

ST. PAUL'S SELF HELP GROUP
19TH ANNUAL GENERAL MEETING (AGM)
29TH FEBRUARY 2020



**ST. PAUL'S CATHOLIC CHAPEL,
UNIVERSITY WAY,
STATEHOUSE ROAD,
ST. JOHN PAUL II HALL**



St Paul's
Self Help Group
University of Nairobi Chapel
Empowering Lives

Table of contents

AGM programme	2
Minutes of AGM held on 08/12/2018 at St. John Paul II Hall	3
Chairperson's report	9
Supervisory committee report	15
Financial report for the year ended 31st December 2019	19
Performance indicators	32
Proposed budget for financial year 2020	34
Resolutions	36
Customer service charter	38
Group by-laws	41

AGM PROGRAMME | 29TH FEBRUARY 2020

11:30 a.m to 12:30 p.m	Arrival & Mass
12:30 p.m to 01:00 p.m	Lunch
01:00 p.m - 01:15 p.m	Reading and confirmation of the previous AGM minutes held on 08th December 2018.
01:15 p.m - 01:35 p.m	Matters arising
01:35 p.m - 01:50 p.m	Chairperson's Report
01:50 p.m - 02:05 p.m	Supervisory Committee Report
02:05 p.m - 02:25 p.m	Presentation of the Audited Financial Statements for financial year Aug 2018 to Dec 2019.
02:25 p.m - 02:35 p.m	Declaration of reserve funds and dividends.
02:35 p.m - 02:55 p.m	Member Education on Dividends Calculation
02:55 p.m - 03:10 p.m	Presentation and approval of budget for the financial Year 2020
03:10 p.m - 03:25 p.m	Resolutions
03:25 p.m - 03:40 p.m	Elections
03:40 p.m - 03:50 p.m	Awards Ceremony
03:50 p.m - 04:00 p.m	Any Other Business
04:00 p.m	Closing Prayers / Tea

Note: Lunch to be served on arrival basis as the AGM progresses.



**MINUTES FOR THE ANNUAL GENERAL MEETING (AGM) HELD AT
ST. JOHN PAUL HALL II ON 08/12/2018**

MEMBERS PRESENT

	Member Number	Name		Member Number	Name
1	0003 00	SALOME WAMBUI	40	0699 15	DUNCAN PIUS
2	0026 00	PERIS WAIRIGU	41	0700 15	JOHN CHEGE
3	0081 00	BROWN MURUNGI	42	0739 15	CATHERINE WARINGA
4	0153 01	MARGARET W.	43	0750 16	KENNETH WAFULA
5	0160 01	FRANCIS BEN	44	0778 16	BONIFACE KIMATHI
6	0224 03	SALOME GATHONI	45	0793 16	DOMINIC MBILI
7	0241 04	NJOGU SAMSON	46	0802 16	LYNETTE WANJIKU
8	0268 06	MARY WANJIRU	47	0811 16	VINCENT OCHIENG
9	0274 07	GEORGE E KABURU	48	0841 16	ALBAN CHEGE
10	0286 07	ANNE KOKI	49	0853 16	ESTHER MUMBI
11	0288 07	MOSES DENGA	50	0856 16	JOSEPH MWAURA
12	0308 08	ANDREW MURIITHI	51	0862 16	CAROLYN NJERI
13	0328 09	BANCY KARIMI	52	0879 16	JAMES MUNGAI
14	0333 09	MAPELU NAILANTEI	53	0907 16	BENEDICT MWANZO
15	0383 11	STEPHEN KAMAU	54	0941 17	LAWRENCE NJAU
16	0411 12	PATRICK GITONGA	55	0947 17	SAMMY ANTHONY
17	0425 12	THERESA WANJIRU	56	0967 17	JACOBIN MAOMOND
18	0429 12	CAROLINE MUTHONI	57	0968 17	VIOLET NDUNGE
19	0430 12	MILLICENT WANJA	58	0969 17	VICTOR ELIKANA
20	0433 12	PATRICIA WAIRIMU	59	0992 17	JOHN FELIX
21	0471 13	KARANJA DAVID	60	01012 18	ERNEST BUTIBO
22	0491 14	OKEYO KELVIN	61	01022 18	KCUSA ALUMNI
23	0499 14	EDWIN WAFULA	62	01023 18	JOHN KIMEU
24	0514 14	ANNE CHRISTINE	63	01024 18	DANIEL NZOKA
25	0515 14	ALFRED KIPTANUI	64	01033 18	GEOFREY KELONZE
26	0516 14	DOROTHY KEMUNTO	65	01041 18	SCAPTE .
27	0518 14	NYAUNCHO JAPHETH	66	01045 18	MICHAEL EKUTAN
28	0528 14	EVAH WAMUYU	67	01078 18	SALOME WANJIKU
29	0540 14	KELVIN KARANJA	68	01086 18	CHARLES MWANGI
30	0545 15	RITA MUGURE	69	01094 18	GENCHABE N
31	0559 15	SUSAN MBITHE	70	01100 18	GRACE LUCY
32	0597 15	CATHERINE NJOKI	71	01108 18	MICHAEL MUNGAI
33	0598 15	CAROLINE AWUOR	72	01134 18	WAMBUI IRENE
34	0605 15	MAGDALINE NYOKABI	73	01140 18	KENETH OMONDI
35	0608 15	CLARE NELIMA	74	01145 18	VICTOR ISAACS
36	0619 15	EDWARD MACHARIA	75	01150 18	MARTHER MWIKALI
37	0621 15	DISMAS SIMIYU	76	01164 18	MARGARET NJOKI
38	0657 15	HABEL KINGORI	77	01172 18	PIUS SIMIYU
39	0667 15	JANE WANJIRU	78	01180 18	JAMES MAKAU

MEMBERS ABSENT WITH APOLOGY

Member Number	Name	Member Number	Name		
1	0017 00	ELIZABETH WANJIKU	52	0658 15	MARYANNE NYAMBURA
2	0020 00	ESTHER W. N.	53	0705 15	MARY WOTHAYA
3	0023 00	SABINA WAKIO	54	0740 15	CATHERINE WAIRIMU
4	0030 00	FLORA A.	55	0741 15	CAROLINE GATHONI
5	0040 00	BEATRICE ATIENO	56	0765 16	JOSEPHINE AWUOR
6	0057 00	CHRIS GACICIO	57	0769 16	ROY KURAIHU
7	0133 00	BERNADETTE M.	58	0796 16	FRANCIS MOTURI
8	0140 00	MARY NJERI	59	0808 16	ESTHER WANYOKO
9	0152 01	ENG. JOSEPH PAUL	60	0814 16	SAMUEL MARTIN
10	0175 01	GERTIE WAKURAYA	61	0823 16	SICILY MUTHONI
11	0198 02	JAMES W.	62	0835 16	PHILBERT AGALLO
12	0202 02	BEATRICE NJERI	63	0851 16	FR. SAVIOUR SAKA
13	0203 02	JOYCE K.	64	0858 16	PHILLIS WANGARI
14	0219 03	JOYCE OMBWORI	65	0865 16	CAROLINE WAITHIRA
15	0227 03	PHYLLIS MURAGURI	66	0871 16	PATRICK MUTINDA
16	0231 04	JOYCE KATHAMBI	67	0887 16	MARY NYAMBURA
17	0250 05	REMJAS SERETE	68	0905 16	AGNES WANJIKU
18	0253 05	MARK MBWAYO	69	0920 17	SIMON KINGORI
19	0254 05	ANNE WANJIRU	70	0924 17	THEOPHILUS SOIPEI
20	0256 05	JANE WANJIKU	71	0930 17	FREDRICK KAFUNA
21	0264 06	BERNARD MAONGA	72	0936 17	MARY NABWIRE
22	0277 07	BERNARDETE MUKHWANA	73	0946 17	JULIE WANJIRU
23	0296 07	PERPETUA WANGUI	74	0954 17	PENNINAH MUMBI
24	0299 08	JOSPHINE K.	75	0970 17	JOEL MATHOOKO
25	0315 09	JACQUELINE ROSE	76	0979 17	ANGELINE WANJIRU
26	0318 09	ISABEL WAMBUI	77	0984 17	JACKLINE WANJIRU
27	0322 09	BETTY WANJA	78	01001 17	JOSEPH SILWAL
28	0325 09	SARAH MUTHONI	79	01011 18	JANE WANGARE
29	0327 09	EUNICE WANJIRA	80	01046 18	REBECCA NJERI
30	0334 09	HECTOR ODALLO	81	01051 18	ANNASTACIA WANJIRU
31	0335 09	GRACE WARIARA	82	01053 18	HEZEKIAH GACHEMA
32	0337 09	DR GERALD J	83	01054 18	MATILDA ACHIENG
33	0360 10	ELIZABETH NYATHIRA	84	01059 18	JACQUELINE WANJIRU
34	0379 11	ONGERE KWENGE	85	01060 18	JOYCE WAMBUI
35	0397 11	TERESAH WAIRIMU	86	01087 18	ONYARA DAVID
36	0413 12	DOREEN KIENDE	87	01096 18	JAMES WAHOME
37	0420 12	SUSAN WOTHAYA	88	01101 18	VICTOR KARIANJAH
38	0426 12	HELLEN NJERI	89	01105 18	CRISTOPHER KARIUKI
39	0435 12	CHARLES KARUGA	90	01115 18	ANN NGUGI
40	0462 13	ROSE MINOO	91	01130 18	MARYANNE NYAKINYI
41	0488 14	WINFRED NJERI	92	01144 18	MOSES WAINAINA
42	0511 14	LENNY KINYUA	93	01146 18	LUCY CORNELIA
43	0525 14	JACINTA NJERI	94	01148 18	FRANCIS MUTUNGA
44	0539 14	BENEDICTA M	95	01148 18	FRANCIS MUTUNGA
45	0563 15	MARIE NJERI	96	01154 18	BRIAN MWENDA
46	0604 15	ANGELA BOSIBORI	97	01157 18	HILDA MWIHAKI
47	0604 15	ANGELA BOSIBORI	98	01159 18	NICKSON MBUI
48	0612 15	ANTHONY KAMAU	99	01160 18	MERCY SABUNI
49	0618 15	SR. NAMIREMBE THERESA	100	01162 18	WESLEY KAMAU

50	0627 15	LILLIAN NJERI	101	01174 18	LORNA WANJIRU
51	0656 15	WETENDE ERNEST	102	01185 18	JOSEPH KANGÉTHE
			103	01038 18	GLADYS KIENDE MUTHAURA

AGENDA & PROGRAMME

- 1) Mass
- 2) Lunch
- 3) Reading and confirmation of minutes of the AGM held on 25th November 2017 & Matters arising
- 4) Report from the chairperson
- 5) Report from the supervisory committee
- 6) Presentation of the Audited Financial Statements for financial year 2017/2018
- 7) Declaration of reserve funds and dividends.
- 8) Presentation and approval of budget for financial year 2018/2019.
- 9) Resolutions
- 10) Election of office bearers
- 11) Any other business
- 12) Closing Prayers / Tea

The meeting started at 1245 Hours with celebration of mass by Fr Khalistas Pwabwire from laikipia Parish

Thereafter, the Chairperson Njogu Samson Muriuki , Member number 0241 welcomed members to the meeting.

The meeting officially began with the chairperson introducing the agenda of the day and he also introduced the present management and supervisory members and auditors from Caritas.

MIN 1: 08.12.2018 READING AND CONFIRMATION OF PREVIOUS MINUTES AND MATTER ARISING.

The group secretary Alfred Kiptanui Cherusei member number 0515 read the previous minutes, which were proposed by member number 0274, George Kaburu and was seconded by member number 0081, Brown Murungi as a true record.

MATTERS ARISING

There were no matters arising raised by members in regard to the previous minutes.

MIN 2: 08.12.2018 REPORT FROM THE CHAIRPERSON

The chairperson Mr Njogu started by thanking the administrator and his colleagues, members of the management committee, for being supportive and never getting tired of actively taking part in the running of the group's business, He read his report as below:

Membership-The Self-Help membership stood at 839 as at 31st July 2018 up from 686 on 31st July 2017. This translated to 22.3% increase. He stated that Management Committee were on a mission of recruiting more members in order to increase the Self-Help's deposits and hence avail more funds to members in terms of innovative products and ultimately improve the financial wellbeing of the members. He also informed the members that membership drive had been revised to not only look at the numbers but also focus on the deposits – both immediate and potential, that they inject into the group. During the year under review, 16 members separated with the Self-Help group for various reasons, which included: relocation, alternative investments, and financial constraints.

Members Deposits-He shared that member' deposits stood at **Ksh 68,769,995.00** as at 31st July 2018 up from **Ksh 52,789,450.00** as at 31st July 2017. This translated to an increase of 30.3%. He reported that the group is still in the second tier of Self-Help Programme, CARITAS Nairobi rankings – Ksh 50 million to Ksh 100 million tier.

Loans to Members- During the year under review the group advanced a total of **208** loans worth **Ksh 31,691,217** to members compared to **142** loans worth **Ksh 22,812,954** advanced in the previous year, 2016/2017. This was an increase by 38.9% from the previous year. He reported that some members had been facing challenges in obtaining guarantors. The management had used the capitalized shares to boost the level of guarantee-ship to qualified loanees.

Interest on Members' Deposits (declaration of dividends) – He shared that the management committee proposed and paid interest on deposits at the average rate of **4.7%** weighted average in 2016/2017. In the financial year under review – 2017/2018, the Management Committee proposed to pay the interest on deposits at a rate of **4.5%**. He explained that the small decrease of 0.2% from the figure paid out in the last financial year is attributed to the decline in dormancy following the spirited campaign of the management which meant that more members participated in the distribution of surplus.

Election of Management Committee Members and Supervisory Committee Members- The chair explained that one-third rotation rule still applies to the management committee members and Supervisory Committee members and therefore stated that this year there was only 1 member retiring and three members were finishing their first 3-year term. The three members are eligible for re-election and offer themselves to the members for the same. 2 members are in the management committee while 1 is in the supervisory committee.

Reactions

Member number 0288, Moses Denga enquired about the economic outlook in the chairman's report. He indicated that he had taken a loan and defaulted, thus he inquired why management were not humane on member's who default on loans.

The chair explained that management totally understands the challenges that its member's face and the self help group works under strict guidelines of Caritas Nairobi. He urged the members to have discussions with the management in case any member has an issue with loan repayments in order for the management committee to discuss about it or if it can grant some allowance on time limit but he reiterated that the guidelines in place have to be followed to the latter.

There being no other reactions the chairperson requested for the report to be adopted and member number 0288, Moses Denga proposed the report and was seconded by member number 0425, Theresa Wanjiru.

MIN 3: 08.12.2018 REPORT FROM THE SUPERVISORY COMMITTEE

Ann Christine member no 0514 who is a member of the supervisory committee read the report.

Work Done

She informed member's that Compared to 2016/2017, the year 2017/2018 was a successful one for the SHG, with membership rising from 686 to 839, share capital growing from Ksh 52,789,450 to Ksh 68,769,995 and surplus rising from Ksh 3,715,758 to Ksh 4,654,648. This is a clear indication of the dedication, focus and determination by the Management Committee.

She also read that In addition to holding their quarterly meetings, they also attended three (3) Management Committee meetings during which detailed discussions on responses to issues they had raised, the status of the strategic plan, proposed 2018/2019 budget, draft 2017/2018 financial statements and Caritas audit report were held, documents reviewed, necessary changes made, and reports adopted.

Through production of monthly financial reports, they were regularly provided and kept up to date with timely and detailed information on the operations and status of various activities and programmes of the SHG.

She also reported that as part of their programmed work for 2017/2018, the Supervisory Committee carried out detailed reviews on various tasks but only the following were highlighted:

i) **Individual member accounts-**They reviewed approximately 800 member's accounts, raised various issues and singled out a sample of 110 accounts that needed to be addressed by the Management Committee. Subsequently, they received responses from the Management Committee and were still reviewing the same in order to determine their impact on current and future financial statements of the SHG.

ii) **Monthly financial statements-** She explained that all the twelve (12) monthly financial statements were reviewed and a few issues raised regarding the inadequacy of the current proprietary accounting system in meeting certain accounting requirements. The Management Committee advised that it was addressing the issue.

iii) **Policies and guidelines-** she stated that following review of some of the policies adopted by the Management Committee, their view was that most of them were good, working well but needed to be documented. She however noted that, policies on partial withdrawal of shares and eligibility for dividends needed further discussion.

PLANNED WORK 2018/2019- she explained that in its commitment to improving the accountability and transparency on documents and reports produced, the Supervisory Committee plans to carry out reviews of the following:

- i) Strategic Plan implementation
- ii) Monitor budgetary and operational performance indicators
- iii) Follow-up on the upgrade and computerization of the current accounting system

There being no reactions the chair requested members to adopt the supervisory committee report. Member number 700, John Chege proposed the report and member number 0308, Andrew Mureithi seconded.

MIN 4: 08.12.2018 PRESENTATION OF AUDITED ACCOUNTS

CARITAS Nairobi Auditor, Ms Evelyn Mwangi, took members through the audited accounts and the main highlights were;

Statement of comprehensive income for the year ended 31st July 2018.

INCOME	2018	2017
Income from loans	2,926,279.00	2,139,726.00
Interest from Caritas investments	3,729,156.00	2,998,879.00
Other incomes	52,939.00	66,428.00
	<u>6,708,374.00</u>	<u>5,205,033.00</u>
EXPENDITURE		
Operating expenses	309,564.00	324,936.00
Member's costs	257,544.00	122,553.00
Strategic plan implementation cost	165,604.00	-
Caritas Fees	314,272.00	255,190.00
Committee siting allowance	305,000.00	255,300.00
Audit cost	20,780.00	13,720.00
Salaries and wages	680,899.00	511,245.00
	<u>2,053,733.00</u>	<u>1,482,944.00</u>
SURPLUS	4,654,641.00	3,722,089.00
Surplus b/f	6.00	(6,331.00)
	<u>4,654,647.00</u>	<u>3,715,758.00</u>
APPROPRIATION ACCOUNT		
20% reserve fund	930,928.00	744,418.00
10% tithe: 5% local church	186,186.00	148,884.00
: 5% local church	186,186.00	148,884.00
5% St Paul asset fund	232,732.00	186,104.00
Proposed distributable surplus	3,118,615.00	2,487,468.00
	<u>4,654,647.00</u>	<u>3,715,758.00</u>

She also read audit report giving it a clean bill of record and thanked the management committee for the good work done in the year 2017/2018.

Reactions:

Member number 429, Caroline Muthoni raised a concern that we should have the auditor's report be included in the AGM booklet. A response was given by the chair that due to financial cost associated with the preparing of the booklet the MC had decided not to include it. He asked the members to give their opinions about the issue and members were of the opinion to be included, thus it was agreed as a resolution that during the next AGM reports will have an audit report from Caritas.

There being no other reactions the report was proposed by MN 0841, Alban Chege and was seconded by MN 1038, Gladys Kiende.

MIN 5:08.12.2018 DECLARATION OF RESERVE FUNDS AND DIVIDENDS

The dividends to be distributed was proposed by MN 0491, Okeyo Kelvin and seconded by MN 1145, Victor Isaack. The chair asked the members to respond to the SMS/Email that will be sent to every member to advice on the way they want their dividends to be paid to them.

MIN 6:08.12.2018 PRESENTATION AND APPROVAL OF BUDGET 2018/2019

Mr. Patrick Gitonga read the proposed budget for the year 2018/2019 on behalf of the treasurer who had left to attend to an emergency. He read the proposed budget and expected growth for the FY 2018/2019. There being no reaction from members on the budget MN 0802, Lynette Wanjiku proposed the budget and it was seconded by MN 0739, Catherine Waringa.

MIN 7:08.12.2018 RESOLUTIONS

There were no resolutions presented to the members on the AGM 2018

MIN 8:08.12.2018 ELECTION OF OFFICE BEARERS

Caritas representatives coordinated the process. Eveline read through regulations on how a member qualifies to be elected.

It was noted that 3 members (Jane Mapelu, Patrick Gitonga, Steven Kamau David) of the management committee will be up for re-election and 1 member (Samson Njogu) will be retiring (3 are in the MC and 1 Member in supervisory).

A proposal was put to the members for re-electing back and proposals were as below:

- Member Number 160, Francis Ben proposed Patrick Gitonga and was seconded by MN 286, Anne Koki.
- Member number 1033, Geoffrey Kelonze proposed Jane Mapelu and was seconded by MN 853, Esther Mumbi.
- Member number 026, Peris Wairigu proposed David Kamau and was seconded by MN 793, Dominic Mbili.

The chair explained to the members that we had a gap in IT field and requested members who had experience in the field to volunteer or be proposed to join the MC.

- Member Number 514, Anne Christine proposed Andrew Muriithi Ireri MN 308 and was seconded by MN 333, Jane Mapelu.

Since there were no other members who were proposed the 4 were reelected unopposed that's after the Auditors asked members to confirm if they want the 4 to serve the management committee unopposed. All members present confirmed thus the 4 were welcomed to the MC.

MIN 9:8-12-2018. ANY OTHER BUSINESS AND CLOSURE

The chair asked the members to check on the loan guidelines as provided in the booklet for them to familiarize themselves more. He also thanked the members for coming for the meeting and for the active participation and also thanked everyone who was present for the cooperation he was given during his term until retirement.

There being no other business Evah Wachira gave the vote of thanks and lead the closing prayer, thereafter the meeting ended at 1655hours

Chairperson

Member

Secretary

Samson Njogu

Alfred K. Cherusei

CHAIRPERSON'S REPORT

1. Introduction

1.1. Management & Supervisory committees:

It is with great pleasure that I welcome you all on behalf of the Management Committee (MC) to this very important event of the Self-Help Group calendar. It is our 19th Annual General Meeting and this far we give glory and honor to God.

I take this opportunity to introduce the Management and Supervisory Committee who have been in office this Financial Year. It is with their dedication and commitment to the group that we have managed to have a smooth **seventeen months financial year**.

MANAGEMENT COMMITTEE		
1	Jane Mapelu	Chairperson
2	Edwin Sabuni	Vice Chairperson/CB&D Chairperson
3	Catherine Nyoike	Treasurer
4	Evah Wachira	Secretary
5	Sylvester Juma	Credit Committee Chair
6	Patrick Gitonga	Credit Committee Secretary
7	Millicent Wanja	Credit Committee Member
8	Alfred Cherusei	CB&D Committee Member
9	Andrew Ileri	CB&D Committee Member
SUPERVISORY COMMITTEE		
1	David Kamau	Supervisory Committee Chairperson
2	Dr. Ann Christine	Supervisory Committee Secretary
3	Joseph Kimotho	Supervisory Committee Member

We have had an interesting year that came with a slight change in the end of our financial year as directed by our regulator (Caritas). All groups were required to end their financial year in December for smooth operations of the Self Help Programme. This however did not affect our operations in any way, and we went ahead to make positive progress.

The committees have remained fully constituted throughout the year. This will however change in the near future as the regulator (Caritas) has made proposals to reduce the number of Management members from the current twelve (12) members to Seven (7) members. This will be achieved through the regular annual retirement of members of management until the seven-member committee is achieved. This year we have one of our management member retiring after serving six (6) years in the team.

1.2. Administrator:

Our administrator Kelvin Karanja has continued to do a splendid job for our members. He has hugely contributed to the well-being of the group in the last five years and we are forever grateful for the dedication he has given the group over the years.

2. GROUP PERFORMANCE

2.1. Membership

The Self-Help Group membership stood at 950 as at 31st December 2019 up from 839 on 31st July 2018. This is a 13.2% increase. We had a total of 335 dormant accounts which not only put a constrain to the operation costs of the group but also a great loss to the account holders. The MC urges all members with dormant accounts to take it upon themselves to activate them in order to benefit from the group's products and services.

The year 2019 was a difficult year to most members of the group with majority of those closing accounts noting difficult economic times. We had a total of 53 accounts closure in the year under review for various reasons, which included: relocation, alternative investments, and financial constraints. This greatly affected our share capital standing.

The management is keen to increase the membership of the group and improve rate of retention through various marketing avenues including member education, our trademark investment talks e.t.c. We are equally looking at enhancing interactions within the cell groups to enhance guarantorship among members while seeking loans.

Two (2) members were separated from the group through death. May the Almighty God rest their souls in eternal peace, and may perpetual light shine upon them.

2.2. Members Shares

The members' deposits stood at Ksh 86,832,125.97 as at 31st December 2019 up from Ksh 68,350,495.00 as at 31st July 2018. This is an increase of 27.0%. The group is still in the second tier of the Caritas Self-Help Programme rankings – Ksh 50 million to Ksh 100 million tier. The MC is looking forward to hit the third tier of the Self-Help Programme rankings through you our esteemed members. We have outlined elaborate plans that will encourage members to save regularly with us, borrow wisely and repay promptly in the New Year.

We would like to bring to your attention that the Little Angels account has a tremendous capacity for growth and members with these accounts have continued to enjoy its benefits which include earning dividends and guarantorship while taking loans.

2.3. Loans to Members

The group has continued to offer loans to members at a competitive rate of 1% p.m. on a reducing balance. In this financial year we granted a total of 301 loans worth Ksh 45,716,999.00 to members compared to 208 loans worth Ksh 31,691,217 advanced in the previous year, 2017/2018 an increase of 44.3%.

We congratulate all members who continue to have a credit worthy record and encourage all those who have defaulted to fast track the refund of monies recovered from their guarantors in order to reduce the burden and pain of the monies held.

The MC proposes to continue enhancing interactions within members of the cell groups in the Self-Help Group to enhance transparency and confidence among members for guarantorship.

2.4. Interest on Members' Deposits

The MC proposed and paid interest on your deposits at the average rate of 4.5% weighted average in 2017/2018. In the financial year under review – 2018/2019, the Management Committee is proposing to pay the interest on deposits at an average rate of 7.0%. This increase is attributed to the additional five months to the financial year due to a change in the Caritas guidelines.

2.5. Church Activities

We have taken deliberate measures to ensure that we are actively involved in our parish activities. We have facilitated mass during the year and ensured representation of the group in all the activities planned within the parish. We take this opportunity to thank our parish priests Fr. Kaigua, Fr. Hunja and our Patron Dr. Fr. Mbugua for the support they have offered during the year. We are grateful to all members who in one way or another have come through and supported the group in this financial year during the church activities.

2.6. Members Education

The MC commits to continue investing in educating our members through our now trademark Investment Talks and the Social Media forums. We aim to empower our members to better manage their finances through regular savings, wise investments and better decisions towards becoming financially independent.

The MC is also exploring investing in other areas of personal development like health, life skills and any other topics that were suggested during the previous Investment Talks.

3. STRATEGIC PLAN:

We have continued to implement the strategic plan that was launched in the year 2017. A summary of our achievements for the various Strategic Objectives is as outlined below.

Strategic Objectives	Achievements	Projections
Leadership & Governance	Development of Advisory committee policy, HR policy and Customer Service charter.	Adoption of the policies and implementation
	Development of benevolent fund guideline	Adoption and implementation
Finance & Operations	Abolishment of member registration fee.	Moving shares of dormant accounts

		with less than Ksh. 500 to a suspense account.
	Establishment of group capitalized shares	
Marketing & Business Development	Growth of shares to Kshs. 87,000,000 as at 31 st December 2019	Growth of shares to Kshs. 100,000,000 by the end of the financial year
	Introduction of 140 members to the group in the last financial year	Growth of membership to 1200 by the end of the financial year.
	Introduction of the group's logo and brand colors.	Sensitization and marketing of branded items.
ICT	Feasibility study and development of a new system.	Testing and commissioning of the new system
Products & Services	Online member registration Online loan application	Continuous improvement on the efficiency of service delivery

The new Financial Year will mark the end of the first period 2017-2020. The Management Committee is keen to have the second cycle of the SP (2020-2023) in place to further enhance the operations and aspirations of our group.

4. SUMMARY OF PERFORMANCE & PROJECTIONS

In summary we have had a good year with growth on all fronts albeit not at the ideal rate due to the economic hardship experienced during the year review (*see data over leaf*). This is attributed by a vibrant membership who took up loans aggressively, repaid promptly and increased forum of guarantorship. The management team has been very aggressive and committed too – we have received detailed feedback from the supervisory team on a quarterly basis, very responsive credit committee and an innovative capacity building & development committee.

We anticipate to have better returns in the new financial year as we pray and look forward to better economic days in the country. In addition, the uncapping of interest rates on bank loans could have a ripple effect if the rates reach unprecedented levels borrowers will turn to alternative sources of loan facilities like the micro finance sector. We continue lending our loans at 1% per month on reducing balance.

5. CLOSING REMARKS

As I close I take this opportunity to once again appreciate each one of you for

contributing to the success of the SHG. I thank our patron and signatories, Dr. Fr. Mbugua, Fr. Hunja and Fr. Kaigua. Allow me to especially extend our further gratitude to Fr. Kaigua for being an active member and our brand ambassador, he always has a favorable word for us in all his forums.

As a Management Committee we appreciate our administrator, Kelvin for his insurmountable support to the SHG, CARITAS for institution support; Special thanks to the management team and supervisory teams for their dedicated service to the SHG. God bless you.

Jane N. Mapelu

For



Chairperson,
St Paul SHG

ST. PAUL'S SELF HELP GROUP									
PERFORMANCE CHART									
ITEM	FIN Yr 2014/2015 (12 Months)	Growth from Fin Yr 2012/13 (12 Months)	FIN Yr 2015/2016 (12 Months)	Growth from Fin Yr 2014/15 (12 Months)	FIN Yr 2016/2017. (12 Months)	Growth from Fin Yr 2015/16 (12 Months)	FIN Yr 2017/2018 (12 Months)	Growth from Fin Yr 2016/17 (12 Months)	FIN Yr 2018/2019 (17 months)
Membership	470	29%	578	23%	686	19%	839	22%	950
Outstanding Loans	11,934,832.00	7%	17,232,001.00	44%	20,364,737.00	18%	29,311,574.00	44%	32,277,228.00
Members Shares	32,426,290.00	18%	43,799,467.00	35%	52,789,450.00	21%	68,350,495.00	29%	87,294,576.00
Investments	22,140,360.00	29%	28,758,363.00	30%	32,865,662.00	14%	39,495,926.00	20%	57,161,351.00
Current Assets	36,924,239.00	18%	49,399,229.00	34%	59,313,073.00	20%	74,616,757.00	26%	98,832,305.00
Current Liabilities	1,876,193.00	9%	3,232,218.00	72%	3,234,869.00	0%	4,284,450.00	32%	7,557,782.00
Income	4,471,633.00	83%	4,952,905.00	11%	5,205,033.00	5%	6,708,374.00	29%	12,524,294.00
Expenditure	672,172.00	90%	1,118,902.00	66%	1,482,944.00	33%	2,053,733.00	38%	3,409,926.00
Surplus	3,799,461.00	82%	3,834,003.00	1%	3,722,089.00	-3%	4,654,641.00	25%	9,114,368.00
R.O.I (Surplus / Shares)	11.7%	54%	8.8%	-25%	7.1%	-19%	6.8%	-3%	10.4%
Distributable Surplus	1,531,125.00	9%	2,568,777.00	68%	2,487,468.00	-3%	3,118,615.00	25%	6,106,626.00
D.P.S (Distributable Surplus / Shares)	4.7%	-8%	5.9%	24%	4.7%	-20%	4.6%	-3%	7.0%

SUPERVISORY COMMITTEE REPORT FOR YEAR ENDED 31ST DECEMBER 2019 PRESENTED TO THE AGM ON 29TH FEBRUARY 2020.

INTRODUCTION

The Supervisory Committee is pleased to present its report for the year ended 31st December 2019. It has been a duration of one and a half years as the group was striving to align its year to that of Caritas which runs January to December. This report will only highlight those issues that the committee wishes to bring to the attention of members, based on work it carried out, observations and management responses received during the year 2018/2019. It also summarizes the work plan for the 2020.

Our responsibility is to serve you members by ensuring that the operations of the SHG are managed efficiently through sufficient and effective internal controls, that assets are protected, and records are accurately maintained and reported. By doing so, we will continue strengthening the financial growth as well as the operational and strategic development of the St. Paul SHG year after year.

We confirm that during the year 2018/2019, we performed our oversight duties independently in compliance with the guidelines as set out by Caritas through monitoring the activities of the Management Committee, attending scheduled meetings, critically reviewing all responses and giving advice where necessary.

WORK DONE

For the period under review, St. Paul SHG has realized a group growth with membership rising from 839 to 950, share capital growing from 68,769,995 to 87,294,576 and Surplus rising from 4,654,648 to 9,114,368. This year, the committee expects that members will receive a higher dividend. This has been made possible by a hardworking, focused and dedicated management team coupled with a supervisory committee that has continued to exercise vigilance over the management operations

In addition to holding our quarterly meetings, supervisory committee also attended joint meetings with Management Committee during which detailed discussions, reconciliations and consultations were done on issues supervisory committee had raised, the status of the strategic plan, proposed 2020 budget, draft 2018/2019 financial statements and on Caritas audit report were held, documents reviewed, necessary changes made, and reports adopted.

Through production of monthly financial reports, we were regularly provided and kept up to date with timely and detailed information on the operations and status of various activities and programs of the St. Paul SHG. Supervisory committee members sat through several committee on the request of management committee to assist with the implementation of the strategic plan launched in 2018 and now in its final year of implementation 2020.

As part of our programmed work for 2018/2019, the Supervisory Committee carried out detailed reviews of various tasks but only the following are highlighted:

i) General

- Handling of member funds fully has been streamlined with multiple options for member deposits and loan withdrawals
- Accounting processes have greatly improved and are now clearer in line with the aspired reflection of a true and fair position
- Relationship with members and St. Paul's community has improved with continued engagement in order to obtain feedback on quality of services.
- The supervisory committee has not received complaints from members or handled disputes for the period under review. We would like to remind members that the committee is always ready to arbitrate or pursue solutions for any aggrieved member.
- There are some challenges in the relationship between Caritas and the group. The committee observes that it has been a one-way communication without consultation, only directives. There is need for value added, win-win engagements that facilitate growth.

ii) Member Accounts

Improvements in the member details and some accounts information has been recommended and generally acted on. Members continue to be called upon to provide and update their respective account details. Some accounts were also found to be holding uneconomical balances and management has been tasked to obtain a solution.

iii) Budgetary and Operational performance indicators

The supervisory committee notes that there have been significant improvements in all the key indicators of this group. The number of members and value of shares has increased, and this momentum and retention is recommended. The loan portfolio performance demonstrated significant improvements in value and efficiency and greater improvements are recommended. To increase financial performance, it is recommended that the management committee obtains and works towards the most efficient and safe ratios in the shares-loans-investment balance. Strategies and measures for increased loans uptake are desirable.

iv) Financial statements

All the Eighteen (18) monthly financial statements were reviewed and a few issues raised regarding the inadequacy of the current proprietary accounting system in meeting certain accounting requirements. The management and staff have favorably responded to issues and inconsistencies raised by the supervisory committee. The Management Committee has advised that it is addressing the

accounting system issue and a solution that will help address most of these concerns is at an advanced level of upgrade.

The Committee has also reviewed the Annual statements provided and can confirm that all matters raised were addressed and that the committee is confident that they reflect the true position.

The committee has also taken note of probable reason provided by the management on delay of responses to queries raised by the Supervisory committee and has advised on continued effort to ensure that this gap is addressed.

v) Strategic plan Implementation

The committee has been monitoring the commitment of the Management committee to the strategic plan implementation and are keen to note that there has been significant stride towards achievement of the objectives under the plan. Expenses towards this implementation have also been evaluated for value for money. The expenses have been within budget. Going to the end of the strategic cycle, it is recommended that the management benchmarks and reviews the key indicators. Most important is the sustained efforts towards excellent implementation and further strategies to ensure implementation are desirable.

vi) Follow up on the upgrade of the current accounting system

There has been a desire to improve the accounting system to help improve the quality of report it provides and also enhance communication and reporting to members. The management has a commitment to it and the supervisory committee will continue its efforts to support these

vii) Policies and guidelines

Following a review of some of the current policies adopted by the Management Committee, our view is that most of them are good and are working favorably well. It was however noted that some policy matters are in the management meeting resolutions and have not been documented as policies. They need to be documented. In addition, the bylaws used need be documented for consistency and continuity.

It is noted that some policies are at advanced stages of development and will be shared with members for input and review before they can be adopted for use. Various policies (Benevolent fund guidelines, customer service charter) have been formulated for your review and approval. Please take time to understand them to ensure benefit for the organization and all members. HR policy, Advisory board policy, Financial policy, Procurement policy and Investment policy are in draft form and will be presented in the next AGM. These policies will be reviewed and harmonized with those formulated, approved and circularized by caritas.

PLANNED WORK 2019/2020

In its commitment to improving the accountability and transparency on documents and reports produced, the Supervisory Committee plans to

- i) Participate in the ongoing improvements of the computerization to enhance improved service to members
- ii) Do an audit of all the bylaws

CONCLUSION

The Supervisory Committee wishes to thank all for their participation during the year and pray that 2020 will be an even better year. We assure you that the supervisory committee will continue serving you diligently

In fulfilling its supervisory roles and responsibilities, will remain vigilant representatives of members interests and shall continue carrying out its work diligently, independently and in a professional manner.

As we review the past and project on the future, we urge all members to fully participate in the deliberations of this AGM by seeking clarifications and details on all matters that are not clear but are of interest to you.

Finally, we look forward to continued fruitful cooperation with the Management Committee in FY 2020 for the benefit of all members. God bless all of us



Stephen Kamau David

CHAIRMAN



Dr. Anne Christine Wanjiru

MEMBER

Joseph Kimotho

MEMBER

ST. PAUL'S SELF HELP GROUP

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2019

COMPILED AND REVIEWED BY:

ARCHDIOCESE OF NAIROBI
SOCIAL PROMOTION REGISTERED TRUSTEES
TECHNICAL TEAM
P. O. BOX 41353, 00100
NAIROBI

ST. PAUL'S SELF HELP GROUP

CONTENT	PAGES
Statement of Management Committee Responsibilities	2
Report of the Management Committee	3
Report of the A.D.N SPRT Trustee	4
Statistical Information and Management Committee	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Funds Balances	8
Statement of Cash flows	9
Notes to the Accounts	10 - 12

ST. PAUL'S SELF HELP GROUP

STATEMENT OF MANAGEMENT COMMITTEE RESPONSIBILITIES

It is the responsibility of Management Committee to prepare financial statements for each financial year which give a true and fair view of state of affairs of the Self Help Group as at the end of the financial year, and of its surplus or deficit for that period. In preparing for those financial statements the Management Committee is required to: -

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the self-help will continue in the business.

The Management Committee is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any one time the financial position of the Self Help Group. It is responsible for safe guarding the assets of the Self Help Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ST. PAUL’S SELF HELP GROUP

REPORT OF THE MANAGEMENT COMMITTEE

The Management Committee presents its report with the reviewed financial statements for the year ended 31st December 2019.

ACTIVITIES

The Self Help Group’s objectives

- a) To promote the welfare and economic interest of its members.
- b) To promote and encourage thrift among its members towards self-reliance.
- c) To promote Pastoral and Social Economic activities of their own members’ welfare and that of the wider community.
- d) To co-operate with other self Help Groups of the Archdiocese of Nairobi to effectively achieve the above.

RESULTS

The results of the operation for the year are shown in the statement of comprehensive income on page 6 and the appropriation there of.

MANAGEMENT COMMITTEE

The present Management Committee is as set out on page 5 of this report. In accordance with article 3.3(m) of the Guidelines of the Archdiocese of Nairobi Social Promotion Registered Trustees a member shall be elected to serve for a term of three years and will be eligible for re-election for another period of three years.

SOCIAL PROMOTION REGISTERED TRUSTEES

Archdiocese of Nairobi Social Promotion Registered Trustees is solely mandated to examine all records of Self Help groups registered under it.

**FOR AND ON BEHALF OF THE MANAGEMENT COMMITTEE
SECRETARY**

NAME.....*Evah Wachira*.....

SIGN.....*[Signature]*.....

DATE.....*27/02/2020*.....

REPORT OF THE ARCHDIOCESE OF NAIROBI SOCIAL PROMOTION REGISTERED TRUSTEES TO THE MEMBERS OF ST. PAUL’S SELF HELP GROUP - 31ST DECEMBER 2019

Scope

We conducted the audit assignment in terms of the approved internal audit plan. The time period covered by the audit is from 1st August 2018 to 31st December 2019. Audit procedures performed are designed to evaluate the adequacy, efficiency, effectiveness and compliance of the group’s governance principles, risk management and control processes.

We examined all records of the Self Help Group including the accompanying report as set out on **Pages 6 - 12**. It comprises of the statement of comprehensive income, financial position, statement of fund balances and cash flows statement for the year then ended **31st December 2019** and a summary of significant accounting policies and other explanatory notes.

Respective Responsibilities of Management Committee and Regulator

As described on page 3, the Management Committee is responsible for governance and preparation of all records. Our responsibility is to examine the records to check whether they conform to the Archdiocese of Nairobi Social Promotion Registered Trustees Self Help guidelines.

Results

From our examination, all records conform to the Archdiocese of Nairobi Social Promotion Registered Trustees guidelines as at **31st December 2019**.

**For and on behalf of
Archdiocese of Nairobi
Social Promotion Registered Trustees
Technical Team**

Sign:  Date: 

**ST PAUL'S SELF HELP GROUP
STATISTICAL INFORMATION
FOR THE PERIOD 31ST DECEMBER 2019**

	2019	2018
MEMBERSHIP	950	839
STATISTICS	KSHS	KSHS
Outstanding loans	32,277,228.00	29,311,574.00
Members Shares	86,832,126.00	68,350,495.00
Investments	57,161,351.00	39,495,926.00
Current Assets	98,832,305.00	74,616,757.00
Current Liabilities	7,557,783.00	4,284,450.00

PATRON: Rev. Dr. Fr. Stephen Mbugua

MANAGEMENT COMMITTEE

Jane Nailantei Mapelu	Chairperson
Edwin Wafula Sabuni	Vice Chairperson
Catherine Njoki Nyoike	Treasurer
Evah Wamuyu Wachira	Secretary
Sylvester Odhiambo Juma	Credit Committee Chairperson
Millicent Wanja Kiruki	Credit Committee Secretary
Patrick Gitonga Nyaga	Credit Committee Member
Alfred Kiptanui Cherusei Andrew	Capacity Building & Development Secretary
Muriithi Ileri	Capacity Building & Development Member

SUPERVISORY COMMITTEE

Stephen Kamau David	Chairperson
Dr. Anne Christine Wanjiru Kabui	Secretary
Joseph Wanjohi Kimotho	Member.

**ST PAUL'S SELF HELP GROUP
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD 31ST DECEMBER 2019**

		2019	Prorated 2018	2018
		17 Months	17 Months	12 Months
	NOTES	KSHS	KSHS	KSHS
INCOME				
Interest From Loans		5,819,788.00	4,145,562.00	2,926,279.00
Interest From Caritas Investments	3	6,644,446.00	5,282,971.00	3,729,156.00
Other Incomes	4	60,060.00	74,997.00	52,939.00
		12,524,294.00	9,503,530.00	6,708,374.00
EXPENDITURE				
Operating Expenses	5	490,335.00	429,331.00	309,634.00
Members' Costs	6	211,926.00	257,544.00	257,544.00
Strategic Plan Impelmentation Cost	7	248,517.00	234,607.00	165,604.00
Caritas Fees	8	660,828.00	445,219.00	314,272.00
Committee Sitting Allowances		564,800.00	432,083.00	305,000.00
Audit Expense		5,060.00	20,780.00	20,780.00
Staff Costs	9	1,228,460.00	964,607.00	680,899.00
		3,409,926.00	2,784,171.00	2,053,733.00
SURPLUS				
Surplus b/f		9,114,368.00	6,719,359.00	4,654,641.00
		-	-	6.00
		9,114,368.00	6,719,359.00	4,654,647.00
APPROPRIATION ACCOUNT				
20% Reserve Fund		1,822,874.00	1,343,872.00	930,928.00
10% Tithe: 5% Local Church		364,575.00	268,774.00	186,186.00
5% Caritas Nairobi		364,575.00	268,774.00	186,186.00
5% St. Paul Asset Fund		455,718.00	335,968.00	232,732.00
Proposed Distributable Surplus		6,106,626.00	4,501,971.00	3,118,615.00
		9,114,368.00	6,719,359.00	4,654,647.00

**ST PAUL'S SELF HELP GROUP
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2019**

		2019	2018
		17 Months	12 Months
	NOTES	KSHS	KSHS
<u>NON CURRENT ASSETS</u>			
Property, Plant and Equipment	14	723,248.00	910,846.00
Caritas Microfinance Bank shares		2,050,000.00	2,050,000.00
		2,773,248.00	2,960,846.00
<u>CURRENT ASSETS</u>			
Outstanding Loans	2	32,277,228.00	29,311,574.00
Debtors & Prepayments	10	1,781,642.00	1,432,071.00
Investments In Caritas Nairobi	11	57,161,351.00	39,495,926.00
Bank & Cash Balances	12	7,612,084.00	4,377,186.00
		98,832,305.00	74,616,757.00
TOTAL ASSETS		101,605,553.00	77,577,603.00
<u>FUNDS</u>			
Members' Shares	2	86,832,126.00	68,350,495.00
Reserve Fund		5,664,028.00	3,907,365.00
Capitalised Shares		485,362.00	424,757.00
Asset Fund		1,066,254.00	610,536.00
		94,047,770.00	73,293,153.00
<u>CURRENT LIABILITIES</u>			
Members Short-term Savings	2	29,200.00	22,000.00
Creditors & Accruals	13	1,421,957.00	1,143,835.00
Distributable Surplus		6,106,626.00	3,118,615.00
		7,557,783.00	4,284,450.00
TOTAL FUNDS & LIABILITIES		101,605,553.00	77,577,603.00

SIGNED ON BEHALF OF MANAGEMENT COMMITTEE:

CHAIRPERSON: For  DATE: 27/02/2020

SECRETARY:  DATE: 27/02/2020

TREASURER:..... DATE:.....

**ST PAUL'S SELF HELP GROUP
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE PERIOD 31ST DECEMBER 2019**

	Members' Shares	Reserve fund	St. Pauls SHG Asset Fund	Capitalised Shares	Total
Opening balances as at 01/08/2018	68,350,495.00	3,907,365.00	610,536.00	424,757.00	73,293,153.00
Net members' shares contribution	18,481,631.00				18,481,631.00
St. Paul's Asset Fund			455,718.00		455,718.00
Realised Share Capital				60,605.00	60,605.00
Reserve Fund Apropriation		1,822,874.00			1,822,874.00
Reserve Fund Adjustment		(66,211.00)			(66,211.00)
Balance As at 31/12/2019	86,832,126.00	5,664,028.00	1,066,254.00	485,362.00	94,047,770.00

**ST PAUL'S SELF HELP GROUP
STATEMENT OF CASHFLOWS
FOR THE PERIOD 31ST DECEMBER 2019**

	2019	2018
	17 Months	12 Months
	<u>KSHS</u>	<u>KSHS</u>
CASHFLOW FROM OPERATING ACTIVITIES		
Surplus for the year	9,114,368.00	4,654,641.00
Add: depreciation	215,958.00	74,774.00
Add: Asset Write off	12,137.00	(6,075.00)
Less :Interest on Investments Re-invested	(5,665,425.00)	(2,888,097.00)
Adj: Reserve Fund	(66,211.00)	-
	<u>3,610,827.00</u>	<u>1,835,243.00</u>
CHANGES IN WORKING CAPITAL		
Debtors & Prepayments	(349,571.00)	(490,849.00)
Creditors & Accruals	(78,656.00)	376,130.00
Members Short-term Savings	7,200.00	(32,300.00)
Less:Tithe paid	(372,372.00)	(297,768.00)
Surplus Distributed	(3,118,615.00)	(2,487,462.00)
	<u>(3,912,014.00)</u>	<u>(2,932,249.00)</u>
CASHFLOW FROM INVESTING ACTIVITIES		
Investments in Caritas Nairobi	(12,000,000.00)	(7,500,000.00)
Investments Withdrawals	-	1,707,833.00
Net loans	(2,965,654.00)	(8,946,837.00)
Disposal of an Asset	-	11,850.00
Acquisition of Non Current Assets	(40,497.00)	(925,908.00)
	<u>(15,006,151.00)</u>	<u>(15,653,062.00)</u>
CASHFLOW FROM FINANCING ACTIVITES		
Guarantorship Fund Contribution	-	424,757.00
Net members' shares	18,481,631.00	15,561,045.00
Capitalised Shares	60,605.00	-
	<u>18,542,236.00</u>	<u>15,985,802.00</u>
Cash & cash equivalent change	3,234,898.00	(764,266.00)
Cash & cash equivalent at start of the year	4,377,186.00	5,141,452.00
CLOSING CASH & CASH EQUIVALENT	<u>7,612,084.00</u>	<u>4,377,186.00</u>

**ST PAUL'S SELF HELP GROUP
NOTES TO THE ACCOUNTS
FOR THE PERIOD 31ST DECEMBER 2019**

1 PRINCIPLE ACCOUNTING POLICIES

a) Accounting Basis

The accounts are prepared under Historical cost convention.

b) Interest on Loans to members

Interests on loans to members have been calculated on reducing balance at a rate of 1% per month.

c) Reserve fund

This is provided at 20% on surplus for the year while church tithe is charged at 10% of the Net surplus after the reserve fund.

d) Asset Fund.

This is provided at 5% on the surplus for the year

2 CONTROL AND LISTING ANALYSIS

	CONTROL	LISTING	
Members' shares	86,832,126.00	86,832,126.00	-
Loan outstanding	32,277,228.00	32,277,228.00	-
Members' Short-term Savings	29,200.00	29,200.00	-

3 INTEREST FROM INVESTMENTS

	2019 17 Months KSHS	Prorated 2018 17 Months KSHS	2018 12 Months KSHS
Treasury Bill & Bonds Interest	2,831,675.00	2,059,731.00	1,453,928.00
Interest From Corporate Bonds	89,915.00	637,469.00	449,978.00
Interest From Fixed Deposits	3,707,569.00	2,585,771.00	1,825,250.00
Interest on Call Deposits (Caritas)	15,287.00	-	-
	6,644,446.00	5,282,971.00	3,729,156.00

4 OTHER INCOMES

Registration Fees	-	2,550.00	1,800.00
Investment Talk Sponsorship	2,000.00	-	-
Loan Application fee	30,100.00	29,467.00	20,800.00
Gain on Disposal	-	10,731.00	7,575.00
Sale Of Literature	-	13,968.00	9,860.00
Merchandise Sale	10,900.00	-	-
Bank Charges Recovery	17,060.00	18,281.00	12,904.00
	60,060.00	74,997.00	52,939.00

5 OPERATING EXPENSES

Bank Charges & Commissions	72,447.00	79,984.00	56,459.00
Postage & Telephone	11,811.00	8,429.00	5,950.00
Office Supplies / Stationary	82,038.00	114,475.00	80,806.00
Bulk SMS	29,120.00	31,364.00	22,139.00
Office Internet	-	32,158.00	22,700.00
Depreciation	215,958.00	105,930.00	74,774.00
Management Meeting Cost	34,477.00	20,532.00	14,493.00
Travel & Subsistence	4,886.00	14,096.00	9,950.00
System Upgrade/Website	15,161.00	22,363.00	22,363.00
Disposal Loss / Write Offs	12,137.00	-	-
CRB Charges	12,300.00	-	-
	490,335.00	429,331.00	309,634.00

6 MEMBER COSTS

Zonal Expenses	6,000.00	5,500.00	5,500.00
A.G.M Expenses	64,349.00	110,096.00	110,096.00
Corporate Social Responsibility	120,000.00	85,000.00	85,000.00
Capacity Building & Development	21,577.00	56,948.00	56,948.00
	211,926.00	257,544.00	257,544.00

7 STRATEGIC PLAN IMPLEMENTATION COST

Monitoring & Oversight	108,040.00	127,696.00	90,138.00
Membership & Savings Mobilisation	127,879.00	104,343.00	73,654.00
SP - Finance and Investment Structures	411.00	-	-
SP - Leadership and Governance Structures	8,182.00	-	-
Product & Service Development	-	1,726.00	1,218.00
ICT	4,005.00	842.00	594.00
	248,517.00	234,607.00	165,604.00

ST PAUL'S SELF HELP GROUP
NOTES TO THE ACCOUNTS(CONTINUED)
FOR THE PERIOD 31ST DECEMBER 2019

	2019	Prorated 2018	2018
	17 Months	17 Months	12 Months
	KSHS	KSHS	KSHS
8 CARITAS FEES			
Office maintenance Caritas	-	11,886.00	8,390.00
Caritas Investment Fees	550,378.00	404,575.00	285,582.00
Seminars & Workshops	21,000.00	10,625.00	7,500.00
Typing & Binding	-	1,133.00	800.00
Annual Members Admin Fee	83,900.00	17,000.00	12,000.00
New Member Registration Fees	5,550.00	-	-
	660,828.00	445,219.00	314,272.00

9 STAFF COST

Salaries & Wages	1,148,408.00	964,607.00	680,899.00
Employee Medical / WIBA Cover	80,052.00	-	-
	1,228,460.00	964,607.00	680,899.00

	2019	2018
	17 Months	12 Months
	KSHS	KSHS
10 DEBTORS & PREPAYMENTS		
Accrued Interest on Caritas Investments	1,296,866.00	1,144,365.00
Accrued Loan Interest	197,435.00	156,056.00
Ivent Concepts (Graphics Designer)	-	131,650.00
Caritas Debtors	287,341.00	-
	1,781,642.00	1,432,071.00

11 INVESTMENTS IN CARITAS NAIROBI

Treasury Bills & Bonds	14,533,749.00	16,541,371.00
Fixed Deposits	31,832,980.00	19,454,555.00
Corporate Bonds	10,794,622.00	3,500,000.00
	57,161,351.00	39,495,926.00

12 BANK & CASH BALANCES

Bank Balance: Coop- current	2,361,375.00	846,598.00
Coop-Savings accounts	3,845,692.00	2,295,326.00
Caritas MFB	368,539.00	41,902.00
Petty cash	4,278.00	-
M-Pesa account	1,032,200.00	1,193,360.00
	7,612,084.00	4,377,186.00

13 CREDITORS & ACCRUALS

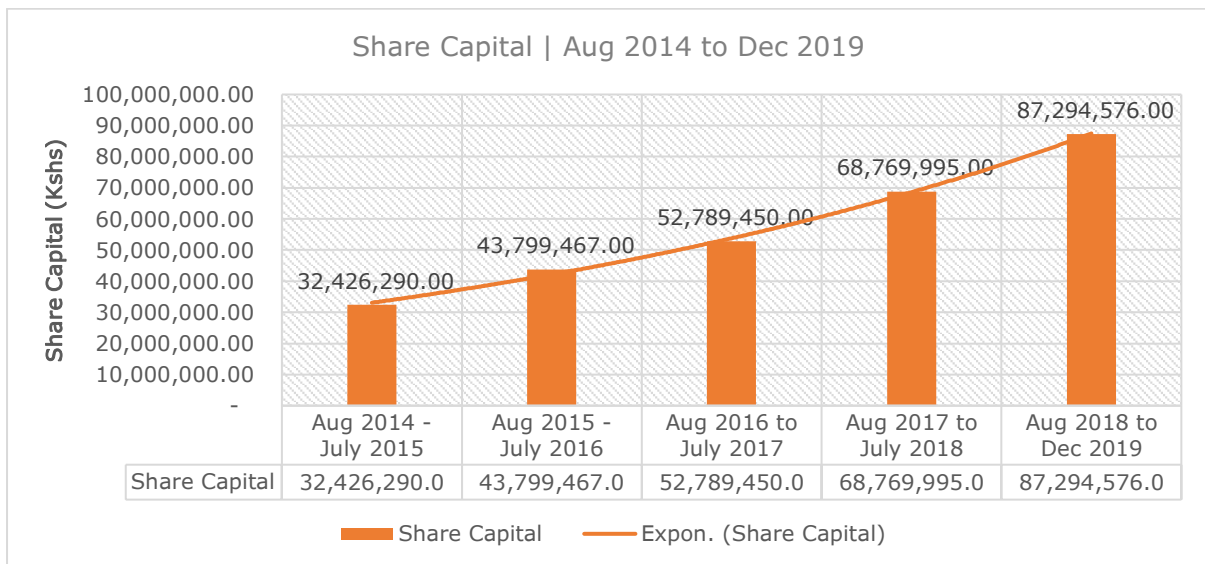
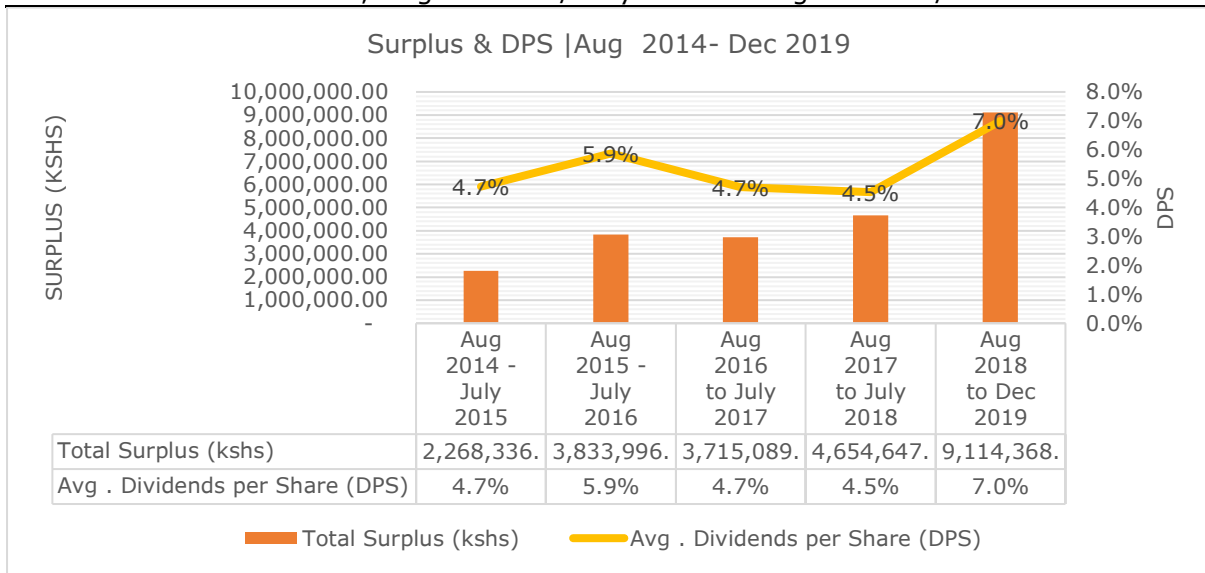
Accrued Audit Fees	-	16,780.00
Accrued Office Maintenance Caritas	-	8,390.00
Accrued Caritas Inv't Management Fees	98,162.00	86,963.00
Accrued System Upgrade Cost	-	27,000.00
Accrued Typing & Binding	-	800.00
Accrued Annual Members Admin Fee	83,900.00	12,000.00
Accrued Seminars & Workshops	1,500.00	1,500.00
Accrued New Member Registration Fees	5,550.00	-
Accrued CRB Charges	12,300.00	-
Wilmer Furnishings	-	265,443.00
New Member Reg Caritas	-	1,850.00
L.S.F Caritas	457,172.00	316,912.00
Dormant Share Capital	34,223.00	33,825.00
Tithe Local Church	364,575.00	186,186.00
Tithe Caritas	364,575.00	186,186.00
	1,421,957.00	1,143,835.00

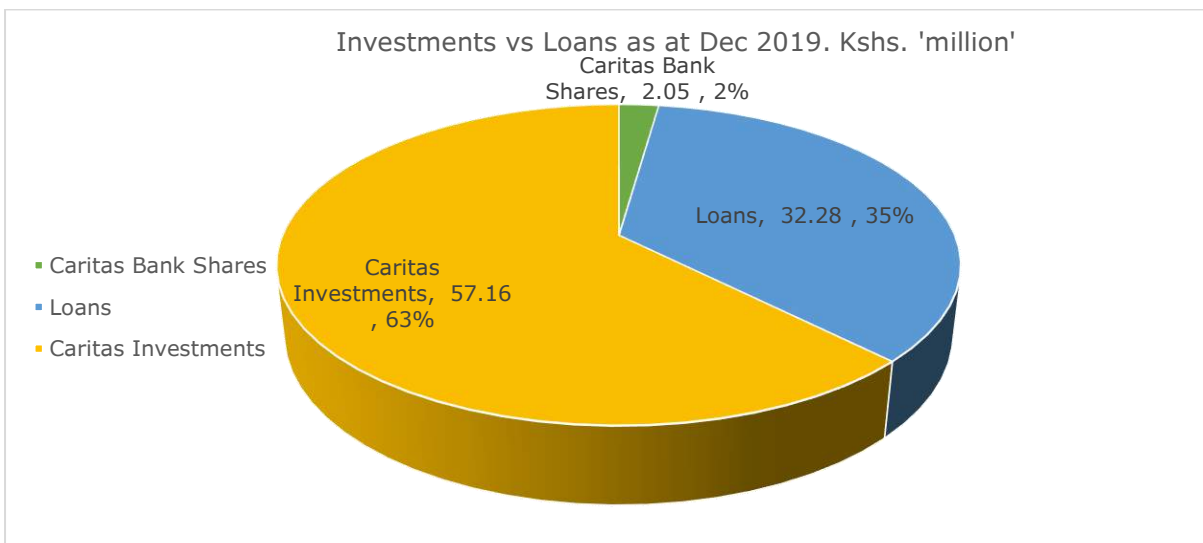
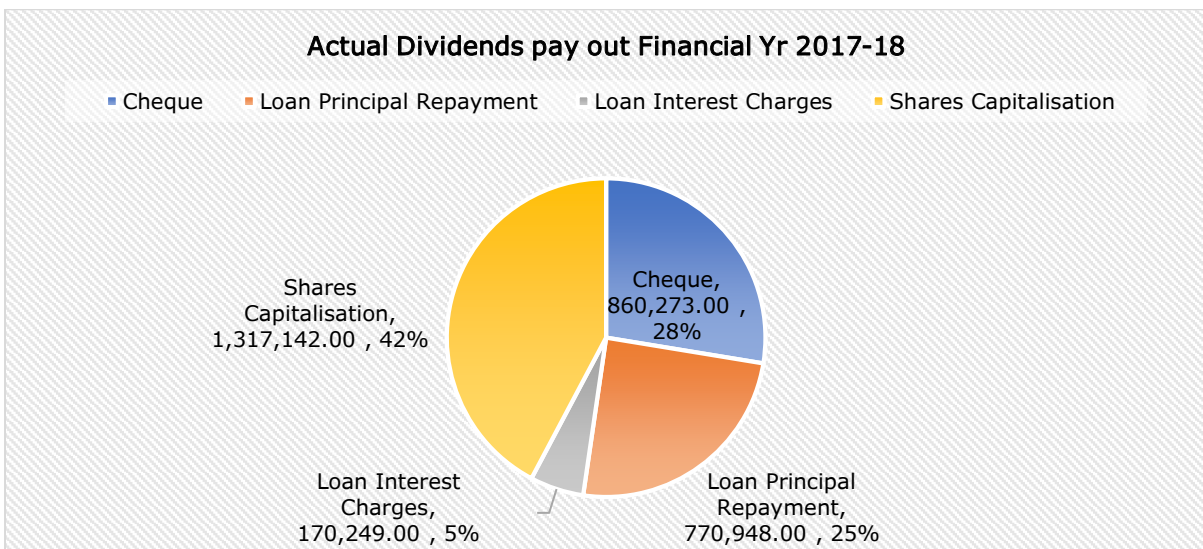
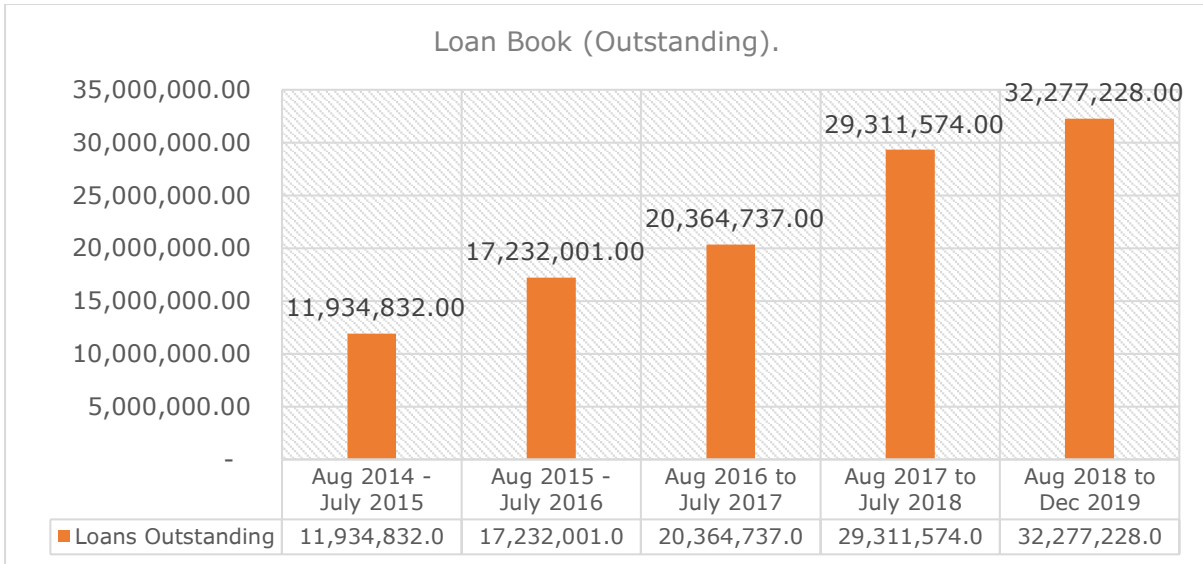
**ST PAUL'S SELF HELP GROUP
NOTES TO THE ACCOUNTS(CONTINUED)
FOR THE PERIOD 31ST DECEMBER 2019**

14 FIXED ASSETS MOVEMENT SCHEDULE

	OFFICE EQUIPMENT 30.00% KSHS	FURNITURE & FITTINGS 12.50% KSHS	TOTALS KSHS
Cost as at 01/08/2018	323,723.00	720,510.00	1,044,233.00
Additions	12,500.00	27,997.00	40,497.00
Less: Items Disposed	(9,900.00)	(13,000.00)	(22,900.00)
Cost as at 31/12/2019	326,323.00	735,507.00	1,061,830.00
Accumulated Depreciation as at 01/08/2018	103,333.00	30,054.00	133,387.00
Less: Accumulated Depreciation on Items Disposed	(7,383.00)	(3,380.00)	(10,763.00)
Depreciation during the year	91,633.00	124,325.00	215,958.00
Accumulated Depreciation as at 31/12/2019	187,583.00	150,999.00	338,582.00
NET BOOK VALUE AS AT 31/07/2018	220,390.00	690,456.00	910,846.00
NET BOOK VALUE AS AT 31/12/2019	138,740.00	584,508.00	723,248.00

**St. Paul's Self-Help Group
Performance Indicators
Financial Years; August 2014 / July 2015 to August 2018 / December 2019**





ST. PAUL'S SELF HELP GROUP
PROPOSED BUDGET | JANUARY 2020 TO DECEMBER 2020

	Actual Performance July 2016 to July 2017. (12 Months).	Actual Performance July 2017 to July 2018. (12 Months).	Growth	Approved Budget July 2018 to December 2019. (17 Months).	Actual Performance July 2018 to December 2019. (17 Months).	Proposed Budget January 2020 to December 2020. (12 Months).
--	---	---	--------	--	---	--

MEMBERSHIP, LOANS, SHARE CAPITAL & INVESTMENTS

Membership	686	839	18%	945	950	1,050.00
Members Shares	52,789,450.00	68,769,995.32	23%	87,743,218.26	87,228,981.47	100,313,328.69
Outstanding Loans	20,364,737.00	29,311,574.00	31%	39,534,276.00	32,277,228.00	37,118,812.20
Investments; Bills, Bonds & Fixed Deposits	32,865,662.00	41,545,926.00	21%	48,249,694.00	57,161,351.00	68,593,621.20
Loans + Investments	53,230,399.00	70,857,500.00	25%	87,783,970.00	89,438,579.00	105,712,433.40

INCOME

Loan Interest	2,139,726.00	2,926,278.50	27%	5,313,699.92	5,819,788.00	4,083,069.34
Interest from Investments; Bills, Bonds & Fixed Deposits	2,998,879.00	3,729,156.00	20%	6,333,714.87	6,644,446.00	6,516,394.01
Other Incomes	66,428.00	52,938.76	-25%	61,341.67	60,060.00	60,060.00
Total Incomes	5,205,033.00	6,708,373.26	22%	11,708,756.46	12,524,294.00	10,659,523.36

EXPENDITURE

MANAGEMENT COSTS

Management Committee Allowances	239,300.00	282,000.00	15%	427,300.00	549,800.00	490,000.00
Supervisory Committee Allowances	16,000.00	23,000.00	30%	22,500.00	7,500.00	42,000.00
Management Meetings Cost	81,405.00	14,493.00	-462%	29,419.92	34,477.00	28,000.00
Management Training Costs	-	-	-	60,000.00	-	60,000.00
Team Building Activities	-	-	-	-	-	40,000.00
Total Management Costs	336,705.00	319,493.00	-5%	539,219.92	591,777.00	660,000.00

OPERATING EXPENSES

Transport	200.00	9,950.00	98%	6,751.83	4,886.00	4,886.00
System Upgrade and Maintenance	54,000.00	-	-	-	-	-
Website Maintenance and Domain Hosting	12,364.00	11,363.00	-9%	5,044.75	4,161.00	38,999.00
Bulk SMS	-	22,138.50	100%	41,253.33	29,120.00	28,000.00
Microsoft Office Renewal	6,200.00	11,000.00	44%	11,000.00	11,000.00	7,600.00
Bank Charges	42,340.00	56,458.50	25%	77,252.25	72,447.00	51,132.00
Internet Expenses	18,449.00	22,700.00	19%	6,000.00	-	-
Mobile Phone Airtime	6,700.00	5,950.00	-13%	11,773.92	11,811.00	12,000.00
Marketing Cost	21,000.00	-	-	-	-	-
Office Supplies and Stationary	63,045.00	80,806.00	22%	96,967.20	82,038.00	51,420.00
Depreciation	19,233.00	74,773.54	74%	238,497.25	205,898.00	129,685.00
Disposal Loss / Write Offs	-	-	-	-	12,137.00	-
Operating Equipment & Furniture repair and maintenance costs	-	-	-	-	-	20,000.00
Total Operating Cost	243,531.00	295,139.54	-	494,540.53	433,498.00	343,722.00

MEMBERS COSTS

Leaders Annual General Meeting	2,000.00	2,000.00	0%	2,000.00	2,000.00	2,000.00
Nairobi Central Zone; kitty & Meeting cost	1,500.00	3,500.00	57%	4,000.00	4,000.00	6,500.00
AGM Expenses	40,150.00	110,096.00	64%	134,349.00	134,349.00	73,000.00
Capacity Building and Development Committee (Activities).	43,903.00	56,948.00	23%	68,337.60	21,577.00	43,154.00
Corporate Social Responsibility	35,000.00	85,000.00	59%	120,000.00	120,000.00	200,000.00
Total Members Costs	122,553.00	257,544.00	52%	328,686.60	281,926.00	324,654.00

INSURANCE COSTS

Medical Insurance Cost.	-	-	-	75,000.00	75,000.00	59,036.00
WIBA	-	-	-	5,052.00	5,052.00	5,052.00
Office Equipment & Furniture Insurance Cost	-	-	-	-	-	25,000.00

ST. PAUL'S SELF HELP GROUP
PROPOSED BUDGET | JANUARY 2020 TO DECEMBER 2020

	Actual Performance July 2016 to July 2017. (12 Months).	Actual Performance July 2017 to July 2018. (12 Months).	Growth	Approved Budget July 2018 to December 2019. (17 Months).	Actual Performance July 2018 to December 2019. (17 Months).	Proposed Budget January 2020 to December 2020. (12 Months).
Total Insurance Costs	-	-	-	80,052.00	80,052.00	89,088.00

STAFF COSTS

Employee Salaries	451,245.00	608,899.00	26%	1,042,408.00	1,043,408.00	720,000.00
Intern Salaries	-	-	-	-	-	180,000.00
Staff Bonuses	60,000.00	72,000.00	17%	105,000.00	105,000.00	150,000.00
Leave encashment	-	-	-	-	-	200,000.00
Total Salary Costs	511,245.00	680,899.00	0.43	1,147,408.00	1,148,408.00	1,250,000.00

CARITAS FEES

Audit Costs	13,720.00	20,780.00		26,040.00	5,060.00	4,000.00
Caritas Office Maintenance Fee	6,860.00	8,390.00	18%		-	-
Caritas Investments Management Fees	220,030.00	285,582.00	23%	336,062.40	550,378.00	488,729.55
Typing and Binding	800.00	800.00	0%			-
New Member Registration Fees	-	-	0%	-	-	5,000.00
Seminars & Workshops	15,500.00	7,500.00	-107%	21,000.00	21,000.00	21,000.00
Annual Subscription	12,000.00	12,000.00	0%	94,500.00	95,000.00	95,000.00
Total Caritas Fees	268,910.00	335,052.00	20%	477,602.40	671,438.00	613,729.55

STRATEGIC PLAN IMPLEMENTATION COSTS

Membership & Savings Mobilisation	-	73,654.00	-	147,308.00	113,234.00	147,308.00
Product and Services Development	-	1,218.00	-	12,000.00	-	12,000.00
ICT Upgrade Processes	-	594.00	-	50,000.00	4,005.00	25,000.00
Leadership & Governance Structures	-	-	-	12,000.00	8,182.00	12,000.00
Finance & Investment Structures	-	-	-	12,000.00	411.00	12,000.00
S.P Implementation, Monitoring and Oversight	-	90,138.00	-	94,644.90	108,040.00	90,000.00
Total Strategic Plan Implementation Cost	-	165,604.00	-	327,952.90	233,872.00	298,308.00

MERCHANDISE

Development & Purchase of Merchandise Items	-	-	-	29,645.00	14,645.00	30,000.00
---	---	---	---	-----------	-----------	-----------

TOTAL EXPENSES	1,482,944.00	2,053,731.54	28%	3,425,107.35	3,455,616.00	3,609,501.55
-----------------------	---------------------	---------------------	------------	---------------------	---------------------	---------------------

TOTAL SURPLUS	3,722,089.00	4,654,641.72	20%	8,283,649.11	9,068,678.00	7,050,021.80
----------------------	---------------------	---------------------	------------	---------------------	---------------------	---------------------

CAPEX

Office Desk Chair	13,000.00			16,037.00	16,037.00	-
Water Dispenser	15,545.00					-
Mini Fridge		15,900.00				-
Microwave		6,750.00				-
Smart TV		64,900.00				-
Office Desk		243,600.00				-
Laptop		70,350.00				-
Board Table & Chairs		285,360.00		11,960.00	11,960.00	-
Cabinets & Fittings		50,300.00				-
Printer		47,349.00				-
Flooring		34,050.00				-
Office Makeover and Design Cost		94,200.00		100,000.00		60,000.00
Smart Phone		13,149.00		-	-	-
Uninterrupted Power Supply Unit (UPS)					12,500.00	-
Movable Drawer Cabinet	-	-	-	-	-	16,000.00
System Upgrade	-	-		400,000.00	-	282,000.00
Fire Extinguisher & Fire Blanket						13,000.00
TOTAL CAPEX	28,545.00	925,908.00		527,997.00	40,497.00	371,000.00

RESOLUTION 1

BENEVOLENT FUND

This is a member's self-insurance scheme whose objectives are:

- Serve as a fund that caters for a dignified send off for members
- Assist next of kin on last expenses

EMERGING ISSUES

This fund is being introduced to members for the first time. This has been necessitated by the few cases of demise of our members. The management have been forced to contribute towards burial contributions to support the families of the affected. It would be consoling to have the group ease the burden.

MEMBER CONTRIBUTION

Each member would be required to contribute Kes. 100 per year starting with the 2020 financial year. The amount will be deducted directly from each member's account. The figure can be reviewed from time to time depending on the growth of the fund.

WHAT DOES THE FUND COVER?

- The fund covers burial expenses for the deceased member at Kshs. 10,000

The amounts may be adjusted from time to time to cope with the current economic realities.

BENEFICIARIES

The beneficiaries are:

- The nominee of the account holder(s) who is paid Kshs. 10,000 upon demise,

NOTE: The fund must be claimed within 1 month after demise of the account holder.

In order to make the claim, the nominee will be required to submit:

1. Original ID or birth certificate
2. Death certificate or burial permit.

EXTENT OF COVER

The fund will cover the account holder and dues will be paid to the nominee of the account towards the last expenses of the member. The nominee can either be your child or spouse or next of kin. As the fund grows, more beneficiaries could be included.

NOTE: Contribution to the fund is non-refundable

Prepared by St. Paul's SHG Management Committee

RESOLUTION 2: BY-LAW

General account Policies

Members' account balances not meeting minimum share capital (Kshs. 500) to be accounted in suspense account

Move members' share balances not meeting the minimum share capital requirement to suspense account once loan recoveries are done and member account remain dormant for more than ten months.

NOTE: Member Account to be reinstated once he/she meets the required minimum share capital of Ksh 500

ST. PAUL'S SELF HELP GROUP CUSTOMER SERVICE CHARTER

OUR COMMITMENT

This Service Charter is our official commitment and assurance to provide you with service that meet and exceed your expectations. We are committed to providing services in a professional and transparent manner while continually improve our processes and products. The Service charter outlines our values, expected service standards and also gives a mechanism to file complaints when services do not meet the stated standards.

Vision

A socio-economically empowered community

Mission

We dynamically and innovatively promote the social economic welfare of our members by offering diverse and affordable financial services

Tag Line

“Empowering lives”

Core values

- **Trust**
Honesty in dealings, safeguarding members’ interests and funds
- **Integrity**
Fair business practices, accountability, Transparency & Fairness
- **Customer focus**
Passion to go the extra mile to delight our customers, build long term relationship and tailor products to meet their needs.
- **Inclusivity**
Service to all.
- **Teamwork**
Cooperate to achieve the purpose of the Self-Help Group.
- **Innovation**
Technology, Partnership

OUR PROMISE

We shall endeavor to provide you with high quality service by:-

- Communicating effectively and efficiently to our members.
- Acting on any feedback relayed and prompt response.
- Providing accurate, complete and up-to-date information.

- Having competent staff who are knowledgeable about our products and services.
- Being courteous.

MEMBER OBLIGATION

- Providing accurate and complete information.
- Providing your membership details ready when contacting us.
- Treating our staff with courtesy and respect.
- Sharing with us your feedback.

OUR OPERATIONS

When you call us on the telephone we will:-

Answer your call within the 3rd ring and be ready and willing to serve.

Let you know who you are speaking to.

Remain courteous and friendly.

When you e-mail or write a letter to us, we will: -

Provide an initial email response within 24 hours and respond to letters within 3 working days

Remain courteous.

When you contact us via social media (Face book & Twitter) we will: -

Provide an initial response within 24 hours and follow up on agreed action

Remain courteous.

Update you on latest Group's development.

When you need information from us, we will: -

☑ Ensure we provide you with accurate, complete and up-to-date information.

☑ Ensure that our website and web portal are accessible.

When you have a complaint about our service, we will:-

☑ Provide an acknowledgment and initial response within 24 hours

Resolve the complaint within 5 working days

Below are the time frames within which you can expect us to deliver the respective services

	Service	Obligation (mode of request)	Charges (kes)	Duration	Responsible person
1	Members Registration	Filled form and Kyc documents	Kes 0	24 Hours	Management committee
2	Loan processing & cheque disbursement	Filled form and Kyc documents /payee account	Kes100(Insurance 1% of total loan)	Within 7 workings days	Management committee
3	Statement Request	Official Request	Kes 0	Within 24 hours	Management committee
4	Erroneous Deductions Request	Official Request	Kes 0	Within 7 working days	Management committee
5	Update Nominees Form	Member	Kes 0	24 Hrs	Management committee
6	Refund Request /Account closure	Member	Kes 500	60 Days	Management committee

Amendments to the Charter

With respect to the dynamic needs of our customers, this service charter will periodically be reviewed and updated to meet and exceed our customers' expectation. We endeavor to give a "Wow" customer experience.

Inquiries /Complaints / Feedback

Kindly use our contacts below for any further inquiries/feedback or to report any service that does not conform to the above standards.

Chairperson

Mobile: +254 723 992 617

Vice Chairperson

Mobile: +254 723 075 851

ST. PAUL'S SELF HELP GROUP BY LAWS.

General Accounts Policies

Eligibility – The group permits opening of accounts from the community without regards to race, gender, age, social background or even religious beliefs.

1. Shares / Savings account.

- A member must provide a copy of their ID and fill a membership registration form.
- Account has no opening fee, but activation requires an initial savings amount of Ksh. 1,000 or more.
- Account has no restrictions on savings frequency and amount, but members are highly encouraged to **at least** save an amount every month for their financial growth.

2. Little Angels account.

- Account is for persons under the age of 18 years.
- The Parent / Guardian must provide a copy of the child's original birth certificate and fill the little angels account registration form.
- Parent / Guardian must have an account with St. Paul's self-help group.
- Account has no opening fee, but account activation requires an initial savings amount of Ksh. 1,000 or more.
- Account has no restrictions on savings frequency and amount, but members are highly encouraged to **at least** save an amount every month for their financial growth.

3. Group Account.

- Account is for registered groups, unregistered groups and church groups.
- Groups need to appoint three officials, Chairperson, Secretary and Treasurer to represent the group in account opening.
- The officials must provide; signed copy of minutes that have a resolution to open an account with St. Paul's Self-help group, copy of their national ID's, Passport size photos, certificate of registration, a priest recommendation letter where applicable and the group **MUST** have an email address. The minutes should have a letter head with the group's name.
- Account has no opening fee, but account activation requires an initial savings amount of Ksh. 1,000 or more.
- Account has no restrictions on savings frequency and amount, but members are highly encouraged to **at least** save an amount every month for their financial growth.

4. Savings

- Members who achieve savings of Ksh. 750,000 and above are placed in a network platform known as Prestige Buddy Buddy club. Benefits set in the club apply.
- On account closure, members must issue a 60 days' notice after which the savings shall be processed, and a cheque prepared less Ksh. 500 which is treated as the group core capital.
- An account operating below a savings minimum amount of Ksh. 1,000 **may** be closed by the group and the shares capitalized.
- Partial shares withdrawals are not allowed, requests can be reviewed on a per case basis, and even then, members must issue a 60 days' notice.

General Loan Policies

Eligibility

Active Membership-The loan applicant must be a bona fide and active member of the group having saved for at least six (6) consecutive months.

Active Status: Not less than four (4) months of continuous share contribution.

Credit Worthiness- The group will always consider the borrower's ability to pay.

1. Loan Levels

- Loans shall be restricted to a maximum of three times (X3) member's available shares both for individuals and corporate and the loan must be fully guaranteed.
- Members can either borrow self – guaranteed loans (Loan amount that is less than the applicant's savings up to a maximum of 95%) or a guaranteed loan restricted to the maximum explained above.
- The committee **may** refuse to accept as a guarantor a person who is him/herself in receipt of a loan and **may** decline to grant a loan subsequently to a member while he/she remains liable as a guarantor.
- No loan shall be given based on boosted shares unless it's self-guaranteed. Boosted shares will be considered for loans after a period of four (4) months from the date of deposit. Boosted shares will be any amount of contribution that is more than a third of member's savings at the time of taking the loan.
- No loan shall be made to any member in excess of 15% of the group's total share capital and reserves.
- Interest on all loans shall be one percent (1%) per month on a reducing balance basis.

2. Loan Repayment Schedule

Amount	Repayment Period
Less than 50,000	Maximum of 2 years (24 Months)
50,001 – 1,000,000	Maximum of 3 years (36 Months)
Above 1,000,000	Maximum of 5 years (60 Months)

- Loan repayment shall commence not later than one (1) month following disbursement of the loan.

3. Loan Refinancing

Loan refinancing will be granted on the following conditions:

- The applicant has released guarantors in the existing loan.
- For self-guaranteed loans, refinancing will be approved if the amount applied is within current available shares.

4. Default Management Procedures

- After one month of non-repayment, the loanee **may** be notified about their delay in servicing the loan.
- If by the second month the repayment has not been regularized, a demand notice via text / call shall be relayed to him/her.
- If by the third month the repayment shall not have regularized, a demand letter notice (herewith known as 2nd demand level of communication) shall be written and emailed to the loanee with an accompanying text / call.
- After the fourth month of non-repayment, another demand letter notice (herewith known as 3rd demand level of communication) giving a 14 days **recovery warning** shall be written, emailed to them and copied to guarantors with accompanying texts / calls. After the notice period lapses the loanee shall be declared a defaulter and his/her shares/deposits shall be used to offset the loan without further notice. The balance of the loan, if any, shall be apportioned to the guarantors on pro rata basis.
- If a member's share contribution is used to off-set a loan due to default and they have no share balance, he/she ceases to be a member of the group and his/her name shall be struck off the members register.

Note:

- When a member consistently underpays his/her loan, the delinquent measures shall apply if the underpayments, when aggregated are equivalent to four (4) months of principal installments, the member shall be considered a defaulter and the default management procedures shall apply.
- Upon loan recovery, the details of the defaulter shall be forwarded to CARITAS for consideration and listing with Credit Reference Bureau.

5. Withdrawal from the Group

- Where a member wishes to withdraw from the group, they shall be required to give a written notice of up to 60 days of their intention to withdraw.
- No member shall be allowed to withdraw from the group unless the member's loan is repaid in full or the loan balance can be offset fully by the member's non-withdrawable deposits.
- Such a member will also have to satisfy the group that all loans guaranteed have been paid in full or the balance does not exceed the non-withdrawable deposits of the member whose loans were guaranteed.
- Where a member wishes to withdraw from the group while their shares are held by another borrower, the member will only be entitled to the portion of current available shares while the rest will be held until the member is fully released by the borrower.

6. Loan Restructure/Rescheduling

Where a member experiences financial difficulty, they may request for loans restructuring i.e. changing the terms of an existing loan agreement by extending the repayment period and reduce monthly installment to avoid default. Loans may be restructured in cases of:

- Permanent illness.
- Accidents destroying major income earning assets.

Note: Where a loan had not initially been awarded and scheduled at the maximum repayment period as per guideline, rescheduling requests shall be accepted unconditionally.

7. Loan Application.

- Members can apply for loans via email (fill, sign, attach required documents and email scanned copies) or they can pick a loan application form from the office.
- If the loan applied is guaranteed, guarantors can instruct the guaranteed amount via email or they can sign the applicant's loan form.
- Loan applicants must provide their bank account details for the group to facilitate banking of the processed cheque.
- Loan cheques are processed less loan insurance fee @1% of the approved loan amount and less Ksh. 100 loan application fees.
- All loans must be fully secured against Shares.

8. Loan Offset.

- Loan offsets are discouraged, but in instances where a member requests loan offset against shares, the member shall be charged a loan offset fee of 5% on the loan balance.
- No loan offset requests shall be accepted on guaranteed loans. Such appeals can only be considered if the guarantors are fully released.
- In situations where a member has defaulted on a loan leading to loan offset against shares, and no guarantors were affected, and the member has continued operating the account after the fact, the member cannot qualify for a guaranteed loan in the next future loan application until they borrow a self-guaranteed loan and demonstrate a disciplined repayment practice.
- Where a member defaults on a loan and guarantors shares are offset, the member shall be listed with CREDIT REFERENCE BUREAU and he/she MUST refund the guarantors.

General Operations Policies

1. Payments / Disbursements

- All vendor payments, shares withdrawal, loan amounts, dividends and other disbursements are done via cheques. Bank accounts are mandatory for all clients.
- In cases where a client does not have a bank account, they can nominate someone with a bank account to receive the funds for them.

2. Operating Hours.

- The office hours are as follows.
 - Tuesday to Friday > 08:30 am – 05:00 pm
 - Saturday > 09:00 am – 01:00 pm.
 - Sunday > 09:00 – 03:00 pm.

Note: Office remains closed on all Mondays and public holidays.

3. Administration.

- Members to receive monthly emailed shares and loan statement(s) before 5th of the following month.
- Immediately a member joins the group, their first savings of Ksh. 500 is deemed capitalized group shares i.e. group core capital, but the member gets to use the amount during the period of the account operating. The amount is realized by the group on account closure.
- Members are not required to deliver bank slips to the office; therefore, all members are expected to reference their membership numbers in the banking transaction narrations. Transactions in the group's bank accounts and M-pesa are viewed online by the office and amounts credited / debited in respective members accounts.

- All queries are tackled quickly and satisfactorily through the official email address or via call / WhatsApp through the office mobile number.
- Members are encouraged to attend all group events for their networking and AGM's to make decisions regarding the running of the group.
- Hard cash is not accepted at the office, all monies must be remitted through the group money mediums.
- Group yearly surplus is distributed as follows; Tithe – 10%, Reserve fund – 20%, St. Paul's asset fund – 5%, Dividends – 65%.
- Group does **not** charge disciplinary penalties on failure to save monthly or attend meetings.

4. Dividends.

- Dividends are paid out every end of the financial year, after AGM, at a weighted formula.
- Members who have accounts that are dormant 4 months to the end of the financial year do not qualify for dividends.
- Dividends can be redeemed in the form of Cheques, Savings or Loan repayments.

5. Money Mediums.

- M-pesa Paybill 821915 | Account: Membership number.
- (Cheques, Deposits, Transfers & standing orders) – Co-operative bank University way branch, account 01100083625300, St. Paul's Self-Help Group | Narration: Reference membership number.
- (Cheques, Deposits, Transfers & standing orders) – Caritas Microfinance bank, Cardinal otunga plaza branch, account 1002025000017, St. Paul's chapel self-help group | Narration: reference membership number.



St Paul's
Self Help Group
University of Nairobi Chapel
— Empowering Lives —



**Location: St. Paul's Catholic Chapel, University Way, Lower State House Road.
Chaplaincy Building, 1st Floor.**

P.O Box 41512, 00100, Nairobi. | Mobile – 0707774792. | Email: info@stpaulshg.org



St. Paul's Self Help Group



@stpaulshg



@st.paulselfhelp



+254 707 774 792