

CHAIRMAN' S REPORT FOR THE 43RD AGM (YEAR 2025)

Distinguished Co-operators, Invited Guests, Ladies and Gentlemen, good morning. I would like to begin by thanking the Almighty God who has protected us throughout the year and enabled us to meet today. On behalf of the Board of Directors of Wana-Anga SACCO, it is my great pleasure to welcome you all to our 43rd Annual General Meeting which we are holding today both virtually and physically. I wish to take this opportunity to appreciate and welcome the new members who joined us in the year 2024 and early this year.

Deposit-Taking

The Sacco Societies Regulatory Authority licensed 175 SACCO to undertake deposit-taking business in Kenya as at Dec 2024. I am pleased to inform you that the Society fulfilled all the requirements and obtained its license. Despite the economic challenges in 2024, increased taxes and new levies that weakened members' borrowing power, the Society was able to register impressive financial performance as shown by the Audited Accounts of the just ended Financial Year.

Membership

Wana-Anga Sacco recorded a slight increase in membership from 3,337 in 2023 to 3,363 members at the end of the year 2024. However, out of the 3,363 registered members 2,803 are active while 560 are dormant. Despite the decrease in dormant members as compared to the previous year, I wish to take this opportunity to urge the dormant ones to activate their respective accounts to qualify for the benefits and privileges of full membership.

It was noted that there were some members who exited the Sacco after retiring from formal service. The Board urges the retiring members to retain their membership.

Capital Adequacy

The Society met most of the statutory and regulatory requirements in capital adequacy ratios except the Institutional Capital to Total Assets Ratio which stood at 7.39 % instead of the bench mark requirement of 8%. However, it is worth noting that this ratio has continued to improve from 6.87% in 2021, 6.98% in 2022 and 7.05% in 2023. We as a Board are striving to ensure that compliance is achieved in all the requisite Financial Ratios.

Members Shares and Deposits

Members share capital increased from Kshs 109,854,100.00 in 2023 to Kshs 113,393,977.00 in 2024. The member's Withdrawable deposits increased from Kshs 650,353,563.00 in 2023 to Kshs 661,427,154.00 in 2024. This is a positive indication that Members have started saving more. We commend the Members for adopting a

saving culture even in spite of the difficult economic times and urge you to increase your savings to reduce overreliance on fixed deposits.

Loans to Members

The primary objective of the Sacco is to save and borrow from the Sacco. During the year 2024, the gross loan book decreased from Kshs 980,393,270.00 in 2023 to Kshs 911,603,459.00. We urge members to continue patronizing the Sacco products and services that are affordable and accessible. The Sacco has also operationalized the use of collateral as a guarantee.

The delinquent loans stood at 9.93% which is way above the recommended minimum of 5%. We urge all Members to service their loans since the delinquent loans deny the Society revenue, inconvenience the guarantors and also cost the Sacco in provisioning for loan losses.

Further, I wish to inform members that;

1. As part of embracing technology in our operations, the SACCO has implemented a robust new enhanced Core Banking System that amongst other things, is helping in efficient loan recoveries, real-time alerts in case a member is in arrears, and member's portal with accounts statements, etc,
2. The Society implemented digital loaning system through Wana-Pap loan platform and USSD. Due to increased member's demand, the Sacco has progressively increased the maximum limit from Kshs 10,000.00 to Kshs 30,000.00. Members are urged to pay their Wana-Pap loans to avoid attachment of Dividends for the defaulters,
3. The Sacco has engaged four Debt Collectors to improve loans recovery. However, members are urged to repay their loans promptly to avoid incurring debt collections fees.

Capacity Building and Education

In our endeavor to continuously improve service delivery, Board Members, Supervisory Committee and staff attended various seminars and workshops. The Sacco also held a successful hybrid Members' Education Day on 7th February, 2025.

Bio-Data, Next of Kin Form, and List of Beneficiaries

We have noted that several members have not updated their Bio-data, Next of Kin, and List of Beneficiaries.

Next of Kin is the person to be notified in case you are unreachable as it is indicated on the Next of Kin form. The list of beneficiaries filled in the Nominee form is those that a member wishes to inherit the benefits and amounts due to him/her by the society.

Failure by members to update these details complicates the processing of member's benefits in the unfortunate case of death thereby forcing the Society to remit such

benefits to the Unclaimed Financial Assets Authority (UFAA). I urge members to update their records with the office.

Strategic Plan, 2024-2028

The Sacco has continued to implement the Strategic Plan 2024-2028. This is the road map to growth that will be implemented through the four pillars of focus namely; Finance, Internal Process, People (Human Resource) and Customer.

WANAMECO

The medical fund has continued to offer benefits to members and their dependants for inpatient services. In the year 2024, total claim of Kshs 422,850.00 was paid out to eighteen (18) members. Members are reminded to keep updating their dependant records accordingly and that contributions are paid per dependant listed. We urge members to ensure they contribute to this facility as required.

Exit Benevolent Fund (EBF)

This cover caters for claims upon death of the primary member and/or their registered dependents. During the year, the Sacco had 19 EBF claimants for bereaved Members and dependants, with claims paid amounting to Kshs 640,000.00.

In the last AGM, the Society reviewed the EBF Policy and resolved that the cover be made non-transferable and only caters for registered members/dependants. It was also agreed that members update their records and register the dependants at the following rates;

- a) Primary Member at Kshs 200.00 only per month (Mandatory),
- b) Each Dependant at Kshs 100.00 only per month.

We have observed that some Members have defaulted on payments for themselves and their dependants. Please note that such defaults disqualify both the Member and their dependants from making any claims under the policy.

Additionally, we have noted that many Members are still paying premiums based on the old rates. We kindly urge all Members to update their records and ensure that their payments align with the revised policy rates.

Your prompt attention to these matters will ensure continued access to benefits and uninterrupted coverage.

KUSCCO Update

KUSCCO is the umbrella body for SACCOs and has served the cooperative movement for several years. Recently, you may have seen in the news that the organization is having challenges that the Government is addressing. I wish to inform members that the Society bought equity shares over the years amounting to Kshs 717,176.00. The Society has made provisions to write off the same as directed by the Regulator (SASRA) for all SACCO.

Co-op Holdings Scholarships

Every year, Co-op Holdings offers scholarships to bright and needy students who have completed their primary school education but are unable to proceed to secondary school or university due to financial constraints. The program started in the year 2007 for parents/guardians who belong to co-operative societies..

I wish to encourage our members to liaise with our office and apply for the scholarships as per the requirements of Co-op Holdings. The application forms will be forwarded for consideration.

Appreciation

On behalf of the Board of Directors, Supervisory committee, and Wana-Anga Staff, I sincerely thank the Members for their dedication, the Patron of the SACCO who is also the Director of Meteorological Services, Ministry of Cooperatives, SASRA and all our stakeholders for the cooperation we have had throughout the years.

May the Almighty God richly bless you all..

Charles M. Ngunjiri
CHAIRMAN,
Wana-Anga DT SACCO Ltd.