



Frequently Asked Questions

Welcome to the eighth issue of the Balozzi Bulletin! The purpose of this newsletter is to keep members updated on recent past and future SACCO activities.

In this issue, we start by going through some of the frequently asked questions through our feedback channels.

1. How long does it take to update members' contributions in their accounts?

- M-pesa payments: updates are immediate provided correct payment procedures are followed.
- Cash/cheque deposit/standing orders: Updates are done within 3 days.
- Checkoff:
 - ◊ Pay period (pp): Updates are done by the 20th and 10th of every month
 - ◊ Monthly: Updates are done by the 10th of every month.

2. How are interest and dividends distributed to members' accounts?

- The distribution is done within 4 days after the declaration of their payments by Annual General Meeting (AGM).
- The computation of interest and dividend is done on a prorata basis.
- Only members in the SACCO register by 31st December qualify for interest on members deposits.

3. What should I do to qualify for the maximum M-cash loan?

- The maximum M-cash loan is based on the average deposit contribution for the last three months. Qualify for higher amounts by increasing your monthly contributions or pay period (PP) contributions. The current maximum amount is Ksh. 150,000.

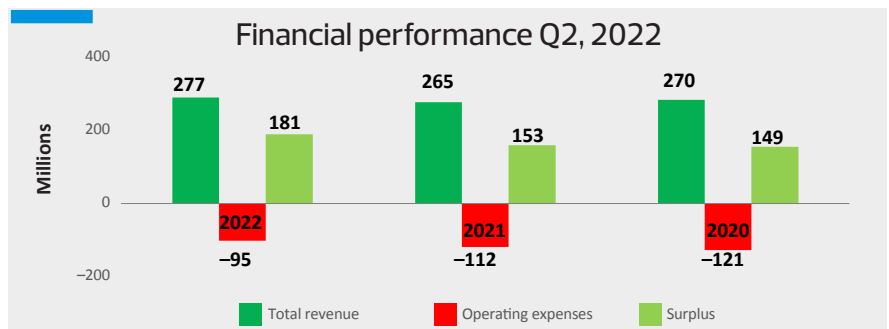
4. Why is a member blacklisted for M-cash or Okoa Advance after the funds have been recovered from deposits?

- The current loan policy provides for blacklisting of defaulters of these loans for 6 months after reinstating their deposits. The only way to avoid blacklisting is by not defaulting. ●

Financial performance Q2, 2022

HIGHLIGHTS

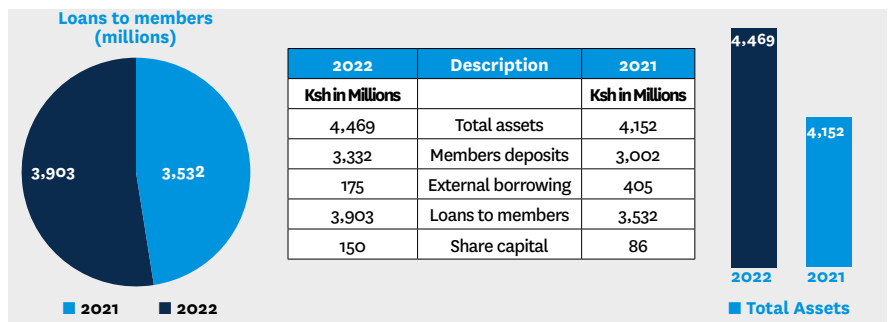
- **Revenue:** Increased by 5% from Kshs 265M to Kshs. 277M
- **Operating expenses:** Reduced by 15% to Kshs. 95M from Kshs. 112M
- **Total assets:** Increased by 9% to Kshs. 4.5B
- **Loans & advances:** Increased by 11% to Kshs. 3.9B
- **Member deposits:** Increased by 10% to Kshs. 3.3B



During the second quarter of this year, the SACCO managed to grow its revenue by 5% compared to the same period last year (2021). From Ksh. 265M (Q2, 2021) to Ksh. 277M (Q2, 2022). This represented a 5% growth. As shown in the graph above, operational expenses declined by 15% in the same period.

The increase in revenue shows that members are opting more for the SACCO products while the decrease in operational expenditure is due to the prudent management of costs and debts by the board and staff. ●

Financial position



The total assets increased by 9% (Ksh. 4.1B in Q2, 2021) to (Ksh. 4.4B in Q2, 2022) because of the positive loan uptake in the quarter. Members' deposits and share capital also grew by Ksh. 330M and Ksh. 64M respectively. Members are encouraged to increase their savings in shares and deposits because the higher they are, the higher the returns.

Deposits are considered when guaranteeing loans and during loan's computation (maximum loan is equal to deposit x 4). It also earns members interest while shares earn dividend at the end of the year. Share capital is practically a risk free investment opportunity with high returns. ●

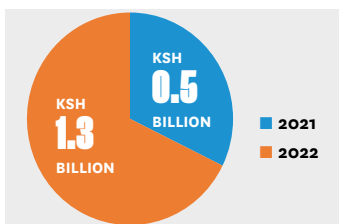
Loan reforms

Based on feedback from members, the SACCO introduced a special loan and reviewed the deposit banding to improve members loan eligibility. The special loan amalgamates existing loans which are then repayable within 10 years. The upper limits for the following loans were also increased; Insta, Quick pesa, Car, Insta plus, M-cash and okoa advance. More details can be found [here](#).

An insurance premium of 1% was also introduced on loans issued. This cost was previously borne by the SACCO but in an effort to bring fairness, the cost will now be shouldered by the loanee. This means the higher the loan granted, the higher the insurance premium paid by the loanee. Its important to note that the loans are insured against death, but the insurance doesn't pay any defaulted instalment. The SACCO therefore encourages members to ensure their loans are not in arrears for it to benefit from this scheme. ●

Loan Disbursement

The loans disbursed in quarter two of 2022 was higher compared to quarter two of 2021, as summarized in the pie chart. The SACCO is pleased to see more and more members opting for its loans as opposed to loans from other sources. Product features will continue to be reviewed and improved based on members feedback to encourage even more uptake of loans. ●



Balozi Award Ceremony

The event was held at a Nairobi hotel and attended by the Board of Directors, Supervisory Committee, and staff. Members of staff were recognized and awarded certificates and trophies for their outstanding performance and innovation as well as long service ranging from 10 years to 35 years. The outgoing director, Madam Winnie Hinga was also awarded a trophy and a certificate of service. ●



The staff pose with their awards (trophies and certificates)



CEO, Jorim Oyago (left) and Chairman George Mimba (Right) present outgoing director Winnie Hinga (center) with a certificate of service as a director.



A long serving employee, Samuel Magara, narrates the history and milestones of the SACCO since its inception in 1975. He was later awarded a certificate of long service after serving for 35 years.

Quick guide

DEFAULT Loan recovery

The SACCO was able to collect Ksh. 1,510,772 from defaulters and reimbursed their guarantors within the second quarter of 2022. ●

SACCO records

As the SACCO continues with the digitization of records, members are encouraged to scan and send clear, legible application forms and attachments. Documents that are not legible shall be returned for correction. ●

Upcoming

In the few coming weeks, the SACCO will be conducting its annual survey. Members are requested to participate and provide as much information as possible. Responses from these surveys help the SACCO grow stronger. ●

SACCO COMMUNICATION CHANNELS

+254 20 2211600
 +254 720833326
 +254 0733967707

staff cellphone numbers
[\(Click here\)](#)

Balozi SACCO Society Ltd

@BaloziSACCO

baloziSACCO