



## NASFUND CONTRIBUTORS SAVINGS & LOANS SOCIETY MINUTES OF BOARD MEETING NO.13 OF 2008

**DATE** : Friday 28<sup>th</sup> March 2008  
**TIME** : 2:00 pm  
**VENUE** : NASFUND Board Room

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### 1. MEETING OPENED

The Chairman Mr. Ian Tarutia opened the meeting at 2:07pm

#### 1.1 Members Present:

: Ian Tarutia : Chairman  
: Michael Manning : Director  
: William Lamur : Director  
: Ellenor Iutiko : Director

#### 1.2 Apologies:

: Reginald Monagi : Director

#### 1.3 Absentees:

: Nil

#### 1.4 Attending:

: Erastus Kamburi : Company Secretary  
: Richard Kuna : Auditor KPMG  
: Dilly Tarua : Manager NCSL

### 2. RESIGNATION OF REGINALD MONAGI

Chairman informed the Directors that Reginald Monagi had received overseas posting (New Zealand). Details will be confirmed when the formal resignation is received.

### 3. DISCLOSURE OF CONFLICT OF INTEREST

Nil

### 4. MINUTES OF 12<sup>th</sup> MEETING OF 5<sup>th</sup> DECEMBER 2007.

4.1 It was resolved to accept the Minutes as presented.

Moved by William Lamur. Seconded by Ellenor Iutiko. All in favour

### 5. MATTERS ARISING FROM THE MINUTES.

5.1 Item 6.4.2 – Travel Express

The Chairman advised the Directors that the involvement of NCSL with Travel Express has been held in abeyance.

### 6. NCSL 2007 ANNUAL ACCOUNTS

6.1 The Chairman tabled the 2007 NCSL Annual Accounts and invited the NCSL Manager who gave an abridged version of the highlights for 2007 as follows:-

- (a) Net profit of K5.154 million before reserving
- (b) Total of 16,495 loans processed totaling K10.26 million
- (c) Gross asset of K35.75 million
- (d) Net Asset value of K5.785 million

- (e) Total Membership of 30,310.
- (f) Roll out of EFTPOS Facility for BSP, ANZ and Westpac account holders in branch offices.

6.2 The Chairman invited Richard Kuna of KPMG (Auditor) to take the Board through the accounts and the following abridged version of the accounts was given:-

- (a) Loans to members has increased from K5,917,223 to K9,034,618 and investments has also increased giving total gross assets from K24,427,809 in 2006 to K35,750,398.
- (b) Total liabilities have increased from K23,533,880 in 2006 to K29,964,743 in 2007.
- (c) Net asset has increased from K893,929 in 2006 to K5,785,654 in 2007.
- (d) Aon Administration expenses has increased slightly because of the increase in membership despite the fees been static.
- (e) General Reserves increased from less than 2% of K314,198 in 2006 to K2,996,475 in 2007 attaining the statutory reserve limit of 10% of total liabilities.

6.3 The Chairman informed the Board that the general reserve fund is retained in an IBD account. The Board requested that a specific Reserve Account should be opened and the funds quarantined and maintained specifically for use as reserves.

6.4 The Board **resolved** to:-

- **Establish a General Reserve Account where general reserve funds will be retained and quarantined specifically for use as Reserves.**

Moved by Mike Manning. Seconded by William Lamur. All in favour

6.5 The Board **resolved** to:-

- **Ratify and adopt the NCSL 2007 Annual Accounts as presented.**

Moved by Ian Tarutia. Seconded by William Lamur. All in favour

## 7. CREDITING RATE

7.1 The Chairman advised the Board of the following:-

- (a) 2007 has been exceptional year with a net profit of K5,154,914 attributed to the performance of New Britain Palm Oil, BSP and Credit Corporation
- (b) Over 2007 the Society paid K12,806 in interim interest
- (c) Statutory requirement for at least 20% of net earnings are to be set for payment into General Reserves and that General Reserves must not exceed 10% of total liability. Total liability is K29,964,743.
- (d) Interest in excess of 7% is not allowed
- (e) From 2007 net profit NCSL is able to fulfill the 10% of total liability level and be able to pay up to a maximum of 7% in interest.

7.2 The Management recommends interest distribution of 6% to member accounts for 2007 year.

7.3 The Board **resolved** to:-

- **Approve the Crediting Rate of 6% to NCSL members for 2007 year.**

Moved by William Lamur. Seconded by Ellenor Iutiko. All in favour

## 8. RATIFY CIRCULAR RESOLUTIONS

8.1 The Chairman advised that the Board had approved a number of transactions via Circular Resolutions and as a matter of formality Management seeks ratification of those circular resolutions:-

### (a) Purchase of Motor Vehicle

The Board resolved to:-

- **Ratify the approval for Management to purchase a motor vehicle for NCSL to the maximum value of K30,000-00.**

Moved by William Lamur. Seconded by Ellenor Iutiko . All in favour.

### (b) Sale of New Britain Palm Oil Shares

The Board resolved to:-

- **Ratify the decision to sell 100,000 New Britain Palm Oil shares at K31-00**

Moved by William Lamur. Seconded by Ellenor Iutiko . All in favour.

### (c) Investment in Metal Storm Convertible Notes

The Board resolved to:-

- **Ratify the decision to invest K500,000-00 in Metal Storm Convertible Notes for 6 months at 9%.**

Moved by William Lamur. Seconded by Ellenor Iutiko . All in favour.

## 9. ANY OTHER BUSINESS

Nil

## 10. CLOSE OF MEETING

There been no further matters the Chairman closed the Meeting at 2:50 pm.

**SIGNED AS A TRUE AND CORRECT  
RECORD OF THE MEETING:**

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Ian Tarutia  
**CHAIRMAN**

.....  
Erastus B. Kamburi  
**SECRETARY**