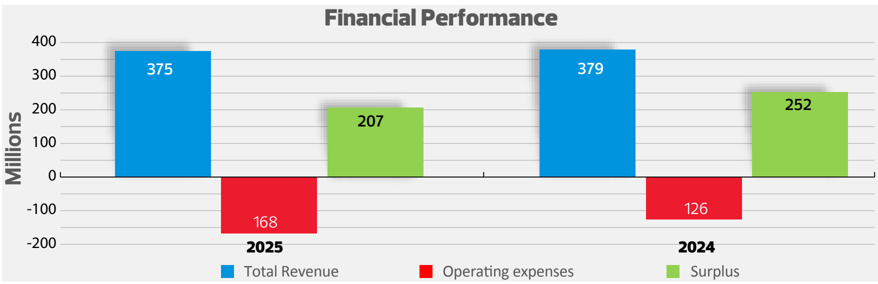
BaloziBulletin

Issue No. 17 | August 2025

FINANCIAL PERFORMANCE Q2 2025

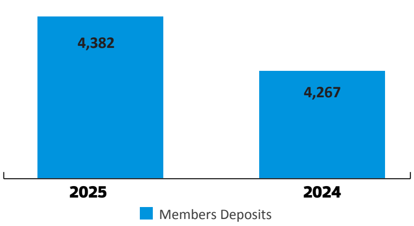


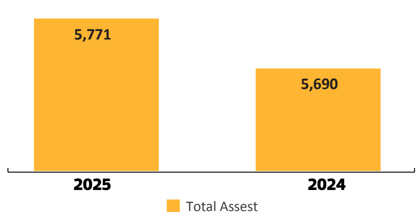
Revenue and expenses:

During the period ended 30th June 2025, the SACCO managed to post a total revenue of KES 375M against expenses of KES 168M despite challenges of "Reduction In Force" caused by American government. We urge members who were affected to settle down and use SACCO products and services as a platform for creating more wealth. On the other hand, we urge members who were not affected to patronize SACCO products and services for a better future.

FINANCIAL POSITION

CORE CAPITAL RATIOS	2024	2025	TARGET
Core capital/Total assets	8.6%	8.2%	8%
Core capital/Total Deposits	11.5%	12.1%	5%
Share capital	273M	322M	





The capital ratios remained strong and continued improving over Q2 of the year. Members are encouraged to achieve the minimum KES 50,000 share capital by December 31, 2025, to make the capital ratios stronger. The SACCO's assets also grew by 1.4% from KES 5.7 B to KES 5.8 B. This growth was mainly due to the increase in loan book. Together, we're building a more financially secure future for all members.

Loan performance

While economic conditions affected loan disbursements within Q2 of the year 2025, the loan book still grew marginally by 1.6%, closing at KES 4.98B compared to KES 4.90 B in 2024. Members are encouraged to take up their investments now and not wait for tomorrow. Balozi will provide you with loans to facilitate your investments. Members with collateral are urged to apply for loans using the collateral as security. The SACCO will facilitate the process by meeting the incidental costs upfront while the members will gradually repay it after loan disbursement. Members can also continue using their friends to guarantee their loans.

CELEBRATING

YEARS OF BALOZI SACCO

SEPTEMBER

12TH

12:00 NOON
TILL 5:00 PM

AT
TSAVO BALLROOM, KICC

The SACCO is celebrating its 50th golden anniversary on 12th September 2025. This celebration will bring together members, partners, stakeholders, and invited guests to reflect on its shared journey, honor its past, and launch its vision for the future. It will feature keynote speeches, entertainment, awards, and an exhibition showcasing its milestones. All members are invited to the occasion that will be held at Tsavo Ballroom in KICC from 12:00noon-5:00pm

ALL MEMBERS ARE WELCOME

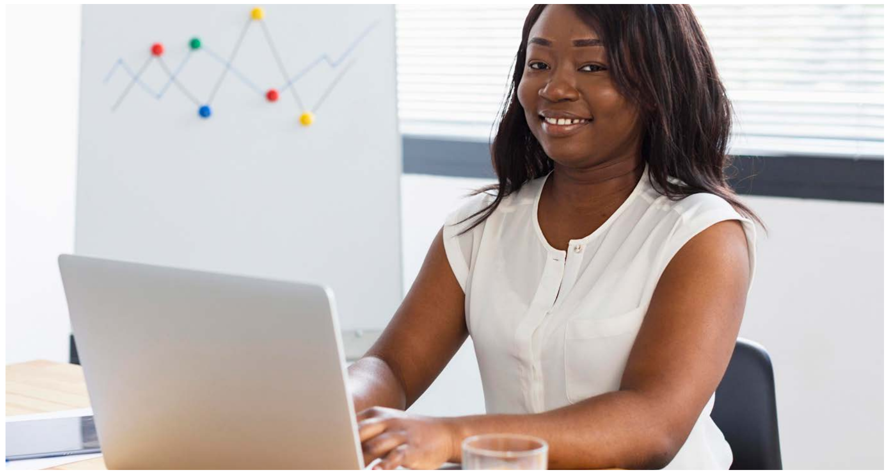
CREDIT REFORMS UPDATES

We have improved loan services for you!

We've made exciting changes to serve you better:

1. **Bridging Fee:** Reduced from 5% to 4%. This allows members to take more money home despite meeting the excise duty.
2. **Spousal Guarantorship:** Spouses can now guarantee each other within their free deposits. .
3. **Self-Guarantee Loan:** This is a loan product for members without loans. They can access upto 90% of their free deposit payable within 5 years (60 months) at an interest rate of 0.96% per month on reducing balance.
4. **Loan Multiplier:** The multiplier has reduced from 4X to 3X of member's deposits..
5. **Guarantorship Limit:** Now capped at 2X of a member's deposits for all loans.
6. **Collateral Loan:** The loan is granted at 5X deposits payable within 10 years at an interest rate of 1.125% per month on reducing balances. It is guaranteed by commercial properties only.
7. **Special Loan:** The loan is granted at 3X deposits payable within 10 years at an interest rate of 1.29% per month on reducing balances.
8. **Share Capital:** New members are allowed to build up their share capital gradually by paying at least KES 1,500 per month until they attain the minimum amount of KES 50,000. Any arrears in share capital is recovered from loans or dividends receivable by the member.
9. **Loan Rescheduling:** Members can reschedule loans after lump sum payments, reducing monthly installments.

NEW SACCO SYSTEM: A BETTER SACCO SERVICES EXPERIENCE!



The SACCO acquired an enterprise resource system (ERP) – Microsoft Dynamics Business Central 365 in December 2024. The ERP is at the second stage of user acceptance testing (UAT2) to ensure that customization has been done as per the business and user requirements. The ERP is expected to be launched before the end of the year 2025.

Some of the changes / new features will be:

- New mobile banking channel (USSD and Mobile App for both Android and iOS)
- New and interactive internet banking platform (members portal)
- A customer relationship management (CRM) system for logging and tracking members queries.
- Integration with CRB for referencing applications and listing of loans.
- Anti-money laundering (AML) and business intelligence
- Document management system.

Stay tuned for a seamless way to save and borrow with us!

DEFAULT NOTICES & EXPECTED ACTIONS

UNDERPAYMENT NOTICES

A member underpays a loan whenever he/she pays less than scheduled instalment amount per month. Underpayment notices are sent to members to pay the shortfall in the allotment of their previous month.

Summary of notices

DEFAULT PERIOD	WHO RECEIVES THE ALERT	EXPECTED ACTION
Upto 45 days	Loanee	Resume repayments and clear arrears
46–75 days	Loanee and guarantors	Guarantor to remind the loanee to service the loan
76–90 days	Loanee and guarantors	Final reminder for loanee to resume and clear loan arrears
Over 90 days	Loanee and guarantors	Attachment notices to guarantors to take up the loanee's liabilities

Note: Any loan that remains unpaid for the past 90 days or falls overdue is listed with CRB until full payment is received.

How to react in case of job loss

- Pay the loans in lumpsum from final dues to clear or reduce the obligation.
- Restructure the loans to increase the repayment period and decrease the expected monthly repayment.

UPDATING OF SACCO RECORDS

1. **Dependents records:** Members should update their dependents (spouse, children, and parents) with the SACCO. The updating is done by filling in the benevolent fund application form and submitting it to the SACCO. In case of bereavement, the Sacco will then assist in covering part of the funeral expenses as summarized in the table below.

Claims in case of death

DEATH OF	MEMBER	SPOUSE	CHILD	PARENTS
Amount claimed	Kes 100,000	Kes 80,000	Kes 80,000	Kes 50,000

Note: Payments are only made if the dependent had been declared before the date of death.

2. **Next of Kin/nominee:** Members should provide the details of their heirs to inherit their estate when they pass on. This will avoid sending the hard-earned member's saving to unclaimed financial asset authority (UFAA).
3. **Other records:** Members are requested to ensure that their Sacco records are correct and up to date (this includes but not limited to: Name, ID no, Date of birth, Phone no, Email address, Bank details). Confirmation can be done via https://portal.balozisacco.com/SaccoSystem/Login/member. Information to be updated should be sent to info@balozisacco.com

DID YOU KNOW ?

Your can refer a friend to join the SACCO and, earn a reward!

Following the strategic plan of growing the SACCO's membership, members are encouraged to recruit/refer friends, relatives, colleagues or reputable organizations to join the SACCO. Members will get **KES 1,050** commission for every member recruited.

SACCO COMMUNICATION CHANNELS

Telephone: +254 20 2211600 | **0720833326** | 0733967707
WhatsApp: staff cellphone numbers (Click here)
www.balozisacco.com
Facebook: Balozi SACCO Society Ltd
Twitter: @BaloziSACCO