

SACCO PROFILE

1.0 Who we are

Boresha Society Ltd is a Financial Institution licenced for Deposit Taking business by Sacco Societies Regulatory Authority (SASRA). We are among the top performing SACCOs in the country with a solid capital base of *4 Billion*. The Society was registered on 31st August 1976 by 10 Members with initial share Capital of 60,000. Today the growing Membership stands at 60,000 with Members Savings/Deposits of Ksh. 2.2 Billion.

The Society's area of operation is the Republic of Kenya with a Base in Baringo County in the Rift Valley Region. Head Office is Situated in Teachers Plaza , Eldama Ravine, Koibatek Sub County. The Head Office is central in cordinating the Branch network in Baringo County and beyond. Boresha has established vibrant Branches in Nakuru, one of the fast growing city in Africa to serve the Central Rift, Eldoret to serve Uasin-Gishu and Kapsabet to serve Members in Nandi County.

Boresha SACCO rebranded from Baringo Teachers Sacco Society limited in 2012 so that Members, Clients and Partners Nationally and Internationally could effectively be served without the limitation by name and geographical location. Teachers are the pioneer Members of the Society and form a large percentage of the Salaried Members served by the SACCO.

Members contributed Equity shares to put up two magnificent buildings with *Ksh. 261 Million* at the Head Office -Teachers Plaza in Eldama Ravine, Koibatek Sub-county and Mwalimu Plaza in Kabarnet town, Baringo County's headquarters that house Kabarnet Branch office.

2.0 Registered office

The registered Head office of the Society is situated at Eldama Ravine, Teachers Plaza, Market Road P.O Box 80, Eldama Ravine. *Tel.020-802481 Mobile: 0720-200689*
Email: info@boreshasacco.co.ke, website: www.boreshasacco.co.ke

3.0 Brief Description of the Baringo and Neighbouring Counties

Baringo County is located in the Rift Valley region of Kenya. This region was formerly called larger Baringo district. The County population is about 556, 916 persons.

The main cash crops grown are coffee, cotton, macadamia and pyrethrum. The food crops are maize, snow peas, beans, Irish potatoes, sweet potatoes, sorghum, cassava and millet. Seed maize and horticulture are the major enterprise in the county and also producing vegetables for the local market. The annual rainfall ranges from 350 mm to 2,100 mm.

Baringo County is one of the Counties in Rift Valley Region with 6 sub counties namely; Koibatek, Baringo Central, Baringo North, Baringo South, Mogotio and Tiaty sub counties. Boresha SACCO has branches in all the subcounties.

About 80% of the County is arid and semi arid with annual rainfall of less than 600 mm. The remaining 20% can be described as high potential. However, meaningful agriculture is only practiced in about 8% of the land area that falls under Agro Ecological Zones of Upper Midlands (UM), Lower Highlands (LH) and Lower Midlands (LMI). Notably, the 20% considered high potential carries about 80% of the population. As a result, there is high pressure on the available good land.

The SACCOs Branch in Eldoret and Kapsabet in North Rift Region serve Members from the Agricultural rich areas of Uasingishu, Trans Nzoia, Elgeiyo Marakwet, West Pokot and Nandi Counties. Nakuru Branch in Nakuru County is the gateway to the region and is rated as one of the fast growing city in Africa. The town was the business hub of white settlers. The branch is strategic due to numerous business activities in the town and agricultural farms in the neighbouring areas of *Subukia, Solai, Rongai, Kongasis, Kiambogo, mauche, Elburgon, Kampi ya moto and Kabarak Community*.

4.0 Broad Objectives

The objectives for which the Society was established it to encourage savings among Members and to create a source of funds that Members' can borrow loans at reasonable rates of interest and to improve their standards of living by building their economic status.

The specific objects for which the Society was established were to; -

- a) Promote thrift among its Members by affording them an opportunity for accumulating their Savings.
- b) Create a source of funds at a fair and reasonable rate of interest.
- c) Provide an opportunity for each of its Members to improve the Members' respective economic and social conditions.
- d) Provide Members with credit for purposes of providence or production .
- e) Offer to the Members complementary Savings and Credit Services and other Financial Products as may be required by the Members from time to time.
- f) Ensure safety and soundness of the Members Funds through a Risk Management Programme or appropriate Insurance Coverage.

4.1 Vision, Mission and Values - To achieve the above objective the SACCO upholds the Cooperative Principles and Values spelt out in the Act and By Laws. The strategic/ Business plan and SACCO policies guide the various operations in the SACCO.

- **Vision** – To realize empowered community with financial stability.
- **Mission Statement** – To facilitate mobilization of savings and provision of cost effective financial and non-financial services and viable investment advisory services to our Members and customers in Kenya and beyond.
- **Core Values** - Boresha SACCO believes that in order to realize its vision, and for effective and efficient work performance, the following values will guide its actions.
- **Quality:** We are committed to upholding the highest standards in our service delivery to all stakeholders.
- **Integrity:** We are committed to acting in an honest, impartial, fair and transparent manner.

- **Respect:** We are committed to building corporate ideals to fully tap the rich and multi-skilled human resource base of Boresha SACCO to achieve our mandate and to practice professional ethics and order.
- **Motto** - United We Prosper ~ Pamoja Twajimudu.
- **Spirit** - Save Regularly, Borrow Wisely and Repay Promptly.

5.0 Membership

Membership is open to All, Salaried Members comprising of Teachers under Teachers Service Commission (TSC), Civil Servants employed by Public Service Commission, County Governments Staff, Institutions' Pensionable Employees, KNUT and NGOs Staff, SACCO and its subsidiaries Staff, Retired and continuing SACCO Members, Companies and Parastatals Pensionable Staff.

Membership has also been expanded to Spouses, Children and Relatives of Members, Individual business persons, Micro Enterprises, The General Members of the Community, Micro-credit Members, Contracted Employees of companies, Schools or parastatals whose salaries are processed in the FOSA, Farmers (Individuals and groups), Jua Kali business persons, Youth and Women groups and Chamas. They access business training, exchange programmes and capacity building, then savings Accounts, Fixed Deposits Accounts and Credit facilities.

Corporate - Registered business Entities, Institutions, Schools and Colleges, Churches, Community Based Organizations (CBOs), Cattle Dips, Registered Enterprises Business, Investment Groups, and Registered Companies join as Members of the SACCO.

6.0 Governance of the SACCO

The Boresha SACCO Society Limited is a member owned business that is entrepreneurial and profit motivated. It is devoid of political considerations and tribal emotions. The Members are dealt with by the Society as individuals, and attend and vote at its meetings and obtain savings and credit delivery, relevant information and education.

The SACCO is fully accountable to the Members' over its resources and this enhances credibility to the network that it serves. The delivery methodology is geared towards innovative ways of bringing financial services closer to Members and clients at competitive and sustainable rates.

6.1 Annual Delegates Meeting (ADM) -The supreme governing body is the Annual Delegates Meeting. Receives and approves reports, development plans and budgets. The body also elects the Board of Directors and the Supervisory Committee and is the final decision making authority. Each Delegate represents at least 100 Members or Five (5) Schools/Institutions in a Zone with Fifty (50) Members and above. Delegates Term of Office is 3 years but qualify for re-election by seeking fresh Mandate from Members. There are a total of 202 Delegates.

6.2 Board of Directors -This organ ensures the overall management of the SACCO and is the decision and policy-implementing arm of the ADM. The Board of Directors carries out its

responsibilities and functions through Board committees –Finance Committee, Credit/Business Dev/ ICT Committee and Audit Committees. Delegates Elect Eleven (11) Board of Directors and Three (3) Supervisory Committee Members from among themselves. Directors retire annually on rotational basis; Ratio: 3:4:4 and Supervisory 1:1:1 annually.

7.0 Management

The Board of Directors hires the Management Staff headed by the Chief Executive Officer. The SACCO has 130 Staff composed of Qualified and Experienced professionals in various Disciplines distributed in the Departments and Branches.

Interns and attachees are offered opportunity to Train in the SACCO to enable them meet Course requirements and for practical industrial experience. The Human Resource Policy, Code of Conduct and Service Charter guide the Management and Employees.

8.0 Products and Services

Boresha SACCO offers a wide range of products and services. The Society prides itself in the provision of Savings and Credit products that have positively changed the lives of Members. Since inception, the SACCO has been paying Members Dividends and Interests, Loans granted over time stand at *8.6 Billion*. Economic change has been realized in the community since most Members have been able to build decent homes, educated themselves and their Children through to university, and have invested in Farming and Business Ventures.

8.1 Salaried Members - The array of products and Services offered cuts across all the SACCO Membership from the young to the Senior Citizens, Salaried Members, Business Community, farmers, Youth/Women and Institutions. Some of the Loan products to salaried Members include New Members Introductory Loan, Development, School Fees, Emergency, SACCO Quick loan, Bridging and Top- Ups among other products.

8.2 Farm/Agribusiness Loans -Business Community and Farmers can access loan facilities such as Biashara Loans, Boresha Kilimo, Ufugaji Bora. Through Micro Credit Activity, Small and Micro Enterprises SMEs and Chamas, we have been able to grow individuals business. Farmers have equally been able to comfortably invest in farming activities due to accessibility of farm capital and inputs loans offered by the Society.

The SACCO offers more than banking services and facilitates economic change for prosperity by empowering Members and Community at large. The SACCO exists to improve people's living standards having stood the taste of time as stable and reliable Society. Members' lives have improved and are proud about the SACCO. The financial impact is felt within communities in the region. Boresha has lived to the vision of economically empowering people more through all inclusive Products and Services using latest technology and strategic Branch Network.

8.3 Members Welfare Fund (MWF) - Apart from Savings and Loan products, the SACCO established its own Members Welfare Fund (MWF) in 1999 to safeguard/secure Members Loans,

Savings/Deposits of salaried Members and to provide consolation on bereavement. Monthly contribution currently is Kshs.300/= deducted from pay slips of Salaried Members.

Bereaved Members are paid *Kshs.30,000/=* on loss of Spouse or Child and *Kshs.15,000/=* for loss of Biological Mother/Father. Total Claims Limit is *Kshs.75,000/=* in a Financial Year. Regular contribution to this Fund is a prerequisite for Members to benefit from the Fund.

On demise of the Principal Member, outstanding Loan is written off against the Fund and Savings/Deposits is doubled and paid to Next of Kin (Nominee). Advance on Death claims for burial of Principal Member is Kshs.30,000/=. A Consolation of Kshs.10,000/= (that is not recoverable from Savings/Deposits) is paid to the family of Principal Member. If there is no claim and Member Withdraws or Retires, Half of Contributions is refunded with Savings/Deposits.

8.4 Micro-credit Activity - Micro-credit was started in 2003 and launched in 2004 at Marigat with the Key Objectives of Mobilizing Savings and Resources. To eradicate Poverty by availing affordable Credit for production and financial stability by empowering the Community.

Micro credit Activity targets Low and medium income earners in the community. It is focused at giving opportunity to small-scale business persons and farmers to access savings and credit facilities.

- Enhance business potential, growth and development.
- To economically empower the community to be self reliant.
- To promote Youth and Women to prosper
- To promote crops and business value addition

Since inception Micro-credit Activity has grown steadily in terms of client base, savings and loan portfolio. As at *September 2015*, there were *1,224 groups* with total number of clients *26,987*. Total loan balance outstanding *Kshs.484.2 Million*. Micro Savings/Deposits was *Kshs.207.5 Million*.

9.0 Branch Network

Boresha SACCO Savings services are founded on the premise that everyone can and must save. Savings services are intended to assist people to save regularly by providing them with a safe, simple and affordable savings mechanism. It assists the Members to organize their lives economically. The Savings enable Members to access loans from Boresha SACCO Society Ltd.

The SACCO in an effort to conveniently serve our valued customers has 12 Performing Branches in Baringo County and Neighbouring Counties. They include; Eldama Ravine, Kabarnet, Marigat, Mogotio, Kabartonjo, Mochongoi, Bawesa, Eldoret, Chemolingot, Nakuru and Kapsabet. Besides the fully fledged branches, the Society also has Satellite Offices in Tenges, Kipsaraman and Kisanana.

The Branch Offices deal with all financial transactions such as Deposits, Savings, Cash Withdrawals and Cheque Deposits and Clearance. The Society also undertakes prompt salary payments, salary advance requests, loan advances to Members as well provides business and SMEs loan facilities.

We also offer Financial Advisory Services & Training, International Money Transfer Services as well as Agency Banking in partnership with local Commercial Banks.

The opening of branches has enabled the SACCO take services closer to Members and recruits more Members from the community since employment of salaried Members is shrinking while old Members are retiring. The Branches provides for recruitment of Members from other Sectors and Regions for growth. Larger Membership cum Business Clients generates more income to the Society.

The branch network is strategic for channeling of funds from National and County Governments through the SACCO to the Community Projects. It also facilitates channeling of Donor Funds to the Community for Capacity Building, Training and Poverty Alleviation. The Branches/Agencies in remote areas where there are no Banking Services, Saves Members money and time from travelling to big towns for deposits or cash withdrawals.

10.0 Members Benefits

The SACCO has lived to its objects of formation; having been Fully Licensed and Regulated for Deposit taking business by SASRA and rated one of the best managed in Kenya that has stood the taste of time as a reliable and stable SACCO in the region. Members joining the SACCO benefit viz;

- Members are owners of the SACCO by purchasing Shares Capital and Equity Shares.
- Guaranteed and attractive return on Investment every year on shares capital, Savings/Deposits.
- Democratic; as a Member, you have your say, can elect or be elected as a Delegate or Board Member.
- Can access a wide range of affordable products and services with the lowest interest charge with no hidden charges.
- Members welfare funds for immediate family is taken care of now and after passing on
- Timely and quick loan & salary processing
- Employs the latest Technology in most of transactions. Can access your account conveniently in your phone.
- Members who have invested in the SACCO are confident of a bright future. Have an inheritance for the coming generations.
- Offers opportunity to retired officers to save and earn high returns.
- Our fixed deposits rates are competitive

11.0 Financial Statistics

Boresha SACCO registered dynamic growth for the last 39 years. Salaried Membership has impressively grown from 10 Members at inception to **12,080** and **48,179,430** from Business Community, farmers and registered organizations making a total clients base of **60,277** Members. Asset base stands at **Ksh 4.0 Billion** while Members Savings and Deposits is **Ksh.2.2 Billion**. Loans and advances stand at **Ksh. 2.8 Billion** as at the end of September, 2015.

The potential is high, according to the strategic plan, targeting to boost Membership numbers to a strong 85,000 Members plus by the year 2017 through consolidation of Members in the existing branch network and expansion to other regions.

12.0 Sale of Share Capital

In its desire to further boost its capital reserves, the Society is on a serious campaign of selling more shares to Members and New Members. This crusade has yielded more fruits as Members are subscribing to the offer in big numbers.

The Sacco is currently conducting a Share Drive with a target of raising **Ksh 500 Million**. Each Share is offered at only **Ksh. 100**. Through the Share offer, the SACCO would be in a strong position to finance growth strategy and introduction of more products and services.

13.0 Technology

Boresha SACCO has embraced technology for the purpose of managing its functions and services to Members. Its Wide Area Network has linked 12 Branches to the Headquarters at Eldama-Ravine through a centralized system thus Branch officers can access Customer records easily at real time.

Technology has made possible partnership with Cooperative bank to offer ATM services through SACCO-Link and M.Banking Services. Financial Services have not only been brought closer to the Members by way of Branches and ATM but also through cell phones. We are moving to the next level of mobile banking system that enables Members to easily access their accounts from the comfort of their homes using their cell phones. Through this state-of-the-art technology, they will also borrow loans, make deposits, and get account statements and other transfer services easily through their mobile gadgets.

14.0 Collaborations

Boresha SACCO's business model has attracted both local and international recognition. On many occasions the Sacco has been invited to various international forums and bodies to share on its successes. We have also become a hub of other Institutions worldwide keen on learning how it has thrived on extending financial services to low income earners yet remaining afloat.

We still welcome other partners and donors to work with us in the endeavour of eradicating poverty by economically empowering Members. The SACCO has been involved in various collaborations and good relations over the years, which include:

- a) **SASRA**- The SACCO is licensed by SASRA as Deposit-taking SACCO. This puts the Society in a better competitive position before the Members, customers, partners and stakeholders.
- b) **Teachers Service Commission (TSC)** -The TSC is the single largest employer remitting big cheques.
- c) **County Governments** – Provision of good business environment and channeling of community funds through the SACCO. National Government has been the mentor and best partner to the society.

- d) **Micro enterprise Support Programme Trust-** Provision of grants of Kshs.3.2 Million for Capacity Building and Kshs.30 Million Loans for Growth-Oriented Loan Products (GOE) in 2008. MESPT granted a Loan of Kshs.50 Million to on-lend General Loans and Mwamba Loan (GOE) to individuals who have out-lived Micro- Loans.
- e) **Coffee Development Fund-** The Society was appointed an intermediary for Coffee Development Fund by the Government. Kshs.36.2 million has already on-lent through 18 Coffee Societies, 14 Planters a total of 1,083 Farmers benefited. We are seeking for more funding through commodities fund.
- f) **Women Enterprise Fund-** The Women Enterprise Fund approved Kshs.8 million for on-lending to the Kenyan Women in the region. Women are encouraged to visit FOSA Branches for more information on Women Enterprise Fund.
- g) **Youth Enterprise Development Fund–** SACCO qualified for a Loan of Kshs.3.3 Million from the Youth Enterprise Fund in 2010 to on-lend to the Youth. There is need to encourage the youth to develop business ideas and visit the FOSAs for funding.
- h) **Safaricom -** M-PESA Services, Pay Bill/Bulk Payments and provision of Gadgets and Networks.
- i) **Jumbostar & Lanster Technologies –** Provision of Powerful SACCO Solution (FineXtreme)
- j) **ILO Coop Africa–** The SACCO qualified for Capacity Building Grant of Kshs.3.3 Million for capacity Building of Micro-credit Members, SMEs and value addition training. ILO/Coop Africa Projects implemented the Project. Micro- Credit group leaders, horticultural, bee keepers and dairy farmers were trained and taken for a tour at Baraka Farm. Monitoring and Evaluation was done and project closed with award to the SACCO for successful project implementation.
- k) **National Cooperative Organizations (NACOs) –** Cooperative Bank, Cooperative Insurance Company (CIC), Kenya Union of Savings and Credit Cooperatives Ltd (KUSCCO), Co-operative Alliance of Kenya (CAK).
- l) **WOCCU-** The Society has received guidance and technical support from the World Council of Credit Unions.
- m) Financial Sector Deepening (FSD) donated Kshs.750,000= for Training in Strategic Business Planning

15.0 Awards

Boresha Sacco scooped a bundle of awards in form of trophies and certificates for sterling performance in various categories during the 93Rd International Co-operatives Day celebrated across the country on July. 2015.

The Society, one of the leading lights within the Sacco Movement caucuses, called the shots in its native Baringo County and the neighboring Uasin Gishu County for winning recognition under various categories.

Boresha was awarded for the *Best Sacco Stand* in the larger North-Rift region during the Agricultural Society of Kenya (ASK) show held in Eldoret in March this year.

The Kenya Revenue Authority (KRA), the Government's statutory body that collects taxes, picked the society for *The Best Tax Payer - Domestic and Excise Award* at the same time. The SACCO was voted the best among many other players on the Savers Category by KUSCCO while SASRA ranked the society at position 18 out of 215 licensed Deposit-Taking SACCOs.

16.0 Corporate Social Responsibility (CSR)

The SACCO registered Boresha Community Foundation (Limited by Guarantee) for greater impact in the Community through Corporate Social Responsibility.

The foundation is a channel through which the SACCO and Partners can organize volunteers to address emerging needy cases within the Community. We have sponsored needy bright students to Universities and rewarded best performers, both Students and Teachers.

The Foundation is dedicated towards giving back to the society. In its corporate citizenry responsibilities, the SACCO has sponsored needy bright students to universities and rewarded best performers in the Education Sector in particular students and teachers. Through the foundation, we are determined to extend its support to reach out to many needy cases in the regions it has made presence in the near future.

17.0 Conclusion

Boresha SACCO is now on strategic repositioning due to emerging needs of Members. Apart from serving salaried Members, we are focused on the promotion and marketing of agri-business through value-addition in crops such as coffee, cotton, pyrethrum, groundnuts, macadamia and horticultural produce in Partnership with the Government and non-Governmental agencies. The economic impact by the SACCO at the local level is unquestionable. Life has been made better in affirmation to its good name - 'Boresha' To 'Make Better or Improve lives'.

The SACCO is also keen to finance modern methods of Dairy farming, Bee-keeping, and poultry farming in partnership with farmers in its desire to deliver economic empowerment within its area of coverage and to further turn around lives of Members.