



Simcorp Sacco Limited

2nd Annual General Meeting

27th April 2019

Quote:

- ❑ The journey of a thousand miles begins with one step
- ❑ Many small steps make a mile and many miles make a journey





Agenda

- Arrival and registration of members/Snacks served
- Opening prayers
- Adoption of the notice convening the annual general meeting
- Presentation of the minutes of the previous general meeting
- Discuss matters arising therefrom
- Presentation of management committee report
- Presentation of supervisory committee report
- Presentation and adoption of audited financial statements for the year ended 31st December 2018 by the external auditor

Agenda...Cont'd

- To approve the operating and capital budget for the year 2019 and the proposed operating and capital Budget for the year 2020.
- Resolutions: Disposal of surplus, setting management committee honorarium, approval of the borrowing powers, review of minimum savings and share capital
- Appointment of Auditors for the year 2019
- Invited guests: District Cooperative Officer
- Elections for replacement/extension of the terms of retiring members of the Sacco management Committee Board and the Supervisory committee.



**Adoption of the
notice convening
the meeting**





Minutes of the previous general meeting



**Matters
arising
therefrom...**



Management Committee's Report

The Management Committee

Chairman

• Reuben Wemo

Vice Chairman

• Silverius Bukhala

Secretary

• Teresa Nyandema

Treasurer

• Richard Mwangi

Member

• Helen Munywoki

Member

• Rhoda Igoki

Member

• Charles Kaberia

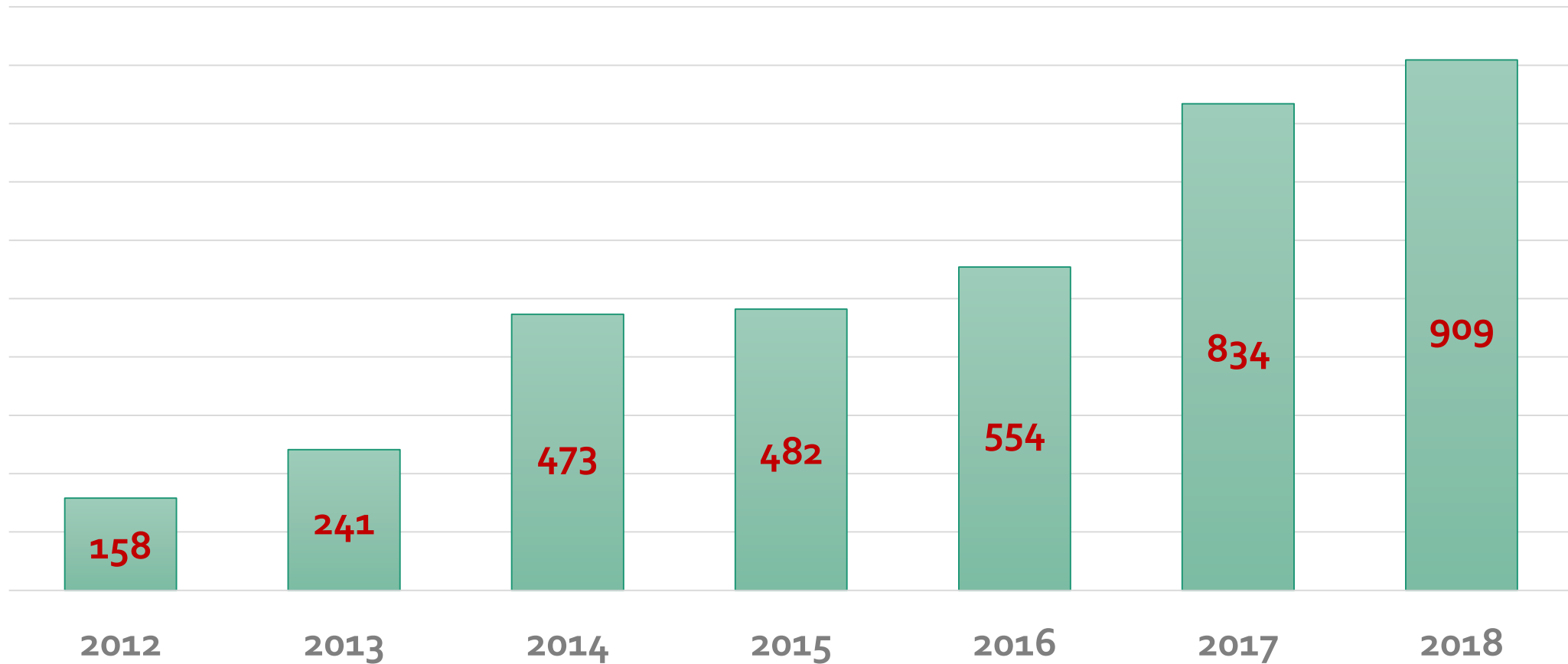


Management Committee's Report

May 2016	:	The SACCO gets its certificate of registration, CS/19559
Jun 2016	:	Procurement of financial management system (QET)
Jul 2016	:	First audit of the financial statements is done
Sep 2016	:	First AGM of Simba Corp Staff Welfare Association
Jan 2017	:	Books of Accounts of Simba Corp Staff Welfare Association transferred to Simcorp Sacco
Apr 2017	:	Commenced the registration process of an investment arm of the Sacco
Aug 2017	:	Bulk SMS system put in place
Sep 2017	:	Last AGM of Simba Corp Staff Welfare Association
Jun 2018	:	Inaugural annual general meeting for Simcorp Sacco Limited

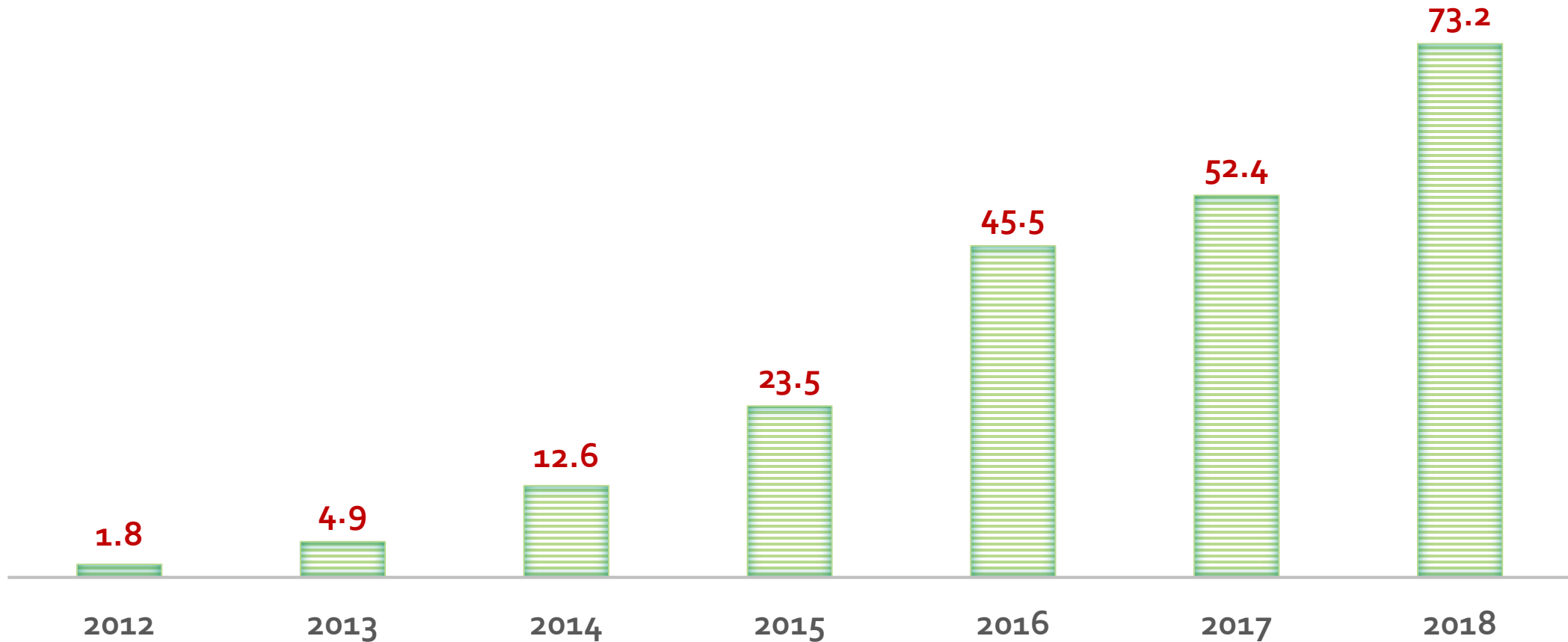
Membership Growth

Number of Members



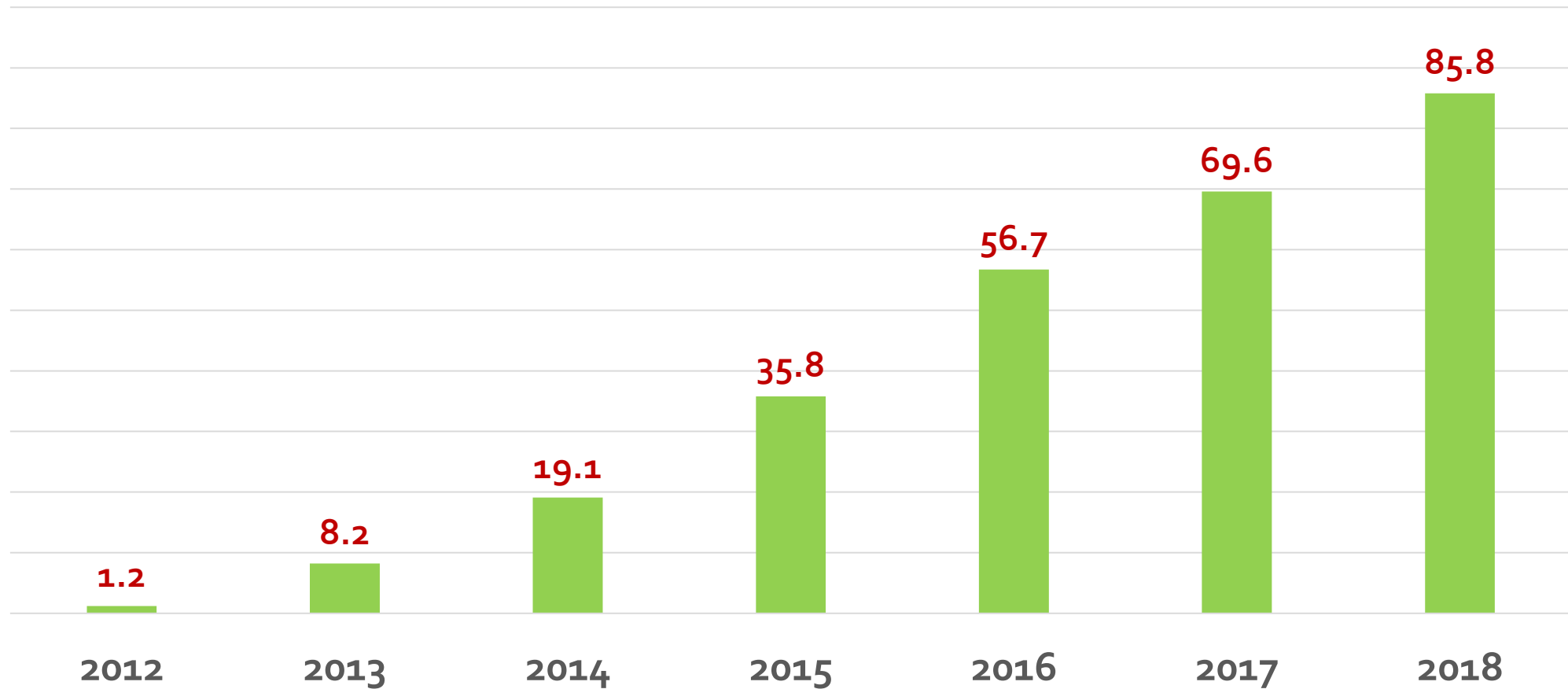
Members Savings

MEMBER SAVINGS IN KES MILLION



Cumulative Loan Book

Loan Book in Kshs Million



The Credit Committee

Chairman

- Charles Kaberia

Secretary

- Rhoda Igoki

Member

- Helen Munywoki

Credit Committee's Report

Roles and responsibilities

- Review applications for loans and approve successful applications
- Meet at least once a month to discuss matters referred to the committee
- Provide financial counselling to members on credit management
- Review and consider a member's request to amend the terms of a loan within the ambits of the loan policy
- Review loan and collection policies
- Prepare and present a report at the AGM summarizing the loan activities of the year

Recap - Rules and regulations

Membership application

- Non refundable entry fee of Kes. 1,000
- Minimum monthly contribution of Kes. 2,000
- Monthly insurance fees of Kes. 250
- Member can vary monthly contributions by filling out a form
- Boosting of savings acceptable

Loans

- Interest – 14% per annum on reducing balance
- Maximum loan repayment period – 36 months
- To be eligible for a loan, a member must have completed six months
- Types of loans available – Normal, School Fees, Emergency (sickness)
- Maximum loan – 3 times share contribution
- A loan must be guaranteed by two or more members

Initiatives in the coming year

- Strengthening of the administration team
- Operationalizing the savings account
- Placement of funds in fixed deposit account
- Formulation of a 5-year strategic plan
- Investment scheme (Simcorp Land and Housing Scheme)



Supervisory Committee's Report

The Supervisory Committee

Chairman

- Robert Muchira

Secretary

- Rose Adhiambo

Member

- Martin Ngure

Supervisory Committee's Report

Mandate

- Make investigations into the affairs of the society at least once every three months
- Audit or examine the books of the Sacco
- Make a report thereof at the next meeting of the management committee



Supervisory Committee's Report...(Cont'd)

Areas of focus

- Review of the Sacco's internal processes, operating policies, controls and procedures
- Review of the ICT applications driving the Sacco's operating environment
- Examination of quarterly financial statements
- Review of the credit and loan portfolio
- Review of statutory compliance and corporate governance maturity
- Monitoring of any special projects undertaken by the Sacco
- Presentation of an annual report to the AGM highlighting the key issues of concern to the members

Supervisory Committee's Report...(Cont'd)

General observations

- Membership
- Acquisition of new software
- Marketing activities
- Corporate governance
- Review of accounts

Financial Statements Overview



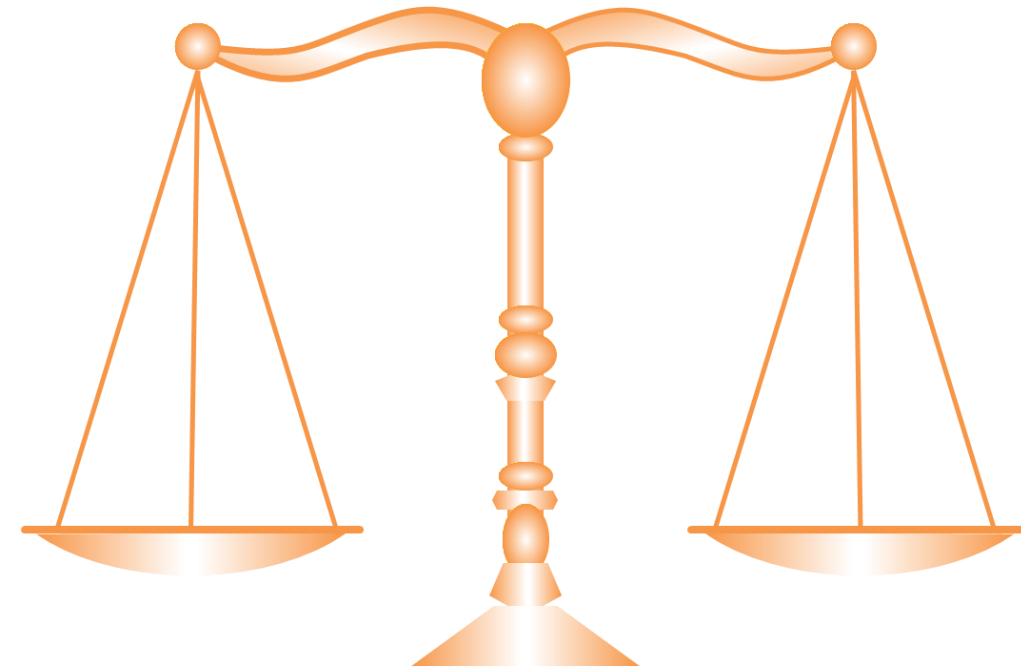
Statement of Comprehensive Income



For the period ended	31.12.2018	31.12.2017
Interest income on loans and advances	13,081,262	7,934,843
Interest rebate on member deposits	(6,241,403)	(3,681,813)
Net interest income	6,839,859	4,253,030
Other income and commissions	2,063,000	1,333,310
Gross income	8,902,859	5,586,340
Provision for bad and doubtful debts	(3,126,086)	(2,219,602)
Administrative expenses	(2,562,335)	(920,427)
Other operating expenses	(1,075,840)	(617,401)
Surplus before tax	2,138,598	1,828,910
Income tax expense	-	-
Surplus for the year	2,138,598	1,828,910

Statement of Financial Position

Position as at	31.12.2018	31.12.2017
<u>ASSETS</u>		
Cash and cash equivalent	168,296	145,686
Trade and other receivables	4,201,536	-
Loans and advances	85,814,070	69,640,670
Non current Assets	456,840	600,000
Total assets	90,640,742	70,386,356
<u>LIABILITIES</u>		
Member deposits	73,241,176	52,442,745
Trade and other payables	471,930	443,930
Provisions	6,714,599	3,831,813
Proposed dividend	180,800	-
Provisions for honoraria	200,000	150,000
Total liabilities	80,808,505	56,718,488
<u>EQUITY</u>		
Share capital	1,808,000	1,668,000
Statutory reserve	793,502	365,782
Retained earnings	7,230,735	11,634,086
Total equity	9,832,237	13,667,868
Total equity and liabilities	90,640,742	70,386,356



Statement of cash flows



For the period ended	31.12.2018	31.12.2017
Cash flow from operations	11,801,447	5,222,190
Changes in operating assets and liabilities	(26,902,639)	(69,246,740)
Cash flow from operating activities	(15,101,192)	(64,024,550)
Cash flow from investing activities	(81,200)	(600,000)
Cash flow from financing activities	15,205,002	64,770,236
Net movement in cash flow	22,610	145,686
<u>Cash and cash equivalent</u>		
At the start of the year	145,686	-
Increase/(decrease) in cash and cash equivalents	22,610	145,686
At the end of the year	168,296	145,686

Auditors Report



**MPK and Associates
Certified Public Accountants**



Presentation of Budget

Budget for FY2019 and FY2020

Reporting Line	Actual 2018	Budget 2019	Budget 2020
Interest Income	13,081,262	14,500,000	15,950,000
Other Income	2,063,000	2,269,300	2,496,230
Sacco Governance	(1,075,840)	(1,380,000)	(1,518,000)
Finance Expenses	(3,126,086)	(3,500,000)	(3,850,000)
Occupancy Expenses	(796,765)	(1,100,000)	(1,210,000)
Risk and Compliance	(78,000)	(430,000)	(473,000)
Administration Expenses	(257,390)	(860,000)	(946,000)
Staff Expenses	(1,430,180)	(2,400,000)	(2,640,000)
Surplus Before Tax	8,380,001	7,099,300	7,809,230

Resolutions

- Disposal of surplus
- Dividends based on shareholding
- Honorarium
- Minimum savings – proposed increase to Kes 4,000
- Minimum shares – proposed increase to Kes 3,000



Appointment of Auditors for the year 2019



District Cooperatives Officer Remarks

Mr. Fred Sitati



Election of new office bearers

Question and Answer Session





Our website

www.simcorpsacco.com

Paybill Number : 962988

**Account Number : Your Sacco Account
Number**

E-mail us : Simcorp@simbacorp.com