28,333,334
Sundry Creditors	2,700,000	2,180,000
Performance-Based Incentives for Staff	1,030,000	3,487,500
Internal Audit Expenses	-	5,100,000
Gratuities Payable	24,741,842	-
Mobile Banking Commission-Ensibuuko	1,143,180	397,200
Mobile Banking Commission-Extra Inch	704,226	810,300
	<b>139,539,112</b>	<b>81,367,529</b>
<b>16(a) Deferred Income - Capital Grant</b>		
Grant b/f	270,969,042	352,741,623
Additions	-	-
Grant Realised During the Year	(55,949,266)	(81,772,581)
	<b>215,019,776</b>	<b>270,969,042</b>
<b>17 External Loans</b>		
<b>(a) Due in more than 12 Months</b>		
Microfinance Support Centre	675,890,418	-
SOLUTI Finance East Africa Ltd	234,601,100	649,084,400
Stanbic Bank	477,570,141	-
	<b>1,388,061,659</b>	<b>649,084,400</b>
<b>(b) Due in 12 Months</b>		
Microfinance Support Centre	310,513,424	-
SOLUTI Finance East Africa Ltd	414,483,300	350,915,600
Stanbic Bank	740,420,189	-
Uganda Central Co-operative Financial Services	-	62,499,994
	<b>1,465,416,913</b>	<b>413,415,594</b>
<b>18 Share Capital</b>		
Members' Shares	2,862,208,644	2,511,917,853
	<b>2,862,208,644</b>	<b>2,511,917,853</b>

**SHUUKU COOPERATIVE SAVINGS AND CREDIT SOCIETY LTD**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**20) INCOME TAX COMPUTATION**

	<b>2023</b>
	<b>Ushs</b>
Surplus Before Tax as per Accounts	769,672,163
<b>Add:</b>	
Depreciation	64,862,171
Armortisation	23,866,940
Loss on Asset Disposal	13,673,828
	<b>872,075,102</b>
<b>Less:</b>	
Capital Grant Realised	(55,949,266)
Gain on Asset Disposal	-
Wear and Tear Allowance	(130,979,932)
<b>Taxable Surplus/Deficit for the Year</b>	<b>685,145,904</b>
Corporation Tax at <span style="float: right;"><b>30%</b></span>	-
Tax b/f	-
Tax Paid During the year 2023	-
<b>Tax Payable c/f</b>	-

**WEAR AND TEAR SCHEDULE**

	<b>Computers</b>	<b>Automobiles</b>	
	<b>Class I</b>	<b>&amp; Equipment</b>	
	<b>40%</b>	<b>Class IV</b>	<b>Total</b>
		<b>20%</b>	
Depreciation Rates			
<b>WDV at 01 JANUARY 2023</b>	107,736,990	385,010,681	492,747,671
Additions During the Year	14,520,000	57,675,000	72,195,000
Disposal of Assets	-	(32,300,000)	(32,300,000)
<b>Sub-Totals</b>	<b>122,256,990</b>	<b>410,385,681</b>	<b>532,642,671</b>
Wear and Tear	(48,902,796)	(82,077,136)	(130,979,932)
<b>WDV at 31 DECEMBER 2023</b>	<b>73,354,194</b>	<b>328,308,545</b>	<b>401,662,739</b>