

**MINUTES FOR THE ANNUAL GENERAL MEETING HELD ON 8TH OF JULY 2023 AT TAJI
GARDENS THIKA.**

Members present.

1. Joseph Mbai-Chairman.
2. Felistus Kitonga-Honorable Secretary.
3. Charles Kairu-Treasurer.
4. Paul Kamau Thuku-Chair Credit Committee.
5. Peter Kiarie-Member Credit Committee.
6. Naomi Wandia Njoroge-Secretary Credit committee.
7. John Gathogo-Chair Supervisory Committee.
8. Nelius Muchoya-Secretary Supervisory Committee

Absent with apology.

1. Emily Kaino-Vice chairperson.
2. Musa Otengo Vuyinda-Member Supervisory Committee

In attendance.

1. Abigael Taabu-Director of Co-operatives, Kiambu County.
2. Catherine Mbuki-Co-operatives Officer, Thika Sub-County.
3. James Njuguna-Branch Manager, Family Bank, Thika.
4. David Kairu-Representative from Nganga Waithaka and Company Auditors.
5. Nimrod Kiprotich-Finance Manager

Agenda

1. To read the notice for the meeting.
2. Reading and confirmation of the minutes of the last AGM held in 2022.
3. Matters arising.
4. Chairman's report.
5. Treasures report.
6. Audited accounts 2022 and Budget.
7. Supervisory report.
8. Sacco borrowing powers.
9. Appointment of Auditor.
10. Resolutions.
11. Committee Elections-1/3 retirement system.
12. A.O.B

MIN01/08/07/23: TO READ THE NOTICE FOR THE MEETING.

The meeting started at 11:30am with a word of prayer from Mr. Patrick Murimi.

Thereafter, the Chairman declared the AGM legally constituted according to section 32(b) of the APS by-laws. He as well introduced all the board members and welcomed all the members in attendance both physical and virtual.

MIN02/08/07/23: READING AND CONFIRMATION OF THE MINUTES OF THE LAST AGM HELD IN 2022.

The Honorable Secretary took the members through the minutes of the last AGM and the minutes were adopted as follows:

Proposer-Beth Wanjiku APS01585.

Seconder-Felix Kabutha APS04527.

MIN03/08/07/23: MATTERS ARISING.

Mr. Augustine Mwaura raised a concern about members being issued with the previous minutes. The minutes was posted online (Website) but they were to be circulated to all members in the coming AGM.

A member raised a question about the benefits of joining SASRA, the chairman answered by mentioning that the conditions for joining SASRA were not met, since the Sacco had non-performing loans which were at 61%, some of the previous board members (at the time of application) were also listed on CRB.

Madam Abigael Taabu informed members on the benefits of joining SASRA, she expounded that it regulates Saccos and safeguards the members' funds. She also mentioned that the SACCO should strive to join the regulatory body in the future after it has met all the requirements.

One member asked if the Sacco is registered, the Chairman responded to that by saying, the Sacco is duly and fully registered and it is operating legally under Registration Certificate No. CS/18349.

Beth Wanjiku Njogu of APS01585, mentioned that she has a loan but does not know where the offices were, the Chairman Mr. Joseph Mbai therefore introduced all the staff as each one of them introduced themselves as well as the location of their respective offices.

MIN04/08/07/23: CHAIRMAN'S REPORT.

The Chairman, Mr. Mbai welcomed all to the meeting and introduced the board. He as well introduced the co-operatives and representatives from Family bank and Ng'ang'a Waithaka Associates. He gave out apologies from the Vice chair who could not manage to attend the meeting since she was unwell.

According to section 32(d)(i) of the Sacco by laws, the chairman gave out his report as follows:

Rongo branch had been opened and is required to stabilize in the next six months, he also advised members to recruit new members as commission of Ksh 900 shall be paid to the recruiter upon full registration and Ksh 1,000 upon full payment of shares. There has been a daily challenge deposit of Ksh100 and the idea is picking up well. He mentioned to members that the board is doing some reconciliations with UHCSL so as to help out members who took loans from the Sacco but didn't manage to acquire the properties. There is an investment vehicle that is purposed to pick up to help members in resettlement i.e.,Anchor Premier Venture Ltd. He mentioned that he there was need to revive the group insurance cover for members. The members passed a resolution for this and agreed this was to be voluntary. He gave out special thanks to the staff, the board, members, co-operative representatives, partners and everyone else for attending the meeting.

MATTERS ARISING FROM THE CHAIRMANS REPORT:

Joash Ambale Okata-APS08592-raised a question about the investment vehicle, stating that the board is barely 8 months into office and already they are pondering on opening an investment vehicle. The Chair allayed his fears by promising this was well thought of and the venture will be well run.

Solomon Karanja-APS04112-asked about the Sacco not being able to pay dividends for the past few years. The response from management was that the dividends for the previous year were ploughed back but this year's dividends were to be paid if the members agreed to pass this same resolution.

Francisca -congratulated the board and the entire team for the good work and asked about if one can be a member of several Saccos. The Director of Co-operatives Kiambu county madam Abigael responded that members are not encouraged to be in many saccos and therefore should patronize APS and grow together.

Samwel Maina-APS00002 (UHCL)-mentioned that there are reconciliations going on between APS and UHCSL for to close on the matter and also to help in resettlement of Sacco members.

MIN05/08/07/23: TREASURER'S REPORT.

The report was presented by Mr. Charles Kairu, he mentioned that the member deposits had grew up to 4M which represents 2.4% increase from last year. The Society fell short of the disbursement goals due to failure to repay on time and drop in collections. He also mentioned that minimizing spending will be instituted by closure of non-performing loans as well as cutting down on administrative expenses. The board has formulated strategies on members by deposit mobilization which includes activation of dormant accounts, increase monthly deposits and ploughing back of interest on deposits and dividends on shares for defaulting members. There was a share capital increase of over four hundred thousand.

Mr. Kairu also mentioned that the total loan book is 282M, the total loans disbursed is 46M- restructure of 26M, pending disbursement is 10M, average monthly collection is 6.1M, projected monthly collections is 10M and 3.4M savings at Eco Bank.

The Supervisory Committee does periodic checks on the loans as well as the audited books to ensure compliance is adhered to.

The Board has proposed a dividends payout of 2% on shares and 1.5% interest on deposits to be paid in between Monday and Wednesday the following week.

Proposed budget 2024 Highlights.

Income projected-76,820,000.

Expenditure:

1. Administrative-44,275,000/
2. Staff -13,300,00/
3. Governance-3,050,000/
4. Finance cost-2,635,000/

Projected profit Ksh13.364M for the year 2024.

The treasure thereafter invited Ng'ang'a Waithaka and Associates to present the audit report 2022.

MIN06/08/07/23: AUDITED ACCOUNTS 2022.

The report was presented by David Kiiru, an auditor & representative from Ng'ang'a Waithaka and Associates. He informed the members that the financial year runs from 1st to 31st December every year.

The report was adopted as follows:

Proposer-Gabriel Nganga-APS0048.

Secunder-Gibson Maina APS00227.

Matters arising from audited accounts report.

One member asked about some offices being closed if the deposits were refunded, Mr. Paul Thuku answered that the deposit paid upfront was used as rent for the last month for Gilgil Office.

Gabriel Ng'ang'a of APS0048 asked about the admin expense & annual support fees. Mr. Paul Thuku responded to that-he explained this is the Annual licensing fees and support fees for the system provider. He further explained that KRA had claimed the Sacco had unpaid taxes of up to 19M so the admin expenses were paid to sort out the KRA issues.

Charles Ndungu Mbugua of APS01562-asked about how the dividends percentage was arrived at. The percentage was advised by the auditor and the FM on a pro rata basis this is what the Sacco can be able to give out to members as dividends

Adoption of percentage of dividends.

Proposer-Joseph Njoroge-APS09404

Secunder-Christopher Muhia-APS00144

Adoption of budget

Proposer-Representative from Destiny Housing Co-Operative Society Limited-APS 07552

Secunder-Mary Muthoni-APS06969.

MIN07/08/23: SUPERVISORY REPORT

The Chair of Supervisory Committee Mr. John Gathogoh presented the report to the members on behalf of the Supervisory committee.

He encouraged members to continue making their monthly contributions. He gave a brief overview on the duties they had undertaken in the past financial year. He commented that the Supervisory Committee is tasked with overseeing the management board, integrity, financial reporting and compliance and risk the general operations & health of APS. He gave a vote of confidence on the above parameters.

Adoption of Supervisory Report.

Proposer- Patrick Murime APS02313

Secunder- Hesbon Nyaga Kamau-APS03786

MIN08/08/23: SACCO BORROWING POWERS.

Borrowing power of up to 50M was agreed by the members and passed as a resolution.

Proposer-John Gachoka Chege-APS0154

Secunder-Timothy Chege Kinuthia-APS00491

MIN09/08/23: APPOINTMENT OF AUDITORS.

The Board had identified the final two auditors out of the engaged 5 interested applicants as listed below:

- 1. S K. GACHOMO (HALIFAX) ASSOCIATES.**
- 2. SAMSON KAMAU AND ASSOCIATES.**

The board had suggested appointment of S K. Gachomo (Halifax Associates) after a rigorous interview process subject to the ratification by members and adoption was as follows;

Proposer-Joseph Njoroge-APS09404.

Secunder-Charles Mbugua-APS01562.

MIN10/08/23 RESOLUTIONS.

Various proposed resolutions were adopted as follows:

1) Insurance brokerage or agency.

It was agreed that the SACCO opens an insurance agency to assist in diversifying the revenue collection.

Proposer-Felix Francis Kabutha APS04527

Seconder-Benson Matindi Malika APS8805

2) Investment vehicle.

Members agreed that it was necessary to have the investment set up and running.

Proposer-Jane Njeri Gichara APS0979

Seconder-Alex Ngugi Nyoike APS0549

3) Loans disbursements up to 12M from 5M, repayment from 4years to up to 6years.

It was agreed that the above item be adopted subject to availability of funds.

Proposer-Biata Syombua Mutemi APS01887

Seconder-Daniel Kimani Njeri APS08938

4) Group Insurance both outpatient and in-patient.

It was agreed as earlier reported in the minutes that the group insurance was to be voluntary.

Proposer- Alex Ngugi Nyoike APS0549

Seconder-Simon Njuguna-APS7552

The director of Co-operatives, Kiambu County madam Abigael Taabu, thanked the members for actively participating in the affairs of running the SACCO. She encouraged them to continuously patronize the Sacco through savings and borrowing. She also urged the board to educate members about the investment vehicle in the future.

She added that good governance brings good leadership, and urged the management to embrace bench marking, so as to learn the best industry practices and guide the Society to prosperity.

MIN11/08/23: COMMITTEE ELECTIONS-1/3 RETIREMENT SYSTEM.

- Mr. Musa Otengo was to be replaced and the seat was declared vacant, Charles Kairu and Naomi Wandia were retained following the above rule.

Proposer-Lucy Njeri Njoroge APS00945

Seconder-Fransisca Wambui APS00528

- Mr. Patrick Murimi willingly volunteered to be a member of the Supervisory Committee

Proposer- Samuel Kibui Muchiri APS02227.

Seconder- Joash Ambale Okata APS08592.

MIN12/08/23: A.O.B

A member asked about refunds, she was informed by the Chairman to visit any of the Sacco offices for further assistance.

Vote of thanks;

Mr. Kiarie gave a vote of thanks and thanked the members for their time. He thanked all those who were in attendance and online including our Sacco partners. He encouraged APS members to continue saving and engage in the meetings and whenever called upon.

There being no other business, the AGM meeting was ended at 4:45pm with a word of prayer from Madam Nelius Muchoya.

Honorable Secretary

Chairman

Sign

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