



Utafiti Savings and Credit Cooperative Society Ltd

Chairman’s Half-Year Report

Utafiti Sacco Ltd (Utafiti) has offered you the best savings and credit solutions since 1978 at the lowest possible rates as well as prompt loan disbursement. Utafiti is regulated by SASRA, governed by an elected Board of Eight (8) Directors and has a Supervisory Board that provides oversight to SACCO operations. Nonetheless, the ultimate decision maker of Utafiti is You.

Dear Member, I want to take this opportunity to welcome all new members of Utafiti who joined us this year as well as the newly elected Board members who serve on different committees as outlined.

- Barack Wanjawa - Honorary Secretary
- Isaac Manyeki - Credit and Risk Management Committee
- Dr. Sanni Kayode - Education Committee
- Beatrice Mutahi – Supervisory Committee

Revenue and Expenditure

We had an exciting half-year with a steady growth in revenue. In June 2024, Utafiti's Revenue grew by 10% from a comparative record in June 2023, although we did not meet our budget target expectations by 7%. Expenditure increased by 9% from a comparative record in June 2023 however, this was in line with our budgetary expectations.

| Item | Budget | Jun-24 | % Budget | Jun-23 | % Growth |
|-------------|--------|--------|----------|--------|----------|
| Revenue | 136M | 58M | 43% | 53M | 10% |
| Expenditure | 28M | 9M | 33% | 8M | -9% |

Loan book and Share Capital

Loans grew by 12% in the last 6 months. This is attributed to the high loan uptake in the year's first quarter and the two-month promotional window within which the Board offered loans at 0% refinancing. The share capital increased by 7% as recorded at the close of year 2023.

Member Deposits and Total Assets

Member deposits increased by 6% attributed to the good returns in 2023, and our operational excellence has given you the confidence to save more with us. As a result, total assets grew by 5% paving the way for more short-term investments.

| Item | Dec-23 | Jun-24 | Growth |
|---------------|--------|--------|--------|
| Loans | 640M | 718M | 12% |
| Deposits | 804M | 850M | 6% |
| Assets | 992M | 1.01B | 5% |
| Share Capital | 41M | 44M | 7% |

The following are also successes during this half-year period:

- SMS integration in our loaning process and member communication
- Reduced Provisions on Non-Performing Loans by 11%
- Continuous member education through Webinars and DYK series

I want to thank all members for continuously choosing Utafiti to provide you with loans and paying for these loans promptly despite being faced with various challenges such as reduced disposable incomes due to increased statutory deductions in the recent past, hard economic times attributed to increased cost of goods, and political unrest in the country because of protests.

On behalf of the Board, we look forward to outlining the following as successes in the next half-year

- Education Day in October and CSR
- New SMP launch
- Mobile Loan Product launch

Finally, I want to thank the CEO for smoothly running the office, supporting the Board in implementing actions, and providing leadership to the Staff of Utafiti who serve You, the member, daily.

God bless you. God bless Utafiti
From,
Jane Karanja, Chairman