



Date: 28th September 2021

Dear Member,

RE: COMMUNICATION FROM THE UNS SACCO BOARD CHAIRPERSON FOR Q2 2021

On behalf of the UNS SACCO Board, I want to thank you for continuing to have confidence in us and for your patronage to the SACCO.

The 2nd Quarter performance for the financial year 2021 is as follows:

1. Management Accounts: Q2 2021 Performance

- The surplus for **Q2 2021** reduced by 18.5% from that registered in Q2 2020 to **(UGX 212,336,386)** and this was mainly attributed to a 71% increase in non-interest expenses.
- Despite the reduction in profits, Interest income increased by 17% to **UGX 416,232,566.58** (from **356,710,890.02** of Q2 of 2020)
The interest paid out to you members was **UGX 134,148,784.69**, 0.25% below that awarded in the same quarter of 2020(Q2 2020 **UGX 134,482,837.07**)
 - Free Savings **UGX 90,526,935** and
 - Fixed deposits **UGX 43,621,850**
- Loan loss provisions reduced by **UGX 17,806,371** signifying an improvement in recoveries from delinquent loans.
- Non-interest expenditure increased by 71% from **UGX 116,860,512.37** registered in 2020 to **UGX 200,064,698.88** and this was majorly due to the pandemic lockdown that affected most activities in Q2 2020 especially the Annual General Meeting (AGM) and other operations. This was not the case in Q2 2021 as the office was fully operational for the bigger part of the quarter.
- The portfolio at risk (>30days) reduced further from 9% to 7% signifying a continued improvement in loan recovery. This has been attributed to the various measures put in place to ensure that members do not default on their loans.
- Total Assets increased by 16% to **UGX 14,571,295,221** and this was majorly due to an increase in the SACCO investment portfolio from **Ugx 222,800,000** to **Ugx 1,397,800,000**.
- Share Capital grew by 14% to **UGX 3,719,531,930** whereas member savings also grew by 13% to **UGX 9,100,967,951**.

Half year Performance

The year-to-date profit for 2021 is **UGX 395,294,224** representing 47% of the profit registered in the financial year 2020.

Interest income so far collected is **UGX 827,977,216**, 57% of the total interest income received in 2020 whereas interest expense paid out to members so far is **UGX 246,445,009** (54% of the total amount issued out for whole of 2020).

The SACCO is therefore currently on a positive trend and on course to register better performance than that of the financial year 2020.



2. Budget Performance Report

- Our SACCO's total receipts for the quarter were **UGX 5,995,072,237.37 (42% higher than the budgeted amount)**. This was majorly attributed to an increase in member deposits from an estimated UGX 769,605,962 to UGX 2,636,472,157. This has majorly been attributed to the return on member savings, up to 12% that is higher than the market (risk free rate) and the improved member confidence in the SACCO systems and operations.
- Total payments for the quarter were 13% lower than the budgeted amount at **UGX 4,087,396,496.43** and this was mainly due to a delay in the planned Kasanje activities that were not done due to the pandemic lockdown. Members also requested for less loans than we had budgeted.

3. **Defaulters' List:** As resolved at the 9th AGM that a list of loan defaulters shall be published quarterly with the Financials, attached are the loan defaulters as at 30/06/2021.

4. **Kasanje Project:** I take the pleasure to update you on the progress. The electricity extension exercise was completed. I urge the respective members to pick your land titles from the SACCO Office. Please contact the General Manager on 0772/0702 630842 or the Accounts Officer on 0774672634/0702750417 for issuance.

5. **Green Homes Nanziga Project:** I would like to inform you that the project is progressing well with only 31 Plots available as at 31/08/2021. All land titles were delivered, and Plot selection is ongoing. I also want to remind you that Plots of Land are still available at Green Homes Nanziga. If interested, please contact SACCO Management for more details.

6. **Obituary:** On a sad note, the SACCO lost three members as below;

Mr. James Rwakaari – WFP (R.I.P)
Irene Worassi Kakai – WFP (R.I.P)
Proscovia Ndawula – RSCE. (R.I.P)

I take this opportunity to thank the members for the commitment. Allow me also, to extend my gratitude to management for the hard work and their diligence. I hail the governance team for the commitment and the sacrifice given to the development of the SACCO. I appeal we continue with the same spirit to build our SACCO.

Please stay safe and observe the SOPs.

My Savings My Future

Dr. Kaggwa Mugagga
BOARD CHAIRPERSON
UNS SACCO