



MINESCHO

**CO-OPERATIVE
CREDIT UNION LTD,
UMaT TARKWA**

Theme:

**“Building A Sound Financial Health Amidst
Social and Economic Challenges;
The Role of Minescho”**



29th Annual General Meeting

Reports and Financial Statement
www.mineschogh.com

**CO-OPERATIVE CREDIT
UNION LTD, UMaT
TARKWA**

**29th Annual
General
Meeting**

THEME

“Building A Sound Financial Health Amidst
Social and Economic Challenges;
The Role of Minescho”

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PROGRAMME

1. Opening
2. CUA Song
3. Introduction of Chairman and Invited Guests
4. Chairman's Acceptance Speech and Opening Remarks
5. Education on (Shares, Savings, Loans etc) -
Education/Loans Committees
6. Consideration and Acceptance of the 28th AGM Minutes
7. Minescho Board Chairman's Report – Prof Anthony Simons
8. Presentation of Audited Accounts - Auditors
9. Presentation of Resolutions
10. Consideration and approval of the 5–Year Strategic and
Business Plan (2021-2025)
11. Election of New Officers
12. Guest of Honour's Speech
13. Solidarity messages from Business Partners
14. Presentation of Awards
15. Any other Business
16. Closing
17. Refreshment

CREDIT UNION SONG

1. it's a small world after all
it's a small world after all
it's a small world after all
it's a small, small world

2. 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

STANDING ORDERS

- All members present shall ensure that they are duly registered.
- All registered members shall stay at the meeting venue throughout the duration of the meeting
- The chairman shall conduct business in accordance with the standing orders and shall decide the order of all questions. He may end discussions on any subject if he is satisfied that due consideration has been given to it.
- The chairman on the occasion shall call to order any speaker who deviates from the subject or violates the courtesies of debate.
- No person shall speak more than twice on the same issue at any time
- All members and observers shall be in their seats when presentations are being made.
- A high standard of discipline is expected throughout the AGM. All members are therefore called upon to give their maximum cooperation and success of the meeting.
- All decisions shall be taken according to the tenets of the Bye-laws of Minescho.

NOTICE OF THE 29TH ANNUAL GENERAL MEETING (AGM)

This is to give notice that the 29th Annual General Meeting of Minescho Co-operative Credit Union Limited is Scheduled as follows:

Date: Saturday, 12th March, 2022

Time: 10: 00am

Venue: UMaT Main Auditorium

Agenda

- Item 1 Opening Prayer
- Item 2 Consideration and acceptance of the 28th AGM minutes
- Item 3 Presentation of BoD and Committees Report
- Item 4 Consideration of the Audited Accounts for 2020/2021 Financial Year
- Item 5 Election of Two New Officers
- Item 6 Consideration of Approval of the 5-year Strategic and Business Plan (2021-2025)
- Item 7 Solidarity Messages from Business Partners
- Item 8 Presentation of Awards
- Item 9 Any Other Business
- Item 10 Closing Prayer

Mr. Robert Ewusi-Ntenah
Board Secretary

BOARD OF DIRECTORS



Prof. Anthony Simons
Chairman



Prof. Bernard Kumi-Boateng
Vice Chairman



Dr. Akyene Tetteh
Treasurer



Mr. Robert Ewusi - Ntenah
Secretary



Mr. Bernard Ntibrey Board
Community Rep

MINESCHO BOARD CHAIRMAN'S REPORT

1.0 introduction

Prof Chair, Vice Chancellor - UMaT, CUA General Manager, CUA Regional Manager, Regional Director of Co-operatives, External Auditors, members of the Minescho Board and Committees, distinguished invited guests, friends of the Media, valued members, Staff of Minescho, ladies and gentlemen.

On behalf of the Board of Directors of the Minescho Co-operative Credit Union, it is my pleasure to welcome you all to the 29th Annual General Meeting of Minescho Co-operative Credit Union.

Prof Chair, permit me to present to members of Minescho a report of the activities of the Union for the financial year ended 2020/2021, in fulfilment of our mandate under the Bye-Laws of the Union. The society continues to grow and improving in terms of assets, membership, governance, information technology, other physical infrastructure despite the economic and social challenges that we are faced with as a country. The Credit Union is indebted to all stakeholders, especially current and past members of the Board and Committees as well as the staff for their feat.

Prof Chair, on 30th November, 2019, the members of Minescho Credit Union entrusted the management of this Union into our hands to steer the affairs of the union for the next four years.

The Board members are grateful for the unflinching support you have given to us since then. It has been challenging ever since we stepped into office but with the support of our working staff, Committees, past Board and Committee members, we have been able to hold on fast.

The Board, Supervisory, Loans and Education Committees performed their functions as prescribed by the bye-laws of Minescho. The Board met regularly to review activities of the management staff, reviewed existing policies and Strategic Plan and Budget.

Let me express our profound gratitude to the AGM Planning Committee and all those who have supported in various aspects of this year's AGM organization. Again, I am grateful to all staff, members of the various committees and the Board. God richly bless us all.

2.0 Operating Environment

Prof Chair, the society continued to make progress despite the negative impact of Covid-19 pandemic and the financial sector clean-up excise which resulted in some of its funds being locked-up with some investments houses.

Fellow Co-operators, since our financial space experienced these reforms in 2018 with the banking and securities sector clean-up excise by the Bank of Ghana and the Securities and Exchange Commission, the society still has its liquid investment of GH¢ 1,000,902.77 locked-up with some of the defunct Fund Management and Investment Houses.

3.0 Financial Performance

Prof Chair, amidst these economic and social difficulties, the Union was able to increase its total asset size from GH¢ 13, 667, 901.35 as at 30th June, 2020 to GH¢ 16, 084, 703.07 as at 30th June, 2021, representing 17.68% growth in assets and liabilities. Member savings saw a growth from GH¢ 11, 641, 852.13 in 2020 to GH¢ 14, 332, 875.70 in 2021, whilst member share capital increased marginally from GH¢ 1, 858, 500.62 in 2020 to GH¢ 1, 909, 848.33 in 2021 and a loan portfolio growth from GH¢ 6, 830, 499.19 in 2020 to GH¢ 8, 094, 421.37 in 2021 representing 23.12%, 2.76% and 18.50% respectively in the period under review. The Net Loans of GH¢ 8, 094, 421.37 which represents 50.30% of its total asset is encouraging.

Let me state that measures have been put in place to ensure that Minescho Credit Union remains safe and resilient for further growth in the years to come.

4.0 Election of new officers

Prof Chair, currently, the Board of Directors of Minescho Credit Union is made up of five Members out of which four are from the UMaT community and the remaining one from the General community.

The Auditors in their last audit recommended that, the Board Size be increased to seven with three slots given to the general community or two slots out of the five Board members be given to the general community for fair representation and all-inclusive decisions at all time in line with the International Co-operative Alliance (ICA) principles that guide all co-operative institutions worldwide.

Fellow Co-operators, the Board in implementing this recommendation, placed an announcement advertising for two additional Board members from the general community and one member to replace a Supervisory Committee member whose tenure of office has come to an end. Today, I am happy to report that we have people who have shown interest in these vacant positions and are competing for it.

5.0 Challenges

Prof Chair, Fellow Co-operators, Ladies and Gentlemen, with all successes chalked as a Credit Union over these past 29 years of operations, there are some challenges faced by the society. Some of these challenges that inhibited the work of the Board are;

1. **Loans Default:** The loans portfolio is expected to generate the largest income for the society since CUA standards requires that Credit Unions give loans to its members up to a maximum of 70% of its total assets. This Board inherited close to GH¢ 2 million bad loans and the worst thing is that, it has become extremely difficult to trace these people since most of them have changed their physical locations in Tarkwa or relocated outside Tarkwa. The Board had to take the bitter pills to set-aside GH¢ 398,758.92 and GH¢ 105,879.85 for 2020 and 2021 financial respectively in accordance with the industry practice. As at 30th June, 2021, the amount in defaults stood at GH¢ 238,780.80. Management is vigorously pursuing all these set-aside loans by implementing all possible means includes mentioning of the names of defaulters on radio, publishing their details in the daily newspapers and taking legal actions against them to recover our monies. We call on all members to support the Board and management on this crucial excise by providing information about these default borrowers to management and also advising friends and relatives who own the society to pay their debt.

6.0 Conclusion

Prof. Chair, Ladies and Gentlemen, in conclusion, I will employ everyone to do more and commit to the course of Minescho and once again appeal to our loans defaulters to kindly pay off their loans to avoid any possible embarrassment.

To my colleagues Board members, Committee members and staff, I thank you for your hard and dedicated work towards the growth of Minescho.

To you our cherished members, our business partners, invited Guests, we say thank you for honoring our invitation and your immense support throughout the years. I wish to entreat all of us to reflect on the theme for this year's Annual General Meeting:

“Building a Sound Financial Health amidst Social and Economic Challenges: The Role of MINESCHO Credit Union” so that together we would build a resilient credit union.

God bless Minescho Credit Union, God bless UMaT, God bless Ghana and God bless us all. Thank you.

SUPERVISORY COMMITTEE



Dr. Frank Boateng
Chairman



Mr. Thomas Kwame Nkrumah
Secretary



Mr. Solomon Yankson
Member

LOANS COMMITTEE



Dr. Lewis Brew
Chairman



Mr. Rowland Philip Baffoe
Secretary



Dr. Fiadonu Etonnam Bani
Member

EDUCATION COMMITTEE



Prof. Issaka Yakubu
Chairman



Mr. Azumah Yamar
Secretary



Mrs. Ernestina Brown
Member

SUPERVISORY COMMITTEE'S REPORT 2021

Prof Chairman, Vice Chancellor -UMaT, the CUA Group CEO, the Regional and Municipal Directors of DOC, the CUA Regional Manager, External Auditors present, Members of the Minescho Board and Committees, distinguished invited Guest and Shareholders of Minescho Co-Operative Credit Union, all protocol observed.

It is a great pleasure and privilege to present the Supervisory Committee's report to Shareholders of Minescho Co-operative Credit Union on the occasion of FY21 Annual General Meeting (AGM). This report covers the financial year under review spanning from July 2020 to June 2021.

Pursuant to **Article 62** of the Minescho Co-operative Credit Union **Bye-Laws**, Supervisory Committee (SuperCom) met during the year under review with specific objectives to evaluate the **effectiveness of Internal Controls and Risks Associated with the Operations of the Union.**

MEETING

The Committee held monthly meetings during the year to review sections of the Union's operations to ensure adherence to internal controls. Due diligence and review of the Union's purchases by management as well as the completeness of processes to ensure value for money. SuperCom met with management for a review of the monthly management and operational reports. SuperCom also attended all the quarterly joint BOD and Committee meetings conducted during the year and contributed.

SCOPE OF REVIEW MEETINGS.

Generally, the scope of the Committee meetings covered the following major areas:

- I. Review and approval of monthly financial statements comprising income statements, Statement of Financial Position Cash Flow Statements and notes to the reports;
- ii. Review of Loan Operations;
- iii. Review of BOD minutes and decisions and their implementation;
- iv. Verification of supporting source documents to loans and expenses;
- v. Review of IT systems and integrity;
- vi. Risk assessment of operational activities; and
- vii. Checking of compliance with Minescho's Bye-Laws, Internal Controls, Operational Policies, and Procedures

OBSERVATIONS AND RECOMMENDATIONS

We wish to report to the AGM that during our reviews, all weaknesses and risks identified in the operations of the Union were brought to the notice of BOD and Management.

Internal Control weaknesses were discussed with relevant Senior Management Members but major deficiencies especially related to Minescho's Bye-Laws and Policies were brought to the attention of the Board of Directors for the necessary action.

Professor Chairman, Supervisory Committee's **key responsibility was to evaluate and improve the effectiveness of risk management, internal controls and governance processes of Minescho**. This role serves to provide technical and professional advice to the BOD and Management of the Union.

From our review Professor Chairman, we are happy to report to shareholders and members that Minescho's Internal Controls, Bye-Laws, Policies and Governance Processes have worked satisfactorily during the period under review. However, few industry challenges and some operational deficiencies were identified, highlighted and corrected.

CHALLENGES

The general liquidity challenge and recovery from Covid-19 seem to have affected savings and funds mobilisation hence the need to expand our scope of operations to reach out to more customers within the community.

We also want to use this opportunity to encouraging all members of the Union to comply with the minimum share purchase requirement to help shore up the liquidity challenge and positively create more loanable funds for members and shareholders.

Let us all remember and adopt the golden rule of a good cooperator: **Saving regularly, borrowing wisely and repaying promptly.**

RECOMMENDATIONS MADE FOR IMPROVEMENT IN IT INFRASTRUCTURE

We have had stable system and network operations devoid of cyber-attacks within the year due to sponsored training given to the IT Officer on Cyber Security and Digital Forensics at KNUST. Several CCTV Cameras have been purchased and installed to widen coverage and lessen blind spots.

Cloud storage has been deployed to further secure data and to support business continuity in the unlikely event of an emergency. Biometric access control system has been installed as another layer of physical security to protect staff, and other equally important assets at the back office.

A Mikrotik Antenna was purchased to amplify network signal strength as a measure to mitigate against the habitual poor network connectivity at Bogoso branch. This device works by establishing connection with the network tower that has the highest network signal strength within 5-kilometre radius.

CONCLUSION

Our appreciation to all members, shareholders, BOD, Committees and staff.

We pledge to continue our oversight responsibilities to ensure that Minescho obtains value for money and risk reduction in every operational situation. Let us all work collectively to make Minescho a **Happy Family**. Thank you and God Bless us All.



Dr Frank Boateng
(Chairman, Minescho SuperCom.)

LOANS COMMITTEE'S REPORT 2021

INTRODUCTION

Mr. Chairman, ladies and gentleman, exactly a year ago, all of us gathered here to consider the report of the activities of the Loan's Committee for the year 2019. Today marks another special day for the same members of the Loan Committee to present another report to members for consideration. Throughout the year, various activities including savings, investments and disbursement of loans were carried out by the Credit Union. As the year draws to an end, there is the need to communicate to members all the activities undertaken by the Credit Union in the year, hence the essence of the annual General Meeting (AGM). The AGM is a special assembly of members of the Union where the performance of the Credit Union is assessed. It is a special day, where all members consider, if necessary, the new decisions of the Board and Management based on the reports from the various committees. The Loans Committee's report covers the loan activities of the Minescho Credit Union from 1st July, 2020 to 30th June, 2021.

MEETING

The Loans Committee is mandated by Article 58 of the Bye-Laws of the Union to meet frequently. However, during the year under review, the Committee had seventeen monthly meetings to consider loan applications.

NUMBER OF LOAN APPLICATIONS APPROVED

Throughout the year under review, five hundred and fifty two loan application forms were considered. This number include members from both Bogoso and Tarkwa branches. No loan application form was rejected. All the loans were approved and disbursed. Table 1. Provides the details of members and organisations who applied for loan during the year under review.

Table 1. Number of members and organisations

GENDER / ORGANISATION	FREQUENCY
Males	359
Females	171
Organization	22
Total	552

LOANS APPROVED AND DISBURSED

Mr. Chairman, despite the numerous challenges such as high delinquency rates and low savings, MINESCHO Credit Union was able to disburse an amount of (Nine million, three hundred and twenty one thousand, eight hundred and forty- three Ghana cedis) to its members as loans. Table 2. Provides the amount of loans disbursed from the two (2) branches.

Table 2. Loans Disbursed from the Branches

BRANCHES	AMOUNT(GHC)
Tarkwa	8,670,343.00
Bogoso	651,500.00
Total	9,321,843.00

LOANS PORTFOLIO

The loan portfolio of MINESCHO Credit Union during the year under review was Eight million, three hundred and fifty six thousand, five hundred and forty eight Ghana cedis sixty seven pesewas. **(Gh¢ 8,356,548.67)**

LOANS RETRIEVED

With good policies from Management and the assistance from Mobile bankers and the Loans Committee members, MINESCHO Credit Union was able to recover an amount of Nine million and Thirty Ghana cedis fifty seven pesewas. Table 3, shows the details of the loan recovered from the two (2) branches.

Table 3. Loans Recovered

BRANCHES	AMOUNT(GHC)
Tarkwa	7,544,633.66
Bogoso	1,455,396.66
Total	9,000,030.57

DELINQUENT LOANS

Mr. Chairman, though MINESCHO Credit Union was able to recover enough loans during the year under review, the challenge of the loan delinquency was an issue that the Committee could not overcome completely. At the end of the year under review, the loan delinquency was Two hundred and seventy thousand, six hundred and sixty one Ghana cedis ninety six pesewas **(Gh¢ 270,661.96)**.

CHALLENGES

The challenges of the year under review include:

- I. Low interest rate as against other financial institutions;
- ii, High loan delinquency rate;
- iii. Irregular savings pattern of some members;
- iv. Irregular payment of re-structured loans; and

APPRECIATION

The Loans Committee wishes to bring their profound gratitude to all members of MINESCHO Credit Union and the Board of Directors for the support and the opportunity to serve the Union in this capacity.

Thank you and God bless us all.



Dr Lewis Brew
(Chairman, Loans Committee)

EDUCATION COMMITTEE'S REPORT 2021

The three-member Education Committee of MINESCHO is constituted by the Chairman, Assoc Prof Yakubu Issaka, with Mr Y. Azuma, Miss E. Brown as members. The Committee is guided in the execution of its mandate by the MINESCHO bye laws. As per the bye laws, the education committee is expected to carry out the following:

- (i) Market the products of the Union;
- (ii) Work to increase membership;
- (iii) Ensure the creation and management of youth savings clubs in secondary schools around the Catchment area of the union;
- (iv) Work hand in hand with the Customers Relations Officer to ensure customer satisfaction;
- and (v) Explore and initiate new products for the Board's Consideration

During the year under review, the COVID-19 Pandemic hindered frequent face to face interactions with members and potential members. Though this was a limiting factor, the committee remained resolute to adopt available technologies such as phone calls, e-mails, WhatsApp etc. to achieve the set objectives.

In the midst of the challenges, the committee worked assiduously to acquire more membership from various organizations including the University of Mines and Technology (UMaT), some Senior High Schools (SHS), GPRTU stations and shops within the Tarkwa Municipality to help meet its mandates. One of the targeted groups was the newly employed staff members of UMaT and UMaT Basic.

Intensive publicity was carried out by the Committee to educate prospective members on the products and benefits that MINESCHO provides for its members. Constant education was carried out especially, for the newly employed staff members of UMaT. A good number of the employed staff members have thus joined the "Happy Family".

In all the activities undertaken by the committee, measures were taken to ensure that old members of the Union are maintained.

Lastly, a careful observation made by the Committee was that, the adoption of social media has proven to be effective. The Committee will therefore continue to utilize social media for consistent improvement in performance within the municipality.

Challenges

- (i) The availability of more attractive and competitive loans for staff of UMaT from other financial institutions and the available loans from UMaT-GUSSS continue to affect the union. In most cases the payment terms for these loans are more favorable compared to that of MINESCHO. Many complaints concerning the interest on loans and payment of insurance were received by the Committee.

The Union is hence recommended to consider this challenge in order to remain competitive as many MINESCHO members refuse to take loans from the Credit Union.

- (ii) Absence of a tracking system to track members who join the union as a result of the work done by the Committee.
- (iii) The absence of clear terms on transportation fares for the Education Committee in the execution of its activities. In their line of work for the Union, Committee members always fund transportation costs personally.



Assoc Prof Yakubu Issaka
Education Committee Chairman



Rev. Charles Kwoffie
General Manager

SENIOR MANAGEMENT TEAM



Mr. David Nzima-Mensah Jnr.
Administrative Manager

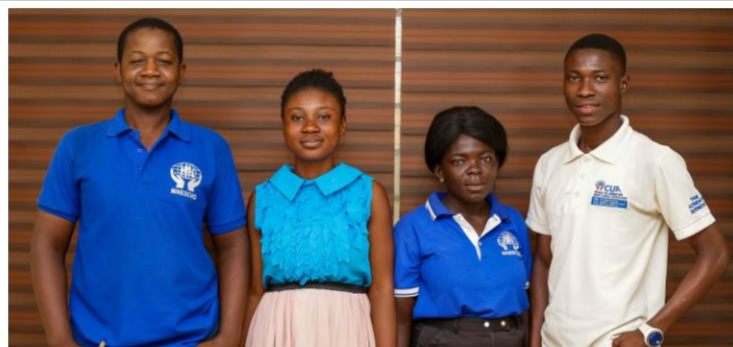


Mr. Samuel Gbarinkwa Laari
Head of Operations

STAFF MAIN BRANCH - UMAT CAMPUS, TARKWA



MOBILE BANKERS



NATIONAL SERVICE PERSONNEL



MINESCHO CO-OPERATIVE CREDIT UNION LTD MANAGEMENT AND FINANCIAL REPORT FOR THE PERIOD ENDING 30TH JUNE 2021

MINESCHO CO-OPERATIVE CREDIT UNION LTD

FINANCIAL HIGHLIGHTS I AS AT 30TH JUNE

2021 OPERATING STATEMENT

In % on Average Assets, base =14,876,302.21

PARTICULARS	ACTUAL	%	STANDARD	%		REMARKS
	AMOUNT		AMOUNT			
INTEREST EARNINGS						
Interest on Loans	1,087,130.09	7.3	2,975,260.44	20		
Interest on Financial Invest	297,587.68	2.0	297,526.04	2		
Interest on Other Investments	-	0.0	148,763.02	1		
TOTAL FINANCIAL INCOME	1,384,717.77	9.3	3,421,549.51	23	min.	Unfavourable
LESS: COST OF FUNDS						
Interest on Members Savings	747,691.18	5.0	743,815.11	5		
Interest on Borrowings	-	0.0	297,526.04	2		
TOTAL COST OF FUNDS	747,691.18	5.0	1,041,341.15	7	max.	Favourable
GROSS FINANCIAL MARGIN	637,026.59	4.3	2,380,208.35	16	min.	Unfavourable
Less: Increase in Provision for Loan Losses	113,223.85	0.8	595,052.09	4	max.	Favourable
NET FINANCIAL MARGIN	523,802.74	3.5	1,785,156.27	12		
Add Non-Operating Income	290,147.32	2.0	148,763.02	1	min.	Favourable
GROSS MARGIN	813,950.06	5.5	1,933,919.29	13	min.	Unfavourable
LESS: OPERATING EXPENSES						
Personnel	413,417.05	2.8	371,907.56	2.5		
Occupancy	44,369.40	0.3	148,763.02	1		
Organizational	213,791.24	1.4	148,763.02	1		
Security	234,792.69	1.6	148,763.02	1		
Administration	285,207.57	1.9	223,144.53	1.5		
TOTAL OPERATING EXPENSES	1,191,577.95	8.0	1,041,341.15	7	max.	Unfavourable
NET OPERATING MARGIN	(377,627.89)	-2.5	892,578.13	6	min.	Unfavourable

Result:

Favourable =3

Unfavourable =5

MINESCHO CO-OPERATIVE CREDIT UNION LTD

FINANCIAL HIGHLIGHTS II AS AT 30TH JUNE

2021 BALANCE SHEET

In % on Total Assets, base = 16,084,703.07

PARTICULARS	ACTUAL	%	STANDARD	%		REMARKS
ASSETS	AMOUNT		AMOUNT			
Liquid Funds	617,072.23	3.8	321,694.06	2	max.	Unfavourable
Liquid Investments	3,960,973.18	24.6	2,895,246.55	18	min.	Favourable
Other Investments	1,236,814.32	7.7	804,235.15	5	min.	Favourable
Net Loans to Members	8,094,421.37	50.3	11,259,292.15	70	max.	Favourable
Other Current Assets	1,605,813.15	10.0	-	0	max.	Unfavourable
Non Current Assets	569,608.82	3.5	804,235.15	5	max.	Favourable
TOTAL	16,084,703.07	100.0	16,084,703.07	100		

PARTICULARS	ACTUAL	%	STANDARD	%		REMARKS
LIABILITIES/EQUITY	AMOUNT		AMOUNT			
Other Current Liabilities	287,142.78	1.8	-	0	max.	Unfavourable
Non Current Liabilities	-	0.0	804,235.15	5	max.	Favourable
Members Savings	14,332,875.70	89.1	12,867,762.46	80	min.	Favourable
Members Shares	1,909,848.33	11.9	804,235.15	5	min.	Favourable
Reserves	(445,163.74)	-2.8	1,608,470.31	10	min.	Unfavourable
TOTAL	16,084,703.07	100.0	16,084,703.07	100		

Result:

Favourable =7

Unfavourable =4

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF MINESCHO CO- OPERATIVE CREDIT UNION LIMITED

DEPARTMENT OF CO-OPERATIVES REGIONAL OFFICE

In case of reply the
Number and date of this Letter
should be quoted
Email: westernregiondoc2021@gmail.com



P.O.BOX 119, Takoradi
Western Region-Ghana
TEL:(233) 0302978737
0243477819
0201818077
P.O. Box 75

Our Ref: DC/WR/110/V9/1
Your Ref:.....

REPUBLIC OF GHANA

Agona - Ashanti
22nd September, 2021

INDEPENDENT AUDITORS' REPORT TO MEMBERS OF MINESCHO CO- OPERATIVE CREDIT UNION LIMITED

Opinion

We have audited the financial statements of Minescho Co-operative Credit Union Limited set out on pages 36 to 54, which comprises the statement of financial position as of 30th June 2021, the Statement of Income and, statement of changes in equity, statement of cash flows for the year then ended, and notes, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Minescho Co-operative Credit Union Limited as of 30th June 2021, and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles (GAAP) and the requirements of the Co-operative Societies Decree 1968 (NLCD252) and other regulatory requirements.

Basis for opinion

We conducted our audit in accordance with Generally Accepted International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Credit Union in accordance with the ethical requirements that are relevant to our audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Directors' Responsibility for the Financial Statements



As stated in the Credit Union's bye law the Board of Directors are responsible for the preparation and fair presentation of these financial statements in accordance with Relevant Reporting Standards, Co-operative Societies Decree 1968 (NLCD252) 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.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

We conducted our audit in accordance with Generally Accepted International Standards on Auditing. Those 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, misstatements can arise from fraud or error and are considered material if, individually or in aggregate.

In making those risk assessments, we obtain an understanding of internal control relevant to the audit in order to design audit procedures in that are appropriate in the circumstances, but not for the purpose for expressing an opinion on the effectiveness of the Credit Union internal controls. We also evaluated the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

Name	Institution	Auditor's Signature
Aaron Quansah	- CUA LTD	
Isaac Owusu Ennin	- Department of Cooperative	

MINESCHO CO-OPERATIVE CREDIT UNION LTD 2020-2021

MINESCHO CO-OPERATIVE CREDIT UNION LTD**STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2021**

	<u>NOTES</u>	<u>2021</u> <u>GH ¢</u>	<u>2020</u> <u>GH ¢</u>
ASSETS			
Liquid Funds	13	617,072.23	331,997.16
Liquid Investments	14	3,960,973.18	3,207,409.54
Other Investments	15	1,236,814.32	1,236,814.32
Net Loans To Members	16 / 23	8,094,421.37	6,830,499.19
Other Current Assets	17	1,605,813.15	1,503,192.34
/ Non Current Assets	21	569,608.82	557,988.80
TOTAL ASSETS		16,084,703.07	13,667,901.35
Current Liabilities			
Other Current Liabilities	18	287,142.78	167,800.71
Members Savings	19	14,332,875.70	11,641,852.13
		14,620,018.48	11,809,652.84
Non Current Liabilities	0.	-	-
EQUITY			
Members Shares	20	1,909,848.33	1,858,500.62
Reserves (incl. Net Surplus)	22	(445,163.74)	(252.11)
		1,464,684.59	1,858,248.51
TOTAL LIABILITIES AND EQUITY		16,084,703.07	13,667,901.35

Approved by Management Board on 12/02/2022
 The Notes 1-24 form an intergral part of these financial statements


 Assoc Prof Anthony Simons
Chairman


 Dr Akyene Tetteh
Treasurer

Approved by Department of Co-operatives:

Date: 18/02/2022



<u>MINESCHO CO-OPERATIVE CREDIT UNION LTD</u>			
<u>INCOME STATEMENT FOR THE YEAR ENDED 30TH JUNE 2021</u>			
	<u>NOTES</u>	<u>2021</u>	<u>2020</u>
<u>INCOME</u>		<u>GH ¢</u>	<u>GH ¢</u>
Interest on Loans	2.	1,087,130.09	895,618.48
Interest on Liquid Investments	3.	297,587.68	252,209.79
Other Financial Income	4.	-	9,313.77
		1,384,717.77	1,157,142.04
Non- Operating Income	5.	290,147.32	106,026.56
TOTAL INCOME		1,674,865.09	1,263,168.60
<u>LESS EXPENDITURE:</u>			
Cost of Funds	6.	747,691.18	254,602.40
Personnel Cost	7.	413,417.05	423,927.60
Occupancy	8.	44,369.40	42,983.73
Organizational	9.	213,791.24	241,210.39
Security	10	234,792.69	88,930.94
Administration	11	285,207.57	280,113.29
Provision for Loan Losses	12/23	113,223.85	356,877.92
TOTAL OPERATING EXPENSES		2,052,492.98	1,688,646.27
Net Surplus or Deficit		(377,627.89)	(425,477.67)
<u>SURPLUS APPROPRIATION</u>			
Net Surplus c/f		(377,627.89)	(425,477.67)
Statutory Reserve	25%	-	-
Education Reserve		-	-
Operating Reserve	100%	(377,627.89)	(425,477.67)
		(377,627.89)	(425,477.67)
The Notes 1-24 form an intergral part of these financial statements			

<u>MINESCHO CO-OPERATIVE CREDIT UNION LTD</u>			
<u>CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE 2021</u>			
		<u>2021</u>	<u>2020</u>
		<u>GH ¢</u>	<u>GH ¢</u>
<u>1. Cash flows from OPERATING ACTIVITIES</u> (before changes in operating assets & liabilities)			
Net Surplus or Deficit		(377,627.89)	(425,477.67)
Adjustment:			
Depreciation on Non Current Assets		74,533.75	92,346.57
Increase in Allowance		84,719.00	77,375.00
Write -Offs		28,504.85	279,502.92
Loss (+)/Gain (-) on Disposal of Non Current Assets		-	-
Other adjustment (Reserve)		(67,291.41)	(42,716.38)
Cash flows			
from OPERATING ACTIVITIES		<u>(257,161.70)</u>	<u>(18,969.56)</u>
<u>Changes in OPERATING ASSETS and LIABILITIES</u>			
Increase (-) /Decrease (+) in Total Loan Balance		(1,377,146.03)	(1,695,538.93)
Increase (-) /Decrease (+) in Other Current Assets		(102,620.81)	(152,962.18)
Increase (+) /Decrease (-) in Members Savings		2,691,023.57	2,656,213.79
Increase (+) /Decrease (-) in Other Current Liabilities		119,342.07	(14,154.89)
Net Cash generated			
from OPERATING ACTIVITIES		<u>1,073,437.10</u>	<u>774,588.23</u>
<u>2. INVESTING ACTIVITIES</u>			
Purchase of Non Current Assets (-)		(86,153.77)	(15,528.60)
Net Cash used			
in INVESTING ACTIVITIES		<u>(86,153.77)</u>	<u>(15,528.60)</u>
<u>3. FINANCING ACTIVITIES</u>			
Proceeds from Shares Issued		51,347.71	26,663.76
Net Cash used			
in FINANCING ACTIVITIES		<u>51,347.71</u>	<u>26,663.76</u>
<u>4. Cash and cash equivalent at the end of period</u>			
Net Increase (+)/Decrease (-) in Cash and Cash Equivalent		1,038,631.04	785,723.39
Opening Cash and Cash Equivalent at the beginning of year		<u>3,539,406.70</u>	<u>2,753,683.31</u>
Closing Cash and cash equivalent		<u>4,578,037.74</u>	<u>3,539,406.70</u>

MINESCHO CO-OPERATIVE CREDIT UNION LTD					
STATEMENT OF CHANGES IN EQUITY					
	Members Share Capital	Operating Reserve	Statutory Reserve	Other Reserves	Total Equity
Balance b/f	1,858,500.62	- 640,668.40	398,472.25	241,944.04	1,858,248.51
Adjustments		- 67,283.74	-	-	- 67,283.74
Net Shares Subscribed	51,347.71				51,347.71
Surplus for the year (Appropriation)		- 377,627.89	-	-	- 377,627.89
Dividend paid		-			-
Total	1,909,848.33	- 1,085,580.03	398,472.25	241,944.04	1,464,684.59

MINESCHO CO-OPERATIVE CREDIT UNION LTD			
NOTES TO THE FINANCIAL STATEMENTS		2021	2020
		GH ₵	GH ₵
1. BASIS OF PREPARATION			
1.1. Statement of Compliance			
The financial statements of MINESCHO CO-OPERATIVE CREDIT UNION LTD has been prepared in accordance with International Financial Reporting Standards (IFRS). Additional information required under the Co-operative Decree 1968(NLCD 252) except as disclosed in the accounting policies below.			
1.2. Basis of Measurement			
The financial statements have been prepared under the historical cost convention.			
1.3. Use of Estimates and Judgements			
The preparation of financial statements is in conformity with IFRS which requires the Union's Board and Management to make Judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses.			
1.4. Functional and Presentationl Currency			
The Financial statements are presented in Ghana Cedis (GH₵), which is the Credit Union's functional and Presentational Currency.			
1.5.0 Significant Accounting Policies			
The significant accounting policies adopted by the Credit Union which have been used in preparing these financial statements are as follows:			
1.5.1. Revenue Recognition			
i.) Interest on Loans			
Interests on members' loans are recognized in the statement of comprehensive income and when payment is received (on cash basis).			
ii.) Investment Income			
Investment income is recognized in the statement of Comprehensive income on accrual basis or when investments are rolled over instead of receiving it as cash			
iii.) Other Financial Income			
Other Financial Income comprises interest earned on the Union's bank accounts, other investments and dividend received on shares owned. They are measured at amortized			
iv.) Non - Financial Income			
Revenue from the provision of services to members is recognized when earned', specifically when amounts are fixed or can be determined and the ability to collectis reasonably assured.			
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 yearly balance.			

1.8. Provision of Loan Loss

The Credit Union has determined the likely impairment loss on loans, which have not maintained the loan repayments in accordance with the loan contract. An estimate of the collective provision is based on the age of the loans. Any adjustments made in loan loss provision are recognized in the statement of comprehensive income.

However, any reduction in provision for loan losses is not recognised as income thus, GH¢.....

1.9. Bad Debts Written Off / Loans Set aside.

Bad Debt are written off from time to time as determined by management and approved by Board of Directors when it is reasonable to expect that the recovery of the debt is unlikely. Bad debts are written off against the accumulated provisions for loan losses, if a provision for loan loss had previously been recognized. If no provision had been recognized, the write offs are recognized as expense in the statement of comprehensive income.

1.10. Propose Dividend

The Board of Directors wish to propose a dividend (.....%) amounting to GHC..... at the forth coming Annual General Meeting.

Dividends on ordinary shares are recognized in the period in which they are approved by the members. Dividend proposed which is yet to be approved by members, is disclosed by way of notes.

1.11. Members Shares

Members' shares subscribed by members are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

1.12. Members Loans

All members' loans are non – derivative financial assets with fixed or determinable payments that are not quoted in an active market and have been classified as loans and receivables.

Members' loans are reported at their recoverable amount representing the aggregate amount of principal, less any provision for impaired loans.

1.13. Members Savings

Members' savings are measured at amortized cost.

1.14. Employee Benefits**(a) Post - Employment Benefits****(i) Social Security and National Insurance Trust (SSNIT)**

Under a National Deferred Benefit Pension Scheme, the Credit Union contributes 13% of employees basic Salary to SSNIT for employee pensions.

The Credit Union's obligation is limited to the relevant contributions, which were settled on due date. The pension liabilities and obligations, however, rest with SSNIT.

(b) Co-Operative Credit Union Pension Plan (C-CUPP)

The Credit Union has a pension plan for all employees who have completed probation with the Credit Union.

Employees contribute 10% of their basic salary to the fund whilst the Credit Union contributes the same 10%. The obligation under the plan is limited to the relevant contribution and these are settled on due dates.

1.15. Property, Plant and Equipment

An item of Property, Plant and Equipment is initially recognized at cost and subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, with the exception of land which is not depreciated.

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

Building	2%
Motor Vehicle	20%
Office Equipment	25%
Furniture and Fittings	10%
Computers and Accessories	33.33%
Software	33.33%

Gains or losses on disposal of property, plant and equipment are recognized in the statement of comprehensive income.

1.16. Intangible assets**Computer software licenses**

Intangible assets include computer software licenses.

Software acquired by the credit union is measured at cost less accumulated amortization

Subsequent expenditure on software is capitalized only when it increases future economic benefits embodied in the specific asset to which it relates. All other expenditure are expense

Software is amortized on a straight line basis and recognized in profit or loss over its estimated useful life, from the date that it is available for use.

The estimated useful life of software for the current and comparative periods is three years.

Key Performance Disclosure	Standard	2020	2019
	%	%	%
Loan Delinquency Ratio	5	1.3	
Liquidity Ratio	20	28.46210707	25.89575831
Capital Adequacy Ratio	15	9.11	13.60

		2021	2020
		GHC	GHC
2. Interest on Loans			
Interest on Normal Loans		636,251.54	469,456.90
Interest on Corporate Loan		414,475.24	382,400.65
Interest on Staff Rent Loan		1,064.97	2,167.00
Interest on Educational Loan		-	256.00
Interest on Funeral Loan		-	59.03
Interest on Xmas Loan		35,338.34	41,278.90
		1,087,130.09	895,618.48
3. Interest on Liquid Investments			
Interest on Cal Asset		155,603.96	116,523.77
Interest on Bank Deposit		141,983.72	92,061.77
Interest on T.Bills -GCB Bank		-	19,666.17
Interest on CUA CFF Savings		-	23,958.08
		297,587.68	252,209.79
4. Other Financial Income			
Interest On Statutory Rserve Deposit		-	9,243.77
Dividend On CUA CFF Savings		-	70.00
		-	9,313.77
5. Non-Operating Income			
Entrance Fee		5,789.00	7,371.00
Loan Insurance Premium		201,993.53	55,113.23
Hostel Rent Income		12,989.65	9,746.67
Cheque Book Issued		1,731.60	550.56
Master Cards Issued		70.00	100.00
Write Off Recovery		3,251.26	10,626.42
Service Charge		460.00	244.00
Daily Savings Commission		50.00	3.00
Box Fees		765.00	508.00
Other Income		30,975.09	2,022.37
Donation Income		-	1,640.00
Commission on SMS		7,234.40	12,285.60
Commission on LPP		18,101.51	-
Mobile Money Commission		6,736.28	5,815.71
		290,147.32	106,026.56
6. Cost of Funds			
Interest on Member Savings		747,691.18	254,602.40
		747,691.18	254,602.40

		2021	2020
		GH¢	GH¢
<u>7. Personnel Cost</u>			
Staff Salaries		313,844.58	330,107.98
SSNIT contribution, part of CU		34,527.47	43,585.85
Attachment Allowance		9,000.00	550.00
Dressing Allowance		14,000.00	-
Staff Weekend Allowances		3,400.00	12,370.00
Medical Expenses		6,729.89	4,189.24
C-CUPP, part of CU		30,920.71	33,124.53
Overtime Allowance		994.40	-
		<u>413,417.05</u>	<u>423,927.60</u>
<u>8. Occupancy</u>			
Rent & Rates		13,937.61	8,746.54
Repairs and Maintenance		4,346.00	797.00
Utilities		26,085.79	33,440.19
		<u>44,369.40</u>	<u>42,983.73</u>
<u>9. Organizational Cost</u>			
CUA Dues		15,180.00	11,604.00
Chapter Dues		12,144.00	8,703.00
BOD & Committee Meeting		92,825.70	110,131.28
Publicity and Promotions		2,136.00	200.00
Education & Training		11,003.00	14,001.00
Donation		-	2,847.00
Christmas Bonus		10,650.00	10,250.00
Honorarium		28,172.44	51,559.71
Annual General Meeting		41,680.10	31,914.40
		<u>213,791.24</u>	<u>241,210.39</u>
<u>10. Security</u>			
Private Security Cost		81,038.21	72,349.32
Insurance of asset		8,139.50	6,211.62
Lpp Expenses		134,964.98	-
Legal Expenses		650.00	370.00
Audit Fees		10,000.00	10,000.00
		<u>234,792.69</u>	<u>88,930.94</u>

		2021	2020
		GH¢	GH¢
11. Administration			
Bank Charges		8,874.09	6,612.67
Audit Expense		7,693.00	2,200.00
Repairs & Maintenance of Equipment		8,209.50	22,403.64
Fuel & Lubricant-Office Vehicle		11,000.00	8,074.36
Repairs and Maintenance Office Vehicle		3,906.22	-
Fuel & Lubricant-Plant		2,390.00	2,501.00
Office Expenses		49,113.41	55,119.22
Printing and Stationery		18,895.25	9,872.39
Software Expenses		24,383.75	16,440.00
Postage and Communication		10,482.00	11,055.75
Hostel Expenses		12,989.65	11,774.33
Mobile Bankers Commission		48,976.95	41,713.36
Repairs & Maintenance of Computer and Access	.	3,610.00	-
Repairs & Maintenance of Fixed Asset TBO		150.00	-
Depreciation on Non Current Assets		74,533.75	92,346.57
		285,207.57	280,113.29
12. Allowance for Loan Losses and Write - Offs			
<i>Please see also note 24. Loan Loss Allowance</i>			
Increase in Allowance		84,719.00	77,375.00
Write -Offs		28,504.85	279,502.92
		113,223.85	356,877.92
13. Liquid Funds			
Cash On Hand (Safe) TBO		46,903.80	51,281.20
Cash On Hand (Safe) Bogoso		134.50	36,494.60
Petty Cah TBO		5.25	55.33
Petty Cah Bogoso		6.50	196.00
Electronic Cash Vodafone		218.56	1,423.56
Teller 3 HDO		7.00	-
Electronic Cash Momo		110,084.74	7,943.73
Subtotal Cash Balance		157,360.35	97,394.42
GCB Current AC		7,292.42	15,568.02
UMB Current Account		10,171.24	21,947.92
Zenith Bank Current Main		31,909.77	975.21
Cal Bank Current		41.02	41.02
OminiBank Current Account		343,191.06	173,765.44
Zenith Bank Current Hostel		43,842.37	1,357.37
Consolidated Bank Current Account		20,420.00	20,420.00
GT Current Account		2,729.32	413.08
GT Dollar Account		114.68	114.68
Subtotal Bank Current Balance		459,711.88	234,602.74
		617,072.23	331,997.16

		2021	2020
		GH¢	GH¢
14. Liquid Investments			
Bank Savings GCB		901.94	884.99
Bank Savings Guarantee Trust Bank		151,363.46	737,982.59
Call Account - Omini Bank		370,499.75	202,772.35
Consolidated Bank Savings TBO		1,011.84	1,011.84
Ominibsic Bank Fixed Deposit		1,725,038.35	501,479.45
GT Bank Deposit Investment		-	202,071.23
Fixed Deposit -Cal Asset Fund		1,088,186.84	937,236.09
Central Finance Facility (CFF) Savings		623,971.00	623,971.00
		3,960,973.18	3,207,409.54
15. Other Investments			
CUA House Bond		16.97	16.97
CUA Statutory Reserves Deposit		231,094.58	231,094.58
Fixed Deposit Gold Coast Fund Mgt.		560,809.87	560,809.87
Fixed Deposit Legacy Financial Service		180,991.86	180,991.86
Fixed Deposit CBG		171,843.81	171,843.81
Fixed Deposit Mc Ottley Capital		87,257.23	87,257.23
CUA Shares		1,000.00	1,000.00
CUA Kasoa Training Center Shares		3,800.00	3,800.00
		1,236,814.32	1,236,814.32
16. Net Loans To Members			
LOANS TO MEMBERS		6,117,668.61	7,275,631.91
STAFF RENT LOAN		8,750.00	31,001.20
XMAS LOANS		41,931.56	-
CORPORATE LOANS		2,116,670.05	-
Subtotal: Total Loan Balance		8,285,020.22	7,306,633.11
less: set aside		105,879.85	398,758.92
Subtotal: Total Loan Balance		8,179,140.37	6,907,874.19
less: Loan Loss Allowance		84,719.00	77,375.00
		8,094,421.37	6,830,499.19
17. Other Current Assets			
Migration Difference		998,725.25	1,000,930.25
Franklin Squire		6,459.00	6,459.00
Caesar Sungdong		-	10.00
Rent Advance-Bogoso Staff Premises		6,528.00	1,620.00
Rent Advance-Bogoso Office		4,400.00	8,640.00
Member Share and Savings Overdraft		31,991.30	8,546.38
Account Receivables UMaT TBO		428,089.48	426,632.33
Account Receivables UMaT BBO		4,944.25	-
Stock of Master Cards		21,350.00	21,700.00
Bogoso Renovation		8,644.58	11,441.44
Stock of Cheque Books		5,109.54	7,277.94
Overs & Shortage Account TB		300.00	-
Samuel Laari Salary Advance		2,500.00	-
Cash Stolen Bogoso		79,438.00	-
Stock of Deposit & Withdrawal Booklets		7,333.75	9,935.00
		1,605,813.15	1,503,192.34

		2021	2020
		GH¢	GH¢
18. Other Current Liabilities			
Audit Fees Payable		10,000.00	10,000.00
Interest on Payable on Members F.D		295.27	295.27
Cua Chapter Dues Payables		12,144.00	8,703.00
Cua Dues Payables		15,180.00	11,604.00
Emmanuel Darko-SA			1,388.57
C-CUPP contribution payable		13,581.00	4,537.03
Legal Expenses		350.00	350.00
Audit Expenses		7,693.00	4,800.00
Net Salary Payable		0.11	0.09
Accrued Dividend			128.80
LPP Premium Payable		9,833.00	5,231.28
Deferred Income Hostel		93,857.68	41,343.33
Honorarium (Payable)		27,772.44	30,685.71
Fritz Asare-SA		-	1,077.52
Accrued Security Cost		31,168.67	5,404.04
Utilities Payables(Water and Electricity)		7,030.39	5,917.46
Annual General Meetings		41,680.10	31,894.40
Dormant Members Balance		4,076.35	4,096.81
SSNIT Payable		4,644.82	-
Paye Payable		3,965.33	-
Withholding Tax		316.22	-
Counter Overages		3,554.40	343.40
		287,142.78	167,800.71
19. Members Savings			
Regular Savings		10,262,832.09	8,968,982.79
Subtotal: Total Regular Savings		10,262,832.09	8,968,982.79
Other Savings - Member Loan Account		-	2,504.38
Other Savings - Kiddie Save Account		12,808.38	8,252.00
Other Savings - Fixed Deposits		4,057,235.23	2,662,112.96
Subtotal: Total Other Savings		4,070,043.61	2,672,869.34
		14,332,875.70	11,641,852.13
20. Members Shares			
MEMBER SHARES		1,909,848.33	1,858,500.62
		1,909,848.33	1,858,500.62

MINESCHO CO-OPERATIVE CREDIT UNION LTD**NOTES TO THE FINANCIAL STATEMENTS****21. Non Current Assets Schedule**

Description	Cost as at 1st July 2019	Disposal Cost	Additions	Balance/Cost as of 30th June 2020/1st July 2020	Disposal Cost	Additions	Balance as of 30th June 2021
Property, Plant & Equipment							
Land & Premises	567,611.76			567,611.76		42,333.77	609,945.53
Office Equipment	82,685.42		12,653.60	95,339.02		20,130.00	115,469.02
Furniture & Fittings	77,432.35			77,432.35		6,000.00	83,432.35
Equipment and Vehicles	178,031.24		2,250.00	180,281.24			180,281.24
Computer and Accessories	22,974.00		625.00	23,599.00		17,690.00	41,289.00
Plant & Machinery	50,000.00			50,000.00			50,000.00
Subtotal Carrying Value of Property, Plant & Equipment	978,734.77	0.00	15,528.60	994,263.37	0.00	86,153.77	1,080,417.14
Intangible Assets							
Software	35,010.00			35,010.00			35,010.00
Subtotal Carrying Value of Intangible Assets	35,010.00	0.00	0.00	35,010.00	0.00	0.00	35,010.00
Total Carrying Value of Non Current Assets	1,013,744.77	0.00	15,528.60	1,029,273.37	0.00	86,153.77	1,115,427.14

21. Non Current Assets Schedule (cont.)

Depreciation/Amortisation	Balance b/f as at 1st July 2019	Disposal Depreciation	Charge for the year	Balance/Carrying Value as of 30th June 2020/1st July 2020	Disposal Depreciation	Charge for the year	Balance as of 30th June 2021
Property, Plant & Equipment							
Land & Premises	104,528.47		11,352.24	115,880.71		11,493.35	127,374.06
Office Equipment	52,028.90		12,151.17	64,180.07		16,382.87	80,562.94
Furniture & Fittings	67,348.67		9,068.26	76,416.93		1,115.42	77,532.35
Equipment and Vehicles	84,389.97		35,906.25	120,296.22		36,056.25	156,352.47
Computer and Accessories	6,600.77		6,233.20	12,833.97		7,819.19	20,653.16
Plant & Machinery	37,500.00		12,500.00	50,000.00			50,000.00
Subtotal Carrying Value of Property, Plant & Equipment	352,396.78	0.00	87,211.12	439,607.90	0.00	72,867.08	512,474.98
Intangible Assets							
Software	26,541.22		5,135.45	31,676.67		1,666.67	33,343.34
				0.00			0.00
Subtotal Carrying Value of Intangible Assets	26,541.22	0.00	5,135.45	31,676.67	0.00	1,666.67	33,343.34
Total Depreciation of Non Current Assets	378,938.00	0.00	92,346.57	471,284.57	0.00	74,533.75	545,818.32
Carrying Amount	634,806.77	0.00	-76,817.97	557,988.80	0.00	11,620.02	569,608.82

22. Reserves

	Balance b/f	Ajustments	Appropriation	Balance
Statutory Reserve	398,472.25		0.00	398,472.25
Building Reserve	63,475.53			63,475.53
Education Reserve	64,363.08			64,363.08
General Reserve	114,105.43			114,105.43
Operating Reserve	-640,668.40	-67,283.74	-377,627.89	-1,085,580.03
Total Reserve	-252.11	-67,283.74	-377,627.89	-445,163.74

23. Allowance For Loan Losses

Balance b/f	77,375.00
Less Write- offs (see below)	-105,879.85
Subtotal	-28,504.85
Write -Offs	28,504.85
Increase In Allowance	84,719.00
Allowance For Loan Losses	84,719.00

Will be transferred to note 12. Provision for Loan Losses and Write Off

Ageing Report	No. of loans	Loan Balance	%	Required Provision
current	0	8,173,863.43	1%	81,739.00
1-3months	0	0.00	10%	0.00
4-6months	0	622.40	30%	187.00
7-9months	0	4,654.54	60%	2,793.00
10-12months	0	0.00	100%	0.00
Allowance For Loan				84,719.00
Over 12months	0	105,879.85	set aside	105,879.85

Total Loan Balance	0	8,285,020.22
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MINECHO CO-OPERATIVE CREDIT UNION LIMITED, TARKWA

MINUTES OF THE 28TH ANNUAL GENERAL MEETING HELD ON 30TH NOVEMBER, 2022 AT THE FORECOURT OF MINESCHO CO-OPERATIVE CREDIT UNION LIMITED

1.0 Opening

The meeting was called to order at 11:07 a.m. with a prayer said by Mr Thomas Kwame Nkrumah.

2.0 CUA Song

Ms Evelyn Ansah and Mr David Nzima Mensah led members of the Union to sing the CUA song.

3.0 Introduction of Chairperson and Invited Guest

The Chairperson and all other invited guests for the function were introduced by Dr (Mrs) Etornam Fiadonu as follow

Assoc Prof Cynthia B. Boye	Chairperson, 28 th AGM
Mr Bismark Adusei	Regional Co-operative
Mr Awal Mohammed	Director Co-operative Officer
Mr Aaron Quansah	External Auditor
Ms Evelyn Ansah	CUA Office, Takoradi
Mr Richard Koomson	Operations Officer, CUA, Takoradi
Assoc Prof A. Simons	Chairman, MCCUL BOD
Assoc Prof B. Kumi-Boateng	Vice Chairman, MCCUL BOD
Prof W. K. Buah	Former Chairman, MCCUL BOD
Mr Bernard K. Ntibrey	Community Representative, MCCUL BOD
Dr Akyene Tetteh	Treasurer, MCCUL BOD
Mr Robert Ewusi-Ntenah	Secretary, MCCUL BOD
Dr Issaka Yakubu	Chairman, MCCUL Education Committee Chairman,
Dr Lewis Brew	Loans MCCUL Committee Chairman
Dr Frank Boateng	Supervisory MCCUL Committee

4.0 Chairperson's Acceptance Speech

Assoc Prof Cynthia B. Boye willingly accepted the Chairperson position and acknowledged all members present at the ceremony. She indicated that the year was a special one: the year has been tough due to COVID-19 but a lot too had been done by the Union and have therefore, gathered to hear the current status of affairs of the Union. She solicited for help and cooperation from all members. She pleaded with members to stay glued to their seat till the end of the programme.

5.0 Reading of Previous Minutes

The Minutes of the 27th Annual General Meeting was read by Mr Robert Ewusi-Ntenah. After reading the minutes, Mr S. K. Yinunu moved for the acceptance of the minutes as a document of the Union and it was seconded by Madam Augustina Nketsia.

d) Challenges — The challenges were grouped into three as presented below

Low Return on Loans — Chairman said with the expectation that loans portfolio is to be industry's largest investment portfolio, having a maximum capacity of the portfolio (i.e. 70% of total assets), the Union was expected to have made a minimum of 20% of average assets as interest on loans at a 3% rate on balance. However, for the year under review, using industrial measurement of the viability of loans portfolio, given the Union's loan portfolio of 50%, Minescho earned 7% of average assets instead of 14.3%.

Loan defaulters — Chairman said that the BOD inherited non-performing loans portfolio of over GHC1 million. He added that based on the advice and recommendations of the external auditors, an amount of GHc398,758.92 was written-off from the Unions book in accordance with industry practice. He stated that Management will aggressively recover all those monies back to the Union by using all possible means like mentioning names on radio stations, publishing their names in the daily newspapers and instituting legal actions against them.

Impaired investments — Chairman made mention that the Union was having an amount of GHc1,000,902.77 locked up with some Fund Management and Investment Houses.

Board Chairman concluded by employing every member to continue with the hard work and be committed to the course of Minescho. He also appealed to all loan defaulters to kindly pay off their loans to avoid possible embarrassment.

He finally entreated all members, staff and Committees and Board to reflect on the theme for the 28th AGM dubbed "Sustenance in the Era of COVID-19: Our Roles as Co-operative Credit Union"

6.2 Supervisory Committee Report — The report was presented by the Chairman of the Committee in the person of Dr Frank Boaterg. He mentioned the specific objective of the Committee as to evaluate the effectiveness of internal controls and risk associated with the operations of the Union in pursuant to Article 62 of Minescho Co-operative Bye-Laws. The Chairman of the Committee informed members that the Committee held several meetings to carry out its mandate under the following areas:

- i. Review and approval of monthly financial statements comprising income statements, statements of financial position, cash flow statements and notes to reports;
- ii. Review of loans operations;
- iii. Review of BOD's Minutes, decisions and their implementations;
- iv. Verification of supporting source documents to loans and expense;
- v. Review of IT Systems and integrity
- vi. Risk assessment of operational activities; and
- vii. Checking of compliance with Minescho's Bye-Laws, Internal controls, Operational policies and procedures.

6.4 Education Committee Report - The Chairman, Dr Issaka Yakubu presented the report of the Committee.

He mentioned that he had been the only person in the Committee since the other two members finished their tenure of service. He talked about the activities of the Committee as:

- i. Marketing the Union's product;

- ii. Working to increase membership of the Union;
- iii. Ensuring the creation and management of youth savings clubs in secondary schools around the Union's catchment area
- iv. Working hand in hand with Customer Relations Officer to ensure customer satisfaction; and
- vi) Exploring and initiating new products for Board consideration.

The Chairman informed members that due to COVID-19 and he being alone, his Committee could not do much. He said that in spite of the above mentioned limitations, he was however, able to embark on activities to fulfil the Committee's mandate. He stated that he was able to win and educate newly employed UMaT Staff (Junior Staff, Senior Staff and Senior members) for Minescho and he also visited workers at garages, fitting workshops etc in the municipality.

The Chairman stated the following as the challenges of the Committee:

- i. COVID-19 restrictions;
- ii. Non-existence of tracking system for tracking members who join the Union as a result of the Committee work; and
- iii. The absence of other two members.

7.0 Presentation of Audited Reports

The Financial Statements of Minescho Co-Operative Credit Union was audited by Messrs Kwame Owusu Agyeman, Mr Aaron Quansah and Mr Samuel Owusu-Ansah. The summary of the financial statements is as presented below:

SN	TYPE OF STATEMENT	AREA OF INTEREST	FIGURES OF 2020 GH4	FIGURES FOR 2019 GH4
1	Statement of Financial Position	Total Liabilities and Equity	13,667,901.35	11,467,372.74
2	Income statement	Net Surplus/Net Loss	(425,477.07)	(168,639.93)
3	Cash Flow Statement	Closing cash and Cash Equivalent	3,539,683.31	1,003,785.76
4	Statement of Change in Equity	Total Equity	1,860,848.51	

In the opinion of the Independent Auditors, the Financial Statement gave a true and fair view of the financial position of Minescho Co-Operative Credit Union Limited as at 30th June, 2020 and of its financial performance and its cash flows for the year and then ended in accordance with Co-Operative Decree 1968 (NLCD 252) and industry standards.

investments and returns as well as the loans they need. The Vice Chairman asked members of the views.

Madam Elizabeth Salia suggested that the current rate be maintained since people are not paying even at 11%. This idea was supported by Mr Samuel Agyakwaw.

Mr Augustine Asante supported that the interest rate be increased from 11% to 13%. Mr Morgan inquired about what the 11% meant.

The Vice Chairman informed members that the interest rate of the Union is less than the CUA standard and it is not because of those who are not paying their debt. He added that the leadership will follow all the instruction being given at the AGM.

Mr Bismark Edusei added his voice and said that every organisation has a way of operating but when issues emerge, regulators (CUA and Co-operatives) are blamed. He added that when he heard of the interest rate being charged by Minescho, he was shocked since it was far less than the standard. He suggested that the interest rate be increased to 15%.

Mr James Bosomtwe and Mr samuel Agyakwa supported the 15% interest rate. Mr Agyakwaw, however cautioned the leadership on the need to recover the loans given out.

Members voted on the two proposed interest rate of 13% and 15% and at the end of the day, 67 people voted for 15% against 60 people voting for 13%. From the results, members agreed that the interest rate be raised to 15%.

Madam Juliana Ocran suggested that a workshop should be organised for members on how to apply for loans and the best ways to use the loans taken for she has just joined the Union.

Mr Kofi Okyere suggested that few AGM booklets be published since many people don't attend the AGM and therefore the books becoming wasted. Mr Francis Stephens also said that:

- I. BOD and Committees should also sacrifice by reducing the allowance they take;
- and ii. All port holes in the system should be sealed.

Assoc Prof Solomon Nunoo stated that the flat rate of 13% or 15% results in 24-25% on reducing balance. He also added that many people do not have shares and therefore, attention should be focused at that area.

Madam Peace Tei pleaded that the savings box should be given to members to put in money bit by bit.

Mr Augustine Abrokwa suggested that when people fail to pay their loans, the debt should be deducted from the guarantors and it will make them encourage those who take loans to pay.

b) Solidarity MessagesI. Omni Bank — Richard Odame, the Manager of OmniBank greeted all members and thanked them for their support. He spoke in relation to the theme of the year. He said financial institutions have many ways of raising money and they always consider or take risk assessment. He advised members to repay their loans and get more money.

10.0 Presentation Awards

The following members were rewarded.

Category	Awardee	Presented By
<i>Best Saver</i>	Uncle Joe Enterprise, Bogoso	Mr Bismark Adusei
<i>Best Referrer</i>	Madam Alice Gyimah	Assoc Prof Cynthia B.
<i>Highest Shareholder</i>	Mrs Patricia Ampofoh.	Assoc Prof Anthony

11.0 Chairperson's Closing Remarks

The Chairperson for the occasion greeted happy family and thanked God for granting us the opportunity for successful organisation of the 28th AGM. She mentioned some of the challenges as low returns on loans and low loans recovery. She said the interest rate should have been 19.5% instead of the 11% and therefore the need for the increase to sustain the Union and as a result AGM has agreed on 15%. Prof Issaka Yakubu said the closing prayer and the AGM ended at 2:03 p.m.



Assoc Prof Cynthia B. Boye
Chairperson, 28th AGM



Mr Robert Ewusi-Ntenah
Secretary, 28th AGM

OUR CHERISHED MEMBERS



CFK FINERY



**FRAMIM PHARMACY
LIMITED**



JULIANA-WILL SUPERMARKET



MANFREDO PHONES



KOFI JEHOVAH ENT.



KOPHALEX2 COMPANY LIMITED

MINESCHO

**CO-OPERATIVE CREDIT
UNION LTD,
UMaTTARKWA**

29th Annual General Meeting

Reports and Financial Statement

www.mineschogh.com

