



# JEMBE CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LTD.

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## MINUTES FOR THE 47<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON 26<sup>TH</sup> MARCH 2022 AT THE FAIRVIEW HOTEL KIKAO CONFERENCE ROOM

### Attendance:

#### Official Present

1. Habel Shitakaya - Chairman
2. Mourrice Tieni - Vice Chairman
3. Samuel Muriethi - Treasurer
4. Roseline Adhiambo - Hon. Secretary
5. Beatrice Shikokoti - Chairperson Credit Committee
6. Ann Mwangi - Secretary Credit Committee
7. Merysciah Mmbone - Member Credit Committee
8. Mildred Wendo - Secretary Education Committee
9. Bethwel Bwibo - Member Education Committee
10. Milton Shivachi - Chairman Supervisory Committee
11. Isaac Bolo - Secretary Supervisory Committee
12. Nelson Mudaki - Member Supervisory Committee

#### In Attendance:

1. Anne Anyango - Agoro & Associates
2. Alex Wachira - CIC Insurance
3. Peris Isaboke - KUSCCO
4. Mary Mukami - KUSCCO
5. Esther Ingecha - CIC Investment Representative
6. Alex Theuri - Ministry Official
7. Catherine Kamanja - Office Administrator

### AGENDA

1. Reading and Confirmation of Minutes of the previous AGM held on 13<sup>th</sup> March 2021
2. Report from the Chairman
3. Report from the Supervisory Committee
4. Presentation from Representatives of our Business Partners
5. Presentation of the 2021 Audited Financial Statements
6. Presentation of the year 2022/2023 budget
7. Resolutions
8. Appointment of Auditor
9. Elections
10. Any Other Business (AOB)

The meeting started at 3:00pm with a word of prayer from Ms. Brenda Nanjala.

### ***Preliminaries***

The Chairman opened the meeting by introducing the Officials who were present and our business partners. He also welcomed all members and acknowledged members who are outside common bond.

Mr. Nelson Mudaki welcomed Hon. Secretary to read out the notice of the 47<sup>th</sup> Annual General Meeting.

The Hon. Secretary read out the notice dated 13<sup>th</sup> March 2022 for Annual General Meeting.

### **MIN 1/AGM/2022 – Confirmation of Minutes for 2021 Annual General Meeting**

Hon. Secretary Ms. Roseline Adhiambo read out the previous AGM minutes held on 13th March 2021 without interruption.

### **Adoption of the Annual General Meeting Minutes**

Proposed by: Mr. David Kimanzi

Seconded by: Mr. Geoffrey Simiyu

**There were no Matters Arising.**

### **MIN 2/AGM/2022 - Report from the Chairman**

The Chairman Mr. Habel Shitakaya, read his report without any interruption.

### **Adoption of the Chairman's Report**

Proposed by: Ms. Hellen Wairimu

Seconded by: Mr. Francis Alumasa

### **Matters Arising:**

Mr. Hassan Siomi could not understand the reason why he was still being deducted for defaulted loan and yet Mr. Sebhi committed to pay for his loan. The Chairman answered that Mr. Sebhi confirmed that he was only able to pay Kes. 2,000/- for his loan repayment and he advised him to coordinate with his guarantors on how the refund will be done. Mr. Sebhi committed to pay but did not make any payment.

Mr. Alois Kiogora was concerned on the insurance increase premium from Kes. 1,200/- to Kes. 1,500/-. He was answered that the increase was due to increase on loan guard annual premium whereby the amount contributed was not enough.

Mr. Geoffrey Simiyu requested that members should be educated on Sacco welfare. The Sacco had difficulties with the issue of welfare due to COVID-19 which affected the members' salary. The Chairman informed the members that there was no proper policy of guiding the welfare. The number of member to be refunded was increasing due to members resigning and retiring.

Ms. Regina Nasieku wanted to know since she guaranteed Mr. Ndirangu's loan which is now defaulted and the other guarantors resigned from Fairview whether she will be the only one paying for the loan. She was answered by Chairman Supervisory committee that when guaranteeing the

loan, policy states clearly that you are jointly and severally liable. That automatically makes the guarantor responsible for loan defaulted.

Ms. Peris from KUSCCO asked, if a member applies for Kes.100,000/- and have left will you still pay for the said amount that you guaranteed.

Mr. Milton explained that the loan form is filled completely with the applicant and guarantors which they are liable for the whole amount. If the other guarantors are not reachable, the amount is deducted from guarantor who is still a member.

Mr. Hassan Siomi wanted to know if Mr. Sebhi confirmed that he is willing to pay, why was he still being deducted. Mr. Chairman advised that the amount will be refunded to Mr. Siomi after Mr. Sebhi has paid. He emphasised that Sacco will certainly refund. Ms. Jane Mugure informed the committee that it is advisable if the defaulter could just pay the money directly.

Mr. Kennedy Ouma asked that the guarantors who were with Ms. Regina Nassiku, Mr. Mureithi and Kitema are still reachable. Ms. Catherine our Office administrator answered that Mr. Mureithi ceased to be a member and Mr. Kitema's share was deducted from his deposits. She went ahead and confirmed that Mr. Mureithi left a loan that is currently being paid by other guarantors. Therefore Ms. Regina was the only one left attached to the defaulted loan for Mr. Ndirangu.

The Chairman reminded members to know the financial history for the member before guaranteeing them loan.

### **MIN 3/AGM/2022- Report from the Supervisory Committee**

The Chairman Supervisory Committee Mr. Milton Shivachi read out the report without interruption.

### **Adoption of the Supervisory Report**

Proposed by: Mr. Kennedy Ouma

Seconded by: Mr. Stephen Tito

**There were no Matters Arising.**

### **MIN 4/AGM/2022 – Presentation from our Business Partners**

#### **Remarks from CIC Insurance**

Mr. Alex Wachira who was accompanied by two members of CIC Insurance, appreciated the invitation. He said that from COVID 19, this insurance was shaken but currently there is an increase in profit.

Mr. Wachira confirmed that if member pass on or total disability, the insurance will come in and pay for the loan. He was grateful for the interaction and what has been shared with the board which is a good business partnership. Mr. Wachira reminded the members that Sacco could not join the last expense due to the effect of the business.

#### **Remarks from KUSCCO**

Ms. Peris Isaboke and Ms. Mary Mukami confirmed that they were representative under Starehe Sub-County. Ms. Peris gave her appreciation and affirmed to members that KUSCCO is the umbrella of Saccos. She also confirmed that they have products and Insurance.

She congratulated Jembe Sacco as many Sacco closed down and the Sacco remained firm. Ms. Peris appreciated the Board of Directors and Employer for the good job.

She also mentioned that guarantorship is a challenge in most Saccos and it is important to know the person you are guaranteeing. She confirmed that even though Saccos are accepting collaterals on loan it is still a challenge because of the valuation process involved.

Ms. Peris assured the members that if a member or defaulter decides to pay back his/her loan the guarantor will be refunded. She went ahead and confirmed that the guarantors need to take further legal action if a refund from the defaulter has not been done.

Ms. Peris requested if she can be invited to enlighten members on guarantorship and SASRA during Education to members meeting.

#### **Remarks from CIC Investment**

Ms. Esther was thankful and happy to partner with Jembe Sacco for the longest. She confirmed that CIC Money Market has grown and finally able to make profit more than half a billion. She confirmed that CIC Money Market is holding the market in Kenya at 42% and assets base of 80 billion.

She advised members that applying loan to pay for rent is not acceptable. Ms. Esther urged members to open money market account to save for the rent that grows daily.

She also requested to be invited for Education to members to train them on how to manage finances and grow their savings with Sacco.

#### **MIN 5/AGM/2022 - Presentation of the 2021 Audited Financial Statements**

Ms. Anne Anyango presented the Account registered by the Ministry Official of Cooperative. She affirmed the red sealed on the document that indicates that the report has been approved by Commissioner.

The Auditor summarized the statement of comprehensive Income and Statement of Financial position. She read out the notes to the Financial Statements and other income e.g. Co-op bank dividends, CIC Unit Trust Interests, Entrance fees, KUSCCO fixed deposit interests, KUSSCO dividends and miscellaneous income. Ms. Anne Anyango also explained on Professional expenses, other expenses and Tax computation.

She also confirmed the payable and accruals on the proposed honoraria/bonus and proposed dividend. Ms. Anyango mentioned that statutory reserve increased in the year 2021 compared to 2020. She went ahead and read Auditors opinion to the members of Jembe Sacco Society Limited.

The Agoro and Associates gave an indication of the willingness to continue in office in accordance with the Sacco Societies Act No. 14 of 2008.

#### **Adoption of the Auditor's Report**

Proposed by: Mr. Stanley Muema

Seconded by: Mr. Alois Kiogora

**There were no Matters Arising.**

**MIN 6/AGM/2022 - Presentation of the year 2022/2023 Budget**

Mr. Samuel Mureithi, Treasurer of Jembe Sacco, presented the 2022/2023 budget without interruptions.

**Adoption of the Treasurer's Report**

Proposed by: Mr. Kennedy Ouma

Seconded by: Mr. Francis Omollo

**There were no Matters Arising.**

**MIN 7/AGM/2022 - Ministry Official's Speech**

The Chairman introduced the Ministry Official Mr. Alex Theuri from Starehe Sub County.

The Ministry urged the committee to engage with CIC Insurance and KUSSCO on the structure to manage welfare.

**MIN 8/AGM/2022 – Resolutions**

**1. Insurance**

Insurance subscription from members increased from Kes. 1,200/- to Kes. 1,500/-.

Proposed by: Mr. Isaac Bolo

Seconded by: Geoffrey Simiyu

**2. Benevolent Fund**

There was a proposal for Benevolent Fund to be compulsory to Jembe Sacco Members. Mr. Geoffrey Simiyu suggested that the matter should be left for further discussion. Vice Chairman Mr. Mourrice Tieni advised the members that it is important to have the Benevolent Fund in case of death.

The Chairman affirmed that research was done and most Saccos have registered with Benevolent Fund. He urged the members that Jembe Sacco should also be ahead like other Saccos.

Mr. Alois Kiogora wanted further clarification before the implementation. The Chairman answered that after receiving different proposals and considering members payslip, the best option was the fund to be managed by the Sacco. Chairman Supervisory Mr. Milton Shivachi assured members that the proposal was the best idea and the Sacco is on the right direction.

Ms. Esther Ingecha from CIC Investment also informed the members that Benevolent Fund will be covering the nuclear family, parents and parents –in law. She went ahead and advised that instead of depending on the society to take care of demise expenses, members will have the ability to plan in advance. Ms. Esther went ahead and assured members, for the premium range will depend on what the Sacco decides. Normally the cover is between Kes. 50,000/- and Kes. 200,000/-. Mr. Kennedy Ouma confirmed that he is a beneficiary of the fund and there are members who were willing to continue.

Proposed by: Mr. Mourrice Tieni

Seconded by: Ms. Eunice Keli

### **3. Share Capital**

There was a proposal to increase share capital from Kes. 1,500/- to Kes. 5,000/- for Sacco to have a strong asset base. It was agreed that share capital to be increased.

This was confirmed that is a requirement for sustainability of the Sacco. Mr. Milton clarified to members that share capital and deposits both earns dividend.

Proposed by: Mr. Geoffrey Simiyu

Seconded by: Ms. Agnes Muthoni

### **4. Welfare**

Mr. Francis Alumasa and Kennedy Ouma explained to members on what Jembe Welfare stands for. There was a proposal to contribute to members who left the Sacco before COVID-19 and members who ceased to be a member after COVID-19 will not receive contribution.

Mr. Francis Omollo wanted to know whether both members who are in common bond and outside common bond will contribute. Ms. Catherine confirmed that members outside common bond contribute. Chairman added that they are all qualified.

Proposed by: Ms. Ann Mwangi

Seconded by: Mr. Geoffrey Simiyu

### **5. Defaulters**

There was an observation on defaulter that is overstating our Asset of Kes. 9,944/-. It was agreed that loan impairment account to reduce or offset as we continue pursuing.

Ms. Anne Anyango confirmed that after four years if the defaulted amount is not recovered, the amount should be written off from provisional made prior.

Proposed by: Mr. Francis Omollo

Seconded by: Ms. Agnes Muthoni

Mr. Francis Omollo urged the Chairman to follow the right channel so that they can avoid such incidents.

### **6. Disposal/Surplus**

#### **Members Dividends and Honararia/Staff Bonus**

Members agreed unanimously to share the rebates.

Proposed by: Mr. Sebastine Onsongo

Seconded by: Agnes Muthoni

### **7. Dividends on Share Capital**

Members agreed that dividends on share capital to be capitalized.

Proposed by: Mr. Kennedy Ouma  
Seconded by: Mr. Stanley Muema

#### **8. Borrowing Power**

Mr. Theuri requested the members to approve the borrowing power and they agreed to maintain the amount of Kes. 2,000,000/-.

Proposed by: Mr. Geoffrey Simiyu  
Seconded by: Mr. Joseph Onderi

#### **9. Indemnity**

The members agreed that the Management committee should guarantee indemnity with Kes. 500,000.00 for security against loss incase of misappropriation.

Proposed by: Mr. Francis Alumasa  
Seconded by: Ms. Everlyne Adhiambo

#### **10. Supplimentary Budget**

Members agreed to have Insurance assets and purchase of office dispenser.

Proposed by: Ms. Everlyne Adhiambo  
Seconded by: Mr. Zablon Namuyenga

#### **11. Auditor's Appointment**

The Chairman read through the only application letter that was received from Agoro and Associates. The members showed confidence with the current Auditor and unanimously reappointed Agoro & Associates as the Sacco Auditor for the year 2022.

Proposed by: Mr. Francis Alumasa  
Seconded by: Mr. Zablon Namuyenga

#### **MIN 9/AGM/2022 – Elections**

There was 1/3 Management committee and 1/3 Supervisory committee were retiring but eligible for re-election and there was a vacant left by Mr. Jeremiah Mwambingu.

#### **Management Committee Retirees**

1. Samuel Mureithi
2. Ann Mwangi
3. Bethwel Bwibo

#### **Supervisory Committee Retirees**

1. Nelson Mudaki

The Ministry Official asked the members on which method they would like to conduct the elections. Ms. Brenda Nanjala suggested that the retiring committee to continue serving the members in the next financial year 2022. Members unanimously agreed that the retiring officials to remain.

Proposed by: Ms. Brenda Nanjala  
Seconded by: Mr. Nassir Ali

**MIN 10/AGM/2022 – Any Other Business**

The Chairman urged the members to update their accounts. He told the members to always save and Ms. Esther of CIC Investment will assist them on savings. Members were tasked to share the knowledge or give ideas to invest together.

The Chairman also recognized the presence of The Chairman and Hon. Secretary of Jembe Investment Cooperative and requested the members to support the investment. Ms. Agnes the Hon. Secretary informed the members the importance of attending the meeting to move forward.

**Votes of Thanks**

The Chairman of Jembe Investment Mr. Stanley Muema, thanked Mr. Habel for the opportunity. He also acknowledged the visitors/ partners who came to the meeting and for participating. Mr. Muema confirmed that despite COVID-19 we are still standing and shared God's blessing to all members.

Mr. Francis Amollo who is outside common bond was acknowledged for the marketing he is doing for the Jembe Sacco.

There being no other business, the meeting ended at 6:30pm with a word of prayer from Mr. Isaac Bolo.

**Compiled By:**



**Roseline Adhiambo**  
Hon. Secretary

**Witnessed By:**



**Samuel Mureithi**  
Treasurer

**Confirmed By:**



**Habel Shitakaya**  
Chairman