

ABSTRACT

Savings and credit cooperative societies have been present in Kenya for decades but this sector has not been able to impact positively on the lives of people. Access to finance has been cited as one of the factors hampering economic growth and poverty alleviations. Savings and credit cooperative societies have lagged behind other financial institutions by performing below the members' expectations therefore causing dissatisfaction among the members. The purpose of this study was to establish the factors influencing financial profitability of savings and credit cooperative societies. The study was guided by the following objectives, to establish how loan repayment influence financial profitability of SACCOs, to determine how interest rates influence financial profitability of SACCOs, to assess how membership enrolment influence financial profitability of SACCOs, to identify how management of loan defaulters influence financial profitability of SACCOs.

Descriptive research design was used in this study where information was collected without changing the environment. The population was drawn from Bungoma SACCOs staff, management committee and members. A sample of 250 respondents which. Questionnaires were administered and collected later for data analysis and presentation through tables and summarized percentages and proportions