



**University of Ghana Co-operative
Credit Union Ltd.**

Reports & Financial Statements for 2023





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

Auditor: Department of Co-operatives, Accra



Vision, Mission and Core Values

VISION



A Model of Excellence for
Credit Unions in Africa

MISSION



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

CORE VALUES



Accountability
Commitment
Cooperation
Integrity
Trust
Excellence



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Notice of Annual General Meeting (AGM) and Agenda

Notice is hereby given that the 2023 Annual General Meeting (AGM) of the University of Ghana Co-operative Credit Union Ltd. will be held on Tuesday, 30th April, 2024, 12:30 pm 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 31st December, 2023 together with the Reports of the Management Board, Loans Committee, Supervisory Committee, Manager and Auditors thereon.
2. To Confirm Minutes of the 2021/2022 Annual General Meeting.
3. To Adopt Resolutions.
4. To Present and Approve the 2024 Budget Statement.
5. To Transact any Other Business.

Members are required to submit questions related to the AGM through creditunion@ug.edu.gh, on or before 4:00 pm, Friday, 26th April, 2024. Questions submitted after this date may not be attended to.

Union Secretary: Zoe Lexfields



Programme of Activities

10:00 - 12:00 noon	Tour of UG Credit Union Emergency Hospital Building
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	Confirmation of Minutes of 2021/2022 AGM
1:30 - 1:40 pm	Report by the Management Board
1:40 - 1:50 pm	Report by Manager
1:50 - 2:15 pm	Presentation and Adoption of Auditor's Report for 2023 Financial Year
2:15-2:20 pm	Adoption of Resolutions
2:20 - 2:40 pm	Presentation and Approval of 2024 Budget Statement
2:40 - 2:50 pm	Any Other Business
2:50 - 2:55 pm	Closing Prayer



Profile of Management Board Members



Mr. Michael Asante Antwi (Chairman)

Mr. Antwi is currently a Senior Accountant at the Management Accounts Unit of the Finance Directorate at the University of Ghana. He headed the Students Accounts Unit of the University. He is a Chartered Accountant and a member of the Association of Chartered Certified Accountants (UK) and has a Diploma in Public Financial Management from the Institute of Chartered Accountants, Ghana. He also holds an MBA in Finance and a Bachelor of Arts in Political Science, from the University of Ghana, Legon



Prof. Jemima Asabea Anderson (Vice Chairperson)

Prof. Anderson is a Scholar at the Department of English, University of Ghana, Legon. She holds PhD and MPhil degrees in English from the University of Ghana and an MA in General Linguistics from Indiana University, Bloomington, USA. Prof. Anderson is currently the Director of the Pan-African Doctoral Academy (PADA). She is a Fellow, Senior Scholar, and Reviewer for the African Humanities Fellowship Program (AHP) of the American Council of Learned Societies (ACLS). She was a Visiting Scholar at Yale University, New Haven, CT, USA, a William Fulbright Fellow at Indiana University, Bloomington, USA and a Visiting Scholar at Justus Liebig University, Giessen, Germany. She is also an African Studies Association Presidential Fellow. She serves on several Boards and Committees within and outside the University.



Profile of Management Board Members



Mr. Archibald Laryea Adjei-Quaye (Treasurer)

Mr. Adjei-Quaye is an Accountant by profession with over sixteen (16) years of experience in Finance and Accounting across several industries. He is a member of the Association of Chartered Certified Accountants (ACCA), and a member of the Institute of Chartered Accountants, Ghana (ICAG). He also holds MBA in Accounting and Finance from the University of Professional Studies (UPSA), an Executive Master's in Hospitality Management from the University of Cape Coast, a Postgraduate Diploma in Management from Paris Graduate School of Management, BSc (Hons) in Accounting from Oxford Brookes University.



Ms. Gladys Alantiya (Assist. Treasurer)

Ms. Alantiya is a Senior Hall Assistant at Volta Hall of the University of Ghana, Legon. She holds MA in Management and Administration, Bachelor of Arts in Social Work and Sociology and a Diploma in Youth Development Work from the University of Ghana. She also has a Diploma and an Executive Certificate in Forensic Psychology and Security Management from Wisconsin University College, Accra. Ms. Alantiya has a Certificate in Tax Justice from the Tax Justice Network Africa, Nairobi, Kenya. She is currently the Financial Secretary of the Senior Staff Association, Universities of Ghana, (SSAUOG) Legon Branch.



Profile of Management Board Members



Prof. William Coffie (Member)

Prof. Coffie is a Tenured Professor of Accounting & Finance at the University of Ghana. He holds a PhD in Financial Economics and a Master's Degree in Finance from Birmingham City University, United Kingdom. He has other Degrees and Certificates in Accountancy, Business & Industrial Administration, Marketing, and Higher Education. Prof Coffie is a Chartered Accountant by ACCA UK, Chartered Marketer by CIM UK, Chartered Investment & Securities Analyst by CISI UK, Chartered Manager by CMI UK and a Fellow of the Institute of Financial Accountants UK. Prof Coffie has over 20 years of teaching and research experience in several Universities and Colleges across Europe, Asia, and Africa. He has published in reputable International Journals. His research interests lie in Accounting Information, Corporate Finance and Banking, Asset Pricing and Volatility, Applied Econometric modelling, IFRS adoption, Corporate Governance, and Auditing. Prof Coffie has several years of industry working experience in Europe and Africa. He has consulted extensively for both private and public sector Institutions.



Mr. Isaac Kwame Tetteh Agbasi (Member)

Mr. Isaac Kwame Tetteh Agbasi is a seasoned professional with extensive experience in healthcare, marketing, event management, estate management, inventory control and charity work. Currently serving as a Principal Research Assistant at the University Health Services, he also holds the role of Hospital Exam Coordinator. Alongside his healthcare role, he works part-time as a Marketing Manager for Cyber1 Defense Communication Limited and serves as the Treasurer for Cyber1 Defense Communication Charity Africa (CIDCCA). With an educational background that includes an MSc in International Studies from prestigious universities in Italy (Siena) and the UK (Bath), a BA in Political Science with the Study of World Religions from the University of Ghana, and various certifications in



Profile of Management Board Members

Human Resource Management (ICM-UK), Bournemouth University, UK, Diploma in Theology (Ga Presbytery Bible School), Data Management & Analysis (ISSER-UG), and Statistics for Decision Making (Statistics & Actuarial Science Department-UG).



Mr. Kenneth Botchway (Member)

Mr. Botchway is a Chief Administrative Assistant at Akuafu Hall and the Chairman of TEWU, University of Ghana. He holds a Master of Arts in Management and Administration, a Bachelor of Arts in Sociology and Psychology and a Diploma in Statistics from the University of Ghana. He served on numerous Boards and Committees. He is currently a member of the University of Ghana Council, Junior and Senior Staff Appointment and Promotion Committee, Junior and Senior Staff Housing Committee, and Junior and Senior Staff Disciplinary Committee at the University of Ghana.



Mr. Benjamin Yaw Suguwe (Member)

Mr. Suguwe is a Senior Administrative Assistant at the Confucius Institute at the University of Ghana, under the School of Languages, College of Humanities. He holds a Master of Arts Degree in Public Affairs, a Bachelor of Arts degree in Adult Education and Political Science and a Diploma in Youth in Development Work from the University of Ghana. He is a former Vice-Chairman of the Central Administration Welfare Fund, University of Ghana.

Profile of Loans Committee Members



Mr. Richard Nana Yaw Darkwa Ofori,
MBA, BSc (UPSA), CA (Ghana)
Chairperson



Dr. Godfred Bright Hagan
PhD Physics (Ghana)
Member



Mr. Solomon Okyere
*MA Records Management, BA
Information Studies and
Political Science (Ghana)*
Member



Mr. Bright Samlafo
*Electrical Engineering Technician
Part 3*
Member



Profile of Supervisory Committee Members



Mr. Cecil Korbla Vortia
MBA (UPSA), ACCA(UK)
Chairman



Prof. Lord Mensah
PhD Applied Economics (Belgium)
MSc Financial Mathematics (Germany)
BSc Mathematics (KNUST)
Member



Ms. Adelaide L. Asante
EMBA, BA (Ghana)
Member



Mr. Daniel Dogblorwu
BSc (UPSA)
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 Golden Opportunity Co-operative Credit Union. He is a Chartered Accountant and a member of the Institute of Chartered Accountants (ICA), Ghana. 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 Chartered Accountant and 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).



Profile of Management Staff



Mr. Oliver Amoako - Deputy Manager (Finance)

Mr. Amoako is the Deputy Manager in charge of Finance. 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 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 Cooperative 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 Chartered Marketer and a Member of the Chartered Institute of Marketing (CIM), UK and (CIMG), Ghana. She is also a Certified Professional in Human Resource Change Management and Strategic Leadership (HRCI) USA. She holds an MBA in Marketing and BA in Psychology from the University of Ghana.



Summary of 4-year Financial Performance

	2019 / 2020	2020 / 2021	2022	2023
	GH¢	GH¢	GH¢	GH¢
Interest on Loans	15,025,009.73	16,421,312.35	22,456,103.33	28,601,378.56
Cost of Funds	8,497,019.27	9,772,471.11	12,319,281.59	15,130,100.64
Net Interest Income	6,527,990.46	6,648,841.24	10,136,821.74	13,471,277.92
Other Income	6,327,930.54	8,386,402.30	15,697,789.05	10,819,817.44
Total Net Income	12,855,921.00	15,035,243.54	25,834,610.79	24,291,095.36
Total Operating Expenditure	3,432,930.04	3,508,049.13	5,232,277.89	5,682,182.68
Less Provision for Loan / Investment Loss	300,469.36	490,639.60	6,778,286.40	2,573,647.86
Total Expenditure	3,733,399.40	3,998,688.73	12,010,564.29	8,255,830.54
Net Surplus	9,122,521.60	11,036,554.81	13,824,046.50	16,035,264.82
Transfer to Statutory Reserve Fund	2,280,859.11	2,759,138.70	3,456,011.63	4,008,816.20
Dividend Paid / Proposed	4,378,810.37	5,297,546.31	6,635,542.32	7,696,927.12
Total Asset	151,020,481.94	177,923,759.00	203,273,823.87	254,408,193.76
Members Deposit	89,455,195.82	102,593,520.01	127,289,180.94	156,142,950.39
Members Shares Deposit	30,033,534.39	36,020,597.11	42,339,288.77	48,977,802.95
Loans to Members	68,161,044.10	89,591,763.82	123,550,032.02	148,152,347.42
Operating Expenditure/ Total Income	16.04%	14.14%	13.71%	14.41%
Return on Asset	6.04%	6.20%	6.80%	6.30%
Growth in Asset	20.10%	17.81%	14.25%	25.16%
Cost of Funds/ Interest Income	56.55%	59.51%	54.86%	52.90%
Dividend Per GH1 Share	0.15	0.15	0.16	0.16
Growth in Loans to Members	12.20%	31.44%	21.67%	21.67%
Membership	8,205	8,612	9,232	10054



Report by Management Board

Introduction

We welcome you all to our maiden Annual General Meeting (AGM) since assuming office as the Management Board. We are delighted to continue the good works of our predecessors who have bequeathed to us this great Union. The purpose of our meeting is to account for our stewardship for the period 1st July, 2022, to 31st December, 2023. This period has been longer than our usual meeting duration, yet consistent with our bye-laws and the resolutions of the last AGM. The financial period under review has been very eventful and impactful amidst the economic difficulties experienced in Ghana.

Economic Environment

As noted earlier, the period under review coincided with severe economic challenges experienced in Ghana. Among them was the depreciation of the cedi against major foreign currencies such as the dollar, pounds, and euros. The Domestic Debt Exchange Programme (DDEP) also significantly impacted on the activities of the financial sector, with banks and other financial institutions declaring huge losses. The Central Bank further instructed the banks not to pay dividends because of the impact of the DDEP on their profitability and its concomitant effects on capital erosion. Inflation rose to the highest level in a decade to about 54.1% in the period under review, leading to the high cost of operations. To further curb the increase in inflation, the Central Bank increased its monetary policy rate to about 30%, resulting in a high average lending rate. The government's emphasis on financing the budget deficit from the Treasury Bill market with a relatively high yield has diverted investors' attention to the money market. The high yield on Treasury Bills caused members to request for an increase in interest rates on savings and other investments at the Credit Union. This has denied the Union the opportunity to mobilize excess funds from members. Despite all these adverse circumstances, the Union made surplus and paid an interim dividend of GH¢ 1,200,000.00 for the half-year ending 31st December, 2022.

Governance

To ensure continuity and uninterrupted governance of the Union, transitional arrangements set out in our bye-laws for ensuring that new officers were elected before the expiration of the tenure of the previous Board and Committees in June 2022 were followed through. Additionally, the four months' provisional arrangement for organizing Annual General Meeting (AGM) in accordance with the bye-laws after the expiration of the 2022



financial year offered the new Board and Committee members an opportunity to be oriented on the operations of the Union. The mantle of leadership was handed over to the current officers during 2022 AGM held in October of the same year.

In furtherance of the functions of the Board, we focused on the pursuit of the objectives in our strategic plan aimed at achieving good governance. Prominent among them was the external stakeholder engagement with representatives of member institutions. Furthermore, the Board and Committee members were trained to sharpen their skills at executing their responsibilities. The Loan policy that provides equity and protection of member funds in credit administration among members, was reviewed. Also, the Board supported Management staff to start the documentation of an operational manual which helps in maintaining operational consistency in the Union.

The Board has further pursued the best practice of discharging its functions through subcommittees of the Board. Consequently, four subcommittees made up of three members each have been constituted. Each of these committees has a representative of Management Staff who provides technical support at subcommittee meetings. The subcommittees are Finance, Investment and Risk Management (FIRM), Marketing and Member Care, ICT and Facility Management, and Human Resource and Administration.

Financial Performance

The total assets of the Union at the end of 31st December, 2023, stand at GH¢ 254,408,193.76 compared to GH¢ 203,273,823.87 at 31st December, 2022. This represents 25% growth. The growth in the assets has mainly come from our loan portfolio, which has grown by 20% to GH¢ 148,152,347.42 in 2023. Shares of the Union increased from GH¢ 42,339,288.77 in 31st December, 2022, to GH¢ 48,977,802.95 as at 31st December, 2023, representing a 16% increase. The net surplus for the year under review exceeded the previous year's performance by 16.78%, totaling GH¢ 16,035,264.82. This performance is attributable to the volume of loans given and operational efficiency. This amount also exceeded the industry benchmark of 6% of average assets. The surplus for the year ending 2023 is 7% of average assets. Members were also paid cumulative interest rate of 11% on quarterly minimum balance during the year, totaling GH¢ 15,130,100.64.

During the period under review, the Board sought to invest in member loans and excess funds placed with commercial banks that have met the Central Bank's requirements. The Union maintains sound liquidity to meet its obligations as and when they fall due.



Interim Dividend

Despite the economic challenges during the second half of 2022, which ended the first part of the transitional period as reported in 2021/2022 AGM report, the Board paid an interim dividend of GH¢ 1,200,000.00 to members. This was credited to members' savings account.

Proposed Dividend for 2023 and Budget for 2024

The year under review has been challenging for the financial sector despite some improvements over that of 2022. However, the Board, consistent with its commitment to members, is proposing the payment of a final dividend at the end of the financial period ending 31st December, 2023, which is captured in the resolutions to be passed at this AGM.

The Board also implores members to approve the budget to be presented for the smooth administration of the Union.

Corporate Social Responsibility

The Union began the construction of a 50-bed capacity emergency centre at the University Hospital to commemorate the 50th anniversary celebration of the Union. This was in appreciation of the support of Members and Management of the University of Ghana towards the operations of the Union.

The Board is pleased to announce that the facility is near completion and will be commissioned soon. Members have in prior AGM's approved an amount of GH¢ 4,066,000.00 towards the project. However, due to design modification upon expert recommendation and high inflation experienced in Ghana during the construction period, there will be a need for members to vote an additional funds towards the completion and handing over of the project. The Technical Team estimates that an amount of GH¢ 1,500,000.00 will be required to complete the project. We therefore implore Members to approve this additional request.

On behalf of the Management Board, I would like to express our appreciation to Members, the Vice-Chancellor and Management of the University, past and current Board and Committee members, staff of the Union, the Project Team, and employees of the University, who have supported this project.

During the period under review, the University of Health and Allied Sciences (UHAS), the third largest source of member contribution was also supported with two laptop computers to aid in its operations.

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



Business Growth

In line with the Union's strategic theme of Innovation and Growth, the Board assessed opportunities in the environment and has identified some growth opportunities for expansion. Membership growth potential within current member institutions has reached saturation and this requires us to consider other areas of membership drive. Also, credit unions all over the world exist to provide savings and credit opportunities to people within its catchment area, and these benefits should be extended to other members of our community.

In view of the above, the Board wishes to pursue the following growth opportunities:

1. Admission of spouses and adult children of institutional members.
2. Admission of member-owned businesses.
3. Admission of individuals and businesses operating on campus.
4. Admission of members as savers only.

The Board wishes to assure members that sufficient safeguards have been put in place to ensure that gains made over the years are not compromised in the areas of liquidity and low default rates on loans as a result of this expansion drive. The Union will continue to pursue new institutional members. Consequently, the Board, Committees and staff members are being trained to manage this growth. The Enterprise Resource Planning system (ERP) of the Union will also be modified to provide excellent member experiences.

Outlook

Notwithstanding the current economic challenges, the Board resolves to remain operationally efficient and effective through the deployment of appropriate technologies. Furthermore, efforts will be directed at ensuring quality member experience in the ensuing year. The Board also planned to ensure that the new growth opportunities being explored will add value to the Union and offer opportunities to existing members to allow new entrants benefit from the value propositions of the Union.

Appreciation

The Board would like to express its sincere gratitude to God, Members, Committees, Management, and Staff for their commitment and contribution during the year under review.



Report by Supervisory Committee

Introduction

This report provides an overview of the supervisory committee's audit conducted at the University of Ghana Co-operative Credit Union Ltd. for the 2023 financial year. The Union is subject to regulatory oversight and audit to ensure compliance with industry standards, regulations, and best practices.

Mandate

Our schedule of work as a Supervisory Committee includes, among others, a review of the operational activities of the Credit Union, a review of statutory and regulatory compliances, and a review of measures and strategic decisions taken by the Management Board. These include decisions on the impact of the Domestic Debt Exchange Program initiated by the government and the aftermath of the Financial Sector clean up.

Observations

Compliance Reviews

The primary objective of supervisory activities is to ensure compliance with regulatory requirements including but not limited to the Bye-laws of the Union, Cooperative laws, decisions of the Management Board, etc. During this reporting period, the Supervisory Committee and officials from the Credit Union Association (CUA) conducted comprehensive compliance reviews of the activities of the Union. There were no significant compliance issues identified during the review process.

Risk Management and Internal Control Reviews

Supervisory activities assessed the Union's risk management practices and internal controls implemented to safeguard assets, prevent fraud, and ensure accuracy in financial reporting. Due to the robust risk management and internal controls implemented by the Union, the impact of the government's Domestic Debt Exchange Program, high inflation, and erratic changes in interest rates are minimal.

Financial Performance

The Union witnessed an increase in performance for the period ending 31st December 2023 compared to the period ending December 2022. The



total income grew from GH¢ 38,576,049.09 in 2022 to GH¢ 39,421,196.00 in 2023 and the net surplus grew from GH¢ 14,246,203.21 in 2022 to GH¢ 16,035,264.82 in 2023. Total assets grew from GH¢ 203,273,823.87 in 2022 to GH¢ 254,408,193.76 in 2023. The total operating expenses have reduced from GH¢ 24,328,845.88 in 2022 to GH¢ 23,385,931.18 in 2023. With robust internal control measures and expected economic improvement, we envisaged that the Union would continue to grow its finances.

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. We are certain the Union will achieve its vision to be a model of excellence for Credit Unions in Africa in the years ahead.



Report by Loans Committee

Introduction

This report presents an overview of the activities of the Loans Committee of the University of Ghana Co-operative Credit Union for the financial year ending 31st December, 2023.

Membership and Responsibilities

The membership of the Loans Committee comprises a representative each from the identifiable staff associations. Its main responsibilities include assessing and approving member loan applications, monitoring loan repayment, identifying delinquent loans, and reporting such cases to the Board. Additionally, the Committee meets regularly to perform its duties and offers recommendations to the Board for service enhancement, where necessary.

Performance

During the 2023 financial year, the Union experienced an increase in loan disbursements to members. A total of 10,804 loans were disbursed, amounting to GH¢ 72,939,181.75, which marks a 6.9% growth compared to the 2022 disbursement of GH¢ 68,226,029.63. This growth demonstrates the Union's commitment to providing financial assistance to its members.

Loan Delinquency

The Committee observed with concern, the disturbing trend of members obtaining loans and leaving the country without making repayment arrangements. We are actively collaborating with the Board and Management to address this issue and ensure the recovery of outstanding loans. Reporting such an intention by any member to obtain a loan facility and then relocate abroad would be most appreciated to assist mitigate this challenge.

Appreciation

We extend our appreciation to the Board and Management for their unwavering support throughout the year. We are grateful to members of the Union for their cooperation, and we assure them of our continued dedication to serving their interests.



Report by the Manager

Fellow Cooperators, it is with much pleasure I share with you an overview of our operations and the significant milestones we have achieved together as a Union post-Covid. The past financial year has been filled with challenges and triumphs, and I am excited to share the progress we have made together.

Economic Environment

The global pandemic has tested the mettle of financial institutions worldwide and the local economy has not been spared. The Ghanaian financial industry continues to assume a steady rebound amidst the difficult macro-economic situation and the aftermath of the Domestic Debt Exchange Programme (DDEP). However, the UG Credit Union has not only weathered the economic storms but has emerged as a resilient and sustainable service provider of choice, prioritising rapid credit accessibility to members due to our strong liquidity position. Our strategic foresight, coupled with prudent risk management, allowed us to navigate the uncertainties and positioned us for sustained growth.

Business and Operational Review

The past year has been a testament to our resilience and adaptability. Through prudent financial management, we have maintained stability and capitalized on opportunities for growth. In the face of economic uncertainties, it is delightful to note that our Credit Union has experienced robust financial performance throughout the year.

Financial Performance

In defiance of the challenging economic environment and the rising cost of business, the Union has equally maintained, and even exceeded our financial goals owing to strategic investment decisions and dedication to prudent measures. Our financial indices for this financial year should provide enough credence for member confidence.

Membership

Our Credit Union continues to attract new members, reflecting the trust and confidence individuals have in the Union. Over the years, we have seen a steady increase in our membership base, an attestation to the exceptional services and products we offer. In the year under review, a total number of 815 was added, bringing our total membership to 10,054. This number continues to grow as the Union extends its common bond to accommodate more viable institutions and persons. As a Union, we do not underestimate



this loyalty and extend much gratitude to our members for choosing the UG Credit Union brand as their number one financial partner.

Product offerings

Differentiation through innovative products has been a cornerstone of our market strategy. By understanding and anticipating the evolving needs of our customers, we have developed and continue to add on to our product lines in our bid to better serve your needs. For the year under review, our savings product line has been enhanced to address members' medium- and long-term needs at varying, but competitive interest rates. Complimentary to our existing savings products are the new Vacation Plus and Retirement Accounts. Whilst Members get to plan around special celebrations like birthdays, holidays, anniversaries with Vacation Plus that has partial withdrawal options, they get to even do more on prudent long-term planning with Pensions/Retirement Savings Account as a supplementary and voluntary retirement backup fund. What is more, the University's student community has a tailored interest-bearing Student Save Account, one which can be turned into a full-fledged membership account after school in addition to our existing products such as Generic Normal loan, CU Savings, Shares, Kiddy and Flexy accounts. With these product offerings and tailored financial solutions, we seek to not only meet but exceed the expectations of our diverse membership base. This commitment to product excellence has not only attracted new members but has solidified our position as market leaders in the credit union industry.

Service Excellence

Throughout these challenging times, our commitment to member-centered service delivery has remained unwavering. Putting our members first continues to be the driving force behind our success as our members remain the pivot of our services and operations. The past year witnessed a renewed focus on member-centered initiatives aimed at delivering unparalleled value and experiences. We have worked tirelessly to improve member experience through enhanced feedback mechanisms, personalized services, and a member-first mindset. The Union seeks to leverage on technological improvement, targeting at providing members with more convenience, security, and personalized banking experience. We continue to improve our response time to addressing member queries. Your trust in us remains a formidable foundation upon which we build, and we are grateful for the opportunity to serve you. To this end the Union continues to explore prudent ways to improve our member experience, thriving on your invaluable feedback to improve on our services.



Technology and Innovation

At the heart of our success lies our commitment to embracing technology as a catalyst for operational excellence. The Union embraced technology to streamline our operations and improve the accessibility of our members. Our investment in cutting-edge technologies has not only improved operational efficiency but also positioned us as a leader in providing cooperative financial services, having emerged as the best Credit Union for innovation in the Credit Union fraternity in Ghana. From mobile banking innovations to robust cybersecurity measures, technology has been instrumental in shaping our post-COVID operations. The integration of digital solutions has allowed us to provide efficient services while maintaining the personal touch that sets us apart. Our USSD code (*365*71#), E-banking and SmartApp remain highly effective, directing volumes of transactional traffic, with their resultant operational expediency and improved convenience. Members can attest to the decreased processing times for loan and withdrawal transactions and reduced congestion at the banking hall. Additionally, the ground is set for direct transfer from flexy account to bank account through the USSD code.

Human Resource

At the core of our achievements lies the collective strength, dedication, and talent of our exceptional team. Behind every technological advancement, strategic alliance, and innovative product is our adept human capital. Their professionalism, commitment to excellence and passion for service have been instrumental in bringing the Union thus far and I remain confident that with such a talented and dedicated team, we are well positioned for continued success. In every department, in every role, it is their hard work, innovation, and commitment that form the heartbeat of UG Credit Union.

To achieve our corporate objectives, we recognize the importance of investing in the growth and development of our human capital. Through continuous learning programs, mentorship initiatives and skill development opportunities, we aim to maintain a versatile and adaptive labour force, highly responsive to the rapidly changing dynamics of the financial industry.

As we look towards the future, the role of our human capital becomes even more critical. The Union remains committed to attracting and retaining skilled, competent, and affable personnel that complement our corporate strategy of sustainable growth and service excellence.

Conclusion

I wish to express my sincere gratitude to God, you, our members, other stakeholders, and staff for your unwavering support throughout this journey. Your confidence, trust, partnership, shared commitment, and collaboration



have been instrumental in our success. As we embrace the future, I am filled with optimism that together, we will continue to set new benchmarks, redefining excellence in the Credit Union Fraternity. Together, we will chart new heights and ensure that University of Ghana Cooperative Credit Union remains a beacon of financial stability and community support.

Thank you.



MINUTES OF 2022 AGM

MINUTES OF THE ANNUAL GENERAL MEETING OF THE UNIVERSITY OF GHANA CREDIT UNION LIMITED HELD ON WEDNESDAY 28TH OCTOBER, 2022 AT THE GREAT HALL AND ONLINE

Members Present

982 members signed the attendance register.

In Attendance

Mr. Cyprian Basin	General Manager, Credit Unions Association (CUA)
Mr. Kwabena Apreku-Yeboah	Acting Registrar, Department of Cooperatives (DOC)
Mr. Malik Abubakar	DOC
Mr. Daniel Kofi	Regional Manager of CUA
Ms. Tuffour Kathrine	District Director, DOC
Ms. Priscila Ayorkor Botchway	Greater Accra, Regional Director, DOC
Ms. Francisca Adorkor-Khein	Auditor, DOC
Mr. Kwame Tettey Mankattah	Auditor (CUA)
Ms. Ruby Owusu-Antwi	Auditor (CUA)
Mr. Thompson Aneyire Kubaji	Chairman, Queen of Peace, Credit Union
Mr. Betrand Zielley	Manager, Queen of Peace, Credit Union
Mr. Daniel Owusu-Dwomoh	Manager, ADB Legon Branch
Ms. Shirly Papafio Quartey	Assist Manager, ADB Legon Branch

1. OPENING

The Chairman declared the meeting open at 1:00 pm with a prayer from Dr. Kofi Nyarko Gyimah. The Chairman set the meeting in motion by welcoming members present and those online.

2. REPORTS

i. Management Board

The Chairman 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 mentioned that although their tenure was plagued by the Covid-19 pandemic, the Union grew stronger in areas such as business processes and product innovations, asset growth, improved governance, and financial sustainability. He added that the net



surplus cumulatively increased by 57.29% during their four-year tenure.

On the economic environment front, the Chairman stated that despite the 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%.

In terms of Governance and strategy, the Board supervised the development and implementation of the Union's strategy and monitored progress through strategic review meetings.

The Chairman informed members that in compliance with the directives of the National Association of Credit Unions (CUA) Ghana to change its reporting financial year from June to January, the Union accordingly amended its bye-laws in October 2021 to commence its new financial year on 1st January 2023. Consequently, the next Annual General Meeting was expected to be held in April 2024.

Concerning corporate social responsibility, the Chairman mentioned that the Board commenced the construction of about a 50-bed capacity emergency facility to commemorate the 50th Anniversary celebrations.

In terms of financial performance, the Board proposed the adoption of 48% of the surplus as a dividend to be paid to members.

ii. Manager

The Manager presented his report on the performance and operations of the Union for the year ended 30th June, 2022. He mentioned that amidst the uncertainties of the economic challenges, the Union continued to pursue strategies geared towards achieving member service excellence, business innovation and growth, operational excellence, and good governance. He indicated that in enhancing member service experience, the Union has introduced a few innovations and synergies all tailored to unique banking experience of members. He further added that a promotional campaign was launched that focused on students and members' dependents with the aim of cultivating savings culture amongst them.

In terms of technology, he mentioned that to thrive in an ever-competitive landscape requires continuous investments in technology to drive operational efficiency and enhance the member experience. He admonished members to embrace the latest digital technologies (USSD and SmartApp) deployed to ensure accessibility.

On financial performance, he stated that despite Covid-19 pandemic and the economic challenges, the Union was able to record an increase in savings by 18% with an end-of-year balance of GH¢ 123,856,082.67 and this was well received with warm applause from members. He further added that despite



the 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¢ 11,555,844.71.

In conclusion, he added that the Management Board, in its quest to maintain financial and operational sustainability in view of the recent price hikes, revised fees and charges during the financial year. These revised fees and charges are scheduled to take effect from 1st November, 2022.

3. CONFIRMATION OF MINUTES

The minutes of the previous meeting was considered and adopted pursuant to a motion by Dr. Richard Minkah. The motion was seconded by Mr. Albert Sewodor.

4. AUDITOR'S REPORT

The Auditors highlighted three main areas in their report:

a. Element of Financial Statement

The Auditors stated that they had audited the financial statements of the Union which comprises the Statement of Financial Position as of 30th June 2022 and the Income Statement, Statement of Changes in Equity, and Cash flow statement for the year ended.

b. Directors' Responsibility for the Financial Statements

The Auditors emphasized the Management Board's responsibility for a true and fair preparation and presentation 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 controls relevant to the preparation and fair preparation of financial statement that are free from material misstatement.

c. Auditor's Responsibility

The Auditors emphasized that their duty was to express an independent 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 that the financial statements are free from material misstatements.

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 of 30th June, 2022.



5. FINANCIAL STATEMENTS

The financial statements were considered, and Mr. Faruku Abdulai moved for the adoption of the comprehensive Income Statement and the Statement of Financial Position for the period ending 30th June, 2022 for discussion, which was seconded by Mr. Enoch Atindana.

Discussion of Financial Statements

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. Mr. Jacob Yekplorwodo asked why the Union only appropriates 48% of dividends leaving out the remaining 52%. The Chairman explained that the bye-laws do not allow us to declare more than 50%. He further added that the 52% is added to reserves.

There was another question about what the Union uses the savings of members for. The Chairman stated that the regulations allow 25% of total assets to be kept in liquid investments and the remaining in member loans and non-current assets.

There was a question about why the Union charges 21% as interest on loans, and the Chairman explained that the Union's interest on loans is among the lowest in the market. The Union charges lower interest on loans and comparatively give higher interest on savings. Dr. Richard Minkah also inquired about why members cannot use their shares to access a loan but their savings. The Manager explained that it was because of net debt exposure. Dr. Richard Minkah moved for the adoption of the accounts, which was seconded by Mr. Albert Sewordor.

6. RESOLUTIONS

The Chairperson stated that subject to the approval of the members at the meeting, the Board proposed that 48% of the net surplus as captured in the Financial Statements at the end of the financial year ending 30th June 2020, should be distributed to members as dividends and be paid into their savings account.

The Chairman moved for the adoption of the resolutions which was seconded by Mr. James Manakena.

It was further proposed that an additional GH¢ 2,065,981.17 should be spent on the University hospital project because of inflation. Mr. Seidu moved a motion for the adoption of the proposed amount to be added to the original cost approved for the hospital project. The motion was seconded by Mr. Jonathan Kabu.



7. ADOPTION OF BUDGET

The budgeted income statement for the period ending 31st December 2023, which appeared on page 47 was presented by the Treasurer. He presented the report by giving the consolidated budget on the following items: income on share investment was GH¢ 58,996,785.35, with a gross financial margin of GH¢ 35,681,883.18 and a net income of GH¢ 37,646,032.80 and a net surplus of GH¢ 28,410,963.75.

Mr. James Manakena suggested that the report on membership statistics should be added to the Management Board's report as was done in the previous years. The Chairman noted his concerns and assured him that the Board and Management will look at it.

Mr. Damoah Charles Musah moved for the adoption of the budget which was seconded by Mr. Eugene Ahiabor.

8. SWEARING-IN OF ELECTED OFFICERS

The Acting Registrar of the Department of Cooperatives informed members that before swearing-in the new officers, the old Board had to be dissolved. Following this, the old Board was duly dissolved, and the new administration was sworn in. These are the names of the officers and their designation.

Management Board

i	Mr. Michael Antwi	Chairman
ii	Dr. Jemima Anderson	Vice-Chairman
iii	Mr. Archibald Quaye	Assistant Treasurer
iv	Mr. Gilbert Boakye	Assist Treasurer
v	Prof. William Coffie	Member
vi	Ms. Gladys Alantiya	Member
vii	Mr. Kenneth Botchway	Member
viii	Mr. Benjamin Yaw Suguwe	Member

Supervisory Committee

i	Mr. Cecil Korbla Vortia	Chairman
ii	Ms. Adelaide L. Asante	Member
iii	Prof. Lord Mensah	Member
iv	Mr. Daniel Dogblorwu	Member



Loans Committee

- | | | |
|-----|--------------------------|----------|
| i | Mr. Richard Ofori | Chairman |
| ii | Dr. Godfred Bright Hagan | Member |
| iii | Mr. Bright Samlafo | Member |
| iv | Mr. Solomon Okyere | Member |

The new Chairman gave his acceptance speech by thanking the past administration and promised members of his team's commitment to build a much stronger Union.

10. CLOSING PRAYER

Prof. Austin Emielu moved for the closure of the meeting which was seconded by Ms. Janet Adjei Boadi. The meeting ended at 3:06 pm with a closing prayer by Prof. Abdulai Mahmoud.



AUDITOR'S REPORT

DEPARTMENT OF CO-OPERATIVES

Head Office
P.O. Box M 150
Accra - Ghana
Tel. +233 20 330 1641
Fax: (233) (21) 662020



REPUBLIC OF GHANA

17th March, 2024

AUDITORS REPORT TO THE UNIVERSITY OF GHANA CO-OPERATIVE CREDIT UNION LIMITED

OPINION

We have audited the accompanying Financial Statements of the University of Ghana Co-operative Credit Union Limited, which comprise a Statement of Financial Position as of 31st December 2023 the Income Statement and Statement of Changes in Equity for the year that ended, and a summary of significant accounting policies and other explanatory notes.

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 Limited as of 31st December 2023 and its financial performance and its cash flows for the year that ended by the Co-operative Societies Act, 1968 (NLCD 252) and Industry Standard.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS:

As stated in the credit union's bylaws, the Board of Directors is responsible for the preparation and fair presentation of these financial statements by the International Financial Reporting Standards, Co-operative Societies Act. 1968 (NLCD 252) and other Regulations. These responsibilities include designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free of 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 by 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 of material misstatement. An audit involves performing procedures to obtain evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements to design audit procedures that are appropriate in the circumstances, but not to express 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.

REPORT ON OTHER LEGAL REGULATORY REQUIREMENTS

The Co-operative Societies Act, 1968 (NLCD 252) requires that in carrying out our audit we consider and report on the following matters:

We confirm that,

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for our audit.
- ii) In our opinion, proper books of account have been kept by the Co-operative Society as appears from our examination of those books and,
- iii) The statement of financial position and statement of operation agrees with the books of account.

Signature:  (Dept. of Cooperatives)

Signature:  (Credit Unions Association, Ltd.)



Financial Highlights as at 31st December 2023

Operating Statement

Average Assets GH¢ 228,841,008.82

PARTICULARS	ACTUAL		STANDARD	
	AMOUNT	%	AMOUNT	%
	GH¢		GH¢	
INTEREST EARNING				
Interest on Loans	28,601,378.56	12.50	45,768,201.76	20.00
Interest on Fin. Investment	9,222,480.52	4.03	4,576,820.18	2.00
Other Investment			2,288,410.09	1.00
Total Income	37,823,859.08	16.53	52,633,432.03	23.00
Less: COST OF FUNDS				
Interest on Member Savings	15,130,083.92	6.61	11,442,050.44	5.00
Interest on Borrowing			4,576,820.18	2.00
Total Cost of Funds	15,130,100.64	6.61	16,018,870.62	7.00
GROSS FINANCIAL MARGIN	22,693,758.44	9.92	36,614,561.41	16.00
Less Provision for Loan & Investment Loss	2,573,647.86	1.12	9,153,640.35	4.00
Net Financial Margin	20,120,110.58	8.79	27,460,921.06	12.00
Add Non - Financial Income	1,597,336.92	0.70	2,288,410.09	1.00
Gross Margin	21,717,447.50	9.49	29,749,331.15	13.00
Less: OPERATING EXPENSES				
Personnel	2,746,411.50	1.20	5,721,025.22	2.50
Occupancy	273,083.50	0.12	2,288,410.09	1.00
Organization	1,292,267.94	0.56	2,288,410.09	1.00
Security	447,029.23	0.20	2,288,410.09	1.00
Administration	923,390.51	0.40	3,432,615.13	1.50
Total Operating Expenses	5,682,182.68	2.48	16,018,870.62	7.00
Net Operating Margin	16,035,264.82	7.01	13,730,460.53	6.00



Financial Highlights as at 31st December 2023

TOTAL ASSETS		GH¢ 254,408,193.76		
PARTICULARS	ACTUAL		STANDARD	
	AMOUNT	%	AMOUNT	%
ASSETS	GH¢		GH¢	
Liquid Funds	8,611,606.46	3.38	7,632,245.81	3.00
Liquid Investments	57,183,673.66	22.48	43,249,392.94	17.00
Other Investments	29,790,768.20	11.71	12,720,409.69	5.00
Loan to Members	144,103,475.41	56.64	175,541,653.69	69.00
Account Receivables	11,262,804.67	4.43	2,544,081.94	1.00
Fixed Assets (NBV)	3,455,865.36	1.36	12,720,409.69	5.00
TOTAL ASSETS	254,408,193.76	100.00	254,408,193.76	100.00

EQUITY, RESERVES & LIABILITIES				
PARTICULARS	ACTUAL		STANDARD	
	AMOUNT	%	AMOUNT	%
	GH¢		GH¢	
Current Liabilities	421,254.55	0.17	2,544,081.94	1.00
External Loans			10,176,327.75	4.00
Member Savings	156,142,950.39	61.37	190,806,145.32	75.00
Member Shares	48,977,802.95	19.25	25,440,819.38	10.00
Kiddy Savings	6,057,287.38	2.38		
Term Deposit	791,896.14	0.31		
Reserve	42,017,002.35	16.52	25,440,819.38	10.00
TOTAL EQUITY, RESERVE & LIAB.	254,408,193.76	100.00	254,408,193.76	100.00



Statement of Comprehensive Income for the Year Ended

31st December 2023

INCOME	NOTE	2023	2022	July '22 - Dec. '22
		GH¢	GH¢	GH¢
Interest on loan		28,601,378.56	22,456,103.33	12,087,144.81
Interest on Financial Investment	2	9,222,480.52	15,205,507.13	5,761,264.13
Non-Financial Income	3	1,597,336.92	914,438.63	448,131.34
TOTAL INCOME		39,421,196.00	38,576,049.09	18,296,540.28

Less: EXPENDITURE

Cost of Funds	4	15,130,100.64	12,319,281.59	5,768,504.58
Provision for Loan Loss	5	1,000,754.25	838,825.57	748,227.11
Personnel	6	2,746,411.50	2,303,616.74	1,242,225.13
Occupancy	7	273,083.50	31,170.01	22,655.01
Organizational Cost	8	1,292,267.94	1,330,718.80	799,195.70
Security Cost	9	447,029.23	545,287.60	242,021.43
Provision for loss on Investment	10	1,572,893.61	5,939,460.83	5,939,460.83
Administrative Cost	11	923,390.51	1,021,484.74	464,237.40
TOTAL OPERATING EXPENSES		23,385,931.18	24,329,845.88	15,226,527.19

SURPLUS APPROPRIATION

Net Surplus b/f		16,035,264.82	14,246,203.21	3,070,013.09
25% Statutory Reserve		4,008,816.20	3,561,550.80	767,503.27
75% Operation Reserve		12,026,448.61	10,684,652.41	2,302,509.82
		16,035,264.82	14,246,203.21	3,070,013.09



Statement of Financial Position as at 31st December 2023

		2023	2022	July '22 - Dec. '22
ASSETS	NOTES	GH¢	GH¢	GH¢
Liquid Funds	12	8,611,606.46	5,708,205.04	5,708,205.04
Liquid Investments	13	57,183,673.66	40,900,903.55	40,900,903.55
Other Investments	14	29,790,768.20	24,945,532.24	24,945,532.24
Loan to Members	15	144,103,475.41	120,501,914.26	120,501,914.26
Account Receivables	16	11,262,804.67	7,683,028.25	7,683,028.25
Non-Current Assets	17	3,455,865.36	3,534,240.53	3,534,240.53
TOTAL ASSETS		254,408,193.76	203,273,823.87	203,273,823.87
LIABILITIES & EQUITY				
Current Liabilities	18	421,254.55	282,461.88	282,461.88
Member Savings	19	156,142,950.39	127,289,180.94	127,289,180.94
Member Shares	20	48,977,802.95	42,339,288.77	42,339,288.77
Kiddy Savings	21	6,057,287.38	4,041,861.00	4,041,861.00
Term Deposit	22	791,896.14	876,429.42	876,429.42
Reserves	23	42,017,002.35	28,444,601.86	28,444,601.86
TOTAL LIABILITIES & EQUITY		254,408,193.76	203,273,823.87	203,273,823.87


APPROVED
REGISTRAR
OF
CO-OPERATIVE
SOCIETIES



Cash Flow Statement for the Period Ended 31st December 2023

	2023	2022
	GH¢	GH¢
CASH FLOW FROM OPERATING ACTIVITIES		
Net Surplus	16,035,265	14,246,203
Add: Depreciation	90,519	243,489
Provision for Loan Loss	1,000,754	599,959
Provision for Investment Loss	1,572,894	5,939,461
Cash flow from operating activities before changes in Operating Assets and Liabilities	18,699,432	21,029,112
CHANGES IN OPERATING ASSETS AND LIABILITIES		
(Increase) / Decrease in Loans	(24,602,315)	(23,575,497)
(Increase) / Decrease in the Assets	(5,346,230)	(3,569,665)
Increase / (Decrease) in Member Deposits	30,784,663	24,254,540
Increase / (Decrease) in Accounts Payable	138,793	3,308,816
Net Cash Generated from Operating Activities	19,674,341	21,447,306
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(12,144)	(70,000)
(Increase) / Decrease in Liquid Investment	(16,282,770)	(10,360,191)
(Increase) / Decrease in Other Investment	(4,845,236)	(3,612,144)
Hospital Emergency Unit Project	(1,069,305)	(2,361,540)
Net Cash Used in Investing Activities	(22,209,455)	(16,403,874)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Shares Issued	6,638,514	2,390,925
Dividend Paid	(1,199,999)	(6,635,542)
Net Cash Used in Financing Activities	5,438,515	(4,244,617)
Net Increase / (Decrease) in Cash and Cash Equivalent	2,903,401	798,815
Cash and Cash Equivalent at the Beginning of the year	5,708,205	4,909,390
Cash and Cash Equivalent at the of the year	8,611,606	5,708,205

Notes 1 to 23 form an integral part of these financial statements. These financial statements were approved by the Management Board on 15th April, 2024 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. Revisions 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 represents 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 debt 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 recognized 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%



	2023	2022	July '22 - Dec. '22
	GH¢	GH¢	GH¢
2. INTEREST ON FINANCIAL INVESTMENT			
Interest on Share Investment	1,217,570.07	2,469,231.93	1,358,637.71
Interest on CUA CFF Saving and Statutory Reserve	1,564,718.11	841,777.05	510,341.01
Interest on Other Investment	6,440,192.34	11,894,498.15	3,892,285.41
	9,222,480.52	15,205,507.13	5,761,264.13

3. NON-FINANCIAL INCOME

Interest on Office Staff Loan	96,874.22	75,242.56	37,621.28
Membership Registration Fee	8,150.00	7,125.00	2,710.00
Commissions and Fees	116,535.00	86,836.00	34,094.00
Rent Income	491,916.34	287,077.16	160,339.64
CUA Dues	232,560.00	153,342.46	74,501.25
Interest On Call Account	649,881.36	301,445.45	137,265.17
Sale of Paraphernalia	1,420.00	3,370.00	1,600.00
	1,597,336.92	914,438.63	448,131.34

4. COST OF FUNDS

Interest Paid on Members Savings	15,130,100.64	12,319,281.59	5,768,504.58
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5. PROVISION FOR LOAN LOSS

Balance b/f	3,048,117.76	2,209,292.19	2,299,890.65
Provision for the year	1,000,754.25	838,825.57	748,227.11
	4,048,872.01	3,048,117.76	3,048,117.76

6. PERSONNEL COST

Staff Emolument	2,602,734.80	2,157,206.04	1,119,336.43
Clothing Allowance	50,310.62	110,970.14	103,176.47
Medical Expenses	65,997.53	35,440.56	19,712.23
End of Service Benefit	27,368.55		
	2,746,411.50	2,303,616.74	1,242,225.13

7. OCCUPANCY COST

Maintenance of Office Building	273,083.50	31,170.01	22,655.01
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	2023	2022	July '22 - Dec. '22
	GH¢	GH¢	GH¢
8. ORGANIZATION COST			
Seminars, Training, Workshop and Conferences	533,039.11	345,355.62	232,167.99
CUA Dues, Levies and Subscription	131,274.28	73,967.00	25.00
Annual General Meeting		137,627.43	137,627.43
Board and Committee Meetings	24,355.00	143,153.00	106,533.00
Allowance to Officers	386,875.97	430,041.40	208,487.94
Marketing and Member Care Expenses	69,270.06	90,990.83	35,372.17
Business Development	147,453.52	104,938.52	78,182.17
Funeral Expenses		800.00	800.00
Anniversary Celebration Expenses		3,845.00	
	1,292,267.94	1,330,718.80	799,195.70

9. SECURITY COST

Exiting Benefit	238,543.23	329,441.13	198,007.96
CUA Stabilization Levy	150,000.00	140,000.00	
Insurance	20,986.00	42,346.47	27,013.47
Audit Fees	37,500.00	33,500.00	17,000.00
	447,029.23	545,287.60	242,021.43

10. PROVISION FOR INVESTMENT LOSS

Balance b/f	5,939,460.83		
Loss for the Year	1,572,893.61	5,939,460.83	5,939,460.83
TOTAL	7,512,354.44	5,939,460.83	5,939,460.83

11. ADMINISTRATIVE COST

Entertainment and Refreshment	89,284.89	79,281.87	46,527.85
Stationery and Printing	49,163.71	85,714.70	47,103.00
Telecommunication Expenses	7,037.85	8,208.22	4,278.43
Cleaning Materials	19,895.16	18,989.40	9,818.00
Bank Charges	74,168.76	53,184.62	28,145.50
Technical Support Services	425,721.27	359,432.12	197,240.14
Corporate Social Responsibility	37,500.00	52,785.40	7,500.00
Travelling and Transport	2,212.00	1,573.00	413.00
Generator Maintenance Cost	7,040.00	4,610.00	3,610.00
Maintenance of Office Equipment	37,073.99	17,232.01	13,542.01



	2023	2022	July '22 - Dec. '22
	GH¢	GH¢	GH¢
11. ADMINISTRATIVE COST CONT.			
Solicitors Expenses	23,730.95	31,669.43	14,046.66
Utility Bills	21,124.66	14,611.16	1,154.00
Fuel and Lubricant	31,560.00	22,600.00	16,170.00
Maintenance of Vehicle	7,358.40	20,169.57	11,371.57
Covid 19 Expense		7,934.27	
Depreciation	90,518.87	243,488.97	63,317.24
	923,390.51	1,021,484.74	464,237.40

12. LIQUID FUNDS

Petty Cash	5,003.21	6,209.21	6,209.21
Ecobank Current Account	904,711.75	1,041,354.40	1,041,354.40
Republic Bank Current Account	6,939,317.88	3,013,568.08	3,013,568.08
Call Account (Republic Bank)		562,474.94	562,474.94
E-Banking Cash	185,020.81	224,553.48	224,553.48
GCB Bank	577,552.81	859,571.59	859,571.59
CBG		473.34	473.34
	8,611,606.46	5,708,205.04	5,708,205.04

13. LIQUID INVESTMENTS

Republic Bank	21,366,598.21	4,000,000.00	4,000,000.00
Cal Asset Management - Fund Investment	895,268.33	1,658,400.68	1,658,400.68
Cal Asset Management - Shares Investment	7,489,868.34	11,050,134.92	11,050,134.92
CUA CFF Savings	5,795,047.19	3,430,329.08	3,430,329.08
Zenith Bank	3,986,300.81	3,689,840.78	3,689,840.78
EDC Fixed Income Fund	7,508,371.40	8,182,426.18	8,182,426.18
FBN Bank	4,746,531.82	3,889,771.91	3,889,771.91
Stanbic Bank	2,257,317.70		
Access Bank	3,138,369.86		
Ecobank		5,000,000.00	5,000,000.00
	57,183,673.66	40,900,903.55	40,900,903.55

14. OTHER INVESTMENT

CUA Statutory Reserve	18,603,834.11	14,701,556.44	14,701,556.44
CUA House Bond	440.09	440.09	440.09
CUA Shares	5,035.00	5,035.00	5,035.00



	2023 GH¢	2022 GH¢	July '22 - Dec. '22 GH¢
CUA Kasoa Project	9,366.00	9,366.00	9,366.00
GCB Investment	11,172,093.00	10,229,134.71	10,229,134.71
	29,790,768.20	24,945,532.24	24,945,532.24

15. LOANS TO MEMBERS

Loans to Active Members	137,618,583.52	114,693,020.41	114,693,020.41
Loans to Dormant Members	9,033,381.54	7,595,589.33	7,595,589.33
Staff Loans	1,500,382.36	1,261,422.28	1,261,422.28
	148,152,347.42	123,550,032.02	123,550,032.02
Less: Provision For Loan Loss	4,048,872.01	3,048,117.76	3,048,117.76
	144,103,475.41	120,501,914.26	120,501,914.26

16. ACCOUNTS RECEIVABLES

University of Ghana	5,760,712.30	5,024,437.05	5,024,437.05
School of Public Health	54,342.00	33,284.00	33,284.00
University of Professional Studies, Accra	1,098,019.83	645,149.79	645,149.79
Wisconsin University College	124,315.02	112,487.00	112,487.00
Univ. of Health & Allied Sciences	1,693,088.33	750,813.99	750,813.99
National Accreditation Board	179,518.00	94,681.00	94,681.00
Pentecost University College	146,002.26	56,713.13	56,713.13
Ghana Institute of Languages	57,134.00	20,867.00	20,867.00
Ghana Institute of Journalism	225,025.00	113,752.00	113,752.00
National Council for Tertiary Education	50,214.00	21,666.00	21,666.00
Ghana Technology University College	374,952.00	192,744.00	192,744.00
GIMPA	329,915.38	127,666.74	127,666.74
Universal Hospital Suppliers Ltd.	21,849.00	22,839.00	22,839.00
John Teye Memorial Institute	126,966.00	59,294.00	59,294.00
Centre for Plant Medicine Research	25,251.00	4,462.00	4,462.00
Kay Billie Klair Int. School	63,998.25	26,050.00	26,050.00
Noguchi Contract Employees	51,002.00	30,058.00	30,058.00
Ghana Christian Int. High School	48,860.75	46,509.00	46,509.00
L'aine Services Ltd.	24,467.00	19,567.00	19,567.00
All Nations University College	7,275.00	15,015.00	15,015.00
University of Ghana Medical Center	223,595.50	89,495.00	89,495.00



	2023	2022	July '22 - Dec. '22
	GH¢	GH¢	GH¢
16. ACCOUNTS RECEIVABLES CONT.			
Nursing and Midwifery Council	83,857.00	46,994.39	46,994.39
College of Nursing and Midwifery	23,354.00	13,300.00	13,300.00
Accra College of Education	44,611.00	15,696.00	15,696.00
CSIR - Animal Research Institute	35,718.00	17,576.00	17,576.00
University of Env. And Sustainable Development	167,495.48	70,061.16	70,061.16
Nyaho Health Limited	72,886.00	11,850.00	11,850.00
Regional Maritime University	109,180.57		
National Banking College	3,400.00		
ORID Contract Staff	35,800.00		
	11,262,804.67	7,683,028.25	7,683,028.25

17. PROPERTY, PLANT AND EQUIPMENT

	OLD BUILDING	OFFICE EQUIP.	SOFTWARE	NEW BUILDING	TOTAL
COST(01/07/22)	390,746.78	1,112,876.22	459,019.34	3,528,011.74	5,490,654.08
ADDITIONS		12,143.70			12,143.70
TOTAL	390,746.78	1,125,019.92	459,019.34	3,528,011.74	5,502,797.78
DEPRECIATION					
BALANCE B/F	67,911.80	1,112,876.22	459,019.34	316,606.19	1,956,413.55
CHG FOR THE YEAR	7,814.94	12,143.70		70,560.23	90,518.87
TOTAL	75,726.74	1,125,019.92	459,019.34	387,166.42	2,046,932.42
NET BOOK VALUE	315,020.04	-	-	3,140,845.32	3,455,865.36

	2023	2022	July '22 - Dec. '22
	GH¢	GH¢	GH¢
18. CURRENT LIABILITIES			
Deferred Income (Rent Received in Advance)	150,962.16		
Audit Fess Payable	37,500.00	17,000.00	17,000.00
CUA Stabilization	150,000.00	140,000.00	140,000.00
Members on Standing Order (Ecobank)	24,394.27	74,905.98	74,905.98
Startrite Montessori School		1,400.00	1,400.00
Members on Standing Order (Republic Bank)	54,998.00	47,275.90	47,275.90
Other Current Liabilities	3,400.12	1,880.00	1,880.00
	421,254.55	282,461.88	282,461.88



	2023	2022	July '22 - Dec. '22
	GH¢	GH¢	GH¢
19. MEMBER SAVINGS			
Active Savings	142,933,636.38	117,095,328.15	117,095,328.15
Dormant Savings	12,149,660.16	9,482,065.10	9,482,065.10
Extinct Members	55,288.32	55,288.32	55,288.32
Flexy Account Balance	873,355.25	656,499.37	656,499.37
Vacation Plus	74,099.60		
Retirement Plan	56,910.68		
	156,142,950.39	127,289,180.94	127,289,180.94

20. MEMBER SHARES			
Active Shares Fund	41,929,558.96	36,224,083.38	36,224,083.38
Dormant Shares Fund	7,048,243.99	6,115,205.39	6,115,205.39
	48,977,802.95	42,339,288.77	42,339,288.77

21. KIDDY ACCOUNT			
Active Kiddy Savings	5,803,707.66	3,817,874.89	3,817,874.89
Dormant Kiddy Savings	253,579.72	223,986.11	223,986.11
	6,057,287.38	4,041,861.00	4,041,861.00

22. TERM DEPOSIT			
Term Deposit	791,896.14	876,429.42	876,429.42
	791,896.14	876,429.42	876,429.42

	BALANCE B/F	ADJUSTMENT	APPROPRIATION	TOTAL
Statutory Reserve	18,603,834.11		4,008,816.20	22,612,650.32
Operating Reserve	9,840,767.74	2,462,864.33	12,026,448.61	19,404,352.03
TOTAL	28,444,601.85	2,462,864.33	16,035,264.82	42,017,002.35



Resolutions

Final Dividend

Subject to the approval of this Annual General Meeting, the Management Board proposes 48% of net surplus amounting to GH¢ 7,696,927.12 at the end of the financial year ending 31st December, 2023 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¢ 1,500,000.00 to complete the University Hospital Project as the Union's Corporate Social Responsibility.



Budget Income Statement For The Year Ended 31st December 2024

INTEREST INCOME	NOTE	GH¢
Interest on loans	1	38,364,218.25
Interest on other Investment		11,725,162.48
		50,089,380.73
Less: Cost of Funds	2	20,353,882.11
Gross Fin. Margin		29,735,498.62
Add: Non-Financial Income	3	1,973,184.46
NET INCOME		31,708,683.08
Less: OPERATIONAL EXPENSES		
Personnel Cost	4	3,225,821.44
Occupancy Cost	5	134,870.00
Organization Cost	6	2,209,513.65
Security Cost	7	578,712.36
Administrative Cost	8	1,766,651.20
Provision for Loan Loss	9	1,484,127.82
Provision for Loss on Investment	10	1,730,182.97
TOTAL EXPENSES		11,129,879.44
NET SURPLUS		20,678,803.63
SURPLUS APPROPRIATION		
Net Surplus b/f		20,678,803.63
25% Statutory Reserve		5,169,700.91
75% Operation Reserve		15,509,102.72
		20,678,803.63



Budgeted Statement Of Financial Position As At 31st December 2024

ASSETS	GH¢
Liquid Funds	8,863,455.02
Liquid Investment	73,311,075.89
Other Investment	33,799,584.40
Loans to Members	177,448,877.72
Accounts Receivables	10,951,568.35
Non-Current Assets	4,267,898.32
TOTAL ASSETS	308,642,459.70
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LIABILITIES AND EQUITY	
Current Liabilities	250,295.82
Member Savings	186,610,905.48
Member Shares	56,862,973.86
Kiddy Savings	8,480,202.33
Term Deposit	886,923.68
Reserves	55,551,158.53
TOTAL LIABILITIES AND EQUITY	308,642,459.70



Notes To The Budget

Basis of the Budget

The budget has been prepared on a modified accrual basis of accounting and using activity-based budgeting principles. This requires that the Union identify annual strategic objectives and account for these activities and initiatives that propel the realization of these chosen objectives. The budgeting period is 1st January, 2024, to 31st December, 2024.

GH¢

1. INTEREST INCOME

Interest on loans	38,364,218.25
Interest on other Investment	11,725,162.48
	50,089,380.73

2. Cost of Funds

20,353,882.11

3. OTHER INCOME

Registration Fees	22,000.00
Fees and Commissions	253,400.00
Rental Income	618,162.16
Interest on Call Account	835,622.30
CUA Dues	244,000.00
	1,973,184.46

4. PERSONNEL COST

Salaries & Wages	2,995,534.59
Clothing Allowance	147,189.57
Medical Expenses	83,097.28
	3,225,821.44

5. OCCUPANCY COST

Maintenance of office Building	134,870.00
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GH¢

6. ORGANIZATION COST

Seminars and Conferences	665,308.97
Board and Comm. Meeting	31,280.00
Allowance to Officers	445,949.38
Marketing & Member Care Exp.	118,918.00
Business Development	223,201.00
CUA Dues, Levies and Subscription	132,200.00
Welfare Expenses	30,000.00
50th Anniversary Project Commissioning	25,000.00
Annual General Meeting	187,656.30
Special Growth Initiative	350,000.00
	2,209,513.65

7. SECURITY COST

Exiting Benefit	270,000.00
Insurance Premium	112,712.36
Audit Fees	46,000.00
CUA Stabilization Levy	150,000.00
	578,712.36

8. ADMINISTRATIVE COST

Refreshment	98,213.38
Printing and Stationary	88,393.74
Communication Expenses	14,193.20
Cleaning Materials	22,879.43
Bank Charges	84,344.00
Technical Support Service	591,678.36
Maint. Serv. & Repairs of Equip.	42,635.09
Solicitors Expenses	26,128.45
Utility Bills	33,807.01
Fuel and Lubricant	62,500.00
Maintenance and Repairs of Vehicle	51,280.00
Corporate Social Responsibility	50,000.00
Transport and Travelling	3,500.00
Maintenance of Generator	108,531.50
Depreciation	488,567.04



	GH¢
	1,766,651.20
9. Provision for Loan Loss	1,484,127.82
Provision for loss on Investment	1,730,182.97



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



Participants at the 2022 AGM



Gallery



UG Credit Union Emergency Centre under construction



OUR SERVICES

Savings Account
Shares Account
Term Deposit
Kiddy Account
Flexy Account
Loan Account
Student's Account
Salary Account
Vacation Plus
Retirement savings

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

