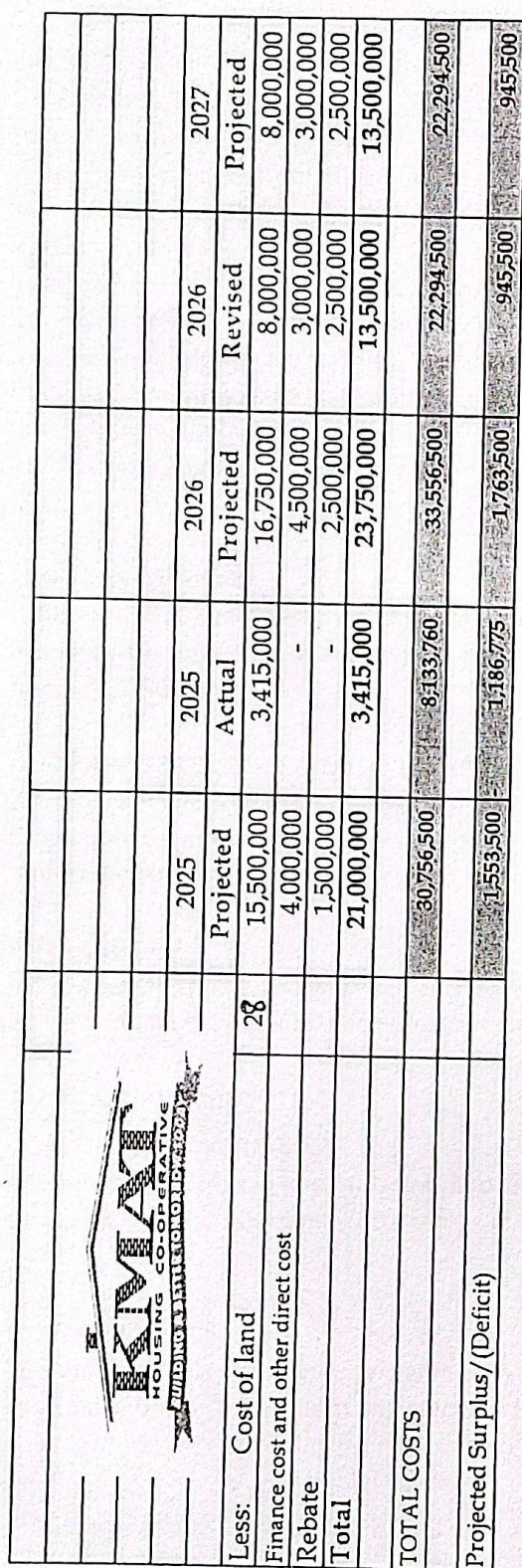


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Signed by

Mr. John Njenga
Treasurer

KMAT HOUSING CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE BUDGET 2026 & 2027

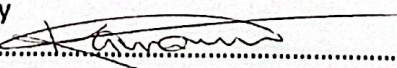
INCOMES

INCOME FROM SALE OF LAND/PROPERTY		<u>2026</u>	<u>2027</u>
1	New Project	-	-
	Sale of Acacia house	-	-
	Other Property & partnerships	20,000,000	20,000,000
		<u>20,000,000</u>	<u>20,000,000</u>
2	INVESTMENT INCOME		
	Interest from Money market (CIC group)	200,000	200,000
	Interest from Money market (Madison group)	200,000	200,000
	Interest from Money market (ICEA group)	10,000	10,000
	Interest from Money market (Britam group)	280,000	280,000
	Interest from SIB (Mansa X)	150,000	150,000
	KMAT Boma income	2,160,000	2,160,000
	Total	<u>3,000,000</u>	<u>3,000,000</u>
3	LAND TRANSFER FEE	<u>2026</u>	<u>2027</u>
	Estimated that 2 members will purchase plot with us but will wish their Title deeds be processed in another name @ 20,000/= each		
		<u>40,000</u>	<u>40,000</u>
4	LAND APPLICATION FEES/MISCELLANEOUS	<u>2026</u>	<u>2027</u>
	All applicants are required to pay kshs. 1,000/= per plot they apply to purchase. We also propose booking fee of houses and miscellaneous income charges on deposit refund		
		<u>150,000</u>	<u>150,000</u>
5	ENTRANCE FEE	<u>2026</u>	<u>2027</u>
	It's presumed that in the year as per the strategic plan 25 new members will join. Each member to pay 2,000/=		
		<u>50,000</u>	<u>50,000</u>

EXPENDITURES

6	CORPORATE GOVERNANCE	<u>2026</u>	<u>2027</u>
	This will be incurred in implementation of SP and any seminars that the board may attend		
		<u>500,000</u>	<u>500,000</u>
7	OFFICE EXPENSES	<u>2026</u>	<u>2027</u>
	This will include all the expenses used to run the office in day to day basis. The amount shall include Rent to NNAK		
		<u>400,000</u>	<u>400,000</u>

8 ADVERTISEMENT, MARKETING & PUBLICATIONS	<u>2026</u>	<u>2027</u>
The society will have advertisement on the ongoing projects and members outreach programmes during the year	<u>500,000</u>	<u>500,000</u>
9 BANK CHARGES	<u>2026</u>	<u>2027</u>
This an expense for the bank charges incurred for the various transactions in the bank	<u>50,000</u>	<u>50,000</u>
10 PROVISION FOR LEGAL COSTS	<u>2026</u>	<u>2027</u>
This relates to any mitigation cost that may arise from the court proceeding currently	<u>100,000</u>	<u>100,000</u>
11 PRINTING AND STATIONERIES	<u>2026</u>	<u>2027</u>
The expense will be incurred for such activities like catridges, members statements, brochures and other general activities related to printing	<u>50,000</u>	<u>50,000</u>
12 TRANSPORT EXPENSE	<u>2026</u>	<u>2027</u>
This will be incurred by the board for the varous meeting attended	<u>250,000</u>	<u>250,000</u>
13 PAYROLL CHARGES	<u>2026</u>	<u>2027</u>
This expense will be incurred when the society receives the check off from KNH, KMTC, Various Ministries every month as a charge for processing	<u>50,000</u>	<u>50,000</u>
14 SITTING ALLOWANCES	<u>2026</u>	<u>2027</u>
Board meeting - 12 meetings (Physical/virtual)	324,000	324,000
Executive meetings - 12 meetings (Physical/Virtual)	144,000	144,000
Investment meeting- 12 meetings (Physical/Virtual)	108,000	108,000
Supervisory 9 meetings (Physical)	121,500	121,500
Education meeting- 12 meetings (Physical/Virtual)	108,000	108,000
Joint Board meeting - 6 meetings (Physical)	324,000	324,000
	<u>1,129,500</u>	<u>1,129,500</u>
15 Subsistence/Refreshments and hospitality expenses incurred during board meetings, committees	<u>80,000</u>	<u>80,000</u>
16 Training/Education		
Board of directors and Supervisory committee	<u>1,000,000</u>	<u>1,000,000</u>
MEMBERS EXPENSES		
17 Education to members		
Proposed to have two Members education during the year	<u>750,000</u>	<u>750,000</u>

18 Annual General Meeting	<u>750,000</u>	<u>750,000</u>
19 Provision for Special General Meeting	<u>200,000</u>	<u>200,000</u>
STAFF EXPENSES		
20 Salaries and wages	<u>2,000,000</u>	<u>2,000,000</u>
21 Group cover - Insurance cover for the staff and personal accident cover for officials during land scouting	<u>250,000</u>	<u>250,000</u>
22 Staff training	<u>200,000</u>	<u>200,000</u>
23 AUDIT FEE The Society will continue to employ the services of external auditors as required	<u>80,000</u>	<u>80,000</u>
24 DEPRECIATION The cost is inclusive of depreciation for the office assets	<u>20,000</u>	<u>20,000</u>
25 Corporate Development (The expenditure will be incurred by the Board on co-operative movement like Ushirika day)	<u>200,000</u>	<u>200,000</u>
26 Amortization (The intangible assets will be amortised at the rate of 20% on the book value)	<u>165,000</u>	<u>165,000</u>
27 Software maintenance (The cost will be incurred for maintaining the Navison software Microsoft Dynamics)	<u>70,000</u>	<u>70,000</u>
28 COST OF SALE OF LAND/CONSTRUCTION The mark up will be 30% and its presumed that all land will be sold upon subdivision The expenditure incurred like survey fees, legal cost, stamp duty, Allowances related to land, refreshments, Conveyance cost will be capitalised	<u>13,500,000</u>	<u>13,500,000</u>
Signed by  Mr. John Njenga Treasurer		