KENVERSITY SACCO

Forward Together

KENVERSITY CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED

SPECIAL GENERAL MEETING

BUDGET FOR THE YEAR

DATE: 15th AUGUST, 2026 | **TIME:** 9:30AM

VENUE: KENYATTA UNIVERSITY SZ 39 HALL

KENVERSITY SACCO
Forward Together

Kenversity Co-operative Savings and Credit Society Limited was registered as a Savings and Credit Co-operative Society in 1976. Originally membership was drawn from Kenyatta University but now it has opened up its common bond to attract, recruit and retain satisfied customers from all sectors throughout East Africa and the Diaspora. Kenversity Sacco is now one of the deposit-taking SACCOs in Kenya, licensed and regulated by SASRA (Sacco Societies Regulatory Authority).

VISION

To be an inclusive dynamic and profitable world-class Sacco

MISSION

To mobilize savings, provide friendly and affordable credit facilities and other world-class financial services for our customers

CORE VALUES

- Empowerment
- Integrity
- Customer Centric
- Efficiency
- Innovation

OUR PHILOSOPHY

Being pro-active in equitable wealth creation and management in response to the Society's and Members'/Cutomers' needs guided by the principles of good governance

OUR SLOGAN: "FORWARD TOGETHER "

KENVERSITY SACCO SOCIETY LIMITED
PROGRAMME FOR THE SPECIAL GENERAL MEETING HELD ON 15TH AUGUST 2026
VENUE: KENYATTA UNIVERSITY SCIENCE ZONE HALL (SZ 39)

TIME	EVENT	FACILITATOR
8.00 a.m - 9.00 a.m	Arrival and Registration of Members	James Mwangi
9.01 a.m - 9.29 a.m	Arrival of Guests	Violet Akola/Carolyne Wallace
9.30 a.m - 9.35 a.m	Calling the meeting to order and opening prayers	Board Chairperson
9.36 a.m - 10.00 a.m	Welcoming of members ,introduction of Board of Directors, Supervisory Committee, Staff and Invited Guests.	Board Chairperson
10.01 a.m- 10.20 a.m	Confirmation of the meeting Quorum to Transact	Board Chairperson
10.21a.m - 10.30a.m	Reading of the Notice convening the meeting	Hon. Secretary
10.31 a.m - 10.50a.m	Confirmation of the previous Minutes of the SGM held on 27th September 2025.	Hon. Secretary
10.51 a.m - 11.30 a.m	Matters Arising from the Minutes of the SGM held on 27th September 2025	Hon. Secretary
11.31 a.m - 11.50 a.m	Receive Chairperson's remarks	Board Chairperson
11.51 a.m - 12.20 p.m	Address by the Chief Guest	Board Chairperson
12.21 p.m - 12.40 p.m	Receive the Supervisory Committee Chairman's remarks	Supervisory Committee Chairman
12.41 p.m - 2.00 p.m	Consider and approve the Financial Budget Estimates for the year 2027	Treasurer
2.01 p.m - 2.55 p.m	Adoption of the By-laws amendment to accommodate the Delegate Governance System	Hon- Secretary
2.56 p.m - 3.00 p.m	Vote of Thanks	Vice- Chairman
3.01 pm - 3.05 pm	Closing prayer	Volunteer

KENVERSITY CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED
CIRCULAR NO. 7/2026

TO: **All Members**

FROM: **The Hon. Secretary**

DATE: **16th July, 2026**

RE: **NOTICE FOR A SPECIAL GENERAL MEETING TO BE HELD ON SATURDAY, 15TH AUGUST, 2026 AT 9.30 A.M. AT KENYATTA UNIVERSITY SCIENCE ZONE HALL 39 (SZ 39)**

Notice is hereby given that there will be a Special General Meeting for all Kenversity Co-operative Savings and Credit Society Limited members to be held on Saturday, 15th August, 2026 at 9.30 a.m. at Kenyatta University Science Zone Hall 39 (SZ 39).

AGENDA

1. Prayers.
2. Reading and adoption of the notice convening the meeting.
3. Receive apologies.
4. Introduction of Guests.
5. Confirmation of Minutes of the previous Special General Meeting held on 27th September, 2025.
6. Consider matters arising from the Special General Meeting of 27th September, 2025.
7. To receive Chairperson's remarks.
8. To receive address by the Chief Guest.
9. To receive Supervisory Committee Chairman's remarks.
10. To consider and approve the Financial Budget Estimates for year 2027.
11. To consider and adopt the Amended By-laws to accommodate the Delegate Governance System.

Dr. Priscilla Gitonga
HON. SECRETARY

C.C. *1. Vice Chancellor – Kenyatta University*
2. Kasarani Sub-County Co-operative Officer

KENVERSITY CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED MINUTES OF SPECIAL GENERAL MEETING OF KENVERSITY CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED HELD ON 27TH SEPTEMBER, 2025 AT KENYATTA UNIVERSITY SCIENCE SZ39 HALL STARTING AT 9AM.

BOARD AND SUPERVISORY COMMITTEE MEMBERS PRESENT

1. CPA. Mrs. Mary Ngugi - Chairperson
2. Mr. David Abel Osebe - Vice Chairman
3. Dr. Priscilla Gitonga - Hon. Secretary
4. Mrs. Hannah Mwangi - Treasurer
5. Mr. Andrew Macharia - Board Member
6. Prof. Kennedy Awuor - Board Member
7. Mr. Stephen Kiarie - Board Member
8. Prof. Ambrose Jagongo - Board Member
9. Mr. Joseph Githae - Board Member
10. Mr. Joseph Mutata - Chairman Supervisory Committee
11. Mr. Arthur Owino - Secretary Supervisory Committee
12. Dr. Stephen Monanda - Member -Supervisory Committee Member

MANAGEMENT STAFF IN ATTENDANCE

1. Mr. Paul Njagatha - Acting Chief Executive Officer
2. CPA. Patrick Iravo - Finance and Administration Manager
3. Mr. Silas Libogo - Business Development and Marketing Manager

INVITED GUESTS PRESENT

1. CPA. Peter Wanjohi - Deputy Commissioner of Co-operatives
2. CPA. Kennedy Otachi - Deputy Commissioner of co-operatives
3. Mr. George Mutiso - Chief Officer, County Government of Nairobi City
4. Ms. Roseline Nyamache - Sub-County Co-operative Officer, Kasarani Sub-County,

MEMBERS PRESENT

Four thousand four seventy-five (4,475) members attended the special general meeting (Attached list)

AGENDA

1. Adoption of the notice convening the meeting,
2. Confirmation of the Minutes of the Special General Meeting held on 28th September, 2024,
3. Consider matters arising from the Special General Meeting Minutes held on 28th September, 2024,

4. Adopt and consider Chairpersons report,
5. Address by the Chief Guest,
6. Adopt and consider Supervisory committee report.
7. Consider and adopt the Financial Estimates for the Financial Year ending 31st December, 2026,
8. Transact Special business; -
   i. Adoption of Governance system from General Meeting to Delegates Meeting,
   ii. Amendment of bylaws to incorporate Delegate of System of Governance

Preliminaries

1. The meeting was called to order at 10a.m. after confirming a quorum. Members present to transact business as per the bylaws provisions.
2. Opening prayers were said by Mr. Samuel Njenga Nyambura Membership (Mno.11672).

MIN 01/SGM/09/2025 ADOPTION OF THE NOTICE CONVENING THE MEETING

The notice of the meeting was amended to exclude agenda 8, adoption of the governance system from general meeting to delegates and amendment of bylaws to incorporate a delegate system of governance to:-

1. Roadmap to delegate system of governance.
2. To consider issues where due notice was given within seven (7) from the members

These amendments to the notice were proposed by Mr. David Chege Mbugua MNO.10070 and seconded by Mr. Patrick Ouma Ogonga MNO. 4679 for adoption.

MIN 02/SGM/09/2025 CONFIRMATION OF THE MINUTES OF THE SPECIAL GENERAL MEETING HELD ON 28TH SEPTEMBER, 2024

The Minutes of the previous special general meeting were read by the Hon. Secretary – Dr. Priscilla Gitonga and were adopted having been proposed by Jully Ayieko Akinyi MNO.8787 and seconded by Stella Khwaka Mabonga MNO. 8173 as true record of the proceedings.

MIN 03/SGM/09/2025 CONSIDER MATTERS ARISING FROM THE SPECIAL GENERAL MEETING MINUTES HELD ON 28TH SEPTEMBER, 2024

Noted:-

1. That voting by proxy was captured erroneously.
2. That Prof. Penninah Aloo who was absent with apology was the acting Vice Chancellor of Masai Mara and not Kenyatta University as initially captured.
3. That the Social Health Authority acronym SHI was corrected to read SHA.

4. That the quorum from 500 to 200 was an amendment of the new bylaws from the current 100 as resolved in the last special general meeting.
5. That two hundred (200) members or one fourth (1/4) of the total members whichever was less constituted a quorum to hold a special meeting and not two thirds (2/3) of the members as was recorded in the minutes.
6. That Kshs. 1,000,000 non withdrawable deposits proposed by the Board was reduced to Kshs. 500,000 in the amended bylaws by members for eligibility to Board directorship and Supervisory Committee membership.

MIN 04/SGM/09/2025 ADOPT AND CONSIDER CHAIRPERSONS REPORT

The Chairperson report was proposed by Dr. Meshack Onyambu MNO.7601 and seconded by Mr. Ephraim Wang'ombe MNO.1881.

Noted:-

1. The Chairperson welcomed all members, guests and the Board to the Special general meeting.
2. That proposed budget projected to raise Kshs. 686.7 Million against the expenditure of Kshs.255.8 Million and estimated surplus of Kshs.430.9 Million before interest and dividends.
3. That there was need for members to update risk fund nomination forms and contribution of Kshs.400 monthly.
4. That the Sacco is still doing its best to follow up on pending remittances including Kenyatta University with outstanding remittances of Kshs.111 million as at 12th September 2025.
5. She urged members to continue channeling their monies to Kenversity Sacco FOSA for purposes of improving liquidity.
6. That Commissioner of Co-operative Development issue a circular dated 18th June 2025 to all Society with membership of more than 5,000 members to adopt a delegate system of governance, device effective mechanism of appraising members and amend bylaws within six (6) months. The minimum delegates were 150 and not exceeding 500 as per the Circular.

MIN 05/SGM/2025 ADDRESS BY THE CHIEF GUEST

The Commissioner of Co-operative speech was read by the Deputy Commissioner CPA. Peter Wanjohi and further remarks made by CPA. Kennedy Otachi

Noted:-

1. That adoption of delegate system was purposed to promote efficiency, inclusivity, effectiveness and service delivery.
2. That the Sessional paper of 2020 and Co-operative Bill 2024 before the Senate provided a framework for enhanced transparency and accountable system for social change and sustainable growth.
3. That Co-operative's were governed by laws, regulations, policies and circulars. Any challenge were through court processes and noncompliance attracted sanctions.
4. That the Ministry of Co-operatives Development, Micro, Small and Medium Enterprises had issued a circular to Societies prohibiting Co-operatives from borrowing loans to pay dividends and interests.

5. The Co-operatives were required to fill return on or before 30th April on annual basis to avoid deregistered and liquidations.
6. That the Sacco Regulations of 2004 would be reviewed by the Cabinet Secretary to implement the Co-operative Bill 2024 once enacted.
7. That a committee of expert appointed by the Cabinet Secretary were in the process of reviewing the Sacco Act 2008.
8. CPA. Kennedy Otachi, the outgoing deputy commissioner made presentation on the delegate system to emphasis the government policy shifts to delegate system.
9. That delegate system will save on costs, enhanced logistics and enhanced members participation in the decision making at branch or zonal levels.
10. That delegates were to serve for a fixed term and were eligible for re-election.
11. That members and delegates were to be trained on regular basis to understand their roles.
12. That there was need for proportional representation by members in the delegate system of governance, enhance trust and election of people with integrity.

MIN 06/SGM/2025 REMARKS BY THE CHIEF OFFICE FROM COUNTY GOVERNMENT OF NAIROBI CITY

Noted:

1. He recognized the members for their good work in participation in decision making at meeting as supreme authority and investors.
2. There was need for more education to members for adoption of change to governance delegate system.
3. That the Sacco needed to adopt climate change strategies to its business model.

MIN 07/SGM/2025 ADOPT AND CONSIDER SUPERVISORY COMMITTEE REPORT

The Supervisory committee report was proposed by Dr. Charles Ombuki MNO. 4429 and seconded by Mr. Amedeo Karuri MNO.6682.

Noted.

1. That out of the total 11,405 members as at 30th June, 2025, 3091 had full paid up their share capital of Kshs. 10,000, contributed Kshs. 1,500 monthly and Kshs.400 to non-withdrawable deposits and risk fund respectively.
2. The Board was advised to come up with strategies to ensure that the 8,314 members with less than Kshs. 10,000 paid their share capital and 3084 dormant members reactivated.
3. The committee noted that the Strategic plan 2021-2025 was not fully achieved and a new strategic plan was not in place.
4. That there was need to educate members before adopting the delegate system, choose electoral zones and 8,314 members fully pay their minimum shares.
5. The Board was advised to adhere to debt recovery policy for recovery of loans from defaulters, classify the non-performing loans and suspend accrued interest as per the Sacco Regulatory

Authority guidelines.

6. Members were to indicate the amount of money they were guaranteeing to avoid excess recovery from their deposits and check the year of retirement.
7. The Sacco was to adopt Alternative Dispute Resolution (ADR) in solving disputes as per the policy to manage increasing court cases and protect Society's reputation.
8. The Committee noted that the Board projected to increase revenue by 2.87% for 2026 in comparison to approved revenue of Kshs.667.5 Million for 2025. Kshs.253.3Million an increase of 0.99% of 2025 was projected to be incurred in non-recurrent expenses.6

MIN 08/SGM/9/2025 CONSIDER AND ADOPT THE FINANCIAL ESTIMATES FOR

THE FINANCIAL YEAR ENDING 31ST DECEMBER, 2026.

The proposed budget estimates for the year 2026 was proposed by Perpetual Karimi MNO. 8260 and seconded by Mr. Joseph Muiruri MNO. 9986.

1. The Board proposed to raise Kshs. 686,696,686 for the financial year ending 31st December 2026, spend Kshs. 255,814,344 to recurrent expenditure and realize surplus of Kshs. 430,884,342
2. That the Sacco projected to receive Kshs. 2,578,034,488 from members' contributions, loans repayments and deposits during the financial year.
3. The receipts will be utilized for disbursement of loans, refunds, recurrent and capital, dividends and interest to members' expenditures with the balances maintaining liquidity ratios.
4. That Kshs. 31,796,762 was projected to be expensed on capital expenditure for the same period ending 31st December, 2026.
5. A supplementary budget of Kshs. 22,776,919 to be expensed to corporate taxes, policy reviews, performance management system, Supervisory committee and medical expenses for were proposed to members.
6. The Sacco projected to raise additional Kshs. 46,936,000 from 8320 members' monthly contributions of each Kshs.400, claims for nominees and principal members.

Resolution

That the Budget was unanimously adopted in its entirety. The expenditure for delegate annual meetings, courses and seminar's will be utilized to members' annual general meetings, marketing, courses and seminar's. This was proposed and seconded by Mr. Joseph Owino Buong MNO.11900 and Mr. Ephraim Wang'ombe MNO.1881 respectively.

MIN 09/SGM/9/2025 ROAD MAP TO DELEGATE SYSTEM OF GOVERNANCE.

The Agenda was proposed by Ephraim Wang'ombe MNO. 1881 and seconded by Dr. Samuel Waweru MNO. 2771.

a) That the Board shall formulate delegate policy and map out zones by 30th December, 2025.

b) That members would be trained on delegate system of governance scheduled to take place during education day in 2026 and amend bylaws for adoption of the System.

c) That bylaws amendments would be registered with the Commissioner of Co-operatives by 30th October, 2026 and election of delegates take place by 31st December,2026 respectably.

Resolution

Members to be trained on delegate System by 31st December, 2025 and the Board to come up with implementation matrix for delegate governance system in order to adhere to directive issued by Commissioner of Co-operative Development as per circular dated 18th June 2025.

MIN 10/SGM/9/2025 TO CONSIDER ISSUES WHERE DUE NOTICE WAS GIVEN WITHIN SEVEN (7) FROM THE MEMBERS

1. Dr. Meshack Ondara Onyambu MNO. 7601 moved the motion to defer delegate system of governance, adopt a resolution to amend loans recovery, term limits and transferring Sacco Supervision to County Government of Kiambu and it was noted that:-

   a) The delegate system adoption was deferred as herein discussed.

   b) That members were notified before deduction were made from their deposits for loans in default and the amount pledged for collateral recovered as per the policy.

   c) The term limits were incorporated in the amended bylaws.

2. Dr. Daniel Okun MNO.6038 moved a motion to censor credit committee members for failure to approve his loan and subsequent consideration of the loan by the Special General Meeting and it was noted that:

   a) It was the duty of the Board to approve loans based on loans policy and reconstitute itself as provided for under the Co-operative Societies Act and bylaws.

   b) The member was treated fairly while appraising his loan application and the same was communicated to the member.

MIN 11/SGM/9/2025 VOTE OF THANKS

The Vice Chairman - Mr. David Osebe thanked Chief Guest, thanked members , guests, the Board, the Supervisory Committee, and Kenversity staff for their concerted efforts for making the Sacco business successful which was proceeded with closing prayer from Mr. Joseph Mutata M.No.4647 at 5.30 p.m.

Minutes have been signed for confirmation as per Section 78 of the Society By Laws of by: -

Signed for circulation on this **22nd** day of **October 2025** by:-

Prepared by:	**Dr Priscilla Gitonga**		**22nd October 2025**
	Hon. Secretary	Sign	Date
Confirmed by:	**CPA Mrs. Mary Ngugi**		**22nd October 2025**
	Chairperson	Sign	Date
Confirmed by: -	…………………………………………	…………………	……………
	Chairperson	Sign	Date

CHAIRPERSON'S REMARKS DURING SPECIAL GENERAL MEETING OF KENVERSITY SAVINGS AND CREDIT SOCIETY LIMITED TO BE HELD ON SATURDAY, 15TH AUGUST 2026 AT KENYATTA UNIVERSITY SZ39 HALL.

The Chief Guest, Invited Guests, Members of the Board of Directors, Supervisory Committee Members, Management and Staff, Distinguished members, Ladies and Gentlemen,

GOOD MORNING.

It gives me great pleasure to welcome you all to this Special General Meeting of Kenversity Sacco. I sincerely thank each one of you for finding time to attend this important meeting. Your presence demonstrates your continued commitment to the growth, stability and future of our Sacco.

Today is a significant day in the history of our Society because the decisions we make will shape the direction of Kenversity Sacco for years to come. As members, you are the owners of this institution, and it is through your participation that we continue to strengthen the democratic principles upon which our Sacco movement is founded.

PROPOSED 2027 BUDGET

One of the key agenda items before us is the consideration and approval of the proposed budget for the financial year 2027.

This budget is not merely a financial document. It is a strategic roadmap that translates our 2026–2030 Strategic Plan into practical actions and measurable results. Every allocation proposed has been carefully considered to ensure that our resources are directed towards initiatives that create value for our members while safeguarding the long-term sustainability of the Sacco.

The budget proposes an income of Ksh.694,908,937/- against an expenditure of Ksh. 240,611,663/-giving an estimated Surplus of Ksh. 454,297,274/- and I request members to consider it for approval.

If approved, the 2027 budget will enable the Sacco to focus on several strategic priorities, including Growing our membership through an expanded common bond and enhanced member recruitment initiatives, Increasing the Sacco's asset base, deposits and loan portfolio in a sustainable manner, strengthening risk management systems to protect members' savings and ensure prudent financial management, Expanding product innovation to meet the changing financial needs of members from institutions of higher learning and the wider community and Increasing our market visibility and strengthening our brand as the premier Sacco serving members from all walks of life.

These investments are designed to position Kenversity Sacco as a stronger, more competitive and financially resilient institution capable of serving both current and future generations of members.

I therefore appeal to you to carefully consider the proposed budget and support its approval so that together we can successfully implement our strategic aspirations.

ADOPTION OF THE DELEGATES SYSTEM

Another important matter before this Special General Meeting is the proposal to adopt the Delegates System of governance.

As our Sacco continues to grow in membership and geographical coverage, it has become increasingly difficult to effectively conduct General Meetings where every member can participate physically. This is a challenge experienced by many successful Sacco's across the country.

The Delegates System provides a practical and democratic solution by allowing members to elect representatives who will exercise their voting rights on behalf of the membership while remaining fully accountable to those who elected them.

The adoption of this system offers numerous benefits, including Improved member representation across all institutions and regions, more effective and efficient decision-making during General Meetings, better communication between the Sacco leadership and members through elected delegates, reduced operational costs associated with organizing very large meetings, compliance with best governance practices and regulatory expectations, increased participation by ensuring every cluster of members has a voice in Sacco affairs and enhanced accountability because delegates remain answerable to the members who elect them.

Let me assure members that adopting the Delegates System does not take away your ownership rights. On the contrary, it strengthens member participation by ensuring structured, continuous and effective representation. The Board believes that this governance model will support the continued growth of Kenversity Sacco while preserving the democratic values that define our cooperative movement.

FINANCIAL POSITION OF THE SACCO

Allow me to briefly comment on the current financial position of our Sacco. Despite the economic challenges experienced in recent years including high inflation, rising cost of living, changing borrowing patterns and delayed remittances from some employers Kenversity Sacco has remained stable and resilient.

The Board and Management have continued to exercise prudent financial management, strengthen internal controls, improve loan recovery mechanisms and manage operational costs responsibly.

Our liquidity position continues to support normal operations, member withdrawals are being processed within our policies, and lending activities continue to serve members' financial needs.

Most importantly, the Sacco remains compliant with the principles of sound financial governance and continues implementing strategies aimed at improving profitability, strengthening capital adequacy and enhancing member value.

While challenges exist, they are manageable, and the Board remains fully committed to protecting the financial interests of every member.

To make Kenversity loan products remain competitive to the Bank loans, the Board has recently reviewed the terms of Fahari loan, Normal loan and Super loan ensuring that our members get value for their money in the Sacco and avoid exploitation by the Commercial banks.

ASSURANCE ON MEMBERS' SAVINGS

Fellow members, recently, there has been considerable discussion in both mainstream and social media concerning Government proposals touching on financial institutions and member deposits.

These reports have understandably generated concern among members. I wish to reassure every member gathered here today that your savings in Kenversity Sacco remain safe and secure.

Members' deposits are protected under the Cooperative legal framework and are managed in accordance with the Sacco Societies Act, applicable regulations and sound governance principles.

The Board continues to engage regulators and relevant government agencies to ensure that the interests of our members are protected at all times.

We therefore encourage members not to panic or make financial decisions based on speculation, rumors or misleading information circulating on social media. Should there be any policy changes affecting the cooperative sector, the Board will communicate promptly, accurately and transparently through official Sacco communication channels.

Your confidence is our greatest asset, and we remain fully committed to safeguarding every shilling that you have entrusted to Kenversity Sacco.

Appreciation

As I conclude, I wish to sincerely thank our members for your unwavering loyalty, trust and continued support. I equally appreciate my fellow Board Members, the Supervisory Committee, the Chief Executive Officer, Management and all staff members for their dedication and professionalism in steering the affairs of our Sacco.

As we implement our 2026–2030 Strategic Plan, let us remain united in purpose, confident in our future and committed to our shared vision of making Kenversity Sacco the preferred financial partner for institutions of higher learning and the wider community.

I therefore humbly request you to support the resolutions before this Special General Meeting, particularly the approval of the 2027 Budget and the adoption of the Delegates System, as these will provide a strong foundation for the next phase of our growth.

Thank you.

May God bless Kenversity Sacco.

CPA Mrs. Mary Ngugi
Chairperson – Board of Directors

KENVERSITY SACCO SOCIETY LTD SAVINGS AND CREDIT SOCIETY LTD
SUPERVISORY COMMITTEE REPORT TO THE SPECIAL GENERAL MEETING

HONORABLE CHAIRPERSON, BOARD OF DIRECTORS, FELLOW MEMBERS, LADIES AND GENTLEMEN,

On behalf of the Supervisory Committee, I am pleased to present this report to the Special General Meeting. The Committee remains committed to its statutory mandate of safeguarding members' interests, promoting accountability, ensuring compliance with the Co-operative Societies Act, the SACCO Societies Act, the Society's By-laws, and sound corporate governance principles.

Our observations are guided by the principle of continuous improvement. While we celebrate the Society's achievements, we must also address emerging challenges to ensure Kenversity SACCO remains competitive, innovative, financially sustainable, and responsive to members' needs.

1. RECOGNITION OF OUTSTANDING ACHIEVEMENT

The Supervisory Committee sincerely congratulates the Board of Directors, Management, Staff, and Members for the Society's outstanding performance during the 2026 Ushirika Day Celebrations, where Kenversity SACCO was honored with five (5) prestigious trophies; Position 2 in Best performing DT Sacco- employer based Sacco's with Total Assets between Kshs.2 Billion to Kshs.5 Billion, Best DT Sacco in Technology optimization - employer based Sacco's with Total Assets between Kshs.2 Billion to Kshs.5 Billion and Most efficient DT Sacco - employer based Sacco's with Total Assets between Kshs.2 Billion to Kshs.5 Billion and Position 3 , Best DT Sacco in member management - employer based Sacco's with Total Assets between Kshs.2 Billion to Kshs.5 Billion, and Best DT Sacco in credit Management - employer based Sacco's with Total Assets between Kshs.2 Billion to Kshs.5 Billion.

These awards reflect excellence in governance, financial management, innovation, member service, and adherence to cooperative values. They affirm that Kenversity SACCO continues to rank among the leading SACCOs in Kenya.

While we celebrate this remarkable milestone, the Committee encourages the Society to continue improving its products, governance, technology, and member services to sustain and surpass these achievements.

2. PATRONIZATION OF SACCO PRODUCTS

The financial sector has become increasingly competitive. Commercial banks and other financial institutions have introduced lower lending rates, flexible repayment options, and repayment periods extending up to 144 months.

This trend presents a challenge to the Society's loan uptake and overall competitiveness.

This has exposed the Sacco to Reduced loan demand, Slower growth of the loan portfolio, Loss of members to competing institutions, and Reduced interest income.

We therefore recommend the Board to Review lending interest rates, introduce innovative and member-focused loan products, consider extending repayment periods where financially viable, regularly benchmark the Society's products against competing financial institutions, and Develop products tailored to different categories of members.

3. SACCO year 2027 budget estimates

The Supervisory Committee has reviewed the proposed 2027 Budget Estimates and is in agreement with the proposals presented. The Committee notes with satisfaction that the projected expenditure-to-revenue ratio stands at 34.9%, reflecting prudent financial planning and sound cost management. We encourage Management to maintain strict budgetary controls and ensure efficient utilization of resources while delivering quality services to members.

4. DIGITAL TRANSFORMATION

The Committee encourages the Board to accelerate the digitization of member services, including online membership registration, digital loan applications, electronic guarantor ship, online loan tracking, digital complaint management, and electronic submission of supporting documents.

This will improve efficiency, convenience, and member satisfaction.

5. LOAN VARIANCES AND MEMBER COMPLAINTS

The Committee continues to receive complaints relating to loan variances, unexplained deductions, delayed reversals, and inadequate communication.

This exposes the Sacco to risk of loss of member confidence, Financial inconvenience, Increased complaints, and Reputational damage

We recommend to the Board to ensure that, every borrower receives a detailed repayment schedule once the loan is approved, Erroneous deductions are corrected promptly, Members receive timely communication regarding loan adjustments, and an online complaint tracking system is established to improve accountability and timely resolution of complaints

6. INSURANCE PREMIUMS, RISK FUND AND CLAIMS MANAGEMENT

The Committee has received concerns regarding delayed and declined insurance claims, particularly those arising from age limits, dormant accounts, and policy exclusions.

Members have also questioned the fairness of contributing to the Risk Fund when many contributors are unable to benefit due to restrictive eligibility requirements.

This exposes the Sacco to risk of Reduced member confidence, Increased complaints, and reputational risk We therefore recommend to the Board to Undertake a comprehensive review of the Risk Fund Policy, Review contribution rates against benefits offered, reassess age limits and policy exclusions, explore more competitive insurance providers, and Improve communication on insurance policy terms and conditions

7. REGISTRATION OF AMENDED BY-LAWS

Members approved amendments to the Society's By-laws during the 2024 Annual General Meeting. The Committee notes that these amendments are yet to be registered.

This exposes the Sacco to Delayed implementation of members' resolutions, Governance uncertainty, and Legal and operational challenges

We therefore recommend to the Board to Provide members with a status update on the registration process, explain any outstanding regulatory requirements, expedite registration of the amendments, keep members informed until the process is concluded.

8. DELEGATE SYSTEM OF GOVERNANCE

The Society is transiting to delegate system of governance. The Supervisory is keenly monitoring the transition to ensure it is implemented fairly, transparently, and in accordance with the law and the Society By-laws.

The Committee recommends to the Board to ensure that the Delegate election and qualification criteria are made clear, fair, and transparent.

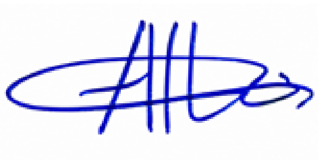
CONCLUSION

The Supervisory Committee remains steadfast in its commitment to protecting members' interests and promoting sound corporate governance.

We respectfully request the Board of Directors to consider the recommendations contained in this report, develop an implementation matrix with clear timelines, and provide members with progress updates at the next General Meeting.

Together, through collaboration between members, the Board of Directors, Management, Staff, and the Supervisory Committee, we can build an even stronger, more innovative, transparent, and member-centered Kenversity SACCO Society.

Submitted by:



Arthur Owino

Chairperson, Supervisory Committee
Kenversity SACCO Society Ltd

KENVERSITY CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED
PROPOSED BUDGET ESTIMATES FOR THE YEAR 2027

	PROPOSED ESTIMATES FOR YEAR 2027	APPROVED ESTIMATES FOR YEAR 2026	ACTUAL AUDITED FOR YEAR 2025	APPROVED ESTIMATES FOR YEAR 2025
	(KSHS)	(KSHS)	(KSHS)	(KSHS)
1. INCOME				
1A (BOSA)	**594,842,092**	**587,508,818**	**543,753,413**	**569,511,009**
1B (FOSA)	**100,066,846**	**99,189,868**	**88,345,129**	**97,996,855**
	694,908,937	**686,698,686**	**632,098,542**	**667,507,863**
2.EXPENDITURE				
Basic Salaries	32,527,274	32,527,274	27,890,312	30,565,079
Marketing Executives Wages/ Sales Agent Representatives	7,327,320	7,327,320	5,370,071	6,828,000
House Allowance	14,100,000	17,544,000	15,722,267	16,632,000
Leave Allowance	353,580	418,800	345,120	381,540
Commuting Allowance	6,336,000	7,704,000	6,273,667	6,360,000
Staff Entertainment Allowance	240,000	600,000	529,833	600,000
Provident Fund Employer Contribution	4,165,114	4,895,366	4,399,820	4,534,118
Responsibility Allowance	936,000	1,296,000	1,215,833	1,296,000
Telephone Allowance	660,000	888,000	1,204,000	888,000
N.S.S.F	797,040	1,220,587	712,955	1,265,040
Housing levy	875,423	998,558	772,820	1,802,618
Fringe benefit tax	-	-	479,126	1,518,000
Gratuity	718,909	-	-	4,704,375
Office Expenses	1,201,841	1,201,841	927,609	1,367,511
Postage	13,050	9,450	9,500	9,450
Committee Sitting Allowance	5,869,800	5,769,800	5,105,910	4,927,400
Bank Charges	986,000	1,236,000	600,950	1,195,200
Interest on Bank Loans	912,000	8,005,750	1,907,649	2,732,000
Medical Expenses	14,289,910	14,289,910	12,199,336	11,662,291
Audit and Supervision	476,000	476,000	248,936	330,000
Travel and Subsistence	2,539,800	2,534,200	2,133,050	2,146,700
National Functions, Entertainment and ESG	2,326,500	2,326,500	940,656	1,990,500

	PROPOSED ESTIMATES FOR YEAR 2027	APPROVED ESTIMATES FOR YEAR 2026	ACTUAL AUDITED FOR YEAR 2025	APPROVED ESTIMATES FOR YEAR 2025
	(KSHS)	(KSHS)	(KSHS)	(KSHS)
Committee travel and meeting expenses	4,320,500	4,300,500	4,028,471	4,181,600
Staff Development	1,780,000	1,480,000	1,031,461	1,550,000
Members Education, Courses and Seminars	25,047,500	22,680,000	20,819,641	20,481,000
General Meetings Expenses	-	10,794,800	16,615,887	16,631,000
Delegates Meetings Expenses	12,746,200	-	-	-
Annual Subscriptions & Licence	6,776,359	6,220,935	5,125,035	5,474,140
Insurance	2,517,507	2,517,507	1,172,466	1,186,461
Repairs and Maintenance	4,550,000	4,130,000	340,792	2,355,000
Depreciation/Amortization	7,028,422	7,186,787	7,028,422	6,976,962
Land rates	15,750	15,750	15,750	21,800
Rent for satelite offices	1,050,000	1,050,000	-	630,000
Staff Welfare	2,804,400	2,710,800	1,988,067	2,963,120
Legal Fee	800,000	800,000	185,800	800,000
ICT and System Audits	1,100,000	1,100,000	600,000	3,400,000
Consultancy	2,500,000	2,500,000	5,615,419	3,500,000
ISO 9001:2015 Surveillance & Monitoring	1,347,400	1,347,400	526,339	872,900
Perfomance Management System	1,370,000	1,370,000.00	-	-
Statutory Records	35,000	35,000	6,180	115,000
Printing and Stationery	1,144,142	1,040,642	673,788	1,421,367
Water and Conservancy	312,000	312,000	602,354	359,094
Electricity and Lighting	1,512,000	1,512,000	1,092,000	1,200,000
Security Expenses	4,554,000	4,554,000	3,020,081	4,376,000
Motor Vehicle Running Expenses	824,160	824,160	466,185	864,160
Telephone, E-mail & Internet Expenses	3,645,000	2,630,000	2,318,446	2,376,600
Staff Provident Fund Founder Expenses	370,141	370,141	367,457	370,141
Interest on FOSA Deposits	14,080,666	14,080,666	16,647,316	18,124,223
Provision for non perfoming loans	7,000,000	7,000,000	8,813,720	14,150,000
Advertisement expenses	5,200,000	1,500,000	606,733	3,000,000
Marketing drives and recruitment	6,571,000	6,521,000	2,202,802	7,780,000
Generator Expenses	240,000	180,000	55,000	180,000
ERP Software Maintenance & Support	2,621,444	3,323,444	2,198,313	2,321,444
ATM Connection Charges	875,568	875,568	659,578	1,619,200

	PROPOSED ESTIMATES FOR YEAR 2027	APPROVED ESTIMATES FOR YEAR 2026	ACTUAL AUDITED FOR YEAR 2025	APPROVED ESTIMATES FOR YEAR 2025
	(KSHS)	(KSHS)	(KSHS)	(KSHS)
NITA	34,200	33,600	29,625	33,600
Impairement loss on KUSCCO Ltd Shares	229,900	229,900	229,900	-
Corporate taxes	17,956,844	30,162,387	42,363,208	20,249,824
TOTAL	**240,611,663**	**256,658,343**	**227,621,937**	**252,670,459**
SURPLUS/(DEFICIT)	**454,297,274**	**430,040,343**	**404,476,605**	**414,837,405**

CHAIRPERSON

HON. SECRETARY

TREASURER

KENVERSITY CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED
FUNDS FLOW PROJECTION - YEAR 2027

		1st Quarter Kshs.	2nd Quarter Kshs.	3rd Quarter Kshs.	4th Quarter Kshs.
	Opening balances	648,549,698	528,542,444	409,927,444	290,222,444
	Members' contributions: shares, deposit, savings and loans repayment,	550,000,000	550,000,000	550,000,000	550,000,000
	Total	**1,198,549,698**	**1,078,542,444**	**959,927,444**	**840,222,444**
	Outflow				
	1. Loans to members (Gross)	450,000,000	450,000,000	450,000,000	450,000,000
	2. Capital expenditure (Attached)	10,007,254	8,615,000.00	9,705,000	4,625,000.00
	3. Disbursements	210,000,000	210,000,000	210,000,000	210,000,000
	Total Outflow	**670,007,254**	**668,615,000**	**669,705,000**	**664,625,000**
	Closing Balances	**528,542,444**	**409,927,444**	**290,222,444**	**175,597,444**

	CAPITAL BUDGET 2027	1st Quarter Kshs.	2nd Quarter Kshs.	3rd Quarter Kshs.	4th Quarter Kshs.
1	Innovation and Research	850,000	850,000	850,000	850,000
2	Desktop Computers 5@ 140,000	-	280,000	280,000	140,000
	Centralized Uninterrupted Power Supply	-	2,500,000	-	-
	Laptop 4 @ Kshs.120,000/-	240,000	240,000	-	-
	Networking Redesigning & CCTV Enhancement	-	-	-	800,000
	Network Attached Storage(NAS)	-	250,000	-	-
	Server	-	1,600,000	-	-
	Network printer	-	-	300,000	-
	Server Disks (Disaster recovery)	-	-	1,000,000	-
	Firewall purchase	-	-	-	1,000,000
	Photo printer	-	-	100,000	-
	Portable 2 TB Disks 10 @ Kshs.7,000/-	-	35,000	-	35,000
	Windows 11 Pro-30 licenses	400,000	-	-	-
	Office 2021-30 Licenses	400,000	-	-	-

	CAPITAL BUDGET 2027	1st Quarter Kshs.	2nd Quarter Kshs.	3rd Quarter Kshs.	4th Quarter Kshs.
3	5 Chairs @ Kshs.10,000 for Satelite office	-	-	50,000	-
	Tables for Satelite office @30,000	-	-	30,000	-
	Customer waiting chairs for a satelite offices	-	-	45,000	-
4	Establishment of Satellite office	-	1,000,000	1,000,000	1,000,000
5	Biometric System (Teller, strongroom and membership identification)	700,000	700,000	-	-
6	Members documents electronic scanning (Labour)	250,000	-	-	-
7	Filling cabinets 5 @ Kshs.80,000/-		200,000	200,000	-
8	Photocopy/printer machines 2 @ Kshs.250,000/-		250,000	250,000	-
9	Board room executive 16 seater and table	320,000	-	-	-
10	Chair's office furniture and equpments	300,000	-	-	-
11	Electronic documentation management (EDMS)	1,047,254	-	-	-
12	Automatic fire suppresion system	-	-	3,500,000	-
13	Fireproof 4-drawers filling cabinet 320 kgs and drawer chest	-	280,000	-	-
14	Water tank 10,000 Litres installation and contruction of infrastructure as per OSHA requirements	-	-	1,500,000	-
15	Internal Audit Software	-	-	-	700,000
16	Capital expenses for establishment of Bancassurance brokerage	400,000	-	-	-
17	Network Access Control (NAC)	2,000,000	-	-	-
18	VMWare Software upgrade (csk sitpa & People cert)	300,000	-	-	-
19	Motor Cycle (2 @ Kshs.180,000/-)		180,000		
20	Multi Factor Authentication (MFA) Software	-	250,000	-	-
21	Security Information & Event Management (SIEM)	500,000	-	500,000	-
22	Server Room Inverter and Battery	800,000	-		
23	Partition Works for third floor of Kenversity Plaza	1,500,000	-	-	-
24	Piggy banks(1000*200)	-	-	100,000	100,000
	TOTAL	**10,007,254**	**8,615,000**	**9,705,000**	**4,625,000**

RISK MANAGEMENT FUND FINANCIAL ESTIMATES FOR THE YEAR 2027

INFLOW	KSHS.
Expected contributions - 4,915 Members x 12 months x Kshs.400/-	23,592,000
Funeral expenses Claims received from 200 nominees X Kshs.20,000/-	4,000,000
Members Funeral Expenses Claim Received (15 Members x Kshs. 50,000/-)	750,000
Total inflow	**28,342,000**
OUTFLOW	
Cover on deposits and loans	23,592,000
Nominees funeral expenses (200 Nominees x Kshs.20,000/-)	4,000,000
Members funeral expenses (15 Members x Kshs. 50,000/-)	750,000
Total outflow	**28,342,000**
SURPLUS/DEFICIT	**-**

CHAIRPERSON HON.SECRETARY TREASURER

KENVERSITY CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED SUPPLIMENTARY BUDGET FOR THE YEAR 2026

NO	PARTICULARS	KSHS.	JUSTIFICATION
1	Gratuity Payment	4,573,988	Payment of gratuity for the three managers whose contract ended December 2025 and paid in January 2026.
2	Generator Expenses	100,000	Fuel Purchase due to power outage
3	General meeting expenses	5,865,077	General meetings due to travelling allowance, snacks/drinks, elections, printing materials during General Meetings
	Grant total	**10,539,065**	

CHAIRPERSON HON. SECRETARY TREASURER

1. BOSA LOAN PRODUCTS

NORMAL

- Granted up to 4 times a member's deposits.
- Maximum repayable period within 60 months.
- Applicable interest rate is 1% p.m reducing balance.
- Top up can be done after 6 months of repayment

SUPER LOAN

- Granted up to 5 times a member's deposits.
- Maximum repayable period within 72months.
- Applicable interest rate is 1.25 % p.m reducing balance.
- Top up can be done after 6 months of repayment

FAHARI LOAN

- Granted up to 7 times a member's deposits but to a limit of Ksh. 8 Million.
- 5 Guarantors needed
- Monthly deposit contribution is Ksh.3,000.
- Maximum repayable period within 108 months.
- Applicable interest rate is 1.33 % p.m reducing balance.
- Top up can be done after 12 months of repayment
- Processing fee of 2% of the amount granted
- Tangible Collateral such as Land & Building or other acceptable immovable property can be used as security

MAENDELEO LOAN

- Granted up to 5 times a member's deposits
- Monthly deposit contribution is Ksh.3,000.
- Maximum repayable period within 36 months.
- Applicable interest rate is 1.33 % p.m reducing balance.
- Processing fee of 2% of the amount granted

BORESHA LOAN

- Granted up to 4 times a member's deposits
- Monthly deposit contribution is Ksh.3,000.
- Maximum repayable period within 60 months.
- Applicable interest rate is 1.083 % p.m flat rate.
- Processing fee of 2% of the amount granted

EMERGENCY LOAN

- Granted up to 3 times a member's deposits
- Maximum repayable period within 12 months
- Applicable interest of 1.5% pm in reducing balance.

DIAMOND LOAN

- Granted up to 4 times a member's deposits
- Maximum repayable period within 24 months
- Applicable interest of 1.125% pm in reducing balance.
- To be guaranteed by two guarantors who are employed on permanent and pensionable terms or 5 guarantors on Contract terms.

ASSET FINANCING LOAN

(a) Land & Building

- Granted up to 5 times a member's deposits but to a limit of Ksh. 5 Million
- To be secured up to 70% of the value of Land and building.
- Applicable interest rate of 1.25% per month on reducing balance.
- Attracts a processing fee of 2% of the amount applied.

(b) Motor Vehicle

- Maximum Repayable period within 48 months.
- Applicable interest rate is 1.25% per month on reducing balance.
- The motor vehicle being purchased not older than 8 years
- Log book to be used to secure loan up to a maximum of Ksh.2.5 Million

2. FOSA LOANS

FOSA SERVICES

- Salary Processing
- ATM Services
- Mobile Banking (*720#)
- Member Portal
- M-Pesa Agent Services including Paybill (Business No. 577820)
- Fixed Deposit Account

Short Period Advance.

- Granted up to Ksh. 60,000.
- Repayable within 3 months.
- Applicable Interest is 6% p.m on reducing balance.
- Offered to Platinum A and Platinum B members

Advance Loan

- Granted up to Ksh. 100,000.
- Repayable within 5 months.
- Applicable Interest is 6% p. m on reducing balance
- Offered to Platinum A and Platinum B members

Karibu Loan

- Granted up to Ksh. 100,000.
- Repayable within.
- Applicable Interest is 5% p.m on reducing balance
- Offered to Platinum A and Platinum B members

Jiinue Loan

- Granted up to Ksh. 100,000.
- Repayable within 6 months.
- Applicable Interest is 5% pm on reducing balance
- Offered to Platinum A, Platinum B and Diamond members.

Overdraft

- Granted up to Ksh. 300,000.
- Repayable within 10 months.
- Applicable Interest is 6% pm on reducing balance
- Two guarantors needed .
- Offered to Platinum A and Platinum B members

Utility Loan

- Open to all members
- Repayable within 12 months
- Applicable Interest is 2% pm on reducing balance
- Products available are:- Mobile Phones, Roofing material, electronic and electrical appliances, Driving lessons in partnership with AA Kenya, Water tanks and Car insurance services in partnership with CIC

Share booster Loan

- This loan helps members to bridge the gap in their deposit so as to qualify for a Bosa loan of a specific amount The booster amount is recoverable once with an interest of 10% .
- Member qualifies for 100 % of his/her deposits.

RISK MANAGEMENT FUND

Members contribute Ksh. 400 per month to this fund to assist in managing some risks whenever they occur. The items covered under this fund include the following:

- Payment of Ksh.50,000 as last expense to a beneficiary in the event that a member passes on.
- Payment of Ksh. 20,000 to a member in the event that one of the nominees passes on.
- Loan clearance upon death of a member
- Refund of double a member's deposits paid to beneficiary when a member passes on.

MICRO CREDIT LOAN PRODUCTS

Tujijenge Tuinuke loan

- Granted up to Ksh. 100,000
- Repayable within 12 months
- Applicable Interest is 1.5% pm on reducing balance

Tujijenge Tuendelee loan

- Granted for amounts of over Ksh. 100,000 up to Ksh. 300,000,
- Applicable interest rate of 1.25% p.m on reducing balance
- Repayable within 24 months.

Tujijenge Super loan

- Granted up to amounts of over Ksh. 300,000 up to Ksh. 500,000
- Applicable interest rate of 1.25% p.m on reducing balance.
- Repayable within 36 months.

Tujijenge Premier loan

- Granted up to amounts over Ksh. 500,000
- Applicable interest rate of 1.33% p.m on reducing balance.
- Repayable within 48 months and 60 months guaranteed by Title deed.

KENVERSITY SACCO SOCIETY LIMITED PAYBILL KEY CODES		
PRODUCT	CODE	
ADVANCE	ADV	
OVERDRAFT	OVD	
SHORT PERIOD ADVANCE	SPA	
KARIBU	KRB	
JIINUE	JNE	
KENSA	KNS	
KENHOL	KNH	
KENED	KND	
KENJUNIOR	KJR	
MOBILE LOAN	MOB	
TANK LOAN	TNK	
DRIVING	DRV	
CAR INSURANCE	CAR	
OTHER UTILITY	UTY	
DEPOSIT	DEP	
RISK	RSK	
NORMAL LOAN	NOR	
SUPER LOAN	SUP	
FAHARI LOAN	FRI	
MAENDELEO LOAN	MAE	
EMERGENCY LOAN	EME	
SCHOOL LOAN	SCH	
DIAMOND LOAN	DIA	
ASSET FINANCING	ASF	
STAFF PREMIER	STP	
DEFAULTER	DEF	
MFI SAVINGS	MFS	
MICROCREDIT RISK FUND	MRF	
GROUP SAVINGS	GPS	
GROUP DEPOSITS	GPD	
MICRO DEPOSITS	MDP	
TUJIJENGE TUINUKE	TUI	
TUJIJENGE TUENDELEE	TUE	
TUJIJENGE SUPER	TUS	
TUJIJENGE PREMIER	TUP	

PAYBILL INSTRUCTIONS

1. Go to MPesa
2. Choose Lipa na MPesa
3. Choose Paybill
4. Enter PayBill No: - 577820
5. Enter Account Number that is Enter the respective CODE first e.g. ADV, DEP
6. Enter your Membership Number exactly as is Next to the CODE entered e.g.
    - i. MFIIND-0000 (For micro-credit members)
    - ii. 1234 (For other salaried members e.g. KU, Sukari, Jetlak)
7. There should be No Space between the CODE and Membership Number.
8. All entries Must be in Capital letters.
9. To Demonstrate: -
    - iii. Paying for shares: -
        - a. DEP1234
        - b. MDPMFIIND-0000 (For microcredit members)
        - iv. Paying for loan: -
        - c. ADV1234 (Paying advance loan)
        - d. TUIMFIIND-0000 (Paying Microcredit Tujijenge Tuinuke Loan)
10. Enter amount followed by MPesa PIN

KENVERSITY CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED

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NAIROBI - KENYA

Forward Together