1. Welcome

Distinguished co-operators, invited guests, ladies and gentlemen, all protocol observed, good morning. I welcome you all to our 42nd Annual General Meeting where we shall be tabling our 2017 reports.

2. Performance

As you are aware, the year 2017 was characterized with protracted elections which adversely affected economic activities in our country. In spite of that, the Society’s performance in 2018 was good as we shall see in the financial reports to be presented hereafter.

2.1 Dividends & Interest on Members’ Deposits

The Board proposes to pay dividends to members at the rate of 9% and interest on deposits at 7.6% which the Board seeks your approval. As the Treasurer will explain to you later on, these were very impressive results considering that some financial institutions posted much lower surpluses in the year under review.

The Sacco is still holding some unclaimed dividends for members especially those who may have separated with the Sacco some years back. The government has introduced the Unclaimed Assets Act which states that any unclaimed monies owing to a person and held by a financial institution for more than two years should be surrendered to the Unclaimed Assets Authority for administration.
We encourage members who have not collected their dividends for the past years to do so to failure to which we shall comply with the law. You may also authorize the same to be transferred to boost your shares.

2.2 **Membership**

The Sacco membership stood at 5,535 as at 31st December, 2017 up from 5,137 in 2016. As you are aware, we opened our common bond to individuals, registered groups/chamas and corporates. I appeal to you to assist us in recruiting new members from your Units, churches, families and friends in order to grow our Sacco. A commission of Kshs. 500 is payable every paid up member you recruit.

2.3 **Loans**

During the year 2017, we disbursed loans amounting to Kshs. 248 million to our members compared to Kes. 270 million in 2016, a decrease of 8%. The loans uptake was low due to the prevailing political environment. Details are contained in the Credit Committee report.

The Board reduced interest on some loan facilities in line with interest capping by Central Bank. Interest on Product Loan, Sinking Fund Loan and Insurance Premium Loan was reduced from 15% to 14% per annum. Interest on Salary Advance was reduced from 10% to 5% per month. The Board also introduced a new product (Super Loan) for super savers with a maximum of Kshs. 6 million repayable in 60 months at interest rate of 1% per month on reducing balance. To qualify you need to have shares of Kshs. 1.5 million and above. We encourage members to save more and benefit from this new product.

The Board also proposes to insure members’ loans with 3rd a party insurance company to cushion against death and permanent disability. Currently we are operating a sinking fund which is not covering all our needs.

In order to serve you better, the Board proposes to introduce a loan processing fee of 0.5% of the loan amount applied to cater for CRB reports, sms prompts and disbursement expenses.
3. **Information Management System Procurement**

The Sacco is in the process of implementing Microsoft Navision 2018 Information Management System. We are optimistic that with the new system we shall reduce on statement printing costs and improve on our efficiency in service delivery to our members. As demonstrated during the education day members will be able to do mobile banking and access their statements from their phones or member portal. Special forms will be sent to all members to update their information including e-mail address, mobile phone number, etc. so as to maximize use of the system. We will have a special occasion to launch the new system once we Go-Live.

4. **Revision of Sacco By-laws**

The Board has revised the Sacco by-laws in line with the prevailing legislation. We shall be presenting the same to you today for approval.

5. **Sacco Policies**

In order to boost governance and enhance efficiency in operations the Board of Directors has developed the following policies: **Elections Policy and Rules, Board Succession Plan and Dividend Policy.** We shall present the same to you today for adoption after highlighting some key areas. Meanwhile, we are in the process of revising the existing policies and developing others.

6. **Strategic Plan**

The Board is in the process of developing a three year strategic Plan which highlights where the Society is supposed be by the end of 2020 and the how we shall get there. Once the same is complete we shall officially launch it.

7. **Staffing**

The Sacco has ten (10) permanent staff, one (1) temporary staff and three (3) marketing interns. During the year, the Credit Officer, George Olang’o separated with the Sacco. We have since filled the position with Janet Chepkemoi.
8. **Elections**

Elections forms part of the agenda in the AGM. Procedurally, the Co-operative Officer is the legal officer who will conduct the elections as the returning officer. The rotation rule still applies whereby three board members and one Supervisory Committee member have to retire every year. The members retiring this year are:

1) Charles Mwangi – Chairman Credit
2) Stanley Ngure – Board Member
3) Thomas Koyier – Board Member
4) Reuben Weche – Chairman, Supervisory Committee

We thank the members for their dedicated service. All the retiring members are eligible for re-election.

9. **Conclusion**

Let me conclude by thanking all the members for patronizing the Sacco, the board members for embracing team spirit, the Supervisory Committee for ensuring checks and balances, and the staff for working tirelessly during the year to realize impressive results. I also thank the Co-operative Officer for his valuable advice and Daystar management for allowing us once again to use the Auditorium for our AGM.

Our future is bright and we remain focused on our vision and mission of becoming a model Sacco that is empowering Christians economically.

Thank you and God bless you all.

WALTER O. AOKO

**BOARD CHAIRMAN**