

**THE RELATIONSHIP BETWEEN FINANCIAL PERFORMANCE AND
DIVIDEND PAYOUT OF SAVING AND CREDIT CO-OPERATIVE SOCIETIES
REGISTERED BY SACCO SOCIETY REGULATORY AUTHORITY IN KENYA**

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REG NO. D61/77405/2015

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION OF THE UNIVERSITY OF NAIROBI**

NOVEMBER 2016

DECLARATION

I declare that this Research Project is my original work and has not been submitted to any other university for award of a degree.

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ACKNOWLEDGEMENTS

I take this opportunity to thank our almighty heavenly father for seeing me through this journey. The challenges have been many but I have made it through. The document is as a result of support from many people. I am greatly indebted to my supervisor Mr. Herrick Ondigo for his professional guidance, advice and unlimited patience throughout the study. The support of Sasra and all the Sacco's employees who gave the required information for the study are highly appreciated.

DEDICATION

I dedicate this to my family for their support and understanding during the period of study.

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LIST OF ABBREVIATIONS

GDP	Gross Domestic Product
NSE	Nairobi Securities Exchange
ROA	Return on Assets
ROCE	Return on Capital Employed
ROE	Return on Equity
ROI	Return on Investment
SACCOs	Savings and Credit Cooperative Societies
SASRA	Sacco Societies Regulatory Authority
SDDs	Specially Designated Dividends

ABSTRACT

The purpose of the study was to determine the relationship between financial performance and dividend payout of Sacco's registered by Sasra. Secondary data for 164 Sacco's was collected for the period 2011 to 2015. The data was analyzed using descriptive statistics for coming up with an understanding, organizing and summarizing the data as well as inferential statistics for making conclusions from the data. Correlation and regression analysis was used in determining the relationship between the variables. The result showed that there exists a positive relationship between dividend payout and financial performance of registered Sacco's by Sasra. A negative relationship also was shown by one variable- growth. The study recommends that firms should pay dividends based on their financial performance and this entails coming up with a good management strategy and effective dividend policy.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Savings and Credit Cooperative Societies (SACCOs) are owned, managed and run by its members who have a common bond. The Cooperatives offer financial services with major focus on movement of funds from one member to the other and to provide credit that is affordable to members. In Kenya they are regulated by a statutory state corporation, Sacco Societies Regulatory Authority (Sasra) which was established under Cap 490B of the Sacco Societies Act of the law of Kenya. The issue of corporate dividend that came up in the 19th century made dividends to be a very important information source (Miller and Modigliani, 1961). Scarcity of data and unreliability of and information moved investors to make assessments and decisions of firms from the dividends payed instead of reported income.

Dividend Payout has been a controversial topic for decades. Many investors do not have accurate information about dividend payout and have used financial performance to gauge how much dividends to pay. Dividend payout is affected by many aspects of a firm including the financial structure, the flow of funds, liquidity, the stock prices and the morale of the stake holders. Firms payout dividends from what is in surplus of what can be reinvested back in profitable ventures.

Several factors are taken into consideration and the market imperfections such as information asymmetry, taxes and agency costs suggests that dividends matter to most stakeholders. It is a common practice for firms to payout dividends after taking into consideration of the existing investment opportunities and it is unlikely to see a firm paying dividends and issuing new equity, this means that most practice residual dividend payout policy. When all earnings are paid out as dividends nothing is left for further investment and growth this affects a firm's long term (Van Horne, 2002).

1.1.1 Financial Performance

Financial performance can be said to be a means by which a firm's accountability is measured, operations and activities for a given period of time in financial terms (Van Horne et al., 2008). Measurement can be done through several financial ways such as profit after tax, ratios, return on equity, and return on assets, return on investments (ROI), earnings per share and other acceptable ratios. ROA measures how profitable an asset is in generating revenue, a firm's ability to generate income from proper utilization of the resources available. (Bodie, Kane and Marcus, 2011). It is a ratio of net income to its average total asset. A higher return on assets shows a firm's efficiency to utilize its assets. Return on equity (ROE) measures the profitability of a firm from its ability to utilize the shareholders investment. It's the return on shareholders' investment. A firm with high return on equity has a high capacity to generate cash internally. Return on equity is given by net income divided by shareholders equity. A firm with high

ROE is said to be performing better in terms of profits.

1.1.2 Dividend Payout

Dividend payout is how much a firm is returning back to its shareholders, it is categorized among the top decisions that managers make (Baker and Powell, 2001). Dividend payout ratio tries to balance the amount to be given back to shareholders, pay debt, reinvest and maintain for liquidity. Dividend decisions are affected by the financial performance of a firm. A firm that invests prepares for future earnings and thus potential dividend payments. The pecking order theory argues that firms would rather finance its investments from retained earnings than debt or external equity, Myers and Malijluf (1984), this clearly shows that dividends and investments compete for funds generated internally (Alli and Khan, 1993). When a firm decides to go for a higher retention rate, it means the ratio of dividend payment goes down. This clearly shows an inverse relationship between dividend payments and investments. Dividends are paid in different forms depending on each firm and include cash dividends which are made up of extra, special and liquidating dividends (Ross, Westerfield, and Jordan, 2011).

Dividend payout is the ratio of which dividends are paid in proportion to total earnings. Both investors and managers consider the decisions on whether to pay dividends or retain the earnings very serious, this has been a subject of interest for economist's researchers for some years (John and Muthusamy, 2013). Dividend payment is both an evidence of well performance and the ability of firms operations to generate cash (Adesola and Okwong, 2009).

1.1.3 Effect of Financial Performance on Dividend Payout

Dividend payout is the proportion of the distributable total earnings of a firm that is paid to the shareholders (Adesola and Okwong, 2009). Mizuno (2007) supports the idea that a firm has to pay dividends to its shareholders' if it has not been able to come up with viable investments that brings higher returns. A firm pays only dividends if it performs well financially, therefore the performance will determine when, how and how much dividend to be paid out. When a firm thinks of engaging in future investments, it means low dividend payout.

Dividends are considered important since they will show what earnings a firm generates. For Sacco's to pay dividend they must perform well financially and no viable investments expected by shareholders since management decisions and the firms condition are the determining factors for dividend payment.

1.1.4 Sacco's Registered by Sacco Societies Regulatory Authority

Sacco Societies Regulatory Authority is a state corporation which was established under Cap 490B of the Sacco's society act of the Laws of Kenya which came into full operation on 18th June 2010 upon gazettelement. SASRA regulates all DTS in Kenya which are currently 176 with 164 having been licensed. Sasra was formed with an objective of protecting the interest of members, building public confidence and spurring economic growth through mobilization of savings. It also increases financial access to the members and promote social capital for investment. Sacco's roles are financial intermediation and investment. The major roles of Sacco's are financial intermediation and investment, most of them

misused their powers since there were no regulations governing them. This led to many of the Sacco's collapsing.

The Government came up with an Act of parliament to amend the Cooperative Societies Act of 1997 and came up with the Sacco Society Act (SSA) 2008 for licensing and regulating Sacco's.

This Act provided for enactment of Sasra and gave it a mandate to enforce the new legal and regulatory framework. Improvement of financial performance of Sacco's in a regulated environment is of importance for deposit taking institutions. Performance relates to profitability of a firm, efficiency in managing resources and credit quality. Dividend payout is the decision of managers to distribute part of the earnings to shareholders of a firm, in this case the Sacco's. This decision has varied impacts on the Sacco's which may include inability to invest in profitable projects, giving of loans to members and other financial challenges. As Sacco's think of paying out dividends they need to ensure that the process is aligned with the current changes in the market so as not to be obsolete and at the same time serve their customers efficiently.

1.2 Research Problem

Dividend policy is one of important areas of financial management but remains an important unresolved problem in finance (Bearleys and Myers, 2002). This is due to its effect on the financial structure flow of liquid funds and investor satisfaction (Weston and Brigham 1986).

Dividend policy is determined by the size of the firm and growth level which are non financial indicators as per the research done by (Uwuigbe, Jafaru and Ajayi, 2012) on dividend policy and firm performance in Nigeria. Dividend payout impacts on other operations of the firm, this research have been conducted to determine whether a Sacco's performance has an impact on its dividend payout.

A research done on dividend policy and firm performance for manufacturing companies that are listed on Colombo Securities Exchange in Sri Lanka by (Velnampy, Nimalthasan and Kalaiarasi ,2014) for the periods 2008-2012 used profitability and return on equity as determinants of performance. They found out that firm performance are not significantly correlated with dividend payout meaning that firms do not practice dividend policy as by the guidelines.

A research study on commercial banks in Ghana on dividend policy and bank performance by (Agyei 2011) found out that the average dividend paid by banks was 24.65%, it also indicated that banks whose performance increased paid dividends. This was in agreement with previous studies that firm value has an effect on dividend policy.

Researchers' in Kenya have equally recorded a positive relationship in financial performance and dividend payout. Study on the effect of dividend policy on the profitability of Sacco's with Fosa in Kenya by (Malombe, 2011) found a positive but insignificant relationship between profitability and dividend payout.

Njoroge (2001) on the study about the relationship between dividend policies and return on assets and equity for companies listed at the Nairobi Stock Exchange

found a positive relationship between both return on equity and return on assets to dividends paid. No research was carried on the relationship between financial performance and dividend payout of registered Sacco's by Sasra. This created research gap that is to be addressed by this study.

The research is seeking to answer the following question on financial performance and dividends of registered Sacco's; is there any relationship between financial performance and dividend payout of Sacco's registered by Sasra?

1.3 Objective of the Study

To establish the relationship between financial performance and dividend payout of Sacco's registered by Sasra.

1.4 Value of the Study

The study adds more knowledge and brings up a new perspective on the concept of financial performance impacting on dividend payout. It gives more knowledge and experiments done to test on the relationship between financial performance and dividend payout of registered Sacco's by Sasra. It also gives a clear and well understanding on positive and negative response of financial performance on dividend payout of different financial periods. The study provides literally material for future scholars, students and researchers. It can also be used as a basis for academic research on financial performance and dividend payout in developing nations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter covers theoretical review and empirical studies that have been carried out in the area of dividends in the past. It also contains Theoretical review which explains the various theories that explains the relationship between financial performance of firm and dividends.

2.2 Theoretical Review

Several studies have been done on dividend policy and some theories have been used to explain. These theories are, Dividend Irrelevance theory, Bird in hand theory and Signalling theory.

2.2.1 Dividend Irrelevance Theory

Dividend irrelevance theory was proposed by Franco Modigliani and Merton Miller in 1961. They asserted that dividend policy of a firm has no effect on its market value. Modigliani and Miller (2001) argued that dividend policy has no effect on price of a firms stock or cost of capital thus its irrelevant. They reasoned that a firm's value is determined by its earnings power and its risk class and that dividend is a residue that depends on a firms need for investment funds (MacMillan and Day, 2007). The way a firm splits its earnings is determined by its investment policy. This school of thought clearly shows that dividends have no effect on a firm's financial performance.

Modigliani and Miller demonstrated that if a firm pays high dividends under a set of assumptions then it has to issue new stocks. A firm's value that is given to investors should be equal to the dividends paid. (Lease et al., 2000). MM argued that investors can use the previous dividend payment pattern to predict what to expect in the future as payments. When the dividends paid are low than what the investors had anticipated, they tend to sell part of their shares and utilize the cash generated. (Kharwish, 2011). In cases where dividends are paid more than expected the shareholders tend to use the additional income to purchase more shares.

Members of a Sacco can purchase additional shares with the additional dividends or withdraw their membership when they feel the dividends are lower than they had expected. They can as well increase their savings thus creating more funds for investment which might lead to high dividend as a result of better financial performance (Gugler and Yurtoglu, 2003). One dividend policy is as good as the other. This theory is important for this study since it explains the impact of financial performance on dividend payout.

2.2.2 Bird in Hand Theory

Gordon and Lintner (2005) in their Bird in Hand argued that shareholders prefer a higher dividend payout now than future capital gains. They prefer dividends now due to the certainty than future gains from questionable investments. Studies have demonstrated that this mode fails if it's positioned in a perfect market with investors who have rational behaviour. Investors therefore would rather receive dividends instead of capital gains (Amidu, 2007).

Dividends are considered riskless unlike capital gains thus firms tend to go for a high payout ratio that will result to high dividend yield to maximize stock price. When dividends are increased it increases the value of the firm. A firm that pays higher dividends it reduces uncertainty that may exist about future cash flows, on the other high a very high payout ratio will result to a reduced cost of (Miller and Modigliani, 2001).

Gordon and Litner (2005) argued that dividend policy is relevant because a shilling received now is more valuable than a shilling received later, thus shareholders opt for current dividend payment to retention for future investment which will be discounted for future gain or dividend (Frankfurter and Wood, 2002). This theory is important for the study since it informs the researcher on the necessity of dividend payout as it is less risky than capital gains.

2.2.3 Information Signalling Theory

This theory indicates that when a firm announces an increase in dividend payout is an indication of positive future performance. Miller and Modigliani (2001) suggested that information is freely accessible about a firm's future performance to all stakeholders. Signaling theory says that information is accessed by investors about future earnings is signaled from the dividend announcement which indicates a firm's stability. (Khrawish, 2011). The information managers have needs to be communicated to the market for this hypothesis to hold.

A firm giving signals should be true and dividend payments should be based on performance. Thus the market should be able to rely on the signals from the firms. Lintner (2006) argued that managers will increase dividends ratio when there is an indication of increase in earnings. This is in agreement with many theorists who believe that the rise in stock price as a result of increase in dividends gives a positive information, indicating that managers can definitely use dividends as a signal of their views of future performance (Gugler and Yurtoglu, 2003). Dividend changes play the role of signaling and this was further stressed by Brickley (2008) who examined specially designated dividends and compared them to the regular dividends. He argued that both classes conveyed positive information about the firm's future earnings.

This theory is of importance to this study since it provides information on the importance of investors to access information that they require regarding a firm's prospects and performance which enables them to make the right decisions.

2.3 Determinants of Financial Performance

Financial performance of Sacco's is determined by factors classified as external and internal factors (Al- Tamimi, 2010; Aburime, 2005). Internal factors are individual characteristics associated by each Sacco which affects its performance. This are as a result of internal decisions by managers and the board, they may include the size of the Sacco, growth and leverage. External factors are factors beyond the control of the Sacco and tend to affect their financial performance. They include inflation, political instability, GDP.

2.3.1 Size

Firm size is measured by total sales. Scott and Martin (1975) stated that firm size significantly affects firm's debt and dividend payout. According to a study conducted by Bradley et. al., (1998) on 75 firms showed that firms that had high cash flow risk tend to have lower payout ratio. A firm's size has a positive effect on financial performance since they are able to utilize this for economic benefits. Large firms have easy access to resources that are used for production, including cheap labor. They are able to get cheaper funding, enjoy economies of scale by getting discounts on items they buy in bulk.

2.3.2 Growth

Signaling theory shows that it is easier for firms with high growth rate to pay its shareholders' dividends since it acts as a way of conveying information to the market of high future performance. Chen and Dhieniri (2009) found out those firms that practice recent development in revenues in Newzealand disbursed lower dividends. Growth when used as a measure of firms performance is from the idea that it's a away to attainment to profitability and added advantage against competitors (Markman, 2002).

Bigger firms survive better in the market and enjoy economies of scale. Higher growth is however encountered with a lot of difficulties due to increased costs and this leads to reduced profitability and financial difficulty. Growth without profitability is a challenge to most Sacco's. When a Sacco is not in a position to fund its growth through its retained earnings it has to rely on debt or equity

finance. This shows the importance between the relationship between growth and profitability.

2.3.3. Leverage

When a firm finances its operation by debt it has to be paid back, this has proven to be highly risky and expensive source of funds. Debt enables Sacco's to manage return on equity for shareholders. Large debt will mean lower dividends since the creditors have to be secured first and at the same time a certain liquidity level has to be maintained. According to (Gugler and Yurtoglu, 2003) highly levered firms pay lower dividends to reduce transaction costs. This could be a suggestion that highly levered firms pay low dividends. In determination of how debt tend to affect how dividends are paid the study has included leverage as an independent variable and is measured by the ratio of debt to equity. Sacco's that are highly levered engage in more investments than paying out dividends which leads to better performance since high risk investments bring high returns.

2.4 Empirical Review

Modigliani and Miller in their argument on the dividend irrelevant theory stated that the value of a firm which is as a result of financial performance is not affected by dividend payout thus it's irrelevant in determination of the financial performance. The information Signaling theory indicates that higher payment of dividends is a sign of future better financial performance to investors. Frankfurter et al (2002) indicated that a number of conflicting theories have been put across to explain the corporate dividend behavior but all have lacked empirical support. Various studies both international and local have been examined in this section

that has tried to explain the relationship between financial performance and dividend.

2.4.1 International Evidence

Teral, Lukason and Sander (2012) on the study on the influence of financial performance on dividend payout policy focused on financial performance indicators and payout policy on all Estonian firms. The researchers used Correlation analysis by changing the financial and payout indicators (amount and ratio) which enabled them to find out the relationship in given different periods. Results indicated connection in individual year's performance in comparison to dividend paid up to the last year. Most of the variables that were being studied like variation of the profit levels, the capital structure and sales proved significant

Enekwe, Innocent and Mike (2014) did a research on the effects of dividend payment on the market price of shares for quoted firms in Nigeria and found by use of Exposit Facto research design which mean the use of historical data with a sample size of 17 quoted firms under the period of study 2003-2011 that dividend per share has a positive and significant effect on the market prices of shares and supports the theory of dividend relevance.

Chinedu and Ikechukwu (2015) study on The Effect Of Dividend Payout On Performance Evaluation evidence of quoted cement companies in Nigeria showed at least one policy implication, the fact that dividend payout is still important determinant of financial performance by increase in the rate of dividends payout. In other words, the management of quoted cement companies in Nigeria should

use more of Return on Capital Employed (ROCE) in the valuation of financial performance, as it improve the value of the firm financial performance.

Monogbe (2015) study on Dividend Policy on Financial Performance: extracted and computed data for better analysis. The result of the analysis shows that firm's dividend policies have a positive and significant relationship with earnings per share, profitability and investments. It is therefore right to conclude that investment, profitability and earnings of a firm are vital in enhancing the dividend policy of a firm.

Ademola and Oyefemi (2015) study on dividend payout policy and firm financial performance .The result of the study showed firms paying dividends when its due recorded an increase in their profitability and those who didn't recorded a decrease. The proper conclusion from the study is that dividend payment by firms portrays some information. It is common for shareholders to invest in dividend paying firms and would prefer to dispose off their shares from low or poorly paying firms and reinvest on better dividend paying firms.

2.4.2 Local Evidence

Chumari (2014) study on the relationship between dividend payout on listed firms and financial performance in Kenya found that there was a positive relationship between cash flow and dividend payout and a negative relationship between the following two financial performance variables namely ,sales growth and market book value and dividend payout.

Dongo (2014) study on the relationship between earnings volatility of firms listed at Nairobi Securities Exchange and dividend pay-out found that there was a negative significant relationship among the variables. His study also established that there were other variables significantly correlated with dividend pay-out.

Kariuki (2014), in her study of the relationship between dividend and financial performance of Sacco's registered by Sasra in Nairobi County found out that there were factors such as dividends, leverage and growth which influenced positively the financial performance of registered Sacco's in Nairobi County.

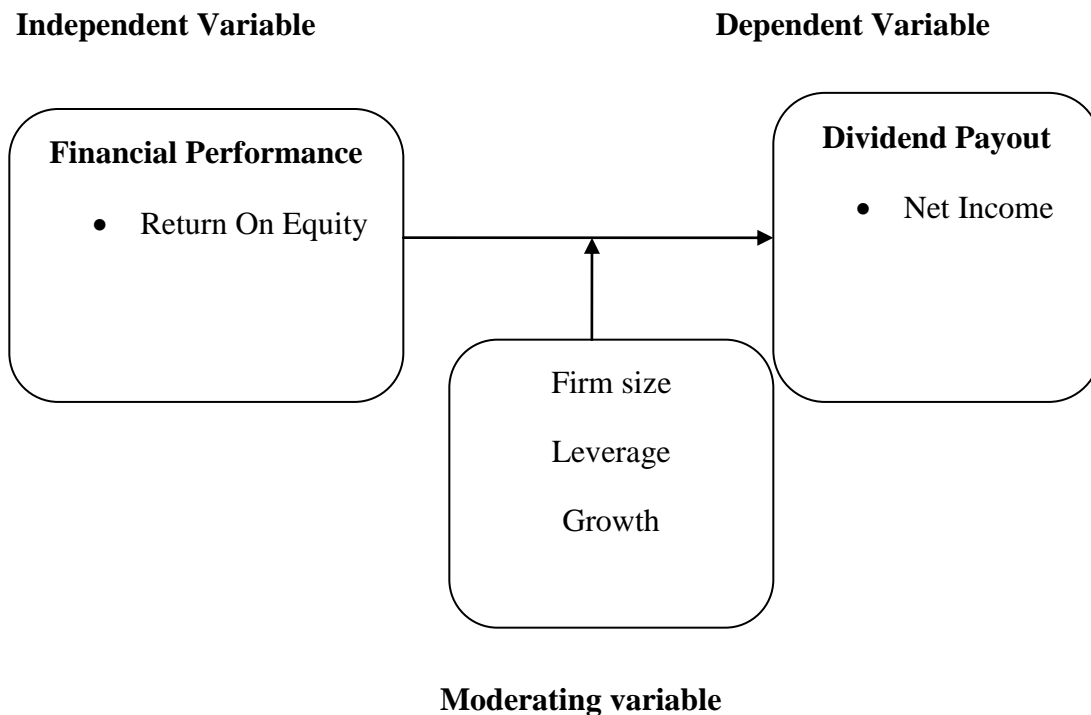
Matendechere (2015) in a study on the relationship between dividend payout and financial performance of registered Sacco's in Nairobi County by collecting data through questionnaire and use of secondary data. She used regression model to analyze the outcome, the study findings indicate a high and strong correlation between the performances of Sacco's in Nairobi County, with its dividend payout growth rates and asset growth rates. The findings show a positive correlation between profitability and dividend payout.

Odhiambo (2015), in his study of the effect of dividend payout ratio on market capitalization of firms listed at the Nairobi securities exchange found out that dividend pay-out ratio affects the value of shares of a firm in the long run and that the relationship was positive and significant. This clearly shows how relevant dividend policy is in affecting the share price of a firm hence its value contrary to theories that view dividend policy as irrelevant.

2.5. Conceptual Framework

Conceptual framework was defined by Mugenda, (2008) as a theoretical structure that describes a phenomenon that is being studied in a graphical or visual depiction of the variables of the study. Independent variables are those variables that a researcher is in a position to vary them. While dependent variables, are variables whose outcome depends on the independent variables (Mugenda, 2008). The relationship between these variables is presented graphically in the conceptual framework shown below. The following variables form the basis of the research conceptual framework for the study that is; financial performance is the independent variable, while dividend payout is the dependent variable. The moderating variables include firms' size, leverage, and growth.

Figure2.1 Conceptual Model



Source: Researcher (2016)

2.6. Summary of Literature Review

Dividend relevant and irrelevant theories are very distinct and oppose each other about financial performance and dividend policy. The dividend policy has had controversy due to the opposing theories on dividend and has widely contributed to the divided debates on if the policy has an effect on the share price and subsequently the financial performance of the firm (lease et al., 2000). From the studies conducted it is clear that the most important factors for consideration by a firm in determining dividends are the projected cash flows, liquidity and profitability of the firm. Though, most scholars have the idea that there is a positive relationship, others like Michaely (1995) and Gwilym et al., (2004) who believe that there is no such relationship that exist. Sarsa's introduction brought new regulation on how the Sacco's with FOSA should be managed which include restrictions of how much should be the retained earnings and capital ownership ,the study seek to find out whether still with this strict measures the positive relationship between financial performance and dividend still hold or not.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the methodology that has been used in undertaking the research. The methods used to collect secondary data, record, analyze and interpret are considered in this section. The research design, population size and methods used to analyze data are discussed.

3.2 Research Design

The researcher has adapted descriptive research design. Saunders, Lewis and Thornhill (2000) argued that descriptive method is used to obtain and identify information on a particular issue and quantitative and statistical techniques are used in summarizing the data collected. Descriptive design has been used in this study for comprehensive data collection on the population under study to provide relevant and specific information. Zikmund, (2003) indicated that descriptive design is used to provide information on characteristics of a population.

3.3 Population

Mugenda and Mugenda, (2003) explained target population to an entire group of individuals, objects and events having common characteristics that conforms to a given population.

Population is further defined by Sekaran (2001) as the entire group of people, events or things a researcher may be interested to investigate. The study focuses

on the entire population of registered Sacco's by Sasra. There are a total of 164 registered Sacco's, these forms the population.

3.4. Data Collection

The study uses secondary data of registered Sacco's on the financial performance and dividend payout .This data is sourced from published financial statements of the Sacco's which are found from the website of Sasra and individual Sacco's. The data is collected for a five year period 2011 to 2015 and which helps in determining the relationship between financial performance of Sacco's and dividend payout.

3.5 Data Analysis

Data collected has been edited and tabulated into an easy and understandable summary. Quantitative method of data analysis has been used which entails use of descriptive statistics. Ratios and percentages have been used in assessing dividend payout, financial performance, firm size, growth and leverage. The findings are presented by use of tables which are easy to interpret. Multiple regression analysis is used to determine the relationship between dividend payout of registered Sacco's and firms performance.

3.5.1 Analytical Model

A multiple regression analysis has been used in analyzing the relationship between the independent variable financial performance and dependent variable Dividend payout. The study has also incorporated control or moderating variables that affect dividend payout of the firm not captured by financial performance.

$$Y = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4$$

Where;

Y = Dividend Payout ratio - Dividend per share/ Earnings per share.

X₁ = Financial performance measured by ROE - ratio of pre-tax profits to total earnings.

X₂ = Firm's Size - The Log of total assets for a firm

X₃ = Leverage - ratio of total debt to total capital of a firm

X₄ = Growth is measured by book value of assets less book value of equity divide by total assets (total assets- equity)/ total assets

β_i = measures the sensitivity of the dependent variable to unit change in the independent variables.

3.5.2 Test of Significance

To test the significance F- test and t- test are used. Each independent variable has been tested for significance. The overall model has been tested using F-test at a 5 percent confidence level. The p value for the F-statistics has been applied in determining the viability of the model. The independent variables with a p value of less than 5 percent have a significant effect on dividend payout.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter is a presentation of research findings and data analysis from data collected and the interpretations. The study incorporated 164 registered Sacco's by Sasra which made up all the population. The data for analysis was drawn from the financial statements for a period of 5 years, 2011 to 2015 which are found in the published financial statements for Sasra. Data was collected from secondary data. The research sought to determine the relationship between financial performance and dividend payout of Sacco's registered by Sasra.

4.2 Descriptive Statistics

Descriptive analysis helps describe and summarize the data collected in a understandable way thus it becomes simpler to interpret. The study has used Mean, Median and Standard deviation.

Table 4.1 Descriptive Statistics

VARIABLE	MEAN	MINIMUM	MEDIAN	MAX	STD DEVIATION
Dividend payout	0.084573	0.02	0.08	0.18	0.386398
ROE	0.31664	0.1365	0.1903	0.5379	0.399736953
Firm size	11.36028	11.14961	11.37773	11.518	0.284472232
Growth	0.752	0.344222	0.839106	0.93015	0.478689007
Leverage	8.295853	5.692367	8.155419	11.80382	4.444098748

Source: Research Findings

Table 4.1 has data that summarizes the statistics of the dependent and independent variables that has been analyzed. Dividend payout ratio was 0.0846 meaning that the registered Sacco's paid dividends at an average of 8.46%. The independent variables financial performance was measured as the ratio of pretax profits to total earnings which recorded a mean of 0.3166 .Firm size was measured by the logarithm of total assets of the registered Sacco's with a mean of 11.3603. The firm's leverage was measured by the ratio of total debt to book value of assets of the Sacco's and the mean was 8.2959.Growth was measured by book value of assets less book value of equity divide by book value of assets with a mean of 0.752 for a period of five years.

4.3 Regression Analysis

Regression analysis was used in determining the relationship between variables. The result shows the existing relationship between the variables and what happens when each are varied. The study conducted a linear multiple regression model to determine the relationship between financial performance and dividend payout of Sacco's registered by Sasra.

Table 4.2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.991	0.983	0.932	0.038

Source: Research Findings

The four independent variables studied explain 93.2% of Dividend Payout of 164 registered Sacco's by Sasra as shown by adjusted R^2 . This means that the four variables contribute to 93.2% of Dividend payout of registered Sacco's by Sasra in Kenya while 6.8% of other factors that contribute to dividend payout were not studied.

Table 4.3: One way ANOVA Summary

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.081	3	.027	19.214	.166(a)
	Residual	.001	1	.001		
	Total	.083	4			

Source: Research Findings

From above table, the population parameters had a significant level of 0.166 this shows a correlation among the predictor variables (Financial performance, Firm size, Leverage and Growth) and the dependent variable (Dividend payout). The F value of 19.214 shows that the overall model is relevant .

Table 4.4: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	34.010	6.452		5.271	0.119
	ROE	0.108	0.204	0.150	0.531	0.689
	Firm Size	3.095	0.580	3.058	5.336	0.118
	Growth	-1.378	0.273	-2.302	-5.051	0.124
	Leverage	0.056	0.018	0.872	3.079	0.054

Source: Research Findings

Table 4.4 Regression coefficients were used to come up with the model below:

$$DP = 0.108R + 3.095F + (-1.378)G + 0.056L$$

Where DP is Dividend Payout, R is Return on Equity a measure for Financial Performance, F is Firm Size, G is Growth and L is Leverage. Financial performance, firm size and leverage are positively correlated with dividend payout while growth is negatively correlated which means it affects negatively dividend payout of Sacco's registered by Sasra.

4.4 Interpretation of the Findings

The results from the study show that there are factors that have positive influence on Dividend Payout which include Financial Performance, Firm Size and Leverage, while Growth influenced negatively. Holding all factors constant, a unit increase in financial performance will lead to increase in dividend payout by 0.108, unit increase in firm size will increase dividend payout by 3.095, a unit increase in growth will decrease dividend payout by 1.378 and a unit increase in leverage will increase dividend payout by 0.056.

The four independent variables that were studied explain 93.2% of Dividend payout of Sacco's registered by Sasra as represented by adjusted $R^2(0.932)$, which means that other factors 6.8% not studied in this research also contributes to dividend payout.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter summarizes the main findings from the research and gives conclusions and recommendations on the relationship between financial performance and dividend payout of Sacco's registered by Sasra. The study used secondary data from published financial reports.

5.2 Summary

The objective of the study was to determine the relationship between financial performance and dividend payout of registered Sacco's by Sasra. Secondary data was collected from financial statements for 2011 to 2015 of 164 Sacco's which made up the whole population. Data analysis was carried out of the data collected on each of the study variables. A regression analysis was conducted, the result of analysis shows a positive relationship between financial performance measured by return on equity and dividend payout. This indicates that when the performance of registered Sacco's, calculated by ROE is high it then influences its ability to payout dividends. Firm size had a significant influence on dividend payout, due to the ability of a firm to enjoy economies of scale and acquire factors of production cheaply they are able to pay dividends. Highly levered Sacco's had a positive impact on financial performance since they are able to engage in profitable investments and this affected the dividend payout. Sacco's with high growth rate affected the dividend payout negatively. This

is as a result of high capital that is required for the expansion and increased costs which means less or no dividends paid.

5.3 Conclusion

Financial performance is essential for a Sacco to be able to payout dividends. The results from the study showed a positive relationship between financial performance measured by return on equity and dividend payout of registered Sacco's by Sasra. Howatt (2009) in his study concluded that positive changes in firm's earnings contributed to changes in dividends paid by firms. It has been noted that larger Sacco's have ease access to external financing and instead use internal capital for investments that increase wealth thus they perform well, this enables them to payout a higher dividend rate than smaller Sacco's. Ongore (2001) found out that for Sacco's facing liquidity problems capitalization of dividends is a more preferred option giving support to the theory that change in dividend are positively related with subsequent period performance. Njoroge (2001) found a positive correlation on dividends paid for both return on equity and return on investment for listed companies at Nairobi Securities Exchange. It also established that leverage had a positive influence on dividend payout of registered Sacco's by Sasra, however Giroud (2012) showed that a lower leverage ratio resulted in better performance and thus higher dividend payout. Organization growth had a negative influence on dividend payout and this is contrary to the findings of Hennessey and Levy (2002) who concluded that large firms are more likely to enjoy economies of scale and a better negotiation power leading to better financial performance and thus higher dividend payout.

5.4 Limitations of Study

There were a lot of challenges involved in the research which include data collection. The study involved the whole population that makes up the registered Sacco's and thus collecting data was tedious. Some of the Sacco's do not publish their financial statements and thus it entailed making individual calls to obtain the required data. Inadequate resources also made the process of collecting data and analysis hard, including finances. The researcher also encountered time limitations since the work involved was a lot and not enough time given. Another limitation was developing a model for studying the relationship between the various variables. In this case, multiple linear regressions were used since there were multiple variables which required to be studied.

5.5 Suggestions for Further Research

Further studies should be done on the relationship between financial performance and dividend payout on registered Sacco's by Sasra as the rules and regulations governing the Sacco's keep on advancing, as this will mean a change in their capital requirement which may result to increase or decrease in the number of registered Sacco's.

Another area of study is on the impact of Sasra regulations on the general performance of Sacco's as this will enable both registered and unregistered Sacco's choose what is best for its members.

Also the effect of dividends on corporate strategy and governance is also another area of interest for further research.

The study also suggests that further the relationship between dividend decisions and management perception on performance and external funding and its effects to profitability of Sacco's and performance. Other studies on the effect of management practices on of Sacco's and other financial institutions companies should be undertaken in order to establish management practices that lead to better organizational performance ,such studies should be targeted to benefit the organizations by formulating strategies that will enhance the organizational performance.

5.6 Recommendation for Policy and Practice

It is recommended that dividends should only be paid based on the financial performance of Sacco's and thus a good dividend policy should be developed on when, how, how much and when to pay dividends or retain the surplus for future investments.

Managers should exploit other forms of dividends payout other than cash dividends .This will help when there is liquidity issues since shareholders will receive their dividends in forms other than cash. They should consider profitability of the Sacco, its past dividends pattern, financial leverage, existing investment opportunities, firm size, growth stage in order to achieve an optimal dividend policy.

It is recommended that an investment policy should be developed by the managers and implemented. This will ensure that the management will be guided by the investment policy. While members are expecting returns from their investment it should not undermine a firm's future investments.

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APPENDICES

APPENDIX 1: LIST OF REGISTERED SACCOS BY SASRA AS AT 1ST JANUARY 2016

NO.	NAME OF SOCIETY	POSTAL ADDRESS
1	2NK SACCO SOCIETY LTD	P.O BOX 12196-10100 NYERI
2	AFYA SACCO SOCIETY LTD	P.O.BOX 11607 – 00400, NAIROBI.
3	AGRO-CHEM SACCO SOCIETY LTD	P.O BOX 94-40107, MUHORONI.
4	ALL CHURCHES SACCO SOCIETY	P.O BOX 2036-01000, THIKA.
5.	ARDHI SACCO SOCIETY LTD	P.O. BOX 28782-00200, NAIROBI.
6.	ASILI SACCO SOCIETY LTD	P.O.BOX 49064 – 00100, NAIROBI.
7	BANDARI SACCO SOCIETY LTD	P.O.BOX95011 –80104, MOMBASA.
8.	BARAKA SACCO SOCIETY LTD	P.O.BOX 1548 – 10101, KARATINA.
9	BARATON UNIVERSITY SACCO	P.O BOX 2500-30100, ELDORET.
10	BIASHARA SACCO SOCIETY LTD	P.O.BOX 1895 – 10100, NYERI.
11	BINGWA SACCO SOCIETY LTD	P.O.BOX 434 – 10300, KERUGOYA.
12	BORESHA SACCO SOCIETY LTD	P.O.BOX80–20103, ELDAMA RAVINE.
13	CAPITAL SACCO SOCIETY LTD	P.O BOX 1479-60200, MERU.
14	CENTENARY SACCO SOCIETY LTD	P.O.BOX 1207 – 60200, MERU.
15	CHAI SACCO SOCIETY LTD	P.O.BOX 47815 – 00100, NAIROBI.
16	CHUNA SACCO SOCIETY LTD	P.O.BOX 30197 – 00100, NAIROBI.
17	COSMOPOLITAN SACCO SOCIETY	P.O.BOX 1931 – 20100, NAKURU.
18	COUNTY SACCO SOCIETY LTD	P.O.BOX 21 – 60103, RUNYENJES.
19	DAIMA SACCO SOCIETY LTD	P.O.BOX 2032 – 60100, EMBU.
20	DHABITI SACCO SOCIETY LTD	P.O.BOX 353 – 60600, MAUA.
21	DIMKES SACCO SOCIETY LTD	P.O.BOX 886 – 00900, KIAMBU.
22	DUMISHA SACCO SOCIETY LTD	P.O BOX 84-20600, MARARAL.
23	EGERTON SACCO SOCIETY LTD	P.O.BOX 178 – 20115, EGERTON.
24	ELGON TEACHERS SACCO SOCIETY	P.O BOX 27-50203, KAPSOKWONY.
25	ELIMU SACCO SOCIETY LTD	P.O BOX 10073-00100, NAIROBI.
26	ENEA SACCO SOCIETY LTD	P.O.BOX 1836 – 10101, KARATINA.
27	FARIDI SACCO SOCIETY LTD	P.O. BOX 448-50400, BUSIA.
28	FARIJI SACCO SOCIETY LTD	P.O.BOX 589 –00216, GITHUNGURI.
29	FORTUNE SACCO SOCIETY LTD	P.O.BOX 559 – 10300, KERUGOYA.
30	FUNDILIMA SACCO SOCIETY LTD	P.O.BOX 62000 – 00200, NAIROBI.
31	GASTAMECO SACCO SOCIETY LTD	P.O BOX 189-60101, MANYATTA.
32	GITHUNGURI DAIRY & COMMUNITY	P.O.BOX896–00216, GUTHUNGURI.
33	GOODWAY SACCO SOCIETY LTD	P.O BOX 626-10300, KERUGOYA.
34	GUSII MWALIMU SACCO SOCIETY	P.O.BOX 1335 – 40200, KISIL.
35	HARAMBEE SACCO SOCIETY LTD	P.O.BOX 47815 – 00100, NAIROBI.

36	HAZINA SACCO SOCIETY LTD	P.O.BOX 59877 – 00200, NAIROBI.
37	IG SACCO SOCIETY LTD	P.O.BOX 1150 –50100, KAKAMEGA.
38	ILKISONKO SACCO SOCIETY LTD	P.O BOX 91-00209, LOITOKITOK.
39	IMARIKA SACCO SOCIETY LTD	P.O.BOX 712 – 80108, KILIFI.
40	IMARISHA SACCO SOCIETY LTD	P.O.BOX 682 – 20200, KERICHO.
41	IMENTI SACCO SOCIETY LTD	P.O.BOX 3192 – 60200, MERU.
42	JACARANDA SACCO SOCIETY LTD	P.O. BOX 176744-00232, RUIRU
43	JAMII SACCO SOCIETY LTD	P.O.BOX 57929 – 00200, NAIROBI.
44	JITEGEMEE SACCO SOCIETY LTD	P.O. BOX 86937-80100, MOMBASA.
45	JUMUIKA SACCO SOCIETY LTD	P.O. BOX 14-40112, AWASI.
46	KAIMOSI SACCO SOCIETY LTD	P.O BOX 153-50305, SIRWA.
47	KATHERA RURAL SACCO SOCIETY	P.O BOX 251-60202, NKUBU.
48	KENPIPE SACCO SOCIETY LTD	P.O.BOX 314 – 00507, NAIROBI.
49	KENVERSITY SACCO SOCIETY LTD	P.O.BOX 10263 – 00100, NAIROBI.
50	KENYA ACHIEVAS SACCO SOCIETY	P.O. BOX 3080-40200, KISII.
51	KENYA BANKERS SACCO SOCIETY	P.O.BOX 73236 – 00200, NAIROBI.
52	KENYA CANNERS SACCO SOCIETY	P.O.BOX 1124 – 01000, THIKA.
53	KENYA HIGHLANDS SACCO SOCIETY	P.O.BOX 2085 – 002000, KERICHO.
54	KENYA MIDLAND SACCO SOCIETY	P.O BOX 287-20400, BOMET.
55	KENYA POLICE SACCO SOCIETY LTD	P.O.BOX 51042 – 00200, NAIROBI.
56	JOINAS SACCO SOCIETY LTD	P.O.BOX 669 – 00219, KARURI.
57	KIMBILIO DAIMA SACCO SOCIETY	P.O. BOX 81-20225, KIMULOT.
58	KINGDOM SACCO SOCIETY LTD	P.O.BOX 8017 – 00300, NAIROBI.
59	KIPSIGIS EDIS SACCO SOCIETY LTD	P.O BOX 228-20400, BOMET.
60	KITE SACCO SOCIETY LTD	P.O.BOX 2073 – 40100, KISUMU.
61	KITUI TEACHERS SACCO SOCIETY	P.O.BOX 254 – 90200, KITUI.
62	KMFRI SACCO SOCIETY LTD	P.O.BOX 80862, 80100 MOMBASA.
63	KOLENGE TEA SACCO SOCIETY LTD	P.O BOX 291-30301, NANDI HILLS.
64	KONONIN SACCO SOCIETY LTD	P.O.BOX 83 –20403, MOGOGOSIEK.
65	KORU SACCO SOCIETY LTD	P.O. BOX PRIVATE BAG-40100, KORU
66	KWALE TEACHERS SACCO SOCIETY	P.O. BOX 123-80403, KWALE.
67	KWETU SACCO SOCIETY LTD	P.O BOX 818-90100, MACHAKOS.
68	K-UNITY SACCO SOCIETY LTD	P.O.BOX 268 – 00900, KIAMBU.
69	LAMU TEACHERS SACCO SOCIETY	P.O. BOX 110-80500, LAMU.
70	LAINISHA SACCO SOCIETY LTD	P.O. BOX 272-10303, WANG'URU.
71	LENGO SACCO SOCIETY LTD	P.O.BOX 1005 – 80200, MALINDI.
72	MAFANIKIO SACCO SOCIETY LTD	P.O BOX 86515-80100, MOMBASA.
73	MAGADI SACCO SOCIETY LTD	P.O.BOX 13 – 00205, MAGADI.
74	MAGEREZA SACCO SOCIETY LTD	P.O.BOX 53131 – 00200, NAIROBI.
75	MAISHA BORA SACCO SOCIETY LTD	P.O.BOX 30062 – 00100, NAIROBI.
76	MARSABIT TEACHERS SACCO	P.O.BOX 90 – 60500, MARSABIT.
77	MENTOR SACCO SOCIETY LTD	P.O.BOX 789 – 10200, MURANG'A.
78	METROPOLITAN NATIONAL SACCO	P.O.BOX 871 – 00900, KIAMBU.
79	MILIKI SACCO SOCIETY LTD	P.O.BOX 43582 – 10100 NAIROBI

80	MMH SACCO SOCIETY LTD	P.O.BOX 469 – 60600, MAUA.
81	MOMBASA PORT SACCO SOCIETY	P.O.BOX 95372–80104, MOMBASA.
82	MUDETE TEA GROWERS SACCO	P.O.BOX 221 – 41053, KHAYEGA.
83	OLLIN SACCO SOCIETY LTD	P.O BOX 83-10300, KERUGOYA.
84	MURATA SACCO SOCIETY LTD	P.O.BOX 816 – 10200, MURANG’A.
85	MWALIMU NATIONAL SACCO	P.O.BOX 62641 – 00200, NAIROBI.
86	MWIETHERI SACCO SOCIETY LTD	P.O. BOX 2445-060100, EMBU.
87	MWINGI MWALIMU SACCO SOCIETY	P.O BOX 489-90400, MWINGI.
88	MUKI SACCO SOCIETY LTD	P.O BOX 398-20318, NORTH KINANGOP
89	MWITO SACCO SOCIETY LTD	P.O.BOX 56763 – 00200, NAIROBI.
90	NACICO SACCO SOCIETY LTD	P.O.BOX 34525 – 00100, NAIROBI.
91	NAFAKA SACCO SOCIETY LTD	P.O.BOX 30586 – 00100, NAIROBI.
92	NANDI FARMERS SACCO SOCIETY	P.O BOX 333-30301, NANDI HILLS
93	NANYUKI EQUATOR SACCO	P.O BOX 1098-CX10400, NANYUKI
94	NAROK TEACHERS SACCO SOCIETY	P.O.BOX 158 – 20500, NAROK.
95	NASSEFU SACCO SOCIETY LTD	P.O.BOX 43338 – 00100, NAROKI.
96	NATION SACCO SOCIETY LTD	P.O.BOX 22022 – 00400, NAIROBI.
97	NAWIRI SACCO SOCIETY LTD	P.O BOX 400-16100, EMBU.
98	NDEGE CHAI SACCO SOCIETY LTD	P.O.BOX 857 – 20200, KERICHO.
99	NDOSHA SACCO SOCIETY LTD	P.O.BOX 532– 60401, CHOGORIA – MAARA.
100	NG’ARISHA SACCO SOCIETY LTD	P.O.BOX 1199 – 50200, BUNGOMA.
101	NOBLE SACCO SOCIETY LTD	P.O.BOX 3466 – 30100, ELDORET.
102	NRS SACCO SOCIETY LTD	P. O BOX 575-00902, KIKUYU.
103	NUFAIKA SACCO SOCIETY LTD	P.O BOX 735-10300, KERUGOYA.
104	NYAHURURU UMOJA SACCO	P.O BOX 2183-20300, NYAHURURU.
105	NYALA VISION SACCO SOCIETY LTD	P.O BOX 27-20306, NDARAGWA.
106	NYAMBENE ARIMI SACCO SOCIETY	P.O.BOX 493 – 60600, MAUA.
107	NYATI SACCO SOCIETY LTD	P.O. BOX 7601 – 00200, NAIROBI
108	NEW FORTIES SACCO SOCIETY LTD	P.O.BOX 1939 – 10100, NYERI.
109	ORIENT SACCO SOCIETY LTD	P.O.BOX 1842 – 01000, THIKA.
110	PATNAS SACCO SOCIETY LTD	P.O BOX 601-20210, LITEIN.
111	PRIME TIME SACCO	P.O. BOX 512 – 30700, ITEN
112	PUAN SACCO SOCIETY LTD	P.O BOX 404-20500, NAROK.
113	QWETU SACCO SOCIETY LTD	P.O BOX 1186-80304, WUNDANYI
114	RACHUONYO TEACHERS SACCO	P.O. BOX 147-40332, KOSELE.
115	SAFARICOM SACCO SOCIETY LTD	P.O.BOX 66827 – 00800, NAIROBI.
116	SHERIA SACCO SOCIETY LTD	P.O.BOX 34390 – 00100, NAIROBI.
117	SHIRIKA SACCO SOCIETY LTD	P.O BOX 43429-00100, NAIROBI.
118	SIMBA CHAI SACCO SOCIETY LTD	P.O.BOX 977 – 20200, KERICHO.
119	SIRAJI SACCO SOCIETY LTD	P.O.BOX PRIVATE BAG, TIMAU.
120	SKYLINE SACCO SOCIETY LTD	P.O.BOX 660 – 20103, ELDAMA RAVINE.
121	SMART CHAMPIONS SACCO SOCIETY	P.O BOX 64-60205, GITHINGO
122	SMART LIFE SACCO SOCIETY LTD	P.O BOX 118-30705, KAPSOWAR.
123	SOLUTION SACCO SOCIETY LTD	P.O.BOX 1694 – 60200, MERU.

124	SOTICO SACCO SOCIETY LTD	P.O.BOX 959 – 20406, SOTIK.
125	SOUTHERN STAR SACCO SOCIETY	P.O BOX 514-60400, CHUKA
126	SHOPPERS SACCO SOCIETY LTD	P.O. BOX 16 – 00507, NAIROBI
127	STAKE KENYA SACCO SOCIETY LTD	P.O.BOX 208 – 40413, KEHANCHA.
128	STIMA SACCO SOCIETY LTD	P.O.BOX 75629 – 00100, NAIROBI.
129	SUKARI SACCO SOCIETY LTD	P.O BOX 841-50102, MUMIAS
130	SUBA TEACHERS SACCO SOCIETY	P.O. BOX 237-40305, MBITA.
131	SUPA SACCO SOCIETY LTD	P.O.BOX 271 – 20600, MARALAL.
132	TAI SACCO SOCIETY LTD	P.O.BOX 718 –00216, GITHUNGURI.
133	TAIFA SACCO SOCIETY LTD	P.O.BOX 1649 – 10100, NYERI.
134	TARAJI SACCO SOCIETY LTD	P.O.BOX 605 – 40600, SIAYA.
135	TEMBO SACCO SOCIETY LTD	P.O.BOX 91 – 00618, RUARAKA NAIROBI.
136	TENHOS SACCO SOCIETY LTD	P.O.BOX 391 – 20400, BOMET.
137	THAMANI SACCO SOCIETY LTD	P.O.BOX 467 – 60400, CHUKA.
138	TRANSCOUNTIES SACCO SOCIETY	P.O. BOX 2965-30200, KITALE.
139	TRANS NATION SACCO SOCIETY LTD	P.O.BOX 15 – 60400, CHUKA.
140	TIMES U SACCO SOCIETY LTD	P.O.BOX 310 – 60202, NKUBU.
141	TOWER SACCO SOCIETY LTD	P.O.BOX 259 – 20303, OL’KALOU.
142	TRANS- ELITE COUNTY SACCO	P.O BOX 547-30300, KAPSABET.
143	UFANISI SACCO SOCIETY LTD	P.O BOX 2973-00200, NAIROBI.
144	UCHONGAJI SACCO SOCIETY LTD	P.O. BOX 92503-80102, MOMBASA.
145	UKRISTO NA UFANISI WA	P.O BOX 872-00605, NAIROBI.
146	UKULIMA SACO SOCIETY LTD	P.O.BOX 44071 – 00100, NAIROBI.
147	UNAITAS SACCO SOCIETY LTD	P.O.BOX 38791– 00100, NAIROBI.
148	UNI-COUNTY SACCO SOCIETY LTD	P.O BOX 10132-20100, NAKURU
149	UNITED NATIONS SACCO SOCIETY	P.O.BOX 30552 – 00100, NAIROBI.
150	UNISON SACCO SOCIETY LTD	P.O BOX 414-10400, NANYUKI.
151	UNIVERSAL TRADERS SACCO	P.O.BOX 2119– 90100, MACHAKOS.
152	VIHIGA COUNTY FARMERS SACCO	P.O BOX 309-50317, CHAVAKALI.
153	VISION POINT SACCO SOCIETY LTD	P.O.BOX 42 – 40502, NYANSIONGO.
154	VISION AFRICA SACCO SOCIETY LTD	P.O BOX 18263-20100, NAKURU.
155	WAKENYA PAMOJA SACCO SOCIETY	P.O.BOX 829 – 40200, KISIL.
156	WAKULIMA COMMERCIAL SACCO	P.O.BOX 232 – 10103, MUKURWENI.
157	WANAANGA SACCO SOCIETY LTD	P.O.BOX 34680 – 00501, NAIROBI.
158	WANANCHI SACCO SOCIETY LTD	P.O.BOX 910 – 10106, OTHAYA.
159	WANANDEGE SACCO SOCIETY LTD	P.O.BOX 19074 -00501, NAIROBI.
160	WASHA SACCO SOCIETY LTD	P.O.BOX 83256–80100, MOMBASA.
161	WAUMINI SACCO SOCIETY LTD	P.O.BOX 66121 – 00800, NAIROBI.
162	WEVARSITY SACCO SOCIETY LTD	P.O BOX 873-50100, KAKAMEGA
163	WINAS SACCO SOCIETY LTD	P.O.BOX 696 – 60100, EMBU.
164	YETU SACCO SOCIETY LTD	P.O.BOX 511 – 60202, NKUBU.

APPENDIX 11: TOTAL ASSETS

2011	2012	2013	2014	2015
141,125,465,883	201,733,203,161	238,635,426,844	282,661,915,799	329,612,494,063

APPENDIX 111: TOTAL CAPITAL

2011	2012	2013	2014	2015
13,010,000,000	21,001,631,891	26,850,000,000	33,252,000,000	41,712,000,000

APPENDIX IV: TOTAL DEBT

2011	2012	2013	2014	2015
153,567,745,274	175,044,089,176	218,973,000,000	249,153,000,000	237,440,000,000

APPENDIX V: TOTAL EQUITY

2011	2012	2013	2014	2015
23,023,346,798	26,862,147,863	38,395,000,000	52,384,000,000	92,547,000,000

APPENDIX VI: TOTAL INCOME

2011	2012	2013	2014	2015
3,357,235,066	3,808,085,083	5,457,000,000	7,520,000,000	8,193,000,000