



# 2022

## HALF YEAR RESULTS

National Social Security Fund Staff Sacco LTD



### About the

The NSSF Staff Savings and Credit Co-operative Society Limited, (NSSF (U) Staff SACCO) was established on 13th November 2013.

It functions as an independent entity, registered by Ministry of trade and co-operatives reg: no;10478/rcs and licensed by the Uganda Micro Finance Regulatory Authority (UMRA). Our main objective is providing our members with savings, loans, and other related services earning competitive rates of interest and minimizing financial risks on such services.

### Our Vision:



To be the most customer centric Sacco in Uganda, making a difference in our member's lives.

### Our Mission:



To be an engaging financial partner in the personal development journey of our members, through innovative interventions that empower them to achieve their goals.

### Our Values:



#### Integrity

The Sacco upholds a high degree of honesty and moral principles in serving its members and other stakeholders.



#### Innovation

The SACCO commits to serve its members ensuring it's up to date with the current technologies, ensuring it remains relevant in members lives.



#### Member Centricity

The Sacco commits to continuous improvement of its member's experience.

### Our Products:



#### Savings Products:

- Regular Savings Account
- Target Savings Account
- Somesa Savings
- Real Estate
- Junior Savings



#### Loan Products:

- Standard Individual Loan
- Instant Loan
- Somesa Loan
- Quick Fix
- Real Estate Loan



# Chairman's Statement

**Stevens** Mwanje

**More details can be seen in the summarized financial statements.**

## Looking ahead, what our members should expect over the next 6 months?

As we continue to evolve and strengthen our position, I believe we will deliver on our promise of enhancing the value of offerings to all our stakeholders. As always promised our key emphasis is;

- Automation & Process Improvements (T.a.t of 1day loan processing).
- Product development - More products under way and we will present these to our members in our next AGM.
- Membership growth - Increase our membership to 95% of Staff fund.
- Review and improve the current Sacco business model through income stream diversifications and balance sheet growth.
- Membership trainings - Continue Partnering with FL for staff and Sacco members trainings.
- Strengthening our Governance through Improving the quality and skills of the Sacco Committee, Supervisory Committee & Sacco employees and finally implement and continually improve the Strategic Plan.



**We have continued to perform well and in line with our set objectives despite the challenging business environment.**



It is with great pleasure that I communicate to you the 2022 half year results of the Sacco's performance. The first half of 2022 was rather challenging given the tough macro-economic environment especially as the nation continues to battle the impact of the COVID-19 pandemic and the global economies. This is the second year of implementing the Sacco's three-year strategy. Which is anchored on three key pillars:



Grow the Sacco's asset base to UGX15 Bn by 2023.



Member centricity-Have a member satisfaction rating of 90%.



Improve operational excellence-TAT of 1day loans processing.

We have continued to perform well and in line with our set objectives despite the challenging business environment. The executive committee has been able to deliver on the set targets. The Executive committee comprises of different sub committees that include loans Committee Investments Committee, that have promoted effectiveness and efficiency. These committees meet regularly to ensure that the Sacco achieves its set strategic objectives. Current key challenges-Stabilization of the new system and Product launch of some products that were approved last year.

## Performance

Our asset Value as of June 2022, grew by

**26%**

from UGX **10.3billion** to UGX **12.8 billion**. This growth was mainly due to the investment returns earned and contributions received.

The investment returns where highly driven by the interest income on loans of about

**12%**

p.a, the returns from our short-term investments from the trust funds averagely between **11.4%** and **12.5%** and the Treasury bonds with an average yield rate of about 15.9%.

## Summarised Unaudited Financial Statements



For The Period Ended  
30th June 2022

Statement of Profit or Loss	Unaudited six months as at 30-Jun-2022 Shs'000'	Unaudited six months as at 30-Jun-2021 Shs'000'	Audited as at 31-Dec-2021 Shs'000'
Interest income	746,459	581,304	1,239,508
Less: interest expenses	(521,191)	(403,998)	(963,033)
<b>Net interest income</b>	<b>225,268</b>	<b>177,306</b>	<b>276,475</b>
Other income	41,405	59,579	53,698
<b>Total operating income</b>	<b>266,673</b>	<b>236,885</b>	<b>330,173</b>
Impairment losses	(4,950)	(17,794)	(35,588)
<b>Net operating income</b>	<b>261,722</b>	<b>219,091</b>	<b>294,586</b>
Administrative and operating expenses	(131,265)	(121,395)	(242,557)
<b>Profit before tax</b>	<b>130,457</b>	<b>97,696</b>	<b>52,028</b>
Tax	-	-	-
<b>Profit for the year</b>	<b>130,457</b>	<b>97,696</b>	<b>52,028</b>

Statement of Financial Position	Unaudited six months as at 30-Jun-2022 Shs'000'	Unaudited six months as at 30-Jun-2021 Shs'000'	Audited as at 31-Dec-2021 Shs'000'
<b>Assets</b>			
Cash and cash equivalents	64,360	94,609	159,780
Investment in Umbrella Trust Fund	2,042,542	2,259,913	1,902,276
Government securities - Treasury Bonds	728,456	208,696	729,741
Other receivables	22,411	29,362	13,094
Loans and advances	9,941,494	7,595,134	9,316,825
Intangible asset	24,707	3,257	14,414
Property and equipment	2,054	3,680	2,654
<b>Total assets</b>	<b>12,826,023</b>	<b>10,194,651</b>	<b>12,138,786</b>
<b>Equity</b>			
Members' shares	207,582	109,743	165,679
Reserves	96,838	40,017	67,729
Retained earnings	329,100	293,457	227,751
<b>Total equity</b>	<b>633,519</b>	<b>443,216</b>	<b>461,159</b>
<b>Liabilities</b>			
Members' savings	12,103,213	9,674,289	11,518,949
Other payables	89,290	77,146	158,677
<b>Total liabilities</b>	<b>12,192,504</b>	<b>9,751,435</b>	<b>11,677,626</b>
<b>Total equity and liabilities</b>	<b>12,826,023</b>	<b>10,194,651</b>	<b>12,138,786</b>

### Statement of Cash Flows

	Unaudited six months as at 30-Jun-2022 Shs'000'	Unaudited six months as at 30-Jun-2021 Shs'000'	Audited as at 31-Dec-2021 Shs'000'
Profit before tax	130,457	97,696	52,028
<b>Adjustments for:</b>			
Depreciation on property and equipment	600	600	1,200
Amortization of intangible Assets	814,152	814	1,628
Impairment losses	4,950	17,794	35,588
Prior year adjustments	-	(66,420)	25,822
<b>Changes in working capital:</b>			
<b>Net cash from operating activities</b>	<b>58,118</b>	<b>(49,106)</b>	<b>114,477</b>
<b>Net cash used in investing activities</b>	<b>(781,164)</b>	<b>(658,047)</b>	<b>(2,636,463)</b>
<b>Net cash generated from financing activities</b>	<b>626,167</b>	<b>638,389</b>	<b>2,520,838</b>
<b>Increase in cash and cash equivalents</b>	<b>(97,863)</b>	<b>(68,763)</b>	<b>(3,592)</b>
<b>Movement in cash and cash equivalents</b>			
At start of year	162,223	163,372	163,372
Increase	(97,863)	(68,763)	(3,592)
<b>At end of year</b>	<b>64,360</b>	<b>94,609</b>	<b>159,780</b>

### Statement of Changes in Equity

Notes	Unaudited six months as at 30-Jun-2022 Shs'000'	Unaudited six months as at 30-Jun-2021 Shs'000'	Audited as at 31-Dec-2021 Shs'000'
Balance b/f			
Members' shares	207,582	109,743	165,679
Share transfer fund	12,850	3,261	10,774
Statutory reserve	42,041	23,792	28,994
Revolving fund	17,997	8,872	11,473
Education fund	23,950	4,090	16,485
Retained earnings	329,100	293,456	227,751
<b>Balance as at 30th June</b>	<b>633,519</b>	<b>443,214</b>	<b>461,156</b>



# Treasurer's Statement

**Marvin** Galiwango

This overview depicts the performance of the half year 2022 as compared to 2021. It focuses on the statement of financial performance and statement of financial position. Key positives during the year so far include but not limited to.

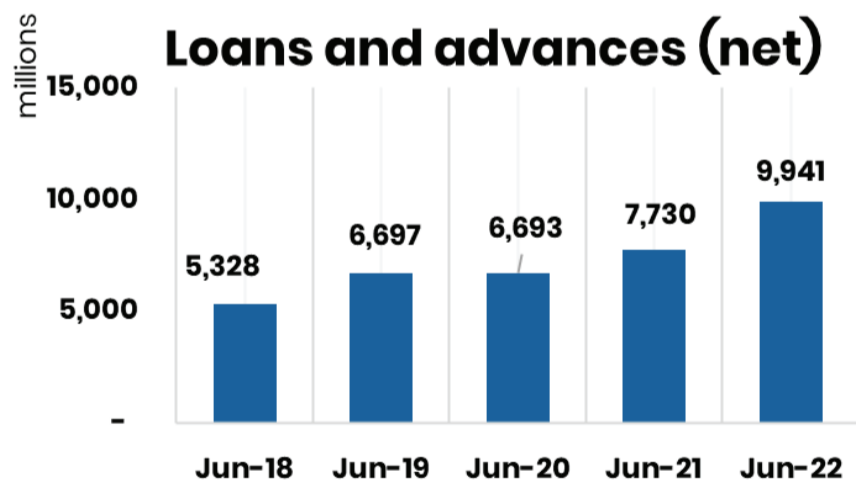
- Income diversification -Investing in bonds, fixed deposits, Unit trust hence increased income by 28% from last year around the same time, Share capital growth (89% growth),
- Balance sheet strengthening.

- Improved financial reporting (transparency), Risk management focus., Product refining (higher interest for fixed savings).
- Improved payment processing. All the above combined have contributed to the impressive performance so far.

Looking forward our emphasis is to ensure that we.

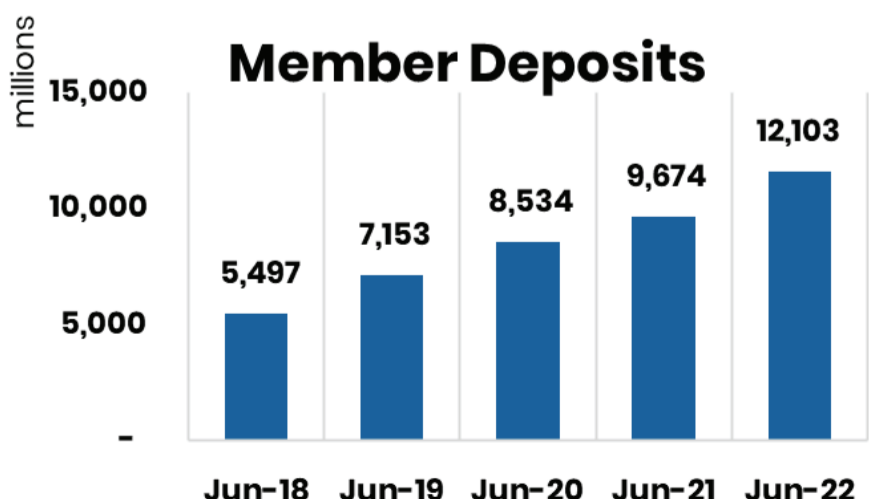
- Reduce costs (Ensuring all expenses are in line with our budget).
- Enhance Compliance (B.o.u, Umra, Ministry of Trade & cooperatives).
- Develop strategies to meet the capital levels required by our new Regulator-B.ou.

Below a detailed analysis for the half year numbers.



## 1. Net Loans And Advances

Loans and advances grew by 31% to UGX 9.9 billion from UGX 7.7Bn in June 2021. This is highly attributed to the higher loan uptake in the first quarter after crediting Interest to our members, and the exceptional approval that kicks in every 1st of Jan each year.

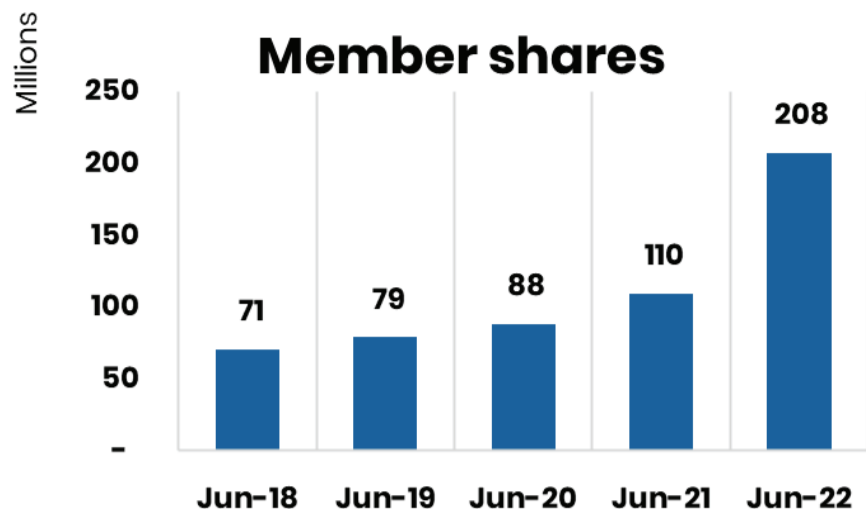


## 2. Total Assets

Total assets grew by 26% from UGX 10.2 billion to UGX 12.8 billion. The growth is attributed to increased member deposits paving way for more investments in Treasury bonds and unit trusts.

## 3. Member Deposits

Member deposits increased by 25% from UGX 9.6 billion in June 2021 to UGX 12.1 billion in June 2022. The good returns given to our members for both 2020 and 2021, and our operational excellence has given our members the confidence to save more with us, hence the growth in member deposits.



#### 4. Member Shares

The Shareholder's equity increased by 89% from UGX 110 million as at June 2021 to UGX 208 million as at June 2022.

#### 5. Revenue

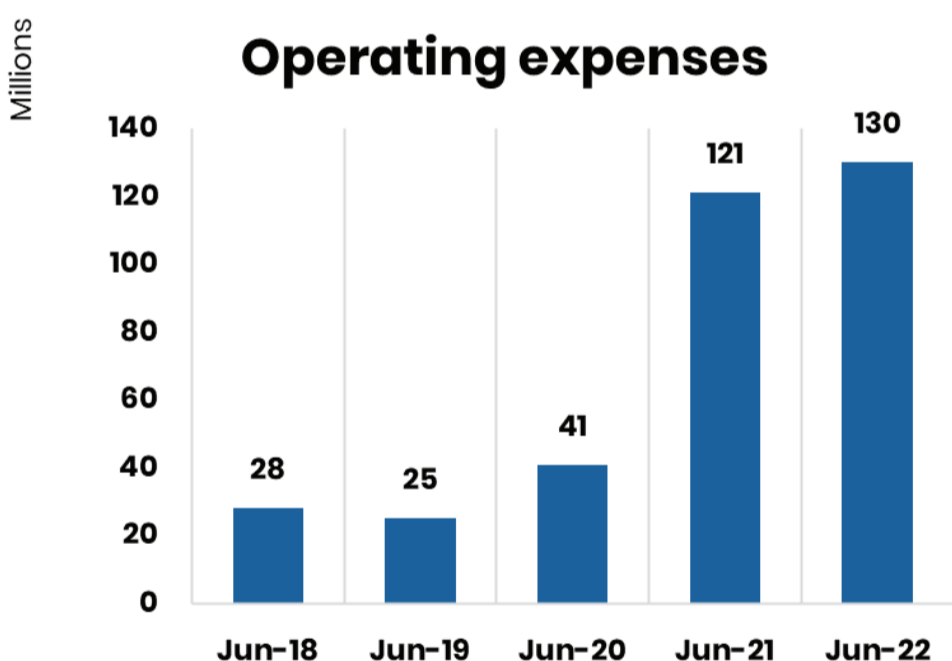
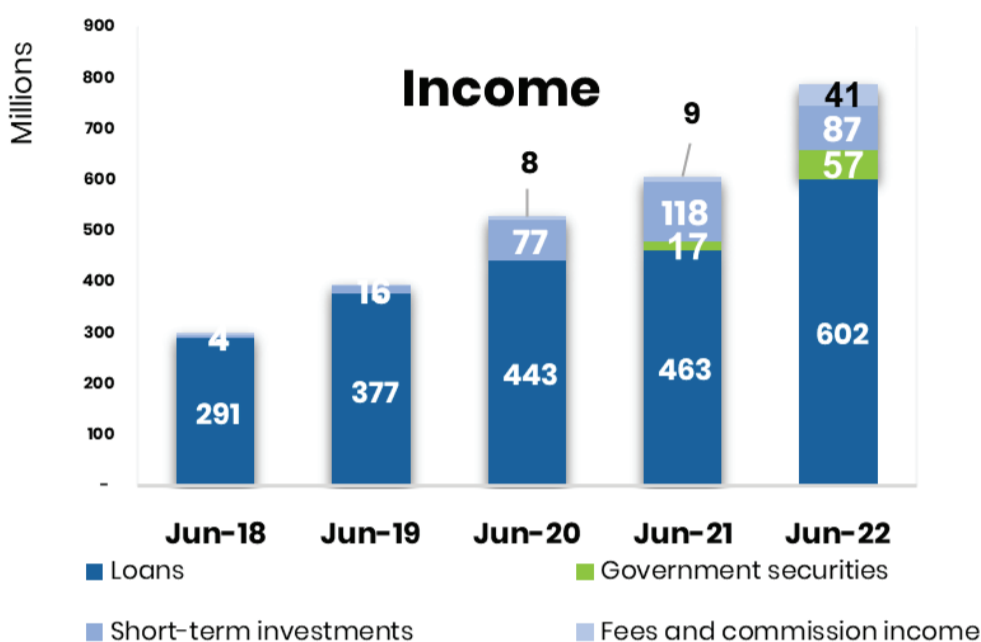
Total income increased by UGX 101 million, representing a 28% increase over the same period in 2021. Closing at UGX 746 million in June 2022 up from UGX 581 million in June 2021.

#### 6. Operating Expenses

Costs rose by 8% from UGX 121 million in June 2021 to UGX 130 million as at June 2022.

#### 7. Membership

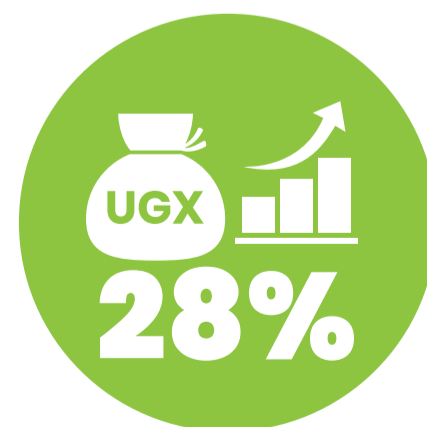
Active members as at June 2022 closed at 564 members, Visa vis 544 as at June 2021.



Key Performance ratios	June 18	June 19	June 20	June 21	June 22
<b>Profitability</b>					
Return on Equity (ROE)	34%	25%	25%	22%	24%
Return on Assets (ROA)	2%	1%	1%	0.96%	1.13%
<b>Efficiency</b>					
Cost To Income	35%	27%	48%	55%	50%
<b>Liquidity</b>					
Loan to Deposit Ratio	97%	94%	78%	82%	79%
<b>Asset Quality</b>					
Loan/Total assets Ratio	92%	93%	73%	75%	78%
Non-Performing Loans	2%	2%	2%	2%	2%



Key positives during the year so far include but not limited to; Income diversification Investing in bonds, fixed deposits, Unit trust hence increased income by **28%** from last year around the same time, improvement in transparency and reporting.



# Our Payment & Contribution Channels

## Bank Details

### Account Name:

National Social Security Fund Uganda Staff SACCO LTD

### Bank Name:

Standard Chartered Bank

### Account Number:

0102814970700

### Branch:

Speke Road



### Step to follow:

1. Dial **\*165#**
2. Select Payments- **Options 4**
3. Select Goods and Services – **Option 4**
4. Enter code – **NSSF222**
5. Enter Amount
6. Enter reason
7. Enter PIN

### Step to follow:

1. Dial **\*185\*9#**
2. Enter the SACCO Business Number – **1219850**
3. Enter Amount
4. Enter reference /Reason
5. Enter Pin
6. Customer will receive notification of deposit

## Mobile Money

Make deposits to your SACCO account at your convenience through **MTN Momo** pay or **Airtel Money**.



[info-sacco@nssfug.org](mailto:info-sacco@nssfug.org)