

# **REGULATORY REPORTS AND DISCLOSURE REQUIREMENTS**

FINANCIAL REPORTING WORKSHOP FOR  
CO-OPERATIVES

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**27<sup>th</sup> APRIL 2017**



# DISCUSSION POINTS



## 1.0 Introduction

### 1.1 Session Objectives

## 2.0 The regulatory reports

### 2.1 Content and Due Dates

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## 3.0 Year end financial reports

### 3.1 Audited financial statements

### 3.2 Auditors opinion

### 3.3 Other disclosures

## 4.0 RBS(Risk Based Supervision)



# 1.0 INTRODUCTION



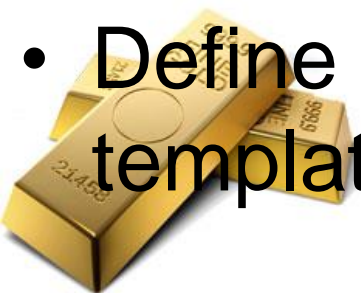
- ❖ Legal framework anchoring compliance of DTS;
  - ✓ SACCO Societies Act, 2008 and;
  - ✓ The SACCO Societies (Deposit Taking Business) Regulations 2010.(Submission various reports, formats and timelines)
  - ✓ *Other- CSA,2004 (Implication of Sec 68 of SSA)*
- ❖ This session will therefore discuss the various reports required by SASRA.



# 1.1 *Session objectives*



- ❖ Identify the nature of regulatory reports that are required by SASRA and their respective due dates
- ❖ Understand the meaning of each report listed in SASRA regulations
- ❖ Obtain a template for each of the required reports
- Define the terms and line items in the report templates



# 2.0 REGULARY REPORTS



Name of Report	Description	Template	Due Date
1. Capital adequacy report	The capital adequacy return shows the balance of the capital account, the balance of on-balance sheet (Financial Position) assets, and compares the core capital to the on-balance sheet assets to calculate capital ratios.	Form 1- <i>Reg11(1)</i>	End of every month (to be received by the 15th day of the following month)
2. Liquidity	This report shows the	Form 2	End of every

## 2.0 Cont.Regular Reports



Name of Report	Description	Template	Due Date
3. Statement of deposit return	This report shows the number and value of non-withdrawable, savings, and term deposit accounts within defined value ranges.	Form 3 <i>Reg 24</i>	End of every month (to be received by the 15th day of the following month)
4. Return on the risk	This report reveals the number and value of	Form 4 <i>Reg 46</i>	End of every quarter (to

## 2.0 Cont. Regulatory Reports



Name of Report	Description	Template	Due Date
5. Return on investments report	This report compares land, buildings, and <b>financial assets</b> to the SACCO's total assets and its core capital.	Form 5 <i>Reg .51</i>	End of every quarter (to be received by the 15th day of the following month)
6. Statement of financial position	Statement of financial position reports on a Sacco's <u>assets</u> , <u>liabilities</u> , and <u>ownership equity</u> at a given point in time.	Form 6 <i>Reg.52(3)</i>	End of every month (to be received by the 15th day of the following



## 2.0 Cont. Regular Reports



Name of Report	Description	Template	Due Date
7. Statement of comprehensive income	A report that begins with financial income and displays the items of <u>other comprehensive income</u> for the reporting period.	Form 7 <i>Reg.52(3)</i>	End of every month (to be received by the 15th day of the following month)



# 3.0 YEAR END FINANCIAL REPORTS



Name of report	Description	Template	Due date
1. Statement of financial position	Assets and liabilities of the Sacco in compliance with IFRS/IAS	Mkopo template	3 Months from the year end
2. Statement of Comprehensive income	Income and expenditures in compliance with IAS/IFRS	Mkopo template	3 Months from the year end
3. Statement of changes in Equity	summarizes the changes/activity in the equity accounts for the period	Mkopo template	3 Months from the year end
4. Statement of	Shows changes in	Mkopo	3 Months

# 3.0 Year End Financial Reports



<i><b>Name of report</b></i>	<i><b>Description</b></i>	<i><b>Template</b></i>	<i><b>Due date</b></i>
<b>5.</b> Auditor opinion position	Independent auditors report in compliance with ISA and Regulation 56.(Familiar with new audit report format?)	ISA 701	3 Months from the year end
<b>6.</b> Statistical Information	A report containing key balance sheet and income statement balances as well as several financial ratios in compliance with prudential standards	Mkopo template	3 Months from the year end
<b>7.</b> Other disclosures	A report describing non-performing loans & advances, insider loans & advances, off-balance sheet items, capital strength, liquidity, and investments	Form 8	3 Months from the year end

# 4.0 RISK BASED SUPERVISION

**C-** Capital Adequacy

**A-** Asset Quality

**M-** Management resilience

**E-** Earnings

**L-** Liquidity

**S-** Sensitivity to risk-



# Appendices



- i) Reporting forms 1 - 8
- ii) Mkopo template
- ii) Glossary of terms and line items in the report



