

University of Ghana Co-operative Credit Union Ltd



Reports &
Financial Statements
2021/2022

University of Ghana Co-operative Credit Union Ltd.



Reports & Financial Statements **2021/2022**



External Solicitor: Prof. Olivia Anku-Tsedé

Bankers: Republic Bank Ghana Ltd., Ecobank Ghana Ltd., GCB Bank Ghana Ltd.,

Auditors: Department of Co-operatives, Accra





VISION

A Model of
Excellence for
Credit Unions in
Africa



MISSION

To provide diverse
financial and
advisory services
to all members with
excellence



VALUE

Accountability
Commitment
Cooperation
Integrity
Trust
Excellence



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Notice of Annual General Meeting (AGM) & Agenda

Notice is hereby given that the 2021/2022 Annual General Meeting (AGM) of the University of Ghana Co-operative Credit Union Ltd. will be held on Thursday, 27th October, 2022 at the Great Hall, University of Ghana, Legon.

The business of the AGM will be as follows:

1. To Consider and Adopt the Statement of Accounts of the Union for the year ended 30th June, 2022 together with the Reports of the Management Board, Loans Committee, Supervisory Committee, Manager and Auditors thereon.
2. To Confirm Minutes of the 2020/2021 Annual General Meeting.
3. To Adopt Resolutions.
4. To Present and Approve the Budget Statement for the Period July 1, 2022 to December 31, 2023.
5. To Swear-in Elected Officers.
6. To Transact any Other Business.

Members are required to submit questions related to the AGM through ugccuagm@ugcreditunion.org, on or before 4:00pm, Monday, October 24, 2022. Questions submitted after this date may not be attended to.

Union Secretary: Zoe Lexfields



Programme

12:30 - 1:00 pm	Registration of AGM participants
1:00 - 1:05 pm	Opening Prayer
1:05 - 1:10 pm	Introduction of Chairperson
1:10 - 1:15 pm	Introduction of Dignitaries
1:15- 1:30 pm	Report by the Management Board
1:30 - 1:40 pm	Report by Manager
1:40 - 1:45 pm	Vice-Chancellor's Remarks
1:45-1:50pm	Confirmation of Minutes of 2020/2021 AGM
1:50 - 2:10 pm	Presentation and Adoption of Auditor's Report for 2021/2022 Financial Year
2:10-2:15 pm	Adoption of Resolutions
2:15 - 2:25 pm	Presentation and Approval of Budget Statement for the Period July 1, 2022 to December 31, 2023
2:25 - 2:40 pm	Swearing-in of Elected Officers
2:40 - 2:55 pm	Any Other Business
2:55 -3:00 pm	Closing Prayer



Profile of Management Board Members

Prof. Samuel Nana Yaw Simpson (Chairperson)

Prof. Simpson is an Associate Professor in the Department of Accounting, University of Ghana Business School with many years of teaching, research and consulting experiences in Accounting, Governance & Sustainability from both the private and public sectors. He holds a PhD in Accounting and Finance from the University of Birmingham, United Kingdom, a Certified Balanced Scorecard Professional, Certified Ghana Micro Finance Institutions Network (GHAMFIN) Trainer, Africa Development Educator (ADE), Certified Credit Union Association (CUA) Trainer, and a Certified Public Financial Management (PFM) professional.



Mr. Karimu Gbene Suglo (Vice-Chairperson)

Mr. Suglo is a Senior Accountant at ISSER, University of Ghana. He headed the Treasury Unit of the University of Ghana and the Accounts Section of the University of Ghana, Accra City Campus. He is a Chartered Accountant and a Fellow of the Institute of Chartered Accountants Ghana. He holds BSc in Administration (Accounting option) and an EMBA from the University of Ghana, Legon with several years of experience.



Mr. Abdulai Faruku (Treasurer)

Mr. Abdulai is the Accountant at the School of Biomedical and Allied Health Sciences, College of Health Sciences, University of Ghana. He holds a Bachelor of Science in Administration degree from the University of Ghana and an MBA in Accounting and Finance from the University of Professional Studies, Accra. He is a Chartered Accountant and a member of the Institute of Chartered Accountants (ICA), Ghana with several years of experience.



Mr. Israel Maxwell Goka (Assistant Treasurer)

Mr. Goka is an Auditor at the Internal Audit Directorate of the University of Ghana, with expertise in risk-based Internal and Financial Audit. He has completed Part II of Association of Certified Chartered Accountants (ACCA), UK and is a Member of the Institute of Internal Auditors, Ghana (IIAG). He has served in diverse capacities.



Mr. Eric Kemeh (Member)

Mr. Kemeh is currently a Chief ICT and Head of IT at the University of Ghana Business School (UGBS) with broad experience in Management Information Systems applications. He holds a Bachelor of Arts (BA) degree in Computer Science, a Certificate and a Diploma in Statistics from the University of Ghana. He has a Master of Science (MSc.) Degree in Information Technology from the Open University of Malaysia.



Dr. Francis Anderson Adzei (Member)

Dr. Adzei is a Senior Lecturer at the University of Ghana Business School. He obtained degrees in Business Administration, Law, Health Promotion and Public Administration from the University of Ghana and the University of Bergen, Norway. He has trans-disciplinary experience and expertise in management, leadership, ethics and policy, which he brings to the service of the Union.



Mr. Nii Torto Quao (Member)

Mr. Quao is an Information Technology Professional with extensive experience in Management Information applications. He is currently an Assistant Registrar with the Human Resource and Organisational Development Directorate of the University of Ghana. He holds a Higher National Diploma in Management Information Systems, a Bachelor of Arts degree in Information Studies and a Master of Arts Degree in E-learning from the University of Ghana.

**Mr. John Kwaku Asumadu (Member)**

Mr. Asumadu is a Senior Health Superintendent with the Environmental Health Services Unit of the University of Ghana. He holds certificates in Environmental Health and HIV/AIDS reduction from the School of Hygiene, Tamale and the University of Ghana respectively. He also holds a Diploma in Public Administration from the University of Ghana. He is currently the Senior Linguist to the Paramount Chief of Bompata, Asante-Akyem.



Profile of Loans Committee Members



Mr. Michael Antwi MBA,
BA (Ghana), ACCA (UK),
Post Chartered Dip. in
Pub. Fin. Mgt
Chairperson



**Dr. Jemima Asabea
Anderson PhD, MPhil**
(Ghana), MA (Indiana),
B.Ed (Ibadan)
Member



Mr. Daniel Dorgblorwu
BSc (Ghana),
Member



Mr. Richard Ofori MBA
(UPSA), BSc (Ghana),
ICA (Ghana)
Member

Profile of Supervisory Committee Members



Mr. Archibald A. Quaye
MBA (UPSA), PGD (Paris),
Exec. Masters. (UCC), BSc
(Oxford Brooks), ACCA
(UK)
Chairperson



**Dr. Cletus Agyenim-
Boateng**
PhD, MSc. (Manchester),
BSc. Admin (Ghana),
FCCA (UK)
Member



Mr. Gilbert Boakye
MBA (East London),
BSc. Agric. (KNUST),
BSc. (Oxford Brooks),
Advanced Dip. IT
(London)
Member



Mr. Jerry Pengwane
Dip. (Applied Electricals),
Dip. (Security Mgt.
and Forensics
and Investigation
Psychology)
Member

Profile of Management Staff

Mr. Francis Fiayiya (Manager)

Mr. Fiayiya is the Manager of the University of Ghana Co-operative Credit Union. He was the Assistant Manager of Jasikan Teachers Co-operative Credit Union. He holds an MBA in Finance from the University of Ghana, Bachelor of Commerce from the University of Cape Coast and a Higher National Diploma in Accounting from Ho Polytechnic (now Ho Technical University). He is a Certified Trainer on Credit Union operations at CuTRAC, Ghana.



Mr. Jacob Kenyenso (Deputy Manager - Operations)

Mr. Kenyenso is the Deputy Manager in charge of Operations. He is a Member of the Institute of Chartered Accountants, Ghana (ICA). He holds an MBA in Auditing from the University of Professional Studies, Accra, Bachelor of Accounting from Valley View University and a Higher National Diploma in Accounting from the Tamale Polytechnic (now Tamale Technical University).



Mr. Oliver Amoako (Deputy Manager - Finance)

Mr. Amoako is the Deputy Manager in charge of Finance and Administration. He is a Fellow of the Institute of Chartered Accountants, Ghana (ICA), and a member of Chartered Institute of Bankers, Ghana. He holds an MBA in Finance and Accounting from the University of Professional Studies, Accra and a Chartered Diploma in Oil and Gas from ICA. He is a Certified Trainer on Credit Union operations at CuTRAC, Ghana.



Mrs. Awura Akua Amofah Bonney (Head of Banking)

Mrs. Amofah Bonney is the Head of Banking of the University of Ghana Co-operative Credit Union. She has an appreciable level of work experience within the Credit Union industry. Professionally, she is a Member of the Chartered Institute of Bankers (MCBI), UK. She holds an MBA in Banking from Bangor University, Wales and a Bachelor of Arts degree in Accounting from GIMPA, Ghana.



Mrs. Akua Afriyie Osei-Assibey (Head of Marketing)

Mrs. Osei-Assibey is the Head of Marketing and Member Care Unit of the University of Ghana Credit Union. She is a Member of the Chartered Institute of Marketing (CIM), UK. She holds an MBA in Marketing and BA in Psychology from the University of Ghana and an Advanced Practice Certificate in Welfare Management from the UK. She is a member of Human Resource Practitioners, USA.



Four(4)-Year Financial Summary

	2018/2019	2019/2020	2020/2021	2021/2022
	GH¢	GH¢	GH¢	GH¢
Interest Income	14,980,368.69	15,025,009.73	16,421,312.35	20,737,917.03
Cost of Funds	(8,320,486.18)	(8,497,019.27)	(9,772,471.11)	(11,701,554.02)
Net Interest Income	6,659,882.51	6,527,990.46	6,648,841.24	9,036,363.01
Other Income	5,495,965.96	6,327,930.54	8,386,402.30	9,954,701.55
Total Net Income	12,155,848.47	12,855,921.00	15,035,243.54	18,991,064.56
Total Operating Expenditure	3,215,001.85	3,432,930.04	3,508,049.13	4,653,701.70
Provision for Loan Loss	206,771.49	300,469.36	490,639.60	599,958.86
Total Expenditure	3,421,773.34	3,733,399.40	3,998,688.73	5,253,660.56
Net Surplus	8,734,075.13	9,122,521.60	11,036,554.81	13,737,404.00
Transfer to Statutory Reserve Fund	2,183,518.78	2,280,859.11	2,759,138.70	3,434,351.00
Dividend Paid / Proposed	4,192,356.06	4,378,810.37	5,297,546.31	6,593,953.92
Total Asset	125,740,820.01	151,020,481.94	177,923,759.00	208,333,851.91
Members Deposit	74,884,869.54	89,455,195.82	102,593,520.01	120,237,928.89
Members Shares Deposit	23,972,777.62	30,033,534.39	36,020,597.11	41,444,429.12
Loans to Members	60,748,353.28	68,161,044.10	89,591,763.82	109,007,052.89
Expenditure/ Total Income	16.71%	17.48%	16.12%	17.12%
Return on Asset	6.95%	6.04%	6.20%	6.59%
Growth in Asset	22.62%	20.10%	17.81%	17.09%
Cost of Funds/ Interest Income	55.54%	56.55%	59.51%	56.40%
Dividend Per GH¢1 Share	0.17	0.15	0.15	0.16
Growth in Loans to Members	9.57%	12.20%	31.44%	21.67%



Report by the Management Board

Introduction

On behalf of the Management Board and Committees, I welcome members and guests to the 2022 Annual General Meeting (AGM)) of our dear Union. This AGM offers us a platform to physically assemble to account for our stewardship for the past year and hand over to our successors after the havoc of Covid 19-pandemic.

Our tenure was plagued by the Covid-19 pandemic, financial sector clean-up, high inflation and disruption in the world economy and other unforeseen circumstances. However, with your support, the hard work of staff, board and committee members and help of the Almighty God, the Union emerged stronger in areas such as business processes and product innovations, asset growth, governance and financial sustainability. Specifically, we managed to grow our total assets and loan assets (loan to members) cumulatively by 65.69% and 79.44% respectively. Also, net surplus cumulatively increased by 57.29% during our tenure.

Economic Environment

During the year under review, the macroeconomic indicators of Ghana have been declining and that affected operations generally. For instance, inflation increased from 7.8 % in June 2021 to 29.8% by June 2022 and the Cedi depreciated significantly against all major foreign currencies. Also, the Central Bank increased the Monetary Policy Rate (MPR) from 13.5% to 19%. These developments led to interest rate hikes among financial institutions, including increase in the Government of Ghana short-term instruments above 25%, hence imposing a huge responsibility on the Union to increase its cost of funds.

Despite this unfriendly economic environment under which the Union operated during the year under review, the Union made a net surplus of average assets that exceeded the industry standard of 6%.

Governance and Strategy

The Board continued to discharge its functions as enshrined in the bye-law through regular meetings and other relevant interactions. The Board supervised the implementation of the Union's strategic plan and monitored progress through strategic review meetings. Reports generated from such meetings, including other reviews of the operations of the Union were implemented by developing appropriate policies to strengthen the Union's internal and external capacity.

The Board is also pleased to inform you that it has successfully conducted an election for the next Board and Committees under the supervision of the regulator and supervisor



of credit unions, the Department of Cooperatives and the Credit Unions Association (CUA), respectively. The Board has subsequently organized an intensive orientation programme for elected officers to facilitate their seamless takeover of the mantle of leadership at this Annual General Meeting as enshrined in our bye-law. Indeed, the mandate of this Board and Committees for the past four years expires at the end of this meeting. The new Board and Committees will be sworn into office for a four-year tenure. It is our hope that members would offer them the same support we enjoyed while in office in pursuance of the Union's mission of improving the lives of our cherished members.

Change in Financial Year and Budgeting

In compliance with the directive by the National Association of Credit Unions (CUA) Ghana to Primary Societies to change their financial year from June to January, the Union accordingly amended its bye-law in October 2021 to commence its new financial year on 1st January 2023. The transitional arrangement as has been adopted in the bye-law provides that the Union shall prepare an interim account for six (6) months ending 31st December 2022, and make an interim payment of dividend if any, approved by the Management Board after audit of the Union's account. Consequently, the next Annual General Meeting is expected to be held in April 2024.

Similarly, we have for the furtherance of the activities of the Union, prepared a budget for the next 18-month period, made up of the first six (6) months and the next twelve (12) months periods. We implore you to approve these estimates for the incoming Board to operate successfully.

Corporate Social Responsibility

Over the years, the Union enjoyed the goodwill of the University of Ghana. The Union's office is situated in the prime area of the University. The Management of the University has generously supported the Union in deducting members' contributions since the Union's inception. As a major stakeholder in the business of the Union, the Management Board sought approval of members to construct a 50-bed emergency facility to commemorate the 50th Anniversary celebration of the Union.

The Ultra-modern facility will now provide a first-class medical emergency to all members and the community at large. The Board is pleased to announce that the facility is near completion at a cost of GH¢1,361,540 as at the end of the financial year. The cost has become higher than what was approved by members due to high inflation experienced in Ghana during the construction period. The additional cost of finishing the project is estimated at GH¢2,704,441.71.

On behalf of the Management Board, I would like to express our appreciation to members, past and current Board and Committees Members, staff of the Union and employees of the University, who supported us in the construction of this beautiful edifice. We want to appreciate the support of the Project Team for the hard work and urge them to persist to the end of the project.

During the year under review, the University of Health and Allied Sciences (UHAS), the third largest source of member contribution was also supported with an amount of GH¢45,000.00 to aid in the celebration of its 10th anniversary.

These gestures are in line with our vision of becoming a model of excellence for Credit Unions in Africa in meeting stakeholder expectations.

Recognitions and Awards

Our vision to become a model of excellence in Africa is on course. During the period under review, our Union received four (4) awards at the Biennial Delegates Conference organized by the Credit Unions Association and held in May 2022:

- Best Performed Credit Union for the years 2020 & 2021
- Best Performed Credit Union with the Most Viable Youth Savings for the years 2020 & 2021
- Best Credit Union for Innovation, IT infrastructure, Product and Services for the years 2020 & 2021.
- Best Performed Credit Union Manager or C.E.O for the years 2020 & 2021.

In the same year 2022, the Ghana Microfinance Institution Network (GHAMFIN) an advocacy group for microfinance institutions in Ghana also conferred on the Union 'Financial Institution of the Year' award at the Network's maiden Non-Bank Financial Institutions award ceremony held in 2022.

We say 'Ayekoo' to all of you for this astounding performance.

Financial Performance

Despite the economic challenges encountered during the financial year under review, the Union made a net surplus of GH¢ 13,737,404.00 at the end of the financial year ending 30 June 2022 compared to GH¢ 11,036,554.81 for the same period last year. This represents 24% growth over the previous year. Total assets also grew from GH¢ 177,923,759.00 as at June 30, 2021 to GH¢ 208,333,851.91 as at June 30, 2022, representing 17%.

The Board proposes for adoption 48% of the surplus as dividend to be paid to members. This would result in GH¢ 0.16 dividend per every GH¢ 1 share held.

Outlook

The Union should continue to thrive on the diversity of members from different institutions. The incoming Board is encouraged to aggressively pursue membership drive to guarantee growth and financial sustainability of the Union.

It is our firm hope that the Union would continue to build on the Balanced Scorecard framework as strategic planning and performance management tool.

The Union has great potential in increasing its product and service options to members.



Acknowledgment

On behalf of the Management Board, I would like to express our sincere appreciation to God for bringing the Union thus far. We thank all our stakeholders who supported us in these four years journey. Finally, to my colleagues Board Members, Loans Committee Members, Supervisory Committee Members and Staff, I am grateful.



Report by the Loans Committee

Introduction

This is the report of the Loans Committee of the University of Ghana Co-Operative Credit Union for the 2021/2022 financial year. It covers the members and responsibilities of the committee, the loan applications received and processed and the challenges encountered by the committee in the period under reference.

Membership and Responsibilities

The Loans Committee is made up of four members. The Committee has the responsibility of assessing and approving loan applications from members of the Union and recommending payment. The Committee also has the responsibility of monitoring loan repayment, taking note of delinquent loans and reporting same to the Board. The Committee meets daily to undertake its responsibility. The Committee also makes recommendations to the Board of the Union for service improvement and new loan products.

Loan Assessment

Loan applications are assessed using the following criteria.

- **Amount accessible** – Each member can access a maximum loan of 2.75 (1.5 times for pensioners and members above 58 years) of his/her savings balance less any outstanding loan. However, the maximum net debt exposure of the Union is forty thousand Ghana cedis. Members can provide evidence of having sufficient funds with GUSSS, provident fund or guarantor(s) to serve as security for any additional amount required. This will increase the exposure to a maximum of One Hundred and Twenty Thousand Ghana cedis.
- The net salary of the member should be able to support the deductions of the additional loan. The monthly net salary should not be less than 10% of gross salary after the loan deduction. For members receiving their salary through the Controller and Accountant General's Department, the net salary should not be less than 50% of gross salary after loan deduction.
- The repayment period should not exceed the number of years to pension, or years left on employment contract.
- Applicants must attach a copy of their most recent payslip. Members from institutions other than University of Ghana and University of Health and Allied Sciences, should attach a guarantor's form from their institutions.



- **Repayment period** – The maximum repayment period for a loan is five years (5).
- **Mode of repayment** – Loans contracted from the Union are repaid through a monthly compulsory payroll deduction or through direct deposits. Members can also use a combination of the two to pay off loans earlier than the full tenor.
- **Miscellaneous**
 - i. Cheques are prepared for approved loans. Members of institutions outside Accra can request that their cheques are deposited into their personal accounts on their behalf.
 - ii. The Loans Committee have the power to reduce the loan amount requested after assessment of the application.

Interest Rates

The interest rate on loans is 1.8% on reducing balance.

Loan Applications Processed for 2021/2022

There were 10,580 applications approved during the 2021/2022 financial year, a marginal decline of 0.31% as compared to 10,613 for 2020/2021. The value of loans granted for 2021/2022 amounted to GH¢63,044,500.00, an increase of 12% as compared to GH¢56,185,752.70 for 2020/2021.

Challenges

The Committee faced some challenges in the execution of its responsibility during the financial year. Some of them have been documented below:

1. Incomplete Application Forms – Some members submit incomplete loan application forms. Some members do not sign the form while others do not indicate how they want their deductions allocated. Others also do not indicate the purpose of the loan, which is a requirement. These, sometimes, create delays in the loan assessment.
2. Lack of Supporting Documents – Some members do not attach necessary documents to their application such as pay slips or GUSSS account statement. These omissions also delay the assessment of the application.

We hope that going forward, members are going to provide the requisite supporting documents and ensure that the loan amounts requested for fall within what is available for their net salary and their savings balance. This way, the Committee can process loan applications without any delays.

Appreciation

We want to thank the Board, Management and staff for all the support they gave to the Committee throughout the year. We also wish to express our gratitude to every member of the Union for their cooperation with the Committee throughout the year and pledge our continual service to the members.

Report by the Supervisory Committee

Introduction

This report provides an update of work done on the activities of the University of Ghana Credit Union for the period covering 1st July 2021 to 30th June 2022

Mandate

Our schedule of work as Supervisory Committee includes, among others, review of operational activities of the Credit Union, review of Statutory and Regulatory Compliances, review of the measures and strategic decisions taken by the Board. These include decisions on COVID-19 pandemic and the financial sector reforms by the Bank of Ghana to safeguard the investments of members. Also, we provide recommendations for improving operational controls, where needed.

Observations

We observed the commitment and continuous effort of Management in improving the performance of the Union for the period under review to meet the challenging interests and expectations of all stakeholders. The Union has witnessed some increases in its financial performance for the period ending 30th June 2022. The total income grew from GH¢ 24,807,714 to GH¢ 30,692,618 and net surplus grew from GH¢ 11,036,554 to GH¢ 13,737,404. Total assets grew from GH¢ 177,923,759 to GH¢ 208,333,851. Cost of funds has increased from GH¢ 9,772,471.11 in 2021 to GH¢ 11,701,554.02 in 2022. The effect of COVID 19, inflation, interest rate in the Treasury market and global recession on exchange rate fluctuation on the operations of the Union cannot be overlooked. We anticipate improvement in the economy going forward, following the intended intervention by the International Monetary Fund (IMF) and other cost-cutting measures pursued by the government.

Management has worked hard to revise the Union's Bye-Laws and has developed Balanced Scorecard for the Union's Strategic Plan. Expectations are that the Union will continue to see growth in its financial performance.

Conclusion

We are satisfied with the level of work done by the Management of the Credit Union in all aspects of the operations of the Union, especially, by taking decisions to safeguard the investments of members. We are very certain that the Union would remain competitive in the years ahead.



Report by Manager

Introduction

Fellow Cooperators, I am pleased to report on the performance and operations of the Union for the year ended June 30, 2022.

Operating Environment

The global economy, over the past two years, has not been spared the protracted effects of Covid-19. Undoubtedly, the West African Sub-region experienced an unparalleled sharp economic contraction which impacted our local economy. The pandemic restrictions although eased in Ghana, still had an impact on the performance of the financial services industry. Even though Ghana's economic fortunes were expected to rebound in 2021, owing to the ease of pandemic-induced border closures and social restrictions and increased nationwide vaccination programme, 2022 witnessed the unexpected impact of the Russia-Ukraine war resulting in surges in commodities' prices and supply chain difficulties worldwide. The consequences of these disruptions resulted in inflation and depreciation of the Cedi against the major foreign currencies. This period tested our resilience and confirmed our track record of reliability even in difficult times.

Review of Operations

Amidst the uncertainties of the economic challenges, we continued to pursue strategies geared towards Member Service Excellence, Business Innovation and Growth, Operational Excellence and Good Governance.

Member Service

In enhancing member service experience, the year under review saw a host of new synergies, innovations, partnerships, products and services rolled out. Through research and member needs surveys, we worked to provide products and services tailored to the unique banking needs of our members and the immediate environment. We aimed at becoming the preferred financial institution for convenient banking.

In addition to what we are known to do best, we launched a promotional campaign focused on students and members' dependants with the aim of cultivating a savings culture among children and the youth. We believe that early engagement with this market is critical to our strategy, hence we continued to develop exciting products and programmes that cater for their lifestyle and interests.



Technology

Our continued survival in an ever-evolving competitive landscape requires continuous investments in technology to drive operational efficiency and enhance our member experience. To keep up with the changing member behaviour, it became imperative for our business to truly embrace the latest digital technologies and innovations. Necessitated by the quest to deliver services that avail members to choice and convenience of self-service on our digital platforms, we continued to improve on the functionalities of USSD and SmartAppke to ensure robustness. With the current usage level and growth potential, the safety and security of our digital space became our priority.

Furthermore, the Union has also completed a configuration between its core banking functions and Ecobank which will support fund transfer from the Union to members' bank accounts. Members are therefore required to update the Union with their current account details with their Banks to support this service delivery.

Compliance

Maintaining a sound operational environment and practices has continued to guarantee the safety of the Union's assets. Over the past year, we enhanced reporting to the Board and other regulatory bodies. We worked diligently to develop policies that will safeguard our operations in accordance with industry standards.

Human Resources

Capacity building for officers of the Union has been crucial to delivering on our strategic agenda. During the year, we offered diverse training programmes to staff in the areas of credit risk and member care. As the adoption of digital channels rises, we continued to improve service delivery and speed of complaint resolution through a culture of service. In 2022, the human resources management function prioritized the improvement of members' and staff engagement to engender great member experience.

Financial performance

Amidst competition, the Covid-19 pandemic, and economic challenges which required new approaches to work, we still grew our loans and deposits book. The loan balance of the Union increased by 21.67% in the year under review, ending the financial year with a total balance of GH¢109,007,052.89. Savings also increased from last year by 18% with the end-of-year balance of GH¢123,856,082.67

As a requirement for the management of sound financial institutions, the Union maintained a capitalization rate of 40% of total assets as compared to the industry average of 15% of total assets. This capitalization position guarantees continuous business operations. The Union also maintained a liquidity rate of 33% of total assets to ensure that we meet our obligations as and when they fall due.

Despite high inflation, the total cost of operation has been managed to generate a net surplus of GH¢13,737,404.00 compared to the industry standard of GH¢11,557,844.71.



Fees and Charges

The Management Board in its quest to maintain financial and operational sustainability in view of recent price hikes has revised fees and charges during the financial year. These revised fees and charges are however, scheduled to take effect from November 1, 2022.

Outlook

Despite the current challenges, Management has resolved to remain cost-efficient through the deployment of appropriate technologies. As we move into the 2022/2023 financial year, we will be focusing on sustaining the gains made in 2021/2022 and growing further by identifying new growth opportunities, driving the sales of our products and services, and executing this agenda with a sense of prudence.

Consequently, we seek to support increased enrolment in our e-banking and USSD platforms as we broaden our membership base. Over the next 18 months, we will continue with member education and further enhance the use of technology and staff training to deliver on our mandates.

Appreciation

I would like to express my sincere gratitude to God, Members, the Board, Committees, Management, and Staff for their commitment and contribution to building a resilient Credit Union.

MINUTES OF THE ANNUAL GENERAL MEETING OF THE UNIVERSITY OF GHANA CO-OPERATIVE CREDIT UNION HELD ON 28TH OCTOBER 2021 VIA VIDEO CONFERENCE

PRESENT

Five hundred and Nine members registered for participation at the annual general meeting.

IN ATTENDANCE

- | | | |
|--------------------|---|--|
| 1. Charles Offei | - | Registrar, Department of Co-operatives |
| 2. Joshua Akuetteh | - | Rep. of the General Manager, CUA |
| 3. Daniel H. Kafui | - | Greater Accra Regional Manager, CUA |
| 4. Edith Dzidzornu | - | Department of Co-operatives |

OPENING

The Chairman declared the meeting opened at 1:30 pm. The Board, Committees, Management, Special Guests were seated in the Union Conference Room, whilst members joined by video conference. Mr Michael Antwi said the Opening prayer.

REPORTS

MANAGEMENT BOARD

The Chairman in his welcome address commended members for their support and continuous belief in the vision of the Union and gave an update on the performance of the Union for the year under review.

He indicated that despite the continuous impact of Covid-19 on businesses, the Union was able to record a Net Surplus of twenty-one percent (21%) above the previous year. He attributed the success to an increase in both the membership and borrowing by members as well as new policies and programs such as the balanced scorecard, and adoption of good corporate governance practices.

He informed members that representatives of the Union met with the President and steps were underway to retrieve funds of the Union that were locked up because of the recent financial sector clean-up.

He commended members for their cooperation on the new directive of meeting the minimum threshold of GH¢500 shares per member and encouraged those members who were yet to comply to do so in spite of the deadline of 1st November 2021.

The Chairman mentioned plans made towards the 50th Anniversary celebrations and



explained that the anniversary cloth did not have the 50 years embossed on it in order not to restrict its use to the anniversary year only, but to enable future use, even after the celebrations. He announced that the Board had resolved to give pieces of the anniversary cloth as souvenirs to all members, and therefore entreated members to pass by the office of the Union to collect them.

The Chairman sought the approval of members for an amount of Two Million Ghana Cedis (Gh¢2,000,000.00) out of the Reserves of the Union to build an Emergency Unit for the University Hospital as part of its Corporate Social Responsibility (CSR) to commemorate the Anniversary. He assured members of the judicious, prudent, and accountable use of the funds when approved. Mr Dominic Adjei-Kyereh moved a motion for the approval of the amount of Two Million Ghana Cedis (Gh¢2,000,000.00). The motion was seconded by Ms. Mary Ayeh. A member participating online prompted the meeting on the propriety of the motion since it had not been ascertained that if the meeting had a quorum and was thus properly constituted to undertake the exercise of approving the amount. The Chairman acknowledged the enquiry and asked that checks be made to ascertain if a quorum had been attained. It was confirmed that by the number of 509 members who had joined online and those present in the Union Conference Room, a quorum had been formed. There was no counter motion and so in accordance with the bye-laws of the Union, the motion was carried without a vote.

MANAGER

The Manager commended members for their support and continuous business with the Union. He reiterated the effect of Covid-19 on the business of the Union, the locked-up funds due to the financial sector clean-up, but announced that notwithstanding those challenges, the Union's operations remained robust. He informed the meeting that staff had been given training of international standard in various areas of operations.

He also indicated that three institutions; University of Environmental studies, Somanya, Accra College of Education and CSIR-Animal Research Institute, Pokuase have been added to the membership of the Union.

The Union had also adopted current trends and introduced a digital banking platform with access code “*365*71#” which could be used to access funds irrespective of the phone being used, and added in future, loan applications could be made on that platform.

AUDITOR

The Auditors highlighted three main areas in their report:

- (i) **Report on the Financial Statement:** The Auditors stated that they had audited the financial statements of the Union which comprised the Statement of Financial Position as at 30th June, 2021 and the Income Statement, Statement of Changes in Equity and Cashflow Statement for the year ended.
- (ii) **Directors' Responsibility for the Financial Statements:** The Auditors emphasised the Management Board's responsibility for the true and fair preparation of the financial statement in accordance with relevant Reporting Standards, Co-operative Societies Act, 1968 (NLCD 252) and other regulations which includes: designing,

implementing and maintaining internal control relevant to the preparation and fair preparation of financial statement that are free from material misstatement.

(iii) Auditors' Responsibility: The Auditors emphasized that their duty was to express an opinion on the financial statements based on their audit which was conducted in accordance with the Generally Accepted International Standards on Auditing. These standards require that the auditors comply with ethical requirements, plan and perform the audit to obtain reasonable assurance where the financial statements are free from material misstatement.

Based on the above indices, the Auditors confirmed that the financial statements reflected a true and fair view of the financial position of the Union as at 30th June, 2021.

FINANCIAL STATEMENTS

The Chairman invited comments from members on the financial statements presented. Professor Peter Quartey commended the Board and Management for the sterling performance but asked the reasons for the increase in personnel cost. The Treasurer responded that the reasons were two-fold; the first was because two personnel would be added to the already existing fourteen (14) staff members and the second was due to an increment in the salaries of staff.

Mr. Dominic Adjei-Kyereh advised that going forward, the Board and Management should work to ensure that they keep the costs under control as they increase income.

Mr. Adjei-Kyereh moved a motion for the acceptance of the financial statements, which was seconded by Professor Peter Quartey and motion was carried.

DECLARATION OF DIVIDENDS

The Chairman referred members to the bye-laws of the Union which provided that an amount not exceeding fifty percent (50%) of the Net Surplus could be declared as a dividend for the year. Five Million, Two Hundred and Ninety-Seven Thousand Five Hundred and Forty Six Ghana Cedis, Thirty One pesewas (Gh¢ 5,297,546.31) being forty-eight percent (48%) of the Net Surplus was proposed as dividend. Professor Oteng Ababio moved a motion for the acceptance of the proposal at the instance of the Chairman, which was seconded by Ms. Ernestina Amankwado and Dr. Bossman Asare and the motion was duly carried.

BUDGET FOR 2022 FINANCIAL YEAR

The Report which appeared on page 49 was presented by the Treasurer. He mentioned that due to the nature of modern banking business it had become necessary to recruit a permanent ICT staff.

The Chairman also reiterated the need to invest in ICT Systems as it will curb problems associated with money laundering, cyber security, and the drive to rope in more institutions. Professor William Coffie congratulated Management for increases in asset despite the apparent challenges. He however questioned the sufficiency of the amount earmarked for medical expenses for staff since in his view it will not be enough as the Union was contemplating engaging additional staff within the period. The Chairman



noted his concerns and assured him that the Board and Management will consider it.

The Treasurer then moved for the acceptance of the budget, which was seconded by Mr. Joseph Honney and the motion was duly carried.

BYE-LAWS

The Chairman informed members of the need to revise the Bye-laws of the Union since the current one was approved in 2015, and was not adequate to facilitate current trends of banking business. For this reason, a committee was constituted which after broad consultations with various stakeholders, put together a draft which could be found on page 60-86 of the Annual General Meeting Report.

He also revealed that the calendar year of the Union will be from the 1st January – 31st December every year and added that transitional provisions and procedures had been put in place to avoid disruptions.

Mr. Daniel Dogblorwu moved a motion for acceptance of the amendments and was seconded by Ms. Leticia Laryea.

The Chairman assured members that the Board had put in place controls to ensure everything was done lawfully.

LAUNCH OF STRATEGIC PLAN

The Chairman laid out the strategic plan which he indicated gave utmost priority to members and had received a commendation from experts. He invited the Vice-Chairman to launch the new products under the strategy.

- Self-Pension fund
- M Plan Saving Account
- Student Smart Saving
- Long Term Loan Account

The Vice Chairman then declared the products launched on behalf of the Board and Management and Members.

After the Launch the Chairman requested representatives from Co-operative Ghana and CUA to address the meeting.

Mr. Charles Offei advised the Management to adopt some of the innovations of the Kenyan Co-operatives. He also asked the Union to pay attention to Co-operative Governance and ICT adding that the Union should partner with other Credit Unions to acquire a shared ICT platform to leverage on the economies of scale. He also encouraged the Board to listen to the concerns of members and attend to them satisfactorily since they were the main stakeholders of the Union. He commended the Union for its outstanding performance and pledged the support of the Department of Co-operatives to the Union.

Mr. Joshua Akuetteh, speaking on behalf of the General Manager of CUA also advised

the Board to consider the composition of its membership base as it will ensure the development of products that will be of immense benefit to everyone. He tasked the Union to prioritise the updating of the record of members on a regular basis to forestall issues having to do with next of kin and succession.

OTHER BUSINESS

The Chairman invited comments from members. He stated that over the years such comments have served as brilliant resources to the Board and Management in the running of the Union.

1. Dr. Owusu Sekyere from the University Hospital commended the Board for the Hospital Project and asked whether spouses of members could also join the Union. The Chairman responded that this proposal is being considered by the Board and in due course members will be informed about the outcome.
2. A member asked the Board to assist members with a sustainable long-term loan facility. The Chairman explained that it was under consideration and members will be notified soon.

CLOSING

Mr. Daniel Dogblorwu moved a motion for the adjournment of the meeting and was seconded by Mr. Shadrack Agyiri, who also said the closing prayer. The meeting ended at 2:40pm.



GHANA CO-OPERATIVE CREDIT UNION ASSOCIATION (CUA) LTD.

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Independent Auditor's Report to Members of the University of Ghana Co-operative Credit Union Limited

Report on the Financial Statements

We have audited the accompanying financial statements of University of Ghana Co-operative Credit Union Ltd., which comprise the Statement of Financial Position as at 30th June, 2022 and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

As stated in the Credit Union's Bye-laws, the Management Board is responsible for the preparation and fair presentation of these financial statements in accordance with relevant Reporting Standards, Co-operative Societies Act, 1968 (NLCD 252) and other regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

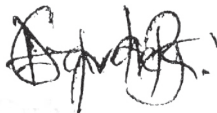
Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Generally Accepted International Standards on Auditing. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance, whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the University of Ghana Co-operative Credit Union Ltd. as at 30th June, 2022, and of its financial performance and its cash flows for the year then ended in accordance with Co-operative Societies Act, 1968 (NLCD 252) and Industry Standards.

Signature:  For: Credit Unions Association Ltd.

Signature:  For: Department of Co-operatives, Box M150, Accra

Dated: 11/10/2022

Financial Highlights

as at 30th June 2022

Operating Statement Average Assets GH¢ 193,128,805.46

PARTICULARS	ACTUAL		STANDARD	
	AMOUNT GH¢	%	AMOUNT GH¢	%
INTEREST EARNING				
Interest on Loans	20,737,917.03	10.74	38,592,557.07	20.00
Interest on Fin. Investment	9,022,086.29	4.67	3,859,255.71	2.00
Other Investment			1,929,627.85	1.00
Total Income	29,760,003.32	15.41	44,381,440.63	23.00
Less: COST OF FUNDS				
Interest on Member Savings	11,701,554.02	6.06	9,656,440.27	5.00
Interest on Borrowing			3,859,255.71	2.00
Total Cost of Funds	11,701,554.02	6.06	13,515,695.98	7.00
GROSS FINANCIAL MARGIN	18,058,449.30	9.35	30,865,744.65	16.00
Less Provision for Loan Loss/Bad Debt	599,958.86	0.31	7,725,152.22	4.00
Net Financial Margin	17,458,490.44	9.04	23,140,592.43	12.00
Add Non-Financial Income	932,615.26	0.48	1,931,288.05	1.00
Gross Margin	18,391,105.70	9.52	25,071,880.48	13.00
Less: OPERATING EXPENSES				
Personnel	1,714,684.57	0.89	4,828,220.14	2.50
Occupancy	36,320.48	0.02	1,929,627.85	1.00
Organisation	1,462,127.28	0.76	1,929,627.85	1.00
Security	439,024.03	0.23	1,929,627.85	1.00
Administration	1,001,545.34	0.52	2,896,932.08	1.50
Total Operating Expenses	4,653,701.70	2.41	13,514,035.78	7.00
Net Operating Margin	13,737,404.00	7.11	11,557,844.71	6.00

Financial Highlights

as at 30th June 2022

Total Assets **GH¢ 208,333,851.91**

PARTICULARS	ACTUAL		STANDARD	
	AMOUNT GH¢	%	AMOUNT GH¢	%
ASSETS				
Liquid Funds	2,676,150.31	1.28	4,166,677.04	2.00
Liquid Investment	66,969,098.93	32.15	37,500,093.34	18.00
Other Investment	20,382,214.93	9.78	10,416,692.60	5.00
Loans to Members	106,707,162.24	51.22	145,833,696.34	70.00
Accounts Receivables	8,071,667.73	3.87	-	-
Fixed Assets (NBV)	3,527,557.77	1.69	10,416,692.60	5.00
TOTAL ASSETS	208,333,851.91	100.00	208,333,851.91	100.00

EQUITY, RESERVES & LIABILITIES

PARTICULARS	ACTUAL		STANDARD	
	AMOUNT	%	AMOUNT	%
Current Liabilities	427,004.51	0.20	-	-
External Loans			10,416,692.60	5.00
Member Savings	120,237,928.89	57.71	166,667,081.53	80.00
Member Shares	41,444,429.12	19.89	10,416,692.60	5.00
Kiddy Saving	3,429,698.70	1.65		
Term Deposit	188,455.08	0.09		
Reserve	42,606,335.61	20.45	20,833,385.19	10.00
TOTAL EQUITY, RESERVE & LIAB.	208,333,851.91	100.00	208,333,851.91	100.00



Statement of Comprehensive Income

for the Year Ended 30th June 2022

INCOME	NOTE	2022	2021
		GH¢	GH¢
Interest Income		20,737,917.03	16,421,312.35
Interest on Financial Investment	2	9,022,086.29	7,620,257.79
Non-Financial Income	3	932,615.26	766,144.51
TOTAL INCOME		30,692,618.58	24,807,714.65
Less: EXPENDITURE			
Cost of Funds	4	11,701,554.02	9,772,471.11
Provision for Loan Loss	5	599,958.86	490,639.60
Personnel	6	1,714,684.57	1,480,271.04
Occupancy	7	36,320.48	9,476.50
Organisational Cost	8	1,462,127.28	908,268.41
Security Cost	9	439,024.03	386,580.82
Administrative Cost	10	1,001,545.34	723,452.36
TOTAL OPERATING EXPENSES		16,955,214.58	13,771,159.84
SURPLUS APPROPRIATION			
Net Surplus b/f		13,737,404.00	11,036,554.81
25% Statutory Reserve		3,434,351.00	2,759,138.70
75% Operation Reserve		10,303,053.00	8,277,416.11
		13,737,404.00	11,036,554.81

Statement of Financial Position

as at 30th June 2022

		2022	2021
	NOTE	GH¢	GH¢
ASSETS			
Liquid Funds	11	2,676,150.31	5,248,644.59
Liquid Investment	12	66,969,098.93	57,606,918.17
Other Investment	13	20,382,214.93	17,328,541.23
Loans to Members	14	106,707,162.24	87,891,832.03
Accounts Receivables	15	8,071,667.73	6,180,254.18
Non-Current Assets	16	3,527,557.77	3,667,568.80
TOTAL ASSETS		208,333,851.91	177,923,759.00
LIABILITIES AND EQUITY			
Current Liabilities	17	427,004.51	456,120.34
Member Savings	18	120,237,928.89	102,593,520.01
Member Shares	19	41,444,429.12	36,020,597.11
Kiddy Savings	20	3,429,698.70	2,557,252.10
Term Deposit	21	188,455.08	90,000.00
Reserves	22	42,606,335.61	36,206,269.44
TOTAL LIABILITIES AND EQUITY		208,333,851.91	177,923,759.00


APPROVED
As REGISTRAR
OF
CO-OPERATIVE
SOCIETIES
 11/10/22



Cash Flow Statement

for the Period Ended 30th June 2022

	2022 GH¢	2021 GH¢
CASH FLOW FROM OPERATING ACTIVITIES		
Net Surplus	13,737,404	11,036,555
Add: Depreciation	355,194	325,219
Provision for Loan Loss	599,959	490,640
Cash flow from operating activities before changes in Operating Assets and Liabilities	14,692,557	11,852,414
CHANGES IN OPERATING ASSETS AND LIABILITIES		
(Increase) / Decrease in Loans	(19,415,289)	(21,430,720)
(Increase) / Decrease in the Assets	(2,569,665)	3,504,370
Increase / (Decrease) in Member Deposits	18,615,311	13,865,677
Increase / (Decrease) in Accounts Payable	(29,116)	150,670
Net Cash Generated from Operating Activities	11,293,797	7,942,411
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(215,183)	(64,392)
(Increase) / Decrease in Liquid Investment	(9,362,181)	(7,048,100)
(Increase) / Decrease in Other Investment	(3,053,674)	(2,280,630)
Hospital Emergency Unit Project	(1,361,540)	
Net Cash Used in Investing Activities	(13,992,577)	(9,393,122)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Shares Issued	5,423,832	5,987,063
Dividend Paid	(5,297,546)	(4,378,810)
Net Cash Used in Financing Activities	126,286	1,608,252
Net Increase / (Decrease) in Cash and Cash Equivalent	(2,572,494)	157,541
Cash and Cash Equivalent at the Beginning of the year	5,248,645	5,091,103
Cash and Cash Equivalent at the of the year	2,676,150	5,248,644

Notes 1 to 22 form an integral part of these financial statements. These financial statements were approved by the Management Board on October 11, 2022 and signed on its behalf by:



Chairperson



Treasurer



Notes to the Financial Statement

1. ACCOUNTING POLICIES

The Significant accounting policies adopted by the Union and used in the preparation of the Financial Statements are as follows:

BASIS OF PREPARATION

1.1. Statement of Compliance

The financial statement of the University of Ghana Co-operative Credit Union Ltd. has been prepared in accordance with relevant reporting standards and Co-operatives Act, 1968 (NLCD 252)

1.2. Basis of Measurement

The financial statements have been prepared under the historical cost convention.

1.3. Functional and Presentation Currency

The financial statements are presented in Ghana cedis (GH¢) which is the Credit Union's functional and presentation currency.

1.4. Use of Estimates and Judgements

The preparation of financial statement is in conformity with generally accepted accounting standards which requires the Union's Management Board to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates are revised.

1.5. Income Recognition

- i. Interest income is recognised in the statement of comprehensive income on cash and accrual basis. Interest income represent interest on member loans.
- ii. Investment income is recognised in the statement of comprehensive income on accrual basis.

1.6. Expenses

Expenses are recognised when incurred, without regard to receipt or payment of cash.



1.7. Interest on Members' Savings

Interest on Members' Savings is paid on quarterly basis and on the minimum balance in the quarter.

1.8. Provision for Loan Losses

The Credit Union determines the likely impairment loss on loans which have not maintained the loan repayment in accordance with the loan contract. An estimate of collective provision is based on the age of the loans and the net exposure (i.e. the difference between the savings and the loan) to the Credit Union.

1.9. Property, Plant and Equipment

i. Recognition and Measurement

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation and impairment losses.

ii. Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Union and its cost can be measured reliably.

The cost of day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income as and when incurred.

iii Depreciation / Amortisation

Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful life of the assets. The current annual depreciation rate for each class of property, plant and equipment are as follows:

RATE

Office Building	2%
Office Equipment	25%
Furniture and Fittings	25%
Software	33.33%

	2022 GH¢	2021 GH¢
2. INTEREST ON FINANCIAL INVESTMENT		
Interest on Share Investment	2,124,360.97	1,589,992.56
Interest on CUA CFF Saving and Statutory Reserve	451,695.58	120,665.62
Interest on Other Investment	6,446,029.74	5,909,599.61
	9,022,086.29	7,620,257.79
3. NON-FINANCIAL INCOME		
Interest on Office Staff Loan	236,494.66	62,372.58
Membership Registration Fee	8,055.00	7,510.00
Commissions and Fees	40,605.00	39,540.00
Rent Income	237,411.85	375,930.19
CUA Dues	108,969.00	88,030.00
Interest on Call Account	293,949.75	192,761.74
Sale of Paraphernalia	7,130.00	-
	932,615.26	766,144.51
4. COST OF FUNDS		
Interest Paid on Members Savings	11,701,554.02	9,772,471.11
5. PROVISION FOR LOAN LOSS		
Balance b/f	1,699,931.79	1,209,292.19
Provision for the year	599,958.86	490,639.60
TOTAL	2,299,890.65	1,699,931.79
6. PERSONNEL COST		
Staff Emolument	1,591,849.00	1,350,359.10
Clothing Allowance	91,850.74	82,934.49
Medical Expenses	30,984.83	46,977.45
	1,714,684.57	1,480,271.04
7. OCCUPANCY COST		
Maintenance of Office Building	36,320.48	9,476.50



	2022	2021
	GH¢	GH¢
8. ORGANISATIONAL COST		
Seminars, Training, Workshop and Conferences	370,197.29	309,240.45
CUA Dues, Levies and Subscription	75,178.16	75,674.80
Annual General Meeting	62,618.00	92,516.13
Board and Committee Meetings	59,041.31	40,892.49
Allowance to Officers	349,067.08	301,053.04
Marketing and Member Care Expenses	61,371.16	19,517.50
Business Development	84,394.35	68,374.00
Funeral Expenses	3,663.73	1,000.00
Election Expenses	29,309.87	-
Anniversary Celebration Expenses	367,286.33	-
	1,462,127.28	908,268.41
9. SECURITY COST		
Exiting Benefit	227,464.83	190,309.68
CUA Stabilization Levy	140,000.00	135,000.00
Insurance	38,559.20	36,271.14
Audit Fees	33,000.00	25,000.00
	439,024.03	386,580.82
10. ADMINISTRATIVE COST		
Entertainment and Refreshment	61,749.89	35,126.25
Stationery and Printing	65,763.21	43,643.65
Telecommunication Expenses	6,627.31	7,765.38
Cleaning Materials	18,420.20	17,857.56
Bank Charges	29,041.15	6,104.46
Technical Support Services	289,730.49	141,906.17
Corporate Social Responsibility	51,485.40	10,847.00
Travelling and Transport	2,133.00	2,737.10
Generator Maintenance Cost	3,910.00	10,094.67
Maintenance of Office Equipment	9,688.53	5,335.15
Solicitors Expenses	34,574.71	32,712.89
Utility Bills	26,892.57	19,514.22
Fuel and Lubricant	19,530.00	17,561.00
Maintenance of Vehicle	10,505.38	8,538.19
Covid 19 Expense	16,299.28	38,489.40
Depreciation	355,194.22	325,219.27
	1,001,545.34	723,452.36

	2022	2021
	GH¢	GH¢
11. LIQUID FUNDS		
Petty Cash	3,209.21	3,974.30
Ecobank Current Account	257,698.08	123,649.86
Republic Bank Current Account	1,837,140.51	4,463,690.75
Call Account (Republic Bank)	433,329.70	172,835.23
E-Banking Cash	118,093.48	105,429.83
GCB Bank	26,205.99	378,591.28
CBG	473.34	473.34
	2,676,150.31	5,248,644.59
12. LIQUID INVESTMENTS		
Republic Bank	5,000,000.00	4,306,918.03
Cal Asset Management - Fund Investment	1,800,173.37	1,497,443.86
Cal Asset Management - Shares Investment	12,782,857.45	10,658,496.48
CUA CFF Savings	4,919,988.07	4,268,327.49
Universal Merchant Bank	-	3,117,500.54
SIC Savings and Loans	2,691,233.02	2,303,743.38
Zenith Bank	12,613,238.20	11,029,321.71
Access Bank	3,256,803.82	2,839,022.33
GCB Investment	10,229,134.71	8,850,000.18
EDC Fixed Income Fund	10,170,419.58	8,736,144.17
FBN Bank	3,505,250.71	
	66,969,098.93	57,606,918.17
13. OTHER INVESTMENT		
CUA Statutory Reserve	14,701,556.44	11,642,417.74
CUA House Bond	440.09	440.09
CUA Shares	5,035.00	500.00
CUA Kasoa Project	9,366.00	9,366.00
Gold Coast Securities	5,449,865.37	5,449,865.37
Universal Capital Management	172,602.76	172,602.76
Indigo Investment Ltd.	43,349.27	53,349.27
	20,382,214.93	17,328,541.23



	2022	2021
	GH¢	GH¢
14. LOANS TO MEMBERS		
Loans to Active Members	104,713,087.49	83,689,208.08
Loans to Dormant Members	3,190,693.37	4,871,315.47
Staff Loans	1,103,272.03	1,031,240.27
	109,007,052.89	89,591,763.82
Less: Provision for Loan Loss	2,299,890.65	1,699,931.79
	106,707,162.24	87,891,832.03
15. ACCOUNTS RECEIVABLES		
University of Ghana	4,791,879.47	4,186,119.47
School of Public Health, UG	29,859.00	44,752.00
University of Professional Studies, Accra	628,268.86	563,282.98
Wisconsin University College	-	83,649.00
Univ. of Health & Allied Sciences	1,409,181.97	586,653.30
National Accreditation Board	81,408.00	76,394.00
Pentecost University College	60,536.00	58,450.00
Ghana Institute of Languages	16,492.00	12,758.00
Ghana Institute of Journalism	103,358.00	87,016.00
Zenith University College	-	29,792.00
National Council for Tertiary Education	13,954.00	21,287.00
Ghana Technology University College	167,490.04	-
GIMPA	244,524.39	93,583.71
Regional Maritime University College	118,302.00	104,750.62
Universal Hospital Suppliers Ltd.	23,879.00	19,154.00
John Teye Memorial Institute	29,187.00	21,309.10
Centre for Plant Medicine Research	8,122.00	7,106.00
Kay-Billie Klair Int. School	22,550.00	-
National Banking College	1,505.00	-
Noguchi Contract Employees	16,769.00	15,749.00
Ghana Christian Int. High School	46,423.00	30,058.00
L'aine Services Ltd.	20,467.00	-
All Nations University College	25,120.00	19,300.00
University of Ghana Medical Centre	56,942.00	49,143.00
Nursing and Midwifery Council	45,192.00	33,017.00
College of Nursing and Midwifery	10,550.00	8,126.00
Accra College of Education	13,542.00	6,642.00
CSIR - Animal Research Institute	16,770.00	14,477.00
University of Env. And Sustainable Development	58,546.00	7,685.00
UG Enterprises Limited	10,850.00	
	8,071,667.73	6,180,254.18

16. PROPERTY, PLANT, AND EQUIPMENT

	OLD BUILDING	OFFICE EQUIP.	SOFTWARE	NEW BUILDING	TOTAL
COST (01/07/21)	320,746.78	897,693.03	459,019.34	3,528,011.74	5,205,470.89
ADDITIONS		215,183.19			215,183.19
TOTAL	320,746.78	1,112,876.22	459,019.34	3,528,011.74	5,420,654.08
DEPRECIATION					
BALANCE B/F	57,589.40	810,527.50	459,019.34	210,765.85	1,537,902.09
CHARGE FOR THE YEAR	6,414.93	278,219.06		70,560.23	355,194.22
TOTAL	64,004.33	1,088,746.56	459,019.34	281,326.08	1,893,096.31
NET BOOK VALUE	256,742.45	24,129.66	-	3,246,685.66	3,527,557.77

17. CURRENT LIABILITIES

	2022 GH¢	2021 GH¢
Deferred Income (Rent Received in Advance)	153,239.64	175,736.83
Audit Fees Payable	33,000.00	31,000.00
CUA Stabilization	140,000.00	135,000.00
Members on Standing Order (Ecobank)	54,915.97	98,552.65
Startrite Montessori School	3,200.00	950.00
Members on Standing Order (Republic Bank)	42,648.90	14,338.90
Other Current Liabilities	-	541.96
	427,004.51	456,120.34

18. MEMBER SAVINGS

Active Savings	112,627,712.43	95,402,266.41
Dormant Savings	6,876,155.78	6,657,716.84
Extinct Members	55,288.32	55,288.32
Flexy Account Balance	678,772.36	478,248.44
	120,237,928.89	102,593,520.01

19. MEMBER SHARES

Active Shares Fund	35,690,442.77	30,393,718.07
Dormant Shares Fund	5,753,986.35	5,626,879.04
	41,444,429.12	36,020,597.11



	2022 GH¢	2021 GH¢
20. KIDDY ACCOUNT		
Active Kiddy Savings	3,271,901.38	2,481,681.99
Dormant Kiddy Savings	157,797.32	75,570.11
	3,429,698.70	2,557,252.10
21. TERM DEPOSIT		
Term Deposit	188,455.08	90,000.00
	188,455.08	90,000.00

22. RESERVES

	BALANCE B/F	ADJUSTMENT	APPROPRIATION	TOTAL
Statutory Reserve	14,401,979.84		3,434,351.00	17,836,330.84
Operating Reserve	21,804,289.60	7,337,337.83	10,303,053.00	24,770,004.77
TOTAL	36,206,269.44		13,737,404.00	42,606,335.61

Resolutions

Dividend

Subject to the approval of this Annual General Meeting, the Management Board proposes 48% of net surplus at the end of the financial year ending June 30, 2022 to be distributed to members as dividend to be paid into their savings account.

University Hospital Project

Subject to the approval of this Annual General Meeting, the Management Board proposes to spend additional GH¢2,065,981.71 to complete the University Hospital Project as the Union's Corporate Social Responsibility.



Budgeted Income Statement

for the Period Ending 31st December 2023

	July 1, 2022 - Dec 31, 2022	Jan 1, 2023-Dec 31, 2023	Consolidated Budget
Interest Income	GH¢	GH¢	GH ¢
Interest Income	10,941,131.33	27,403,002.56	38,344,133.89
Interest on Financial Investment	6,118,896.76	10,060,574.68	16,179,471.44
Interest on Share Investment	1,427,393.34	3,045,786.68	4,473,180.02
	18,487,421.43	40,509,363.92	58,996,785.35
Cost of Funds	6,356,046.12	16,958,856.05	23,314,902.17
Gross Financial Margin	12,131,375.31	23,550,507.87	35,681,883.18
Non-Financial Income	515,243.30	1,448,906.32	1,964,149.62
Net Income	12,646,618.61	24,999,414.19	37,646,032.80
Operating Expenses			
Provision for loan loss	310,976.96	681,953.92	992,930.88
Personnel Cost	1,170,372.02	2,594,326.38	3,764,698.40
Occupancy Cost	12,200.00	73,300.00	85,500.00
Organisational Cost	802,887.43	1,367,117.69	2,170,005.12
Security Cost	230,885.52	470,771.04	701,656.56
Administrative Cost	561,579.63	958,698.46	1,520,278.09
Total Expenses	3,088,901.56	6,146,167.49	9,235,069.05
Net Surplus	9,557,717.05	18,853,246.70	28,410,963.75
Surplus Appropriation			
Net Surplus	9,557,717.05	18,853,246.70	28,410,963.75
25% Statutory Reserve	2,389,429.26	4,713,311.68	7,102,740.94
75% Operating Reserve	7,168,287.78	14,139,935.03	21,308,222.81
	9,557,717.05	18,853,246.70	28,410,963.75

Budgeted Statement of Financial

Position as at 31st December 2023

	July 1, 2022 - Dec 31, 2022	December 31, 2023
Assets	GH¢	GH¢
Liquid Funds	4,957,593.18	3,663,645.59
Liquid Investment	68,087,995.69	82,148,570.37
Other Investment	20,382,214.93	23,816,565.93
Loans to Members	119,727,617.12	134,383,952.80
Accounts Receivables	8,636,684.47	9,282,417.89
Non-Current Assets	3,807,660.53	3,664,525.36
Total Assets	225,599,765.92	256,959,677.94
Liabilities and Equity		
Current Liabilities	240,764.87	192,505.97
Member Savings	129,256,963.20	144,285,514.67
Member Shares	44,345,539.16	50,262,203.53
Kiddy Savings	3,944,153.51	4,630,093.25
Term Deposit	288,455.08	288,455.08
Reserves	47,523,890.10	57,300,905.44
Total Liabilities and Equity	225,599,765.92	256,959,677.94



Notes to the Budget

A. Basis of the Budget

The budget was prepared for a period of eighteen (18) months in compliance with the transitional provisions in the Union's bye-law of 2021. The bye-law states that 'the financial year as amended in this bye-law shall become effective 1st January, 2023. The Union will prepare an interim account for six (6) months ending 31st December, 2022 and make interim payment of dividend if any, approved by the Management Board after audit of the Union's Financial Statement.

	July 1, 2022 - Dec 31, 2022	Jan 1, 2023- Dec 31, 2023	Consolidated Budget
1. Interest Income	GH¢	GH¢	GH¢
Interest Income	10,941,131.33	27,403,002.56	38,344,133.89
Interest on Financial Investment	6,118,896.76	10,060,574.68	16,179,471.44
Interest on Share Investment	1,427,393.34	3,045,786.68	4,473,180.02
	18,487,421.43	40,509,363.92	58,996,785.35
2. Other Income			
Registration Fees	5,000.00	10,000.00	15,000.00
Commissions and Fees	20,902.50	80,190.00	101,092.50
Interest on Staff Loan	108,787.54	217,575.08	326,362.62
Interest on Call Account	154,323.62	408,647.24	562,970.86
CUA Dues	72,990.00	150,980.00	223,970.00
Rent Income	153,239.64	581,514.00	734,753.64
	515,243.30	1,448,906.32	1,964,149.62
Total Income	19,002,664.73	41,958,270.24	60,960,934.97
3. Personnel Cost			
Salaries and Wages	1,089,979.89	2,404,806.08	3,494,785.97
Clothing Allowance	59,903.63	130,799.05	190,702.68
Medical Expenses	20,488.50	58,721.25	79,209.75
	1,170,372.02	2,594,326.38	3,764,698.40

Notes to the Budget

	July 1, 2022 - Dec 31, 2022	Jan 1, 2023- Dec 31, 2023	Consolidated Budget
4. Occupancy Cost	GH¢	GH¢	GH¢
Maintenance of Office Building	12,200.00	55,300.00	67,500.00
Rental for Ho office		18,000.00	18,000.00
	12,200.00	73,300.00	85,500.00
5. Organisational Cost			
Seminars, Workshop, Training & Conf.	228,879.26	457,168.65	686,047.91
CUA Dues, Levies & Subscription		120,000.00	120,000.00
Annual General Meeting	162,014.08		162,014.08
Board and Committee Meetings	28,450.00	62,918.00	91,368.00
Allowance to Officers	162,157.39	393,810.79	555,968.18
Marketing & Member Care Expenses	30,350.00	185,720.25	216,070.25
Business Development Exp.	81,500.00	129,500.00	211,000.00
Staff Welfare	4,000.00	8,000.00	12,000.00
Anniversary Expenses	105,536.70	10,000.00	115,536.70
	802,887.43	1,367,117.69	2,170,005.12
6. Security Cost			
Audit Fees	19,750.00	39,500.00	59,250.00
Exiting Benefit	185,000.00	240,000.00	425,000.00
CUA Stabilization Levy		145,000.00	145,000.00
Insurance	26,135.52	46,271.04	72,406.56
	230,885.52	470,771.04	701,656.56



Notes to the Budget

	July 1, 2022 - Dec 31, 2022	Jan 1, 2023- Dec 31, 2023	Consolidated Budget
7. Administrative Cost	GH¢	GH¢	GH¢
Refreshment	31,404.94	76,012.37	107,417.31
Printing and Stationery	35,516.87	85,492.17	121,009.04
Telecommunication	4,696.60	9,393.20	14,089.80
Cleaning Materials	11,820.30	23,447.25	35,267.55
Bank Charges	34,019.30	43,850.04	77,869.34
Transport and Travelling	2,100.00	4,900.00	7,000.00
Technical Support Services	198,265.46	338,762.01	537,027.47
Corporate Social Responsibility	15,000.00	30,000.00	45,000.00
Maint. & Serv. of Office Equip.	7,500.33	15,110.66	22,610.99
Maintenance of Generator	2,200.00	6,210.00	8,410.00
Solicitor Expense	23,166.66	46,333.32	69,499.98
Utility Bills	21,889.01	43,778.03	65,667.04
Fuel and Lubricant	15,600.00	31,200.00	46,800.00
Maintenance and Repair of Vehicle	16,400.00	41,515.10	57,915.10
Covid 19 Expenses	5,867.74	19,559.14	25,426.88
Depreciation	136,132.41	143,135.17	279,267.58
	561,579.63	958,698.46	1,520,278.09
8. Provision for Loan Loss	310,976.96	681,953.92	992,930.88
9. Cost of Funds			
Interest on Member Savings	6,356,046.12	16,958,856.05	23,314,902.17

Credit Union Song

It's a small world after all (3 times)

It's a small, small world

It's a small world after all

It's a world of laughter,

It's a world of tears and cheers

It's a Credit Union World



Gallery



Chairman receiving an Award from CUA



Award received from GHAMFIN



Membership engagement at All Nations University College, Koforidua



Membership engagement at University of Health & Allied Sciences, Ho

Gallery



Vice Chancellor cutting the sod for the commencement of the UG Hospital Emergency Centre building



Some Officials at the sod cutting ceremony



Some Officials at the sod cutting ceremony



Aerial view of the UG Hospital Emergency Centre building



UG Hospital Emergency Centre building sponsored by the Union



UG Hospital Emergency Centre building sponsored by the Union



UG Hospital Emergency Centre building sponsored by the Union



Front view of the UG Hospital Emergency Centre building sponsored by the Union



Our Services

Savings Account
Shares Account
Kiddy Account
Flexy Account
Loan Account
Term Deposit
Student's Account
Salary Account

Our Core Values

Accountability
Commitment
Cooperation
Integrity
Trust
Excellence

The Member, Our Priority

University of Ghana Co-operative Credit Union

P.O. Box LG 1167
Legon

Telephone: 0557497633, 0501 694 150

E-mail: info@ugcreditunion.org

Website: www.ugcreditunion.org

Location: UG Credit Building, Akilagpa Sawyerr Road,
University of Ghana, Legon Campus

