
Income Statement and Financial Performance of Registered Saccos in Kisii County, Kenya

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Abstract

Income statement is the core financial statement that shows the company's revenues, cost and expenses, net income or loss and other comprehensive income for a period of time used in accounting. The general objective of the study was to assess the effect of income statement on financial performance of registered SACCOS in Kisii County. A descriptive research design was adopted, using secondary data collected from audited financial statements of selected SACCOS over a five-year period from 2020 to 2024. A sample of 12 SACCOS was drawn from a target population of 13 registered institutions. Data analysis involved both descriptive statistics and inferential techniques, including simple and multiple linear regression models to establish relationships between financial reporting practices and performance indicators. The study was grounded on agency theory. Further the study identified that; Income statement had strong positive and highly significant correlation with financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kisii county. $r=.560(**)$ $P=.000<0.01$ as measured by net profit. Additionally, the study revealed that income statement had a positive and significant effect of deposit taking savings and credit cooperative societies (SACCOS) in Kenya. $B= .545$, $t=11.762$, $P=.000< 0.05$. Additionally, the study noted that, a change in income statement led to 54.9% change in financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kenya. Thus, variation in income statement as measured by net profit led to significant increase in of deposit taking savings and credit cooperative societies (SACCOS) in Kisii county. Further the study concluded that Income statement had strong positive and highly significant correlation with financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kisii county. $r=.560(**)$ $P=.000<0.01$ as measured by net profit. Additionally, the study concluded that income statement had a positive and significant effect of deposit taking savings and credit cooperative societies (SACCOS) in Kenya. $B= .545$, $t=11.762$, $P=.000< 0.05$. Moreover, the study concluded that, a change in income statement led to 54.9% change in financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kenya. Thus, variation in income statement as measured by net profit led to significant increase in of deposit taking savings and credit cooperative societies (SACCOS) in Kisii county. The study recommended that, Saccos with low net profit it should increase income by giving more loans and investment in more revenue generations investments,

while reducing costs through better efficiency and expense control. Strengthening loan recovery to minimize defaults and lowering borrowing costs will further improve profitability, leading to a stronger income statement and overall increase in financial performance.

Keywords. Income statement, financial performance, registered sacco

1. Introduction

Income statement was a core financial statement that showed the company's revenues, cost and expenses, net income or loss and other comprehensive income for a period of time used in accounting. It showed the calculation on the basis that expenses were deducted from revenues (Perks & Leiwy, 2010).

Income statement was a tool for monitoring and managing financial performance. The study provided valuable insights into how income statement components influenced financial performance of listed companies. Findings showed that there was relationship between income statement components and performance hold consistently across firms of varying sizes and stages of growth would provide more insights (Aini, Anoesyirwan & Ana, 2020)

Income statement was a financial statement that showed the revenues earned and expenses incurred by a business during a specific accounting period in order to determine the net profit or net loss (NECTA, 2019).

Income statement was a financial statement that performed and presented an entity's income and expenses for a reporting period and showed the resulting profit and loss. It was prepared periodically to measure business performance and profitability (AABE, 2014).

Income statement was a financial statement that showed the revenues earned and expenses incurred by a business during a given accounting period, resulted in net profit or net loss (KASNEB, 2021).

Income statement was a statement prepared to measure the profitability of a business by comparing revenues and expenses over a given periodical explained that the income statement summarized income, showed expenses and losses, determined the financial performance of a business and revealed whether the business made profit or loss within a period (Kiabel, 2018).

1.2 Financial performance

Financial performance was defined as the company's financial condition over certain period, including the collection and use of funds measured by indicators such as liquidity, solvency, leverage and profitability and served as an important tool for decision making and assessed organizational success (Fatihudin, 2018).

Financial performance was an evaluation of company's overall financial position based on assets, liabilities, equity, revenues, expenses and profitability to determine its financial health and

investment potential. It reflected management effectiveness in controlling costs and maximizing returns and is commonly measured using financial ratios such as returns on assets, returns on equity and profit margin (Chen& Tzeng, 2011).

Financial performance was the ability of a firm to achieve its financial objectives such as profitability, liquidity and sustainability by efficiently utilizing its financial resources (Muritala, 2012).

Financial performance was the degree to which firms used their financial and operational resources to achieve profitability, growth and shareholders wealth (Abor& Biekpe, 2007).

Financial performance was the measure of an organization's earnings, profits and appreciations in value as evidenced by share profits. (Mwangi & Murigu, 2025).

Financial performance was a snapshot of an organization's economic health and the management's performance. Investors can gain insight into the organization's future by examining its financial performance which showed whether it's operations and profits were tracked to increase as well as the outlooked of its stock. (Atieno, 2022).

1.3 Statement of the problem

Effective financial reporting provided accurate timely and relevant information that enabled organizations to assess and improve their financial performance. Income statement serves as a critical tool to improve financial performance of SACCOS in Kenya.

According to reports by SACCO societies regulatory authority (SASRA), the financial performance is measured using return on (ROE) has remained moderate and in some cases declined due to increased operational costs loan defaults and delayed remittance of members deductions by employees. SASRA report indicated that the sector recorded an average ROE of about 15% in 2020,14% in 2021,14% in 2020,15%in 2023 and 16% in 2024.The fluctuation in ROE indicated inefficiencies in the utilization of members equity (SASRA, 2024)

1.4 General objectives

The general objective of the study was to assess the effect of income statement on financial performance of registered SACCOs in Kisii County.

1.5 Specific objectives

- i. To determine the effect of income statement on financial performance of registered SACCOs in Kisii County.

1.6 Hypothesis testing

Ho1: Income statement had no statistically significant effect on financial performance of registered SACCOs in Kisii County.

2. Theoretical literature review

2.1. Agency Theory

The Agency Theory was propounded by Michael Jensen and William Meckling in 1976. The theory defined the firm as a nexus of contracts where the principals (shareholders) delegated the day to day running of the business and decision-making authority to the agents (managers). The theory suggested that both parties sought to maximise their own utility, a conflict of interest inevitably arose. These conflicts arose when managers did not act in the best interests of owners, necessitating financial disclosures as a tool for translating conflicts into consensus. Ultimately, the theory asserted that financial reporting was the primary mechanism for reducing information asymmetry and monitoring managerial performance to protect shareholder wealth. (Bhardwaj et.al, 2025).

The theory was built upon specific behavioural and structural assumptions regarding the relationship between the owner and the manager. They include: self-interest where both parties were assumed that utility maximisers prioritised their own goals; information asymmetry where managers possessed more detailed information about the firm's financial health than the owners and risk aversion where agents were typically more risk averse than principals because their human capital and income were tied to a single firm (Mitnick, 2021).

The significant limitation of the theory was its economic reductionism, which ignored non-financial motivators such as job satisfaction, professional ethics and intrinsic loyalty to the organisation. Furthermore, the theory failed to account for the impact of institutional environments such as different legal systems and market regulations on the severity of agency costs, making it less predictive in certain global contexts. (Villamizar, 2025).

Critics primarily argued that Agency Theory promoted a culture of suspicion by assuming that managers were inherently opportunistic. This cynical view was often contrasted with stewardship theory, which suggested that managers were naturally inclined to be responsible caretakers of firm resources. Recent critics highlighted that the theory focused too narrowly on the shareholder-manager relationship, neglected the agency conflicts that existed between the firm and broader stakeholders such as the environment and the community (Kamaruddin et.al, 2005). In the context of financial reporting, Agency Theory served as the justification for the existence of audits and strict reporting standards to reduce information asymmetry. Principals used balance sheet ratios to monitor the stewardship of assets and ensured managers were not misusing the firm for personal gain. Statement of changes in equity directly monitored interest alignment by tracking how much wealth was distributed to owners (dividends) versus retained by the entity. Income statement was the primary tool for performance evaluation; shareholders used profit figures to determine if managers generated adequate returns on their investment. Cash flow

statement acted as unbiased verification of performance; it prevented managers from using accounting accruals to hide poor performance as actual cash movements are harder to manipulate.

2.2 Empirical literature review

2.2.1. Income statement and financial performance

Chen and Tzeng (2019) examined the effect of income statement information on the financial performance of the manufacturing firms in developed economies. The objective of the study was based on Agency theory. The methodology used a quantitative research design. Data were collected from published financial statements of manufacturing firms. The sample size included 55 companies over a five-year period. The data analysis tool included descriptive statistics. The findings of the study indicated that income statement variables significantly influenced financial performance indicators. The study concluded that income statement infected a reliable measure for evaluating firms' performance. The recommendation was that organizations should strengthen financial reporting practices to ensure accurate income statement preparation for better financial decision making.

Fatihudin, Machklas and Suryanto (2018) conducted a study in Indonesia to examine the relationship between income statement information and financial performance of firms. The objective of the study was to determine how profitability indicator reported in income statement. The study was guided by institutional theory. Quantitative research design was adopted as the methodology. The study used secondary data collected from published financial statements of companies. The sample size consisted of 50 firms selected from different sectors. The data analysis tools included descriptive statistics. The findings of the study revealed that profitability measured reported in the income statement had a positive and significant relationship with financial performance indicators. The study concluded that the income statement is an important financial statement for evaluating the profitability and performance of companies. The study recommended that firms should strengthen financial reporting was systems to ensure accurate measurement and reporting of income reporting components.

Ntim (2016) conducted a study examining the relationship between income statement information and the financial performance of companies listed on the Johannesburg stock exchange. The objective of the study was to determine how profitability indicators reported in the income statement. The study was guided by Agency theory. The methodology adopted was a quantitative research design. The study used secondary data collected from annual financial statements of companies. The data analysis tools included descriptive statistics. The sample size consisted of 45 listed firms. The findings of the study revealed that profitability indicators reported in the income statement had a positive and significant relationship with financial performance. The study concluded that income statement information was an important financial reporting tool for evaluating the profitability and performance firms. The study recommended that companies should enhance the accuracy and transparency of income statement reporting to improve financial decision-making by investors and managers.

Uwuigbe (2018) conducted a study in Nigeria to examine the relationship between profitability indicators reported in the income statement and the financial performance of firms. The objective of the study was to determine how income statement components influence financial performance. The study was based on institutional theory. The methodology used a quantitative research design. Data was obtained from secondary sources. The sample size consisted of 40 firms listed on Nigeria stock exchange. The data analysis tools included descriptive statistics and regression analysis. The findings showed that income statement profitability measures indicators' study concluded that income statement information played a significant role in evaluating corporate performance in financial reporting to enhance the usefulness of income statement information

Nyoronga (2018) conducted a study on the relationship between income statement components and financial performance of the listed companies. The objective of the study was to examine how revenues, expenses and net profit reported in the income statement influence financial performance. The study was guided by institutional theory. The methodology adopted was a descriptive research design. Data was collected using secondary data from annual financial reports of selected firms. The sample size consisted of 40 companies selected from stock exchange listings. Data were analyzed using descriptive statistics and inferential statistics. They found that income statement with financial performance. The study concluded that income statement information plays a crucial role in assessing the profitability and overall financial performance of organizations. The recommendation was that firms should maintain accurate income statement reporting since they assisted investors and managers in evaluating organizational performance.

Mwangi (2020) conducted a study on the relationship between income statement information and financial performance of commercial banks in Kenya. The objective was to examine how income statement elements influence the financial performance of banks. The study was guided by Agency theory. The methodology adopted was a descriptive design. The study used secondary data collected from audited annual financial statements of commercial banks. The sample size consisted of 30 commercial banks operating in Kenya. Data were analyzed using descriptive statistics as well as inferential statistics. They found out that revenue growth and net profit reported in the income statement significantly influence financial performance. The study concluded that income statement information played an important role in evaluating the financial performance of banks. The study recommended that financial institutions should improve the accuracy and transparency of income statement reporting to enhance decision making by investors and managers.

2.3 Research gaps

Chen and Tzeng (2019) examined the effect of income statement information on the financial performance of the manufacturing firms in developed economies. The objective of the study was based on Agency theory. The methodology used a quantitative research design. Data were collected from published financial statements of manufacturing firms. The sample size included 55 companies over a five-year period. The data analysis tool included descriptive statistics.

Kiprono, Cheboi and Kosgei, (2024), studied financial performance, intellectual capital disclosure and firm value: the winning age. The study adopted signalling theory and legitimacy theory but failed to adopt agency theory. The study adopted a balanced panel data approach for analysis but failed to use descriptive data analysis.

2.4. Conceptual framework

A conceptual framework is a structure that researchers use to organize the key concepts of a study and explain how they are connected. It guides the research by showing how the variables interact and influence each other. It is defined as a diagrammatic or written representation that showed the relationship between the independent variables and the dependent variables in a research study.

The income statement showed the revenue, expenses and profits or losses of an organization over a specific period. Financial performance is highly determined by the level of profitability reported in the income statement when a SACCO recorded higher revenue and control its expenses effectively, it generated higher net profit which indicated good financial performance, conversely, high expenses and low revenue resulted in reduced profits, reflecting poor financial performance. Therefore, the income statement helped stakeholders evaluate the profitability and operational efficiency of the Sacco,

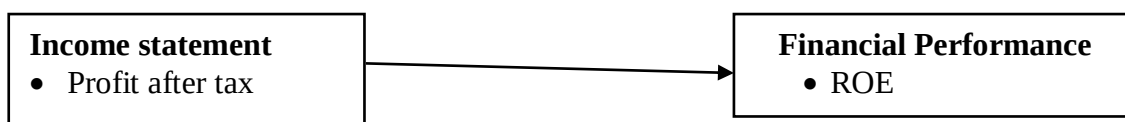


Figure 2.1 Conceptual Framework
Source: Researchers (2026)

3. Research Methodology

3.1 Research design

This study adopted descriptive research design. accurately and systematically described a population, situation or phenomenon. According to Mugenda and Mugenda (2008) descriptive research design defines the research problem, selected a representative sample, choose a non-invasive method, collected data either through surveys or case studies. Araya (2022) used descriptive research design method in her studies of chimpanzees in Gombe Stream National Park, Tanzania.

3.2 Study area

The study was conducted in Kisii County which is bordered by several counties: Nyamira county to the North, Narok county to the East, Migori county to the South and Homa Bay to the West.

3.3 Target population

The target population was 13 saccos registered and regulated by SASRA. According to SASRA report of 2026, there were approximately 13 registered SACCOS operating within Kisii county

Table 3.1 Target population

S. NO	Name Of The Sacco
1.	Afya Sacco
2.	Chai Sacco
3.	Vision Point SACCO Society Ltd
4.	Gusii Mwalimu Sacco
5.	Kenya Achivas Sacco
6.	Kenya Police Sacco
7.	Mwalimu National Sacco
8.	Ukulima Sacco
9.	Unitas Sacco
10.	Wakenya Pamoja Sacco
11.	Waumini Sacco
12.	Stima Sacco
13.	Vision Sacco

Source: SASRA, (2026)

3.4 Sampling and sample size

This study adopted simple random sampling technique. Simple Random sampling technique was a method used to select a representative portion of the population for the study. The study used that method which ensured that each SACCO in the target population had equal chance of being selected for the study

Determination of the sample size using Yamane formula

$$n = \frac{N}{1 + N(e^2)}$$

where: n=sample size

N=Target population

e=Margin of error values (0.05)

substituting the 0.05

$$n = \frac{13}{1 + 13(0.05)^2}$$

$$n = \frac{13}{1.0325}$$

$$n = 12$$

Therefore, the sample size for the study was 12 SACCOS

Table 3.2: Sample size

S. NO	Name Of The Sacco
1	Afya Sacco
2	Chai Sacco
3	Vision Point SACCO Society Ltd
4	Gusii Mwalimu Sacco
5	Kenya Achivas Sacco
6	Mwalimu National Sacco
7	Ukulima Sacco
8	Unitas Sacco
9	Wakenya Pamoja Sacco
10	Waumini Sacco
11	Kenya Police Sacco
12	Stima Sacco

Source: Researchers (2026)

3.5 Research instrument

The study adopted structured secondary data collection sheets as the research instrument for a period of 5 years from 2021 to 2025.

3.6 Data analysis

The study employed both descriptive and inferential statistics to analyse the data collected from the SACCO's audited financial statements from 2021 to 2025. The research used descriptive statistics to summarise the basic features of the financial data, which included calculating mean, standard deviation, minimum and maximum values for each financial statement components. To establish the relationship between financial reporting practises and financial performance, simple and multiple linear regression model was adopted. The product moment correlation analysis was adopted. Data was to be presented using tables and figures.

Simple regression model

Simple regression model

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon \dots \dots \dots \text{objective one}$$

Y= Financial performance

β_0 = Constant

X_1 = income statement

ε = error term

4.0 Data Analysis, Presentation and Discussion

4.1 Descriptive Statistics

Table 4.1 Income statement measured by debt to equity ratio

	N	Min	Max	Mean	Std. Deviation
1. Afya Sacco	5	.12	.29	.1875	.06590
2. Chai Sacco	5	.13	.32	.1896	.07319
3. Vision Point SACCO Society Ltd	5	.08	.15	.1036	.02849
4. Gusii Mwalimu Sacco	5	.00	.01	.0054	.00573
5. Kenya Achivas Sacco	5	.02	.41	.1311	.15775
6. Mwalimu National Sacco	5	.02	.21	.1020	.07147
7. Ukulima Sacco	5	.01	.14	.0974	.05196
8. Unitas Sacco	5	.02	.18	.1102	.05659
9. Wakenya Pamoja Sacco	5	.11	.18	.1428	.02818
10. Waumini Sacco	5	.05	.17	.1033	.04908
11. Kenya Police Sacco	5	.02	.20	.1132	.06466
12. Stima Sacco	5	.02	.17	.0758	.06063
Valid N (listwise)	5				

Source: filed data 2026

The study found out that, Afya Sacco had mean value of .1875 with standard deviation of .06590, Chai Sacco society LTD had mean value of 1896 with standard deviation .07319. Vision Point SACCO Society Ltd had mean value of .1036 with standard deviation of .02849 Gusii Mwalimu Sacco had mean value of .0054 with standard deviation of .00573, Kenya Achivas Sacco had mean value of .1311 with standard deviation .15775. Mwalimu National Sacco had mean value of .1020 with standard deviation of .07147, Ukulima Sacco had mean value of .0974 with standard deviation of .05196. Wakenya Pamoja SACCO Society Ltd had mean of .1428 with standard deviation of .02818. Unitas Sacco had mean value of .1102 with standard deviation of .05659, Waumini Sacco had mean value of .1033 with standard deviation of .04908. Kenya Police SACCO Society Ltd had mean of .1132 with standard deviation of .06466 and Stima Sacco had had mean value of .0758 with standard deviation of .06063. The study established that, Chai SACCO Society Ltd had the highest mean value of 1896 with standard deviation of .07319 while Gusii Mwalimu SACCO Society Ltd had the lowest mean value of

0054 with standard deviation of .00573. Thus, Chai SACCO Society Ltd had the highest income statement as measured by profits after tax as measured, hence, had the highest financial performance while Gusii Mwalimu SACCO Society Ltd had the lowest income statement and hence, had lowest financial performance.

4.2 correlation analysis

Table 4.2 Correlations Analysis

		Income statement	Financial performance
Income statement	Pearson Correlation	1	.560(**)
	Sig. (2-tailed)		.000
	N	60	60
Financial performance	Pearson Correlation	.560(**)	1
	Sig. (2-tailed)	.000	
	N	60	60

Source: Filed data 2026

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

The study identified that; Income statement had strong positive and highly significant correlation with financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kisii county . $r=.560(**)$ $P=.000<0.01$ as measured by net profit. These findings agreed with Macharia (2017) who discovered that there was a significant correlation between the profitability and solvency of Kenyan Savings and Credit Co-operative Societies.

4.3 Regression analysis

4.3.1 Income statement

The study carried out simple regression between income statement and financial performance of Saccos in Kisii County. The findings were presented in the table below;

Table 4.3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.560(a)	.531	.529	.02637

Source: Filed data 2026

a. Predictors: (Constant), income statement

The results of the study revealed that, R was $=.560$. Hence, income statement had a positive correlation with financial performance of deposit taking savings and credit cooperative societies

(SACCOS) in Kisii measured by net profit. Furthermore, the study established that, the model had an R square of .531. Thereby, change in income statement led to 53.1 % change in financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kisii.

Table 4.4

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.096	1	.096	138.342	.000(a)
	Residual	.211	303	.001		
	Total	.307	304			

Source: filed data 2026

a. Predictors: (Constant), income statement

b. Dependent Variable: Financial performance

The study identified that, F test was 138.342, $P=.000<0.05$. Therefore, the overall regression model was fit for the study. Further, the results of the study revealed that, income statement had a significant impact on financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kenya as measured by net profit. These findings disagreed with Kamoyo (2016) who noted that, income statement had a negligible significant positive relationship between solvency and financial performance.

Table 4.5

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	.099	.005		18.467	.000
	income statement	.545	.046	.560	11.762	.000

Source: field data 2026

a. Dependent Variable: Financial performance

The study revealed that income statement had a positive and significant effect of deposit taking savings and credit cooperative societies (SACCOS) in Kenya. $B= .545$, $t=11.762$, $P=.000< 0.05$. Taking other factors to be constant at zero, solvency led to 9.9% change in financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kenya when measured by total debt to equity ratio. Additionally, the study noted that, a change in income statement led to 54.9% change in financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kenya. Thus, variation in income statement as measured by net profit led to significant increase in of deposit taking savings and credit cooperative societies (SACCOS) in Kisii county. These findings disagreed with Laertey, Antwi, and Boadi (2014) who noted that,

solvency and financial performance of the listed banks had a very shaky positive association.

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

$$Y = .099 + .545X + \varepsilon$$

4.4 Hypothesis Testing

HO₁ Income statement has not statistically significant on financial performance of SACCOs in Kisii county. The study established that income statement had significant effect on financial performance of SACCOs in Kisii county $P = .000 < 0.05$. Hence, change in income statement led to significant increase in financial performance of SACCOs in Kisii county. Thus, the null hypothesis was rejected.

5. Findings, Conclusion and Recommendations

5.1 Findings of the study

The study sought to determine the effect of income statement on financial performance of registered SACCOS in Kisii county. The study established that, Chai SACCO Society Ltd had the highest mean value of 1896 with standard deviation of .07319 while Gusii Mwalimu SACCO Society Ltd had the lowest mean value of 0054 with standard deviation of .00573. Thus, Chai SACCO Society Ltd had the highest income statement as measured by profits after tax as measured, hence, had the highest financial performance while Gusii Mwalimu SACCO Society Ltd had the lowest income statement and hence, had lowest financial performance.

Further the study identified that; Income statement had strong positive and highly significant correlation with financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kisii county. $r = .560^{**}$ $P = .000 < 0.01$ as measured by net profit.

Additionally, The study revealed that income statement had a positive and significant effect of deposit taking savings and credit cooperative societies (SACCOS) in Kenya. $B = .545$, $t = 11.762$, $P = .000 < 0.05$.

Additionally, the study noted that, a change in income statement led to 54.9% change in financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kenya. Thus, variation in income statement as measured by net profit led to significant increase in of deposit taking savings and credit cooperative societies (SACCOS) in Kisii county.

5.2 Conclusions

The study sought to determine the effect of income statement on financial performance of registered SACCOS in Kisii county. The study concluded that, Chai SACCO Society Ltd had the highest mean value of 1896 with standard deviation of .07319

Further the study concluded that Income statement had strong positive and highly significant correlation with financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kisii county . $r=.560(**)$ $P=.000<0.01$ as measured by net profit.

Additionally, the study concluded that income statement had a positive and significant effect of deposit taking savings and credit cooperative societies (SACCOS) in Kenya. $B= .545$, $t=11.762$, $P=.000<0.05$.

Moreover, the study concluded that, a change in income statement led to 54.9% change in financial performance of deposit taking savings and credit cooperative societies (SACCOS) in Kenya. Thus, variation in income statement as measured by net profit led to significant increase in of deposit taking savings and credit cooperative societies (SACCOS) in Kisii county.

5.3 Recommendations

The study recommended that, Saccos with low net profit it should increase income by giving more loans and investment in more revenue generations investments, while reducing costs through better efficiency and expense control. Strengthening loan recovery to minimize defaults and lowering borrowing costs will further improve profitability, leading to a stronger income statement and overall increase in financial performance.

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