



## A note from the Chairman



The second issue of Balozi Bulletin is out at a time when the economic effect of COVID-19 is being felt across the entire world. Some companies and businesses have closed and employees rendered jobless. It is our prayers that together we shall endure and emerge even stronger.

We at Balozi are committed to walking with you through the pandemic by continuously reviewing our products to make them friendly. For example, we extended M-Cash and Okoa advance repayment periods, introduced a special loan for our Diaspora members and opened up loan guarantee via email amongst others. We shall continue to listen to you and make adjustments as we weather the storm.

In the SACCO industry, the pandemic negatively affected loan uptake and interest income from loans. During the second quarter, our loan uptake reduced slightly, resulting into a reduction of total revenue by 0.5%.

On behalf of Balozi SACCO I would like to appreciate all members who gave their feedback on the first bulletin. We look forward to your continued engagement. ●

## Summary of performance as at 30th June 2020

DETAILS	2020	2019	GROWTH
Total Asset	4,393,383,362	4,347,857,002	1.0% ↑
Total Loan Book	3,446,083,357	3,548,073,518	3% ↓
Loan Issued	626,522	813,171,983	23% ↓
Total Deposit	2,743,924,255	2,552,677,827	7% ↑
Total Share Capital	69,536,394	51,035,407	36% ↑
Total Income	270,119,565	271,349,884	0.5% ↓
Total Loan Income	246,815,194	250,223,199	1% ↓
Other Income	23,304,371	21,126,685	10% ↑

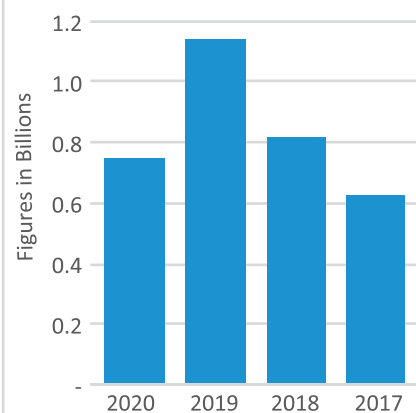
The overall performance of the SACCO as at 30<sup>th</sup> June 2020 was slightly lower compared to the same period in the year 2019. The total revenue reported was; loan income (Ksh. 246.8M) and other income (Ksh. 23.3M) representing a 0.5% decrease.

The uptake of loans in the 1<sup>st</sup> half of the year 2020 was lower compared to the previous year. The growth in loan portfolio is expected to be about 2% by the end of the year. However this may change if the current trend of loan uptake continues. The SACCO encourages members to apply for loans as they navigate through the pandemic.

### Loan reforms

The SACCO reviewed the performance of its existing products during the year with the view of making them more affordable to its members. The review was done on interest rates, repayment period and the limits. As a result, some products were discontinued and a new product was introduced to cater for members in the informal sector.

TREND OF LOAN DEMAND AS AT 30<sup>TH</sup> JUNE 2017-2020



The demand in 2020 is lower than demand in 2019 and 2018

### SUMMARY OF THE REVIEWED PRODUCTS

LOAN TYPE	NEW LIMIT	NEW REPAYMENT PERIOD	NEW RATE
Okoa Advance	Ksh.250,000	10 months	10%
M-cash	Ksh.70,000	4 months	10%
Insta	Ksh.1,000,000	24 months	14%
Boresha	Ksh.30,000,000	84 months	15.5%
Insta Plus	Ksh. 1,500,000	36 months	14.5%





**Discontinued products**

- Normal plus
- Super plus
- Ujenzi
- Boresha plus

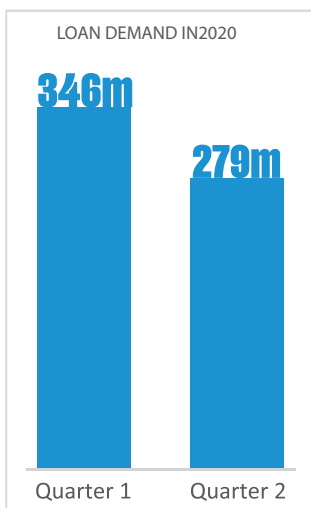
**Unique features after reforms**

**1. Special loan**

- Letter of separation from the former employer.
- A vehicle for amalgamating/rescheduling existing loan(s).
- No bridging/amalgamation fees
- Banding for deposit contribution does not apply.

**2. M-cash**

M-cash entitlement is now based on 3x (average of the last three months deposit contribution) or Ksh. 70,000, whichever is lower. ●



**\*882#**  
Dial the USSD code or download the **Xmobi customer app** to access mobile loan and account balances.

**855600**  
Use this paybill number for SACCO remittances. Refer to [website](#) for product codes

**COMMON BOND**

Members' spouses and children of 18 years and above can now join the Sacco

# How is the SACCO navigating through Covid-19

Having realised the effect of the pandemic on members, board and staff, the SACCO employed the following strategies to address the situation:

- Introduced a special loan for members in informal employment.
- Adopted guarantorship via e-mail.
- Extended the repayment period for okoa loan and m-cash from 6 to 10 months and 2 to 4 months respectively.
- Reduced the interest rates on some of the loan products.
- Purchased personal protective equipment and sanitizers for office use.
- Organized staff to work in shifts.
- Adopted virtual meetings.

The strategies above have worked well for the SACCO and enabled it to continue operating with minimal interference. ●



## Updates on balozi bulletin issue #1

### Review of by-law

Due to the outbreak of COVID-19, the SACCO suspended some of its activities which included and not limited to review of its by-law. We sincerely thank all members who forwarded their suggestions. The SACCO is still optimistic to have its constitution (by-law) reviewed.

### Blacklisting and listing of loan defaulters to CRB

This action is temporarily put on hold due to the presidential order.

### Implementation of Electronic Document Management system

Digitization of SACCO records & business workflows are in progress. Once completed it will enable accessing records electronically.

### Did you know?

1. Only previously declared dependants are eligible for Benevolent claims?
  - Update your Spouse(s) and Child(ren) by filling in the Benevolent Fund Form.
  - Claims paid are Ksh. 100,000/- for member and Ksh. 80,000/- for each child and spouse (up to a maximum of one spouse and 4 children).
2. Only previously declared next of kin can claim your deposits in case of demise.
  - Update your next of kin(s) by filling in the Next of Kin Form.

In the next few months...

**Website redesign & development**

An interactive and appealing website will be developed within the year. It will include a customer portal that will have real-time access to statements and much more.

**SACCO Society Regulatory Authority (SASRA)**

The law to regulate non-deposit taking SACCOS was assented by the president in May 2020. This new regulation requires all SACCOS with deposits of Ksh. 100M and above to be licensed by SASRA. The SACCO is in the process of applying for the license.

**Review of the policies**

The SACCO intends to review its policies to align them with the current prevailing circumstances. We request you to channel your input through [feedback@balozicoop.com](mailto:feedback@balozicoop.com).

**BALOZI OFFICE SPACE TO LET**  
 Size: 1,187 sq. ft.  
 @ Golf View Office Suites, 3rd Flr. Wambui road – Muthaiga  
 Contact us for details

**Update your contacts**

Have you been missing out on SACCO news? Please send us your contacts - cell phone number(s) and email address(es).

**Members awareness**



During the second quarter of the year, the SACCO held an interactive meeting with the diaspora members. The meeting empowered them with the knowledge of what is happening in the SACCO and they gave their proposals for consideration. The board deliberated on the issues raised and communicated the outcome.

**Growing membership**

Over the previous years the rate of growth in membership has been low. To address this, the board opened up the common bond to ex-members, reputable institutions and spouses of the existing members. Members are encouraged to recruit their spouses and their colleagues at work into the SACCO.



**Looking to the Future**

The SACCO endeavours to offer excellent services to members and enable real-time accessibility to their records amongst others.

**Real time access to records**  
 Members can access their records through the *Xmobi customer app*. Install the app from google play store. Open the app and follow the steps below:

1. Select settings, enter your ID number, select default bank ,



2. choose Balozi Sacco from the list provided and select save settings
2. Select Request Password/ Register Device, select registration type (use register by phone - SMS) enter your cell phone number and select request password.

You will receive a pin via SMS. Enter this pin, change the password, confirm and click okay.

**SACCO COMMUNICATION CHANNELS**

- Telephone:** 020-2211600 | 0720833326 | 0733967707
- WhatsApp:** staff cellphone numbers ([click here](#)) [www.balozicoop.com](http://www.balozicoop.com)
- Facebook:** Balozi Sacco Society Ltd
- Twitter:** @BaloziSacco
- Skype:** balozisacco

