



NASFUND CONTRIBUTORS SAVINGS & LOANS SOCIETY MINUTES OF BOARD MEETING NO.18 OF 19/02/10.

DATE : Friday 19th February 2010
TIME : 11.00 am
VENUE : Employers Federation Board Room

Members Present:

: Ian Tarutia : Chairman
: William Lamur : Director
: Hulala Tokome : Director
: Melchior Togolo : Director

Apologies:

: Ellenor Iutiko : Director

Attending:

: Bill Kondolo : General Manager
: Lazarus Taim : NASFUND Accountant
: Seno Wekina : Legal Officer

1. MEETING OPENED

The Chairman Mr. Ian Tarutia opened the Meeting at 12.20 pm.

Apologies were noted as having been received from Ms. Iutiko.

2. DISCLOSURE OF CONFLICT OF INTEREST

Nil.

3. MINUTES OF 17th MEETING OF 13th NOVEMBER 2009.

The Minutes of the 17th Meeting of the Board held on 13 November 2009 were tabled for the Boards approval.

RESOLVED: That the minutes of the meeting of 13 November 2009 are hereby accepted as presented.

Moved: William Lamur

Seconded: Mel Togolo

All in favour.

4. MATTERS ARISING FROM THE MINIUTES.

NIL

5. GENERAL MANAGERS REPORT:

The Chairman invited Mr. Kondolo to present the General Managers Report.

Prior to proceeding with the General Managers report, Mr. Lazarus Taim was invited to brief the Board on the status of unreconciled contributions, administration accounts and unallocated funds.

It was reported that a team of NCSL staff had been isolated in the NASFUND Board Room with the specific task of bringing the unallocated funds up to date under the supervision of Mr. Taim and Mr. Charlie Gilichibi.

Significant progress had been achieved with the reduction of unallocated payments from in excess of a schedule of 200 pages down to 7 pages. Work was ongoing to reduce the level to zero pages.

It was reported that member account balances should now be reflective of the date of last receipt of contributions.

The Board noted the presentation and commended Mr. Taim on the all round effort of him and his team.

The General Manager proceeded with the monthly report highlighting the following for the boards' consideration:

- interest from Loans was significantly higher than budget due to an increase in demand for loans and an increase in the loan portfolio;
- total income for 2009 was K3, 723, 667.00 with total expenses reported at K1, 774, 451.00;
- operating profit was reported at K1, 949, 216.00 with a total net profit of K883, 216.00;
- net assets were K6, 305, 089.00 with members savings amounting to K43, 455, 788.00.

It was also reported that turn around time for the processing of loans had been reduced from 2 weeks to 5 days with ongoing efforts to further reduce the number of days to between 1 and 3.

In terms of delinquencies, since joining the credit bureau, the number had been reduced and of significance also was the reduction in the joining fee from K20, 000.00 to K11, 000.00.

Staffing for branches was also an issue with immediate requirements of 6 branch officers to alleviate the load on NASFUND staff with respect to NCSL activities. Appointments of staff in 6 branch offices would be made by the General Manager in due course in consultation with NASFUND Management.

A copy of the Monthly Budget was tabled before the Board for its information.

RESOLVED: That the General Managers Report is hereby noted as presented.

Moved: Melchior Togolo.

Seconded: William Lamur.

All in favour.

6. INTERNAL AUDIT.

It was reported that the issues raised by the Compliance Officer had been taken on Board by management and that queries raised were being attended to.

The Board took note of the comprehensive response to the queries as presented.

RESOLVED: That the report on the Internal Compliance Audit is noted with responses to the queries raised as ongoing.

7. 2009 EXTERNAL AUDIT.

The General Manager reported that the external Audit for 2009 had commenced with management working closely with the Auditors to finalise the audit. Anticipated completion was within a period of two weeks.

The Board **NOTED** the 2009 External Audit as having been commenced and the anticipated time of completion of 2 weeks.

8. ANNUAL REPORT 2009.

The General Manager tabled a draft template of the Annual Report and informed the Board that preparations were ongoing to present a final draft for approval by the Board.

The Board **NOTED** the draft Annual Report as tabled, pending formal presentation of a finalized report for approval.

9. ANY OTHER BUSINESS

9.1 Interest on Member Deposits.

Director Tokome queried whether annual interest was credited to members in the same manner as superannuation.

The Chairman informed that in accordance with the Savings & Loan Act the maximum allowable interest was 7% per annum and this was calculated on the audited figures for the year. Superannuation interest was separate from interest for savings & loan accounts.

10. Next Meeting Date:

It was noted the Chairman would inform the board of the next meeting date which would take place tentatively in the second week of March after the audit was completed.

11. CLOSE OF MEETING.

There being no further business the Chairman closed the meeting at 1.13 pm.

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

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Ian Tarutia
CHAIRMAN