

**WANANDEGE HOUSING CO-OPERATIVE SOCIETY LTD.**

**MINUTES FOR THE 10<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON 30<sup>TH</sup> APRIL 2016 AT THE KQ PRIDE CENTRE.**

**MEMBERS PRESENT**

Eric Mbugua-	Chairman
Nelly Konchellah-	V/Chairlady
Benjamin Wagude-	Secretary
Abraham Maloba-	Treasurer
Stephen Kibuna-	CMC Member
Grace Wambugu-	CMC Member (co-opted)
Caroline Ouma-	CMC Member (co-opted)
Florence Akwera –	Secretary Supervisory
Josphat Chege-	Member Supervisory

**IN ATTENDANCE**

Salesio Njeru-	CEO
Rose Gitaru-	DCO
Charles Mureithi-	DCO
George Itotia Nganga-	Auditor Kreston

List of Attendees.

The Master of Ceremony Mr. Stephen Kibuna called the meeting to order at 11.50am. He invited Nelly Konchellah to open with a word of prayer. Stephen Kibuna then invited Abraham Maloba to give us the KQ safety brief and then later invited the Secretary, Benjamin Wagude to read the Notice convening the meeting.

**AGENDA 01/04/16; TO READ NOTICE CONVENING THE MEETING AND DETERMINE IF A QUORUM IS PRESENT.**

The Secretary read the Notice for the meeting and the Chairman confirmed that the quorum was enough to start the meeting as per the by-laws of the Society.

Proposer; Norbert Gongolo S/No.7954

Seconder; Antony Mbugua-S/no.1003

The Chairman then introduced his Board, the CEO, Staff and the invited Guests.

### **AGENDA 02/04/16; CHAIRMAN'S REPORT**

The Chairman presented his report and it was adopted.

Proposer; Moses Nyakweya S/no.H370

Seconder; Stephen Nyamota S/no.7992

See attached Chairman's report.

### **Matters arising**

- George Okoth S/no.1748 asked the Chairman to be more inclusive of all members regardless of their functions and asked why the Board co-opted two members yet they were 5 existing members in the Board as per the minimum number required by the law. He also brought out the issue of liquidity and asked the Board through the Chairman to look beyond the Common bond (Kenya–Airways Members) so as to get more members to raise cash for projects .The DCO Rose Gitaru said she will respond on the co-option issue during election time.
- George Okoth S/no.1748 asked why the Kisaju 1 project was again highlighted in the Chairman's report yet it was already dealt with in the inquiry report. The Chairman said many plot owners were asking the CEO and Staff about it so he had to bring it out the whole project analysis and loss it will make. The Chairman said it will be important also to remove the limit on the maximum number of shares one can have and suggest to pass the recommendation in the by-law amendment proposal.

### **AGENDA 03/04/16; ADDRESS BY NAIROBI COUNTY CO-OPERATIVE COMMISSIONER**

- Mrs. Rose Gitaru gave apologies from Mrs.Aremo, the Nairobi County Co-operative Commissioner and read the speech on her behalf. She highlighted the issues below;
- Asked members to attend AGM to give ideas for helping CMC AND Staff of the Society make better returns of investments once these ideas are implemented for the current year.
- Asked for unity of purpose from members, Board members, Staff and urged them to be good ambassadors of their co-operative Society.
- Recommended the Management and Staff for good results post for the previous year, fast processing of plot Titles and manage strategic plan.
- Urged members to read information posted on the website, to patronize products of the society and choose leaders of integrity while avoiding politics .She urged candidates who were vying to be people of integrity be honest and transparent with members money.
- She urged all members to keep time to attend meetings so that the members arrive 5 minutes to start of the meeting at 0830 am or they propose a later time so as to start and end on time.

**AGENDA 04/04/16; ADOPTION AND CONFIRMATION OF SPECIAL GENERAL MEETING HELD ON 1<sup>ST</sup> AUGUST 2015.**

- The secretary read the minutes and they were adopted.

Proposer: George Okoth S/no.C1748

Secunder; Japheth Away S/no. 00342.

**Matters arising from the minutes**

- Aloice lumutu S/no.C1974 sought clarification that George Okumu S/no. 5609 was not the one who proposed the ratification of expelling Antony Yongo from the Board ,but he was the one who proposed him to stay.
- The secretary apologized and will rectify the records.

**AGENDA 05/04/16; RECEIVE AND ADOPT THE AUDITED FINANCIAL STATEMENTS FOR YEAR-END 31<sup>ST</sup> DECEMBER 2015 AND THE AUDITORS REPORT FOR THE SAME PERIOD.**

- The Auditors presented the Audited Financial statements and read his report which was adopted.

Proposer; Chadwick Wekesa S/no. C3267

Secunder; John Kamundia S/no.06767

**Matters arising from the Auditors report**

- Norbert Gongolo S/no. 07954 asked what the deferred expenses are and why they have reached 52 million .The Auditor said these were interests from loans and expenses related to Kisaju project for the last 4 years.
- Aloice lumutu S/no. C1974 sought clarification on whether the deferred expenses were a provision for loss or write off. The CEO answered that they were being treated as an asset and if cannot be recovered it will be written off over a period of Ten Years.
- George Okoth S/no. C1748 insisted that the issue of deferred expenses must be tackled and asked the auditor to give his independent opinion .The Auditor said he gave his opinion that they be written off if we cannot collect them.
- Patrick Odour S/no. F0089 asked what will be the true picture if we go for write off. The Auditor said it will result into a major loss. The Chairman also said the deferred expenses have been in our books for the last four years and have not been amended in any way this Year.
- George Okoth S/no.C1748 and Antony Yongo S/no.C1966 both brought out the issue of lack of trust in his word /report while Yongo asked if the amounts are completely unrecoverable. The Auditor said that the amounts have been here since 2014 his duty was to give an opinion but not prepare the financial statements.
- Stephen Nyamota S/no. 07992 sought the opinion of Auditor on the deferred expenses .The Auditor said the impact of deferred expense being written off completely was a loss and writing it off gradually was not possible.

**AGENDA 06/04/16; TO CONSIDER AND APPROVE DISPOSAL OF SURPLUS FOR YEAR 2015 AS WELL AS HONORARIA FOR BOARD AND STAFF.**

- The chairman tabled the proposed dividend of 8% for the year 2015.

Proposer: Watson Gitemi S/no.08827

Seconder: David Kiyeng S/no.05557

- The dividend proposal was approved by AGM.
- The Chairman tabled proposal of paying kes 600,000 as honoraria/Bonus for Board and Staff

Proposer: Norbert Gongolo s/no.07954

Seconder: George Okoth S/no.C1748

- The payment of Honoraria was approved by the AGM.

**AGENDA 07/04/16; TO RECEIVE AND APPROVE THE SUPPLEMENTARY BUDGET FOR YEAR 2016 AND THE PROPOSED BUDGET FOR YEAR 2017.**

- The CEO presented both Budgets to the AGM and were adopted.

Proposer: Aloice Lumutu S/no.01974

Seconder: Victor Moturi S/no.C3443.

**Matters Arising**

- George Okoth S/no. C1748 asked why the office is purchasing another UPS yet there is one. The CEO clarified that they need a new bigger one for the new system as well as for the computers to be bought.
- Patrick Odour S/no. F0089 brought out the proposed construction of Embakasi yet we are not sure if we win the Court case.
- The CEO said the provision of Budget was done for Year 2017 and not for 2016. If the Society loses the case we will revisit the issue and bring it to the entire members to decide.
- Joseph Oyuga S/no. C3746 asked why the society's management has not provided for job evaluation and job structure as raised by government inquiry report, in the proposed budget. He also asked why purchase of a DVD player for kes 12,000 shillings yet we can get 4 each from the supermarket. The CEO said they had to do a pre-qualification of the service providers of job evaluation which was done last month (March-16).
- On the DVD Player, procurement law had to be followed which means we cannot buy it directly.
- Norbert Gongolo S/no. 07954 asked why we should purchase paper shredders at kes 8,000 while Funny Mwaka S/no. 08471 questioned why purchase 3 instead of only 1 or we go paperless.
- The budget was approved with amendments.

Proposer: Fanny Mwaka S/no.08471

Seconder; Mathew Mutunga S/no. C2297

**AGENDA 09/04/16; TO RECEIVE AND ADOPT THE SUPERVISORY COMMITTEE REPORT.**

- The report was read by Florence Akwera and was adopted.

Proposer; Joshua Musee S/no. AV012

Seconder; Francis Kamau S/no.H0197

**Matters arising**

- Joseph Oguya S/no. C3746 asked what are the recommendations for repaying interest of Kisaju 1 and when will the issue of competence of CMC be looked into as advised by the Government inquiry report.
- The Supervisory secretary said she had given some recommendations i.e interest rates for individual plot owners to be reviewed upwards.
- Patrick Odour S/no. F0089 asked why CMC has not been advised to re-evaluate the prices for Kisaju 1 upwards. The Secretary said the sale agreements were signed but they can explore the idea with plot owners.
- Samwel Kimori S/no.C3284 asked if the number of dormant members is increasingly more than active members, then why did the marketing budget short up to kes 4.8 million. The secretary clarified that after a member reaches the maximum of kes 150,000 they stop the contributions and others choose to activate the Pepea deposit Account. This was the reason of removing the Cap of maximum shares of 150 shares of kes 1,000 each.
- On the issue of marketing expenses, we need to market outside KQ to get more members to market our products.

**AGENDA 10/04/16; TO APPROVE THE PROPOSED AMENDMENTS OF THE BY-LAWS.**

- The proposed amendment were partially tabled till clause (vii) on definition of shares where several members objected to the change of the maximum to minimum and they floated other options of either increasing share capital gradually from 150,000 to kes 200,000 which others objected to.
- Others were for the idea of reducing Share capital to kes 50,000 and the balance of kes 100,000 be refundable. After lot of debate the Chairman called for the Change /amendments to be done in the next AGM and it was unanimously agreed that the status quo remain of the by -laws as is it.

**AGENDA 11/04/16; TO FIX MAXIMUM BORROWING POWERS.**

- Aloice Lumutu S/no.C1974 proposed to reduce it to half a billion kes but Watson Gitemi S/no. 08827 objected. The maximum borrowing power remained at kes 1 billion.

Proposer; Norbert Gongolo S/no.

Seconder; John Kamundia S/no.

## AGENDA 12/04/16; TO APPOINT SOCIETY AUDITORS FOR THE YEAR 2016

- Aloice Lumutu S/no.C1974 and George Okoth S/no.C1748 objected to the proposal that the current Auditor Kreston to continue as they varied their quotation for the last kes 67,000 to kes 243,000 the debate was now open for the other various firms and most were Ngige and partners who quoted kes 70,000.

Proposer: Julius Mutiso S/no.7949

Seconder: Stephen Odhiambo S/no.C1709

- It was approved by the members that Ngige and partners were appointed to conduct the Audit of the Society Finances for the year 2016.

## AGENDA 13/04/16; ELECTIONS OF RETIRING OFFICIALS

The DCO declared 6 positions vacant including that of Chairman, Eric Mbugua and the Vice lady Nelly Konchella as well as for the Co-opted members Grace Wambugu and Caroline Ouma. He called for all those who wished to vie for positions in the Central Management Committee to present themselves before members and below were duly nominated

	NAME	S/NO.	PROPOSER/SECONDER
1	Patrick Odour	F0089	Proposer: Antony Yongo S/no. C1966 Seconder: Aloice Lumutu S/no. C1974
2	Grace Wambugu	07245	Proposer: Zacharia Odeya S/no. k0042 Seconder: John Ngare S/no. C1974
3	Nelly Konchellah	04953	Proposer: David Kiyeng S/no.05557 Seconder: George Okoth s/no.C1748
4	Eric Mbugua	07422	Proposer: Kahindi Kombe S/no.H0119 Seconder: Jonas Oleshampe S/no.C1565
5	Christine Chege	07817	Proposer: Elizabeth Wanja S/no.K0046 Seconder: Simon Sang S/no.00093
6	Caroline Ouma	00167	Proposer: Pamellah Walinywa S/no.06349 Seconder: Chadwick Wekesa S/no.C3267
7	Fanny Mwaka	08471	Proposer: Norbert Gongolo S/no.07954 Seconder: Rose Yeko S/no.08050
8	Jared Momanyi	08152	Proposer: Francis Nyakoni S/no.08154 Seconder: Mathew Mutunga S/no.C2297
9	Joshua Musee	AV012	Proposer: Japheth Away S/no.00342

			Seconders: Victor Moturi S/no.C3443
10	Josca Ogolla	KC252	Proposer: Joseph Oyuga S/no.C3746 Seconders: Boniface Nyongesa S/no.H0466

The CEO confirmed that each member had attained the maximum shares of kes 150. The candidates left the room and the members voted by a show of hands.

The vote tally was as follows

NAME	S/NO	NO. OF VOTES
Patrick Odour	F0089	17 Votes
Grace Wambugu	07245	46 Votes
Nelly Konchellah	04953	57 Votes
Eric Mbugua	07422	51 Votes
Christine Chege	07817	45 Votes
Caroline Ouma	00167	46 Votes
Jared Momanyi	08152	17 Votes
Fanny Mwaka	08471	19 Votes
Joshua Musee	AV012	41 Votes
Josca Ogolla	KC252	10 Votes

The following were confirmed as duly elected

NAME	S/NO.
Grace Wambugu	07245
Nelly Konchellah	04953
Eric Mbugua	07422
Christine Chege	07817
Caroline Ouma	00167
Joshua Musee	AV012

## **SUPERVISORY COMMITTEE ELECTIONS**

Two positions were declared vacant and the following candidates presented themselves for the elections.

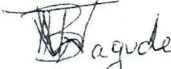
NAME	S/NO.	PROPOSER/SECONDER
Florence Akwera	C3384	Proposer: Norbert Gongolo Seconders: David Kiyeng
Chadwick Wekesa	C3267	Proposer: George Akoth Seconders: Japheth Aywa

The Candidates were elected unopposed.

There being no any other business the master of ceremony called Abraham Maloba to give a vote of thanks.


Maloba thanked the management of KQ pride center, the Government officials and to all for coming and participating in the meeting. He congratulated all the newly elected officials.

Compiled by.

  
Benjamin Wagude.

SECRETARY.

Confirmed by.

  
Eric Mbugua.  
For. CHAIRMAN.