

**RELISA HOUSING CO-OPERATIVE SOCIETY LIMITED**  
**CHAIRMAN'S REPORT TO THE 20<sup>TH</sup> ANNUAL GENERAL**  
**MEETING TO BE HELD ON THE 27<sup>th</sup> APRIL, 2018**  
**AT SIX EIGHTY (680) HOTEL, NAIROBI.**

The Guest of Honour,  
Distinguished Guests,  
Fellow Delegates,  
Ladies and Gentlemen.

May it please all of you to want to allow me on behalf of the Management Committee and the entire fraternity of Relisa Housing Co-Operative Society Limited to welcome you to our 20<sup>th</sup> Annual Delegates Meeting.

I am greatly pleased to be in your midst yet again to present the Society's Report together with the Audited Financial Statements for the year ended 31<sup>st</sup> December, 2017.

The Chief Guest, I wish to acknowledge the fact that it is indeed both a great honour and privilege for this convention to be graced by your presence and especially at this moment when you have a very tight schedule when the Cooperative Societies countrywide are making all the efforts to have their meetings take place within the stipulated timetable.

The Honoured Guest, having said that, it would now be quite appropriate at this juncture for the convention to take note of the following points:-

**1. a) MEMBERSHIP:**

The strength of our membership has continued to slightly vary as had been anticipated following the internal sales and purchases by the Shareholders themselves and also the constant updating that take place following the Data Analysis particularly during the time of the Dividends payments.

As of now we have 12,179 Shareholders. This is still bound to vary further. The Board will be constantly kept apprised as such variations take effect.

**b) SHARE CAPITAL:**

Our Ordinary Share Capital stands at **Kes. 19,809,660/=** since inception.

**2. TITLE DEED AND REGISTRATION CERTIFICATE:**

These very valuable objects of the Society are deposited in a Rented Bank Safe held with the Cooperative Bank of Kenya who are our appointed Bankers at their Upper Hill Premises. However, it is important to clarify that from time to time as the need to borrow some approved funds from the said Bank arises, the Title Deed is normally used as a Collateral and remains charged and kept at the Bank's Head Office. Sooner that the granted loan is fully liquidated, the said Title Deed gets discharged and returned to the Rented Bank Safe.

**3. LAND RATES/RENTS:**

The usual procedure always is that the Rates and Rents applicable should be commensurate with the value of the property as entered in its books.

We have always endeavoured that payments in this respect are made as stipulated by the relevant authorities so as to ensure the safety of the property.

**4. INCOME AND EXPENDITURE:**

**a) Income:**

In the year under review which commenced on 1<sup>st</sup> January 01 2017 and ended on 31<sup>st</sup> December, 2017, the Total Revenue earned was

**Kes. 21,366,885** compared to **Kes, 20,678,031** earned in the previous year thus causing a slight increment of **3%** - **Kes. 688,854**. This increment is attributed to Annual Rental Increments.

**b) Administration Expenses:**

Our Administration expenses increased by **4%**- **Kes. 180,980** from **Kes. 4,639,529** in the year 2016 to **Kes. 4,820,509** which is due to up-ward adjustments in the contracted services which are Cleaning and Security.

**c) Governance Expenses:**

Our Governance expenses reduced by **5%** - **Kes. 306,007** from **Kes. 6,645,476** in the year 2016 to **Kes. 6,339,469** in the current year 2017.

The Board is still pursuing ways of cutting down on Governance expenditures if not maintaining it at the same level.

**d) Depreciation:**

The charge for the year has increased by **31%** - **Kes. 51,450** i.e. from **Kes. 164,813** in the year 2016 to **Kes. 216,263** in the current year under review due to additional capital expenditure on Fixtures and Fittings.

However, while looking at the Audited Accounts and Report in its entirety, you will appreciate that we registered an impressive performance and still maintained a much improved revenue earning despite the many economic challenges that prevailed then and even currently.

I want to still state that the prudent Realty management which is firmly in place and which has seen us this far in our performance will not only be maintained but will also be further improved.

Our capacity during the year under review remained at 70 Units whose occupancy continues to fluctuate from time to time depending on the economic status of every individual tenant.

A list of tenants in respect of this information is availed separately. The finer details pertaining to both the Income and Expenditure will be obtained from the Audit Report.

## **5. DIVIDENDS:**

I still want to reiterate that as regards the future payments of Dividends, the decision will continue to remain within the province of the Board of Delegates and of course will also always have to be determined by the realized **NET SURPLUS**.

After obtaining the Board's authority today, the Management Committee will then put in place suitable modalities with a view to effecting the dividends payments by mid-October, 2018.

I want to yet once again strongly urge all the delegates here present and particularly those who will be charged with the responsibilities of payments of dividends to ensure that there are no double payments and also that sooner that the payments have been done, returns are made and filed with the office in good time so as to enable further recoupments to be done without undue delay. This will go a long way in ensuring proper accountability and also smooth operations at the grassroots level.

## **6. HONORARIA:**

Fellow Delegates, as we prepare to pay Dividends to members to the tune of **Kes. 5,000,000** you would wish to acknowledge that this is a clear indication of the sense of dedication, diligence and total commitment to the call of duty by both the Management and Supervisory Committees.

A provision therefore of **Kes. 300,000/=** has been made for payments as Honoraria to the officials for the services rendered in the year under review, if approved by this Board.

## **7. EDUCATION:**

Education being a very vital component for both the enlightenment of the general membership and the development of the Society, much importance is being attached to it and is being conducted for both our Members and Delegates equally.

## **8. VALUE OF THE PROPERTY:**

The policy in place requires that properties such as ours be valued every five years. This being the case, our current value of the Building and Land is **Kes. 210 Million** i.e. Building Kes. 140million and Land **Kes. 70million** as per the last valuation of the property which was done in the month of December, 2015.

We have a Premium Cover in place with the Co-operative Insurance Company in case of any calamity that may befall the property.

## **9. NOMINATION:**

I am most pleased that this very vital issue is continuing to yield very good results following the emphasis being made on it during the Education programmes. I want to yet again request all the delegates here present to ensure that the Shareholders within our areas of jurisdiction obtain Nominations Forms, name their nominees and return the same to the Head Office in good time for appropriate action.

This will not only take care of the inheritance of the shares but will also ensure continuity of the affairs of the Society.

## **10. SHARE/BONUS SHARE CERTIFICATES:**

I wish to restate that the issuance of both the Share and Bonus Share Certificates will remain an ongoing process as it equally affects the Nominees.

However, we have since covered a huge number.

## **11. GROUP PERSONAL ACCIDENT/LAST RESPECT COVERS:**

In recognition of the risks that the delegates are faced with in rendering service to our general membership across the country and which also involve a lot of travelling, I am pleased to report that the Management Committee still found it appropriate to want to accord its blessings for the renewal of the Group Personal Accident and Last Respect Covers. The same is now effectively in place. This arrangement has gone a long way in according the delegates a lot of peace in the course of their duties.

## **12. NACHU AND CIC MEMBERSHIP:**

I am pleased to inform the Board that we still as an entity have a shareholding worth **Kes. 310,000/=** with NACHU which is our Apex Organisation within the Housing Sector.

Should our financial position get more sound in the near future, we will increase the shareholding in line with the Management Committee's resolution so that we accumulate more shares that would eventually enable us borrow from NACHU for future development of the Society as per the current Strategic Plan in place.

The Board will be appraised on the same sooner this will have been implemented.

We have a good number of NACHU Shareholders drawn from our Management and Supervisory Committees and also from the Staff

and General membership in their individual capacities and who have been able to obtain School Fees and Development Loans from time to time.

I want to yet again very humbly plead with the Delegates to positively consider becoming NACHU Shareholders so that together we may improve our Socio-Economic Status.

**13. UNPAID DIVIDENDS, BOMB BLAST COMPENSATION AND MONEY OWED TO RELISA BY RELI SACCO:**

In the last meeting I did inform the Board that this matter which has been pending for quite some time was before a forum which is better placed to address it to a logical conclusion I wish to state that the status quo still remains. This being the case I want to still make a humble plea to the Board that I be allowed to liaise with the Officer handling the matter after this Convention.

Thank you for the indulgence.

**14. MANPOWER UTILISATION:**

In line with our current Core Business of Real Estate Management and also in consideration of the size of our Organisation, we still have Three enlisted members of staff in the positions of the House Manager and Two Office Assistants on renewable contractual terms.

I cannot still fail to mention that the Executive Committee continued to accord their unreserved support to the Society without which the Society cannot effectively operate. I want to highly commend them for the same.

**15. ELECTIONS BY ROTATIONS:**

In order to conform with the directives as per the set Rules governing Elections, Three members of the Central Management Committee and One member of the Supervisory Committee have

their three year term ending today but they are eligible for re-election.

I want to wish those facing elections All the Best.

#### **16. BEREAVEMENT:**

In my capacity as the servant of this Board, I wish to formally report the Demise of MR. MANOAH SHIYAYI which occurred recently after a long illness bravely borne.

Mr. Shiyayi was one of the pioneer delegates from Nakuru and who served his branch with a lot of dedication.

The Society has lost a devoted, very committed, diligent and dedicated member whose humour will be greatly missed.

Be pleased to want to pray for the bereaved family so that The Almighty God may give them courage and strength so as to enable them face the future with confidence.

#### **17. STRATEGIC PLAN:**

In the recent past, the Commissioner for Cooperative development directed that the officials of the Society together with the officials from her office do embark on a Road Map that would revitalize the Society with a view to realizing sound returns for its members. This also entailed collecting the general membership's views on the ground in respect of the disposal of the property as was being suggested by some members.

The joint teams embarked on the exercise and held meetings at the following points:-

1. **Nairobi Main**
2. **Nairobi Workshops - Supplies**
3. **Karatina**

4. **Sultan Hamud**
5. **Naivasha**
6. **Nakuru**
7. **Eldoret**
8. **Bungoma**
9. **Luanda**
10. **Kisumu**
11. **Homa Bay**
12. **Siaya**
13. **Taveta**
14. **Voi**
15. **Mombasa**
16. **Kakamega**

At all the mentioned points it was resolved that the Building should not be sold save for Taveta where the shareholders stated otherwise and Nakuru where even the tally was not taken in that there was neither a proposer nor a seconder mentioned for and against the proposal.

#### **18. APPRECIATION AND THANKSGIVING:**

The Chief Guest,

May I now on behalf of the Central Management Committee and the Supervisory Committee, once again express our most sincere appreciation for the support, cooperation and advice that we had been privileged to enjoy as we partnered with you and your Officers in rendering services to our Shareholders during the period under review as we most hopefully look forward to the continuation of the same in future.

I cannot forget to mention of the Society's Attorneys for the wise and timely advice that they have always given even at a very short notice.

I also want to register our ample gratitudes with our Apex Organization, NACHU for being there for us at all the times of need.

I cannot forget to commend the Supervisory Committee members for their maturity and also for the manner in which they have continued to approach and handle their responsibilities at all given times. May they want to keep that spirit alive always.

I also want to appreciate all the Cooperative Officers who availed themselves for our recent grassroots conventions in respect of taking resolutions on the Society's progression.

I want to salute my fellow Executive Committee Members for their wise and timely counsel as I render services to the Society. May they be blessed richly for the same.

My ample gratitudes also go to all the Delegates for the good performance in line of service at their respective stations and also for the warm reception and emotional send off they accorded me and my team during the Grassroots Exercise.

I feel much blessed to be in the service of the Society with them.

My Thanksgiving goes to The Almighty God who has always been our guide, strength, comfort and the best companion ever, since the inception of Relisa.

Despite all the difficulties and frustrations, He has always firmly stood with us and accorded us all the favours that we need.

Let us be appreciative by serving with Thanksgiving to The Most High, Most Merciful and Most Gracious.

My Beloved, as I take this opportunity to very gladly invite you to settle down for the business of the day for the benefit of our most treasured Shareholders, I want to assure you of my utmost humility and obedience as I serve the Board.

Please do now allow me to resume my seat and proceed with the task at hand.

May The Almighty God Bless You and Your Families, Preserve, Protect and Watch Over You, Favour You with Good Health and Strength and also Provide Enough For You and Your Dependants.

**THANK YOU AND GOD BLESS OUR PRECIOUS RELISA AND OUR MOST BEAUTIFUL MOTHERLAND KENYA.**

**MICHAEL SANDE DALLAH**  
**NATIONAL CHAIRMAN**

**RELISA/AGM/2018**