



2023 ANNUAL REPORT



—THEME:—

**"TRANSFORMING LIVES THROUGH SAVINGS
& ACCESS TO FINANCE OPPORTUNITIES."**



**SATURDAY
14TH SEP. 2024**



9:00AM



UMaT Main Auditorium



31ST AGM

—THEME—

***"Transforming Lives Through Savings
& Access To Finance Opportunities."***

SAT. 14TH
SEP., 2024

9:00AM

UMaT Main Auditorium

2023 ANNUAL REPORT



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VISION & MISSION STATEMENT

VISION

A resilient and sustainable Credit Union which provides excellent and quality services to a well-informed membership in an enhanced and congenial environment.



MISSION

To render financial and non-financial services to its members within the Tarkwa Municipality and other neighboring communities with the aim of promoting economic and social activities that will alleviate poverty among its members.



CORE VALUES

M – Member-Centric Focus

I - Integrity

F – Financial Responsibility

I - Innovation

E - Excellence

MOTTO OF MINESCHO
A Union of Excellence

PRODUCTS & SERVICES

- Loans
- Shares
- Savings
- Master Card
- Fixed Deposit
- Kiddie Account
- Mobile Banking
- Cheque Clearing
- Mobile Money Services



NOTICE OF AGM

This is to give notice that the 31st Annual General Meeting of Minescho Co-operative Credit Union Limited is Scheduled as follows:

Date: Saturday, 14th September, 2024

Time: 9: 00am

Venue: UMaT Main Auditorium

Agenda

- 1 Opening Prayer
- 2 Consideration and acceptance of the 30th AGM minutes
- 3 Presentation of BoD and Committees Report
- 4 Consideration of the Audited Accounts for 2023 Financial Year
- 5 Elections of New Officers
- 6 Solidarity Messages from Business Partners
- 7 Presentations of Awards
- 8 Any Other Business
- 9 Closing Prayers

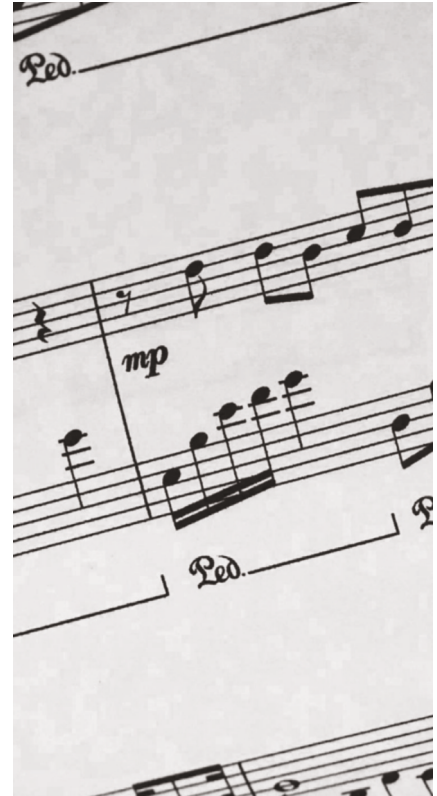
Dr Monica V. Crankson

- Board Secretary



CREDIT UNION SONG

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





PROGRAMME OUTLINE

1. Opening Prayer
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 30th AGM Minutes
7. Minescho Board Chairman's Report
8. Presentation of Audited Accounts - Auditors
9. Presentation of Resolutions
10. Election of New Officers
11. Guest of Honour's Speech
12. Solidarity messages from Business Partners
13. Presentation of Awards
14. Any other Business
15. Closing
16. Refreshment

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 tenants of the Bye-laws of Minescho.



OUR BOARD OF DIRECTORS



Prof Anthony Simons
- BoD Chairman



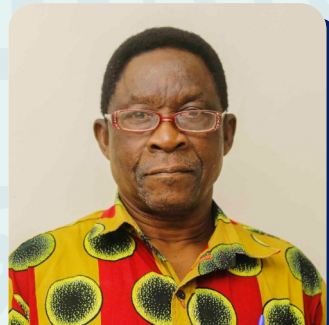
Dr. Akyene Tetteh
- Vice BoD Chairman



Mr Ernest Frempong, CA
- BoD Treasurer



Dr Monica V. Crankson
- BoD Secretary



Mr. Benard K. Ntibrey
- BoD Member



Mr Isaac Eduah
- BoD Member



Mrs Ernestina Brown
- BoD Member



WELCOME ADDRESS AND REPORT BY BOARD CHAIRMAN AT 31ST ANNUAL GENERAL MEETING OF MINESCHO

Introduction

Mr Chairman, CUA Regional Manager, Regional Director of Co-operatives, External Auditors, distinguished guests, cherished members of Minescho, members of the Board and Committees, dedicated staff, friends of the media, ladies and gentlemen, it is my pleasure to welcome all of you to the Annual General Meeting (AGM). The mandate of the Board of Directors is to provide oversight and ensure a viable and sustainable Credit Union, which the Board together with the Management has pursued over the past year to ensure the best interest of members. As your representatives, we present report on our stewardship for the financial ended 31st December 2023.

1. Performance Overview

Over the past year, Minescho Credit Union has made significant strides in enhancing the financial well-being of our members. Despite the ongoing economic challenges, we have managed to sustain growth in our membership base, savings, and loan portfolio. This growth is a testament to the trust and confidence that our members place in us.

- **Membership Growth:** We have seen a 3% growth in our membership base, bringing Minescho's total membership to 15,081 in the year under review. This growth indicates that people still do recognise the value of being part of a member-owned financial institution.
- **Savings:** Our members' commitment to saving has been commendable, with total savings increasing by 36%. The growth in savings is a testament to the trust and confidence our members place in Minescho Credit Union. More importantly, it highlights our members' commitment to securing their financial future.
- **Loan Portfolio:** We have also expanded our loan portfolio by 17%. Our loan products continue to meet the diverse needs of our members, from personal loans to small business financing, enabling them to achieve their financial goals. Aside the traditional Personal, Corporate, and Loans within savings, we have also introduced several loan products, such as, Salary loans, Instant Cash loans, Microloans, Overdraft loans, Contract loans, and special loans, which have been well received by our members. These products are designed to provide more flexible and accessible financing options, helping members overcome financial barriers and seize opportunities for growth and development.
- **Total Assets:** Minescho Credit Union has experienced another year of solid financial performance. Despite the economic challenges that have affected many sectors, our Credit Union has remained resilient and continued to grow. Our Total Assets have grown by 51% over the past year. This growth was driven by a significant rise in member savings and prudent financial management.
- **Net Surplus:** Minescho Credit Union recorded 11% decrease in its net surplus declared in the 2023 financial year as against the previous year. This was due to the high cost of funds, additional personnel engaged, and increase in the administrative cost of the Union.

2. **Transforming Lives through Savings**

Savings remain the cornerstone of financial security and empowerment. At Minescho Credit Union, we have prioritized creating a savings culture among our members. Through various savings products and financial literacy programmes, we have helped members develop healthy financial habits that will benefit them and their families for generations to come.

Our savings products, such as Regular savings, Susu savings, Payroll savings, and Kiddie savings, have been designed to cater for different segments of our membership, ensuring that everyone has access to tools that can help them secure their financial future. We are committed to continuing these efforts, as we believe that every member deserves the opportunity to save and invest in their future.

3. **Access to Finance Opportunities**

In the 2023 financial year, Minescho Credit Union disbursed loans to 649 members amounting to GHS14, 172,906.03, supporting various needs such as education, home improvement, and small business development. These loans have been instrumental in not just meeting immediate needs but in transforming lives by providing members with the means to pursue their dreams and aspirations. Indeed, we have been there to support our members' aspirations.

4. **Financial Education and Member Support**

We recognise that financial success is not just about having access to savings and loans but also about understanding how to manage these resources effectively. This is why we have intensified our financial literacy programmes over the past year. In corroboration with UMaT U-HUB and the Ghana Chamber of Commerce, through workshops, seminars, and one-on-one counseling, we have empowered our members with the knowledge they need to make informed financial decisions.

5. **Expansion and Opening of New Branches and Agencies**

One of the most significant milestones we achieved this year was the opening of new branches and agencies across our operational region. These represent our commitment to bringing financial services to the door steps of our members.

- **Bogoso Branch:** We have successfully upgraded the Bogoso Agency to a branch status in a strategically identified office location, which is well equipped with the relevant technology and dedicated staff to provide service to our members.
- **Agencies:** In addition, we have carried out feasibility studies in Aboso and Wassa Simpa to establish new agencies, bringing our services even closer to members who may not have easy access to our main branches. We are also considering another agency at UMaT School of Railways and Infrastructural Development (SRID), Essikado, Sekondi.

The upgrading of Bogoso Branch and the opening of Aboso, Simpa and UMaT School of Railways and Infrastructural Development (SRID), Essikado Agencies will not only expand our physical presence but also reinforce our role as a catalyst for economic development within the communities we serve.

6. **Future Outlook**

Looking ahead into the future, we remain committed to the theme of transforming lives through savings and access to finance opportunities. We will continue to innovate and adapt our products and services to meet the evolving needs of our members. Our strategic focus for the coming year includes:

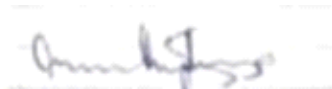
- Expanding our digital services to improve on accessibility and convenience for members.
- Enhancing our loan offerings to support small businesses and entrepreneurs.
- Increasing our investment in financial literacy programmes to further empower our members.

7. **Conclusion**

I would like to express my deepest gratitude to our members for their continued trust and support. Your commitment to Minescho Credit Union is the foundation upon which we build our success. I am grateful to my fellow Board members, members of the various Committees, Management, and staff for their dedication and hard work.

As we move forward, let us remain focused on our theme, “Transforming Lives through Savings and Access to Finance Opportunities”. With your continued support, Minescho Credit Union will grow from strength to strength to make positive impact on the lives of our members and the wider community.

Thank you.



Prof Anthony Simons
Board Chairman



SUPERVISORY COMMITTEE



Dr. Frank Boateng
- Chairman



Mr Solomon Yankson, CA
- Secretary



Mr James Bosomtwe, CA
- Member



LOANS COMMITTEE



Prof Lewis Brew
- Chairman



Mr Roland Philip Baffoe
- Secretary



Dr Fiadonu Etornam Bani
- Member



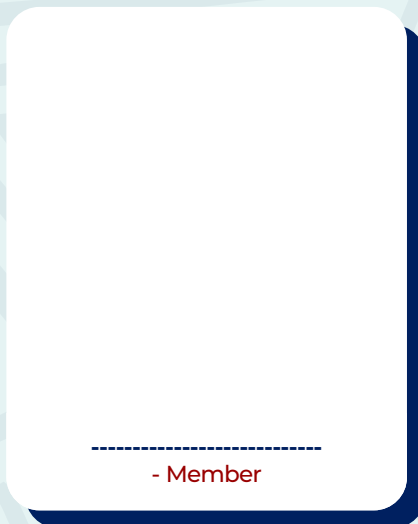
EDUCATION COMMITTEE



Prof. Issaka Yakubu
- Chairman



Mr Azumzh Yamar-Secretary
- Secretary



- Member



SUPERVISORY COMMITTEE REPORT 2023

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 Guests and Shareholders of Minescho Co-operative Credit Union, all protocol observed.

It is my honour to present the Supervisory Committee's report to the Shareholders of Minescho Co-operative Credit Union for the FY23 Annual General Meeting (AGM). This report pertains to the financial year from January 2023 to December 2023.

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

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 to review the monthly management and operational reports. SuperCom also attended and contributed to all the quarterly joint BOD and Committee meetings conducted during the year.

SCOPE OF REVIEW MEETINGS.

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

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

OBSERVATIONS AND RECOMMENDATIONS

We wish to report to the AGM that during our reviews, BOD and management were informed of all weaknesses and risks identified in the Union's operations.

Internal Control weaknesses were discussed with relevant Senior Management Members as usual, 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, the Supervisory Committee's key responsibility was to evaluate and improve the effectiveness of Minescho's risk management, internal controls, and governance processes. This role provided technical and professional advice to the BOD and Union management.

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

CHALLENGES

The general liquidity challenge seems to have affected savings and fund mobilisation, hence the need to expand our scope of operations to reach more customers within the community.

We also want to use this opportunity to encourage all Union members to comply with the minimum share purchase requirement, which will 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: save regularly, borrow wisely, and repay 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 IT efficiency and investment in IT Infrastructure. We have also improved Cyber Security and Digital Forensics in our operations. The Satellite internet service has improved all areas of operations and we are now enjoying excellent stability in connectivity.


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 REPORT 2023

INTRODUCTION

Mr Chairman, the Regional and Municipal Directors of DoC, the CUA Regional Manager, External Auditors present, Members of the Minescho Board and Committees, Distinguished Guests, and Shareholders of Minescho Co-operative Credit Union, all protocols observed.

It is with great pleasure and privilege that I present the Loans Committee's report to the members (shareholders) of Minescho Co-operative Credit Union at this occasion. This report covers the financial year; January to December 2023.

MEETING

The Loans Committee is mandated by Article 58 of the Bye-Laws of Minescho Credit Union to meet regularly to appraise loans and evaluate the performance of the loan portfolio of the Union. Therefore, during the year under review, the Committee held twelve (12) meetings to consider loan applications and other related issues. The Committee also engaged loan defaulters to encourage them to pay their loans on schedule.

NUMBER OF LOAN APPLICATIONS APPROVED

During the year under review, six hundred and forty-nine (649) loan applications were considered. This number includes members from the Bogoso and Tarkwa Branches. Table 1, provides the details of members and organisations who applied for loans during the year under consideration:

Table 1: Number of Loans Disbursed during the year 2023

Gender/Organisation	Number
Male	382
Female	230
Organisation	37
Total	649

Mr Chairman, the Credit Union approved and disbursed fourteen million, one hundred and seventy two thousand, nine hundred and six Ghana cedis, three pesewas (GH¢14,172,906.03) as loans to its members. Table 2, provides the breakdown of loans approved and disbursed for the period under review:

Mr. Chairman, despite the numerous challenges such as high delinquency rates and low savings, MINESCHO Credit Union was able to disburse an amount of Seven million, three hundred and twenty-eight thousand, eight hundred and eight Ghana cedis, seventy-one pesewas (Gh¢7,328,808.71) to its members as loans. Table 2. Provides the amount of loans disbursed from the two (2) branches.

Table 2: Loans Disbursed for Both Branches (Tarkwa and Bogoso}

Branches	Amount Distributed
Tarkwa	11,955,026.03
Bogoso	2,217,880.00
Total	14,172,906.03

LOAN PORTFOLIO

The loan portfolio of Minescho Credit Union as of the financial year under review was twelve million, and thirty-five thousand, two hundred and eighty-five Ghana cedis, forty-eight pesewas (GH¢ 12,035,285.48).

LOANS RECOVERED

Mr Chairman, with the support from the Board of Directors, Minescho Management and members, the Credit Union recovered fourteen thousand, six hundred and eighty-six thousand, and ninety-four Ghana cedis, fifty-nine pesewas (GH¢ 14,686,094.59). This amount covers the interest of two million, three hundred and fifty thousand, five hundred and sixty Ghana cedis, twenty-five pesewas (GH¢ 2,350,560.25) charged. Table 3, shows the details of loans recovered for the two (2) branches.

Table 3. Loans Recovered

Branches	Principal	Interest	Total
Tarkwa	10,021,989.92	1,982,745.26	12,004,735.18
Bogoso	2,313,544.42	367,814.99	2,681,359.41
Grand Total	12,335,534.34	2,350,560.25	14,686,094.59

Strategies Employed by the Credit Union to Recover Loans

- i. Some loan defaulters were engaged in meetings to encourage them to pay their loans.
- ii. Some recalcitrance members were processed to the Court of Law for further action.

CHALLENGES

- i. High loan delinquency/default rate;
- ii. Irregular payment of re-structures loans

RECOMMENDATIONS

The recommendations of the Committee are detailed as follows;

- i. Court action should be taken against recalcitrant loan defaulters; and
- ii. The Loans Committee should conduct regular engagement of loan defaulters

APPRECIATION

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

Thank you and God bless us all.



Assoc Prof Lewis Brew
(Chairman, Loans Committee)



EDUCATION COMMITTEE REPORT 2023 FOR THE YEAR UNDER REVIEW

The three-member Education Committee of MINESCHO is made up of the following membership: 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 bylaws. As per the bye laws, the education committee is expected to carry out the following:

- Market the products of the Union;
- Work to increase membership;
- Ensure the creation and management of youth savings clubs in secondary schools around the catchment area of the union;
- Work hand in hand with the customer relations officer to ensure customer satisfaction; and
- Explore and initiate new products for the Board's Consideration

During the year under review, the committee developed an action Plan 2024 to help guide the activities and implementation of the mandates of the committee. The action Plan 2024 is as shown in table 1.

Table 1 Action Plan 2024

SN	Institution/Organisation	ACTIVITY
Educational Institutions		
1	UMaT Junior, Senior Staff and Senior members	Visit lecturers and other staffs of UMaT to sell Minescho products.
2	UMaT Basic School Staff	Visit teachers and other staffs of UMaT to sell Minescho products.
3	Selected JHS and 3 SHS within the Tarkwa area	Visit teachers to sell Minescho products.
Religious Groups and Ceremonies		
4	Churches within the Tarkwa area	Distribute flyers and interact with the church members.
5	Weddings and Outdoorings	Distribute flyers and interact attendees.
Garages and Transport Stations		
6	The main station and others	Distribute flyers and interact workers and travelers.
Market and Shops		
7	Market Circle	Distribute flyers and interact.
8	Individual Shops	Distribute flyers and interact.
9	Social Media Platforms	Distribute flyers and other marketing messages.

To execute the action Plan 2024, each activity was given equal importance and timelines during the year under review. An outreach programme for new membership to help meet the mandates was carried out. One of the main targeted groups was the newly employed staff members of UMaT and UMaT Basic School.

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 were maintained.

Through the use of social media, the committee was able to achieve some of its mandates. The Committee will therefore continue to utilise social media for consistent improvement in performance within the municipality.

Challenges

- I. Funding for the activities of the committee needs to be given attention since committee members rely on their personal resources for all of its activities.
- II. Economic challenges of the country have greater influence on the savings, therefore some people indicated they do not make enough let alone consider savings.
- III. Absence of a tracking system to track members who join the union as a result of the work done by the Committee. The union should develop a tracking system.



Assoc Prof Yakubu Issaka
Education Committee Chairman

MANAGEMENT & STAFF



Mr David Nzimah-Mensah Jnr
- Ag. General Manager



Mr Samuel Gbarinkwa Laari
- Head of Operations



Marian Andaana Abugri
- Ag Bogoso Branch Manager



SMT



Staff @ Tarkwa Branch



Mobile Bankers



Staff @ Bogoso Branch



FINANCIAL HIGHLIGHTS I FOR THE PERIOD ENDED 31ST DECEMBER 2023. OPERATING STATEMENT.

In % on Average Assets, base= 22 857 040.48

PARTICULARS	ACTUAL AMOUNT	%	STANDARD AMOUNT	%		REMARKS
INTEREST EARNINGS						
Interest on Loans	2,387,290.14	10.4	4,571,408.10	20		
Interest on Financial Invest	895,051.08	3.9	457,140.81	2		
Interest on Other Investments	5,847.36	0.0	228,570.40	1		
TOTAL FINANCIAL INCOME	3,288,188.58	14.4	5,257,119.31	23	min.	Unfavourable
LESS: COST OF FUNDS						
Interest on Members Savings	793,453.23	3.5	1,142,852.02	5		
Interest on Borrowings	-	0.0	457,140.81	2		
TOTAL COST OF FUNDS	793,453.23	3.5	1,599,992.83	7	max.	Favourable
GROSS FINANCIAL MARGIN	2,494,735.35	10.9	3,657,126.48	16	min.	Unfavourable
Less: Increase in Provision for Loan Losses	117,541.58	0.5	914,281.62	4	max.	Favourable
NET FINANCIAL MARGIN	2,377,193.77	10.4	2,742,844.86	12		
Add Non-Operating Income	418,699.34	1.8	228,570.40	1	min.	Favourable
GROSS MARGIN	2,795,893.11	12.2	2,971,415.26	13	min.	Unfavourable
LESS: OPERATING EXPENSES						
Personnel	1,007,123.98	4.4	571,426.01	2.5		
Occuoancy	66,781.38	0.3	228,570.40	1		
Oraanizational	348,391.37	1.5	228,570.40	1		
Securitv	274,484.97	1.2	228,570.40	1		
Administration	762,086.29	3.3	342,855.61	1.5		
TOTAL OPERATING EXPENSES	2,458,867.99	10.8	1,599,992.83	7	max.	Unfavourable
RETURN ON AVERAGE A.5SET	337,025.12	1.5	1,371,422.43	6	min.	Unfavourable

Result:

Favourable= 3

Unfavourable= 5



FINANCIAL HIGHLIGHTS II FOR THE PERIOD ENDED 31ST DECEMBER 2023. STATEMENT OF FINANCIAL POSITION.

In % on Total Assets, base= 26,307,871.85

PARTICULARS	ACTUAL	%	STANDARD	%		REMARKS
ASSETS	AMOUNT		AMOUNT			
Liquid Funds	422,435.50	1.6	789,236.16	3	max.	Favourable
Liquid Investments	8,532,791.45	32.4	4,472,338.21	17	min.	Favourable
Other Investments	1,237,954.32	4.7	1,315,393.59	5	min.	Unfavourable
Net Loans to Members	12,035,285.48	45.7	18,152,431.58	69	max.	Favourable
Other Current Assets	1,275,451.98	4.8	263,078.72	1	max.	Unfavourable
Non Current Assets	2,803,953.12	10.7	1,315,393.59	5	max.	Unfavourable
TOTAL	26,307,871.85	100.0	26,307,871.85	100		

PARTICULARS	ACTUAL	%	STANDARD	%		REMARKS
LIABILITIES/EQUITY	AMOUNT		AMOUNT			
Other Current Liabilities	793,701.97	3.0	263,078.72	1	max.	Unfavourable
Non Current Liabilities	-	0.0	1,052,314.87	4	max.	Favourable
Members Savings	23,168,426.49	88.1	19,730,903.89	75	max.	Unfavourable
Members Shares	2,226,759.86	8.5	2,630,787.19	10	min.	Unfavourable
Reserves	118,983.53	0.5	2,630,787.19	10	min.	Unfavourable
TOTAL	26,307,871.85	100.0	26,307,871.85	100		

Result:

Favourable= 4

Unfavourable= 7



AUDITORS REPORT TO THE MEMBERS OF MINESCHO CO-OPERATIVE CREDIT UNION LIMITED.

DEPARTMENT OF CO-OPERATIVES



REPUBLIC OF GHANA

Head Office

P.O. Box M 150

Accra – Ghana

Tel. +233 20 330 1641

Fax: (233) (21) 662020

OPINION

We have audited the accompanying Financial Statements of the Minescho Co-operative Credit Union Limited, which comprises Statement of Financial Position as at 31st December, 2023 and the Income Statement and Statement of Changes in Equity for the year then 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 Minescho Co operative Credit Union Limited as at 31st December, 2023 and of its financial performance and its cash flows for the year then ended in accordance with the Co-operative Societies Act, 1968 (NLCD 252) and Industry Standard.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS:

As stated in the credit union's bye law, the Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with 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 in accordance with generally accepted International Standards on Auditing. These standards require that we comply with ethical requirements, 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 explanation which to the best of our knowledge and belief were necessary for the purpose of 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 are in agreement with the books of account.

For Department of Co-operatives
 Date 25-07-2024

For - CUA Limited
 Date 25/7/24



STATEMENT OF FINANCIAL POSITION AS OF 31ST DECEMBER 2023

	<u>NOTES</u>	2023 <u>GH ₵</u>	2022 <u>GH ₵</u>
<u>ASSETS</u>			
Liquid Funds	13	422,435.50	272,945.69
Liquid Investments	14	8,532,791.45	5,000,069.71
Other Investments	15	1,237,954.32	1,236,814.32
Net Loans To Members	16/23	12,035,285.48	10,265,549.17
Other Current Assets	17	1,275,451.98	1,954,016.20
/ Non Current Assets	21	<u>2,803,953.12</u>	<u>676,814.01</u>
TOTAL ASSETS		26,307,871.85	19,406,209.10
<u>Current Liabilities</u>			
Other Current Liabilities	18	793,701.97	330,951.72
Members Savings	19	<u>23,168,426.49</u>	<u>17,089,242.92</u>
		23,962,128.46	17,420,194.64
<u>EQUITY</u>			
Members Shares	20	2,226,759.86	2,186,384.16
Reserves (incl. Net Surplus)	22	<u>118,983.53</u>	<u>(200,369.70)</u>
		2,345,743.39	1,986,014.46
TOTAL LIABILITIES AND EQUITY		26,307,871.85	19,406,209.10

Approved by Management Board on 25th July 2024
The Notes 1-24 form an integral part of these financial statements

for Prof. Simons Anthony
Chairman

DEPARTMENT OF COOPERATIVES
WESTERN REGION
APPROVED
REGIONAL CO-OP. DIRECTOR

Mr Ernest Frempong
Treasurer

Approved by Department of Co-operatives:

Date: 29/07/24



INCOME STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER 2022

	NOTES	2023 GH ¢	2022 GH ¢
INCOME			
Interest on Loans	2.	2,387,290.14	1,765,614.44
Interest on Liquid Investments	3.	895,051.08	537,084.78
Other Financial Income	4.	5,847.36	75.00
		<hr/>	<hr/>
		3,288,188.58	2,302,774.22
Non- Operating Income	5.	418,699.34	297,763.64
TOTAL INCOME		<hr/> 3,706,887.92	<hr/> 2,600,537.86
LESS EXPENDITURE:			
<hr/>			
Cost of Funds	6.	793,453.23	494,601.10
Personnel Cost	7.	1,007,123.98	659,792.16
Occupancy	8.	66,781.38	54,823.37
Organizational	9.	348,391.37	215,085.42
Security	10	274,484.97	225,358.96
Administration	11	762,086.29	434,181.64
Provision for Loan Losses	12/23	117,541.58	138,567.00
TOTAL OPERATING EXPENSES		<hr/> 3,369,862.80	<hr/> 2,222,409.65
Net Surplus		337,025.12	378,128.21
SURPLUS APPROPRIATION			
<hr/>			
Net Surplus c/f		337,025.12	378,128.21
Statutory Reserve	25%	84,256.28	94,532.05
Operating Reserve	75%	252,768.84	283,596.16
		<hr/> 337,025.12	<hr/> 378,128.21

The Notes 1-24 form an integral part of these financial statements



CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER 2023

	<u>2023</u> <u>GH¢</u>	<u>2022</u> <u>GH¢</u>
<u>1. Cash flows from OPERATING ACTIVITIES</u> <small>(before changes in operating assets & liabilities)</small>		
Net Surplus	337,025.12	378,128.21
<u>Adjustment:</u>		
Depreciation on Non Current Assets	118,143.36	61,673.62
Increase in Allowance	117,541.58	138,567.00
Other adjustment (Reserve)	<u>(17,727.56)</u>	<u>122,908.29</u>
Cash flows		
from OPERATING ACTIVITIES	<u>554,982.50</u>	<u>701,277.12</u>
 <u>Changes in OPERATING ASSETS and LIABILITIES</u>		
Increase(-) /Decrease(+) in Total Loan Balance	(1,887,277.89)	(1,256,606.63)
Increase (-) /Decrease (+) in Other Current Assets	678,564.22	(287,401.68)
Increase(+) /Decrease(-) in members Savings	6,079,183.57	2,312,594.62
Increase(+) /Decrease(-) in Other Current Liabilities	462,750.25	(15,104.60)
Net Cash generated		
from OPERATING ACTIVITIES	<u>5,888,202.65</u>	<u>1,454,758.83</u>
 <u>2. INVESTING ACTIVITIES</u>		
Purchase of Non Current Assets (-)	(2,245,226.80)	(190,542.38)
Increase(+) /Decrease(-) in Other Investments	(1,140.00)	
Net Cash used in INVESTING ACTIVITIES	<u>(2,246,366.80)</u>	<u>(190,542.38)</u>
 <u>3. FINANCING ACTIVITIES</u>		
Proceeds from Shares Issued	40,375.70	265,313.10
Net Cash used in FINANCING ACTIVITIES	<u>40,375.70</u>	<u>265,313.10</u>
 <u>4. Cash and cash equivalent at the end of period</u>		
Net Increase (+)/Decrease(-) in Cash and Cash Equivalent	3,682,211.55	1,529,529.55
Opening Cash and Cash Equivalent at the beginning of year	<u>5,273,015.40</u>	<u>3,743,485.85</u>
Closing Cash and cash equivalent	<u>8,955,226.95</u>	<u>5,273,015.40</u>



STATEMENT OF CHANGES IN EQUITY

	Members Share Capital	Operating Reserve	Statutory Reserve	Other Reserves	Total Equity
Balance b/f	2,186,384.16	935,318.04	493,004.30	241,944.04	1,986,014.46
Adjustments		51,989.01	.	34,317.12	17,671.89
Net Shares Subscribed	40,375.70				40,375.70
Surplus for the year (Appropriation)		252,768.84	84,256.28	.	337,025.12
Dividend paid		.			.
Total	2,226,759.86	734,538.21	577,260.58	276,261.16	2,345,743.39



NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS**2023**
GH ¢**2022**
GH ¢**1. BASIS OF PREPARATION****1.1. Statement of Compliance**

The financial statements of MINESCHO CO-OPERTATIVE CREDIT UNION LIMITED has been prepared in accordance with Acceptable 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 Acceptable 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 Presentation! 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 cost and

iv.) Non - Operating 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 collect is 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

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. 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 byway 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.

2. Interest on Loans

Interest on Normal Loans	1,856,429.05	1,381,811.78
Interest on Other Loans	530,861.09	383,180.66
	2,387,290.14	1,765,614.44

3. Interest on Liquid Investments

Interest on Cal Asset	260,466.11	217,991.08
Interest on Bank Deposits	618,987.45	319,093.70
Interest on CUA CFF Savings	15,597.52	
	895,051.08	537,084.78

4. Other Financial Income

Interest On CUA Statutory Reserve Deposit	5,777.36	
Dividend on CUA Shares	70.00	75.00
	5,847.36	75.00

5. Non-Operating Income

Entrance Fee	2,424.00	7,968.00
Loan Insurance Premium	230,878.72	171,143.91
Hotel Expense Refund	97,847.26	33,549.84
Cheque Book Issued	541.68	1,247.64
Loan Write-Off Recovery	2,638.52	3,665.83
Service Charge		119.02
Pre-Liquidation Charges	4,865.33	147.98
Sale of Loan forms	820.00	1,411.00
Box Fees	405.00	380.00
Staff lateness Surcharges	4,181.24	3,751.51
Statement request fees	438.00	98.00
Commission on SMS	31,848.74	29,749.88
Commission on LPP		15,481.09
Commission on Mobile Money	25,665.32	9,017.42
Other Income	16,145.53	20,103.52
	418,699.34	297,763.64

6. Cost of Funds

Interest on Member Savings	347,526.39	
Interest on Fixed Deposits	445,926.84	494,601.10
	793,453.23	494,601.10

7. Personnel Cost

Staff Salaries	796,099.66	511,768.25
SSNIT contribution, part of CU	63,820.12	42,720.20
C-CUPP, part of CU	49,092.42	32,578.89
Attachment Staff Allowance	20,216.24	25,258.48
Clothing Allowance	38,146.14	20,163.40
Weekend Working Allowance	20,405.00	16,940.00
Medical Expenses	12,794.40	7,069.10
Overtime Allowance	6,550.00	3,293.84
	1,007,123.98	659,792.16

8. Occupancy

Rent & Rates	7,420.48	9,245.24
Repairs and Maintenance	22,157.00	3,560.00
Utilities	37,203.90	42,018.13
	66,781.38	54,823.37

9. Organizational Cost

CUA Dues	26,500.00	15,180.00
Chapter Dues	21,200.00	12,144.00
Donations	4,500.00	1,300.00
Education & Training	41,461.00	14,327.00
Committee Allowances	126,013.37	112,734.42
Honorarium	30,717.00	800.00
Annual General Meeting	98,000.00	58,600.00
	348,391.37	215,085.42

10. Security

Private Security	89,900.16	75,433.67
Police Security	18,660.00	13,080.00
CUA Deposit Guarantee Premium		
LPP Expense	137,004.81	117,275.29
Legal Expense	350.00	3,250.00
Vault Insurance	12,250.00	
Audit Fees	16,320.00	16,320.00
	274,484.97	225,358.96

11. Administration

Travelling and Transport		4,070.97
Repairs & Maint. of Office Equipment	2,558.10	6,814.00
Repairs & Maint. of Office Vehicle	26,208.23	9,411.86
Repairs & Maint. of Computers & Accessories	9,180.00	6,487.00
Fuel & Lubricant- Office Vehicle	23,545.00	22,452.00
Fuel & Lubricant - Office Plants	11,842.00	4,856.00
Repairs and Maint. Of Plant	3,675.58	
Software Expense	38,596.00	41,791.00
Office Expenses	168,490.39	68,838.38
Bank Charges	10,018.44	
Printing and Stationery	40,906.20	26,666.70
Postage and Communication	61,037.65	30,455.40
Hostel Expense	101,661.26	33,549.84
Mobile Bankers Commission	146,224.08	117,114.87
Depreciation on Non Current Assets	118,143.36	61,673.62
	762,086.29	434,181.64

12. Allowance for Loan Losses and Write -Offs

Please see also note 24. Loan Loss Allowance

Increase in Allowance	117,541.58	138,567.00
	117,541.58	138,567.00

13. Liquid Funds

Cash On Hand (Safe) TBO	110,122.90	35,762.40
Cash Advance Account	66,056.00	2,000.00
Electronic Cash - Vodafone Momo	218.56	218.56
Electronic Cash- MTN Momo	80,880.90	104,022.20
Subtotal Cash Balance	257,278.36	142,003.16
GCB Current AC	45,047.82	14,386.95
UMB Current Account	34,402.28	72,009.36
Zenith Bank Current Main	16,407.07	12,853.77
Zenith Bank Current- Hostel	25,163.37	16,173.37
Cal Bank Current Account	41.02	41.02
OminiBank Current Account	39,015.73	8,213.21
Consolidated Bank Current Account	72.03	72.03
GT Bank Current Account	5,007.82	7,192.82
Subtotal Bank Current Balance	165,157.14	130,942.53
	422,435.50	272,945.69

14. Liquid Investments Non-Government Instruments

GCB Bank Savings Account	861.33	871.59
Guaranty Trust Bank Savings Account	768,580.70	254,741.11
OminiBank Call Account	1,859.20	210,795.50
Consolidated Bank Savings Account	1,011.84	1,011.84
OminiBank Fixed Deposit	5,366,619.03	2,417,895.87
Cal Asset Fund Fixed Deposit	1,748,513.47	1,490,712.80
Central Finance Facility (CFF) Savings	645,345.88	624,041.00
Sub-Total	8,532,791.45	5,000,069.71

15. Other Investments

CUA House Bond	16.97	16.97
CUA Statutory Reserves Deposit	231,094.58	231,094.58
CUA Shares	2,140.00	1,000.00
CUA Kasoa Training Centre Shares	3,800.00	3,800.00
Gold Coast Fund Management	560,809.87	560,809.87
Beige Capital Investment	171,843.81	171,843.81
Legacy Financial Services	180,991.86	180,991.86
McOttley Capital	87,257.23	87,257.23
	1,237,954.32	1,236,814.32

16. Net Loans To Members

Regular Loans	8,831,591.90	7,469,620.48
Staff Rent Loan	62,785.98	60,069.38
Xmas Loans	1,600,328.75	1,010,040.80
Corporate Loans	2,340,068.43	2,407,766.51
Subtotal: Total Loan Balance	12,834,775.06	10,947,497.17
less: set aside	49,174.58	
Subtotal: Total Loan Balance	12,785,600.48	10,947,497.17
less: Loan Loss Allowance	750,315.00	681,948.00
	12,035,285.48	10,265,549.17

17. Other Current Assets

Migration Difference	996,343.91	996,343.91
Franklin Squire	6,459.00	6,459.00
Staff Salary Advance	14,999.96	10,678.99
Bogoso Office Premises Rent Advance	(695.45)	3,480.00
Bogoso Renovation	2,033.49	3,813.52
Accounts Receivables - UMaT	(51,191.73)	815,135.76
Stock of Master Cards	21,350.00	21,350.00
Stock of Cheque Books	189,107.30	2,791.02
Stock of Deposit & Withdrawal Booklets	17,607.50	14,526.00
Cash Stolen - Bogoso	79,438.00	79,438.00
	1,275,451.98	1,954,016.20

18. Other Current Liabilities

Audit Fees Payable	16,320.00	19,320.00
Interest on Members Savings	347,526.39	
CUA Deposit Guarantee Premium payable		
Interest On Members' F.D payable	68,083.37	49,301.82
CUA National Dues Payable	26,500.00	15,180.00
CUA Chapter Dues Payable	21,200.00	12,144.00
Net Salary Payable	0.26	4.60
C-CUPP contribution payable	8,393.76	5,479.78
Legal Expense Payable	350.00	700.00
Honorarium Payable		(1,827.56)
Other Expenses	21,000.00	8,217.00
LPP-Premium payable	10,620.05	5,487.30
Deferred Income - Hostel	78,662.74	70,500.00
Security Cost Payable	92,102.44	59,957.11
Annual General Meeting	67,688.30	58,600.00
Dormant Members Account	4,047.38	4,072.25
GRA Income Tax payable	11,136.35	8,837.09
SSNIT contribution payable	8,410.88	5,715.59
Withholding Tax Payable	1,440.66	1,204.12
Utilities Accrud	10,045.05	8,208.62
Counter Overages	174.34	(150.00)
	793,701.97	330,951.72

19. Members Savings

Regular Savings	17,991,769.04	13,230,860.23
Subtotal: Total Regular Savings	17,991,769.04	13,230,860.23
Other Savings - Member Loan Account	16,507.60	26,665.46
Other Savings - Mobile Banking Contrl Account	(126.80)	343.00
Other Savings - Kiddie Account	62,141.17	40,618.37
Other Savings - Corporate Savings Account	413,348.67	
Other Savings - Fixed Deposits	4,684,86.81	3,790,755.86
Subtotal: Total Other Savings	5,176,657.45	3,858,382.69
	23,168,426.49	17,089,242.92

20. Members Shares

MEMBER SHARES	2,226,759.86	2,186,384.16
	2,226,759.86	2,186,384.16

NOTES TO THE FINANCIAL STATEMENTS**21. Non Current Assets Schedule**

Description	Cost as at 1st Jan 2022	Disposal Cost	Additions	Balance/Cost as of 31st December 2022/ 1st Jan.2023	Additions	Balance as of 31st December 2023
Property, Plant & Equipment						
Land & Premises	609,945.53		22,009.00	631,954.53	31,825.00	663,779.53
Office Equipment	124,594.64		29,860.38	154,455.02	89,969.00	244,424.02
Furniture & Fittings	89,032.35		23,072.00	112,104.35	37,650.00	149,754.35
Equipment and Vehicles	180,281.24			180,281.24		180,281.24
Computer and Accessories	44,909.00		19,220.00	64,129.00	84,926.88	149,055.88
Plant and Machinery	50,000.00		4,045.00	54,045.00		54,045.00
Hostel Project W.I.P				0.00	2,000,855.92	2,000,855.92
Subtotal Carrying Value of Property, Plant & Equipment	1,098,762.76	0.00	98,206.38	1,196,969.14	2,245,226.80	3,442,195.94
Investment Property						
Rental Property	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Carrying Value of Investment Property	0.00	0.00	0.00	0.00	0.00	0.00
Intangible Assets						
Software	35,010.00		92,336.00	127,346.00		127,346.00
Subtotal Carrying Value of Intangible Assets	35,010.00	0.00	92,336.00	127,346.00	0.00	127,346.00
Total Carrying Value of Non Current Assets	1,133,772.76	0.00	190,542.38	1,324,315.14	2,245,226.80	3,569,541.94

21. Non Current Assets Schedule (cont.)

Depreciation/ Amortisation	Balance b/f as at 1st Jan 2022	Disposal Depreciation	Charge for the year	Balance/Balance b/f as of 31st December 2022/1st Jan 2023	Charge for the year	Balance as of 31st December 2023
Property, Plant & Equipment						
Land & Premises	133,473.54		12,454.86	145,928.40	13,173.03	159,101.43
Office Equipment	89,571.75		19,547.61	109,119.36	30,982.58	140,101.94
Furniture & Fittings	78,505.67		4,472.93	82,978.60	13,494.43	96,473.03
Equipment and Vehicles	174,380.61		4,415.65	178,796.26	890.01	179,686.27
Computer and Accessories	25,719.26		12,242.91	37,962.17	27,757.72	65,719.89
Plant and Machinery	50,000.00		674.17	50,674.17	1,011.24	51,685.41
Hostel Project W.I.P				0.00		0.00
Subtotal Carrying Value of Property, Plant & Equipment	551,650.83	0.00	53,808.13	605,458.96	87,309.01	692,767.97
Investment Property						
Rental Property	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Carrying Value of Investment Property	0.00	0.00	0.00	0.00	0.00	0.00
Intangible Assets						
Software	34,176.68		7,865.49	42,042.17	30,778.68	72,820.85
Subtotal Carrying Value of Intangible Assets	34,176.68	0.00	7,865.49	42,042.17	30,778.68	72,820.85
Total Depreciation of Non Current Assets	585,827.51	0.00	61,673.62	647,501.13	118,143.36	765,588.82
Carrying Amount	547,945.25	0.00	128,868.76	676,814.01	2,127,083.44	2,803,953.12

22. Reserves

	Balance b/f	Adjustments	Appropriation	Balance
Statutory Reserve	493,004.30	34,317.12	84,256.28	611,577.70
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	-935,318.04	-51,989.01	252,768.84	-734,538.21
Total Reserve	-200,369.70	-17,671.89	337,025.12	118,983.53

23. Allowance For Loan Losses

Balance b/f	681,948.00
Less Write- offs (see below)	-49,174.58
Subtotal	632,773.42
Write -Offs	0.00
Increase In Allowance	117,541.58
Allowance For Loan Losses	750,315.00

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

Ageing Report	No. of loans	Loan Balance	%	Required Provision
current	642	11,464,255.08	1%	114,643.00
1-3months	17	439,211.77	10%	43,921.00
4-6months	9	233,644.26	30%	70,093.00
7-9months	23	317,079.75	60%	190,248.00
10-12months	11	331,409.62	100%	331,410.00
Allowance For Loan				750,315.00
Over 12months	8	49,174.58	set aside	49,174.58

Total Loan Balance	710 12,834,775.06
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MINUTES OF THE 30TH ANNUAL GENERAL MEETING HELD ON SATURDAY, SATURDAY, 7TH OCTOBER, 2023 AT UMOT MAIN UNIVERSITY AUDITORIUM

1. OPENING

The meeting was duly constituted at 10:00 a.m. with a prayer said by Mr Charles Kwofie, General Manager of the Minescho Co-operative Credit Union Limited (MCCUL).

2. CUASONG

Mr Samuel Laari led members of the Union to sing the CUA song.

3. INTRODUCTION OF CHAIRMAN AND INVITED GUEST

Nana Isaac Eduah	Chairman
Mr Peter Dogbey	Director of Co-operatives, Western Region
Mr Isaac Owusu Ennin	Auditor, DOC
Mr Aaron Quansah	Auditor, DOC
Mr James Keyode	Omini Bank
Ms Abigail Addo	GT Bank
Ms Hagar Esi Kurankyi-Taylor	GT Bank
Dr . Akyene Tetteh	Acting vice Board Chairman, NCCUL
Mr Ernest Frempong	Board Treasurer, Newly Elected
Dr . Monica V. Crankson	Board Secretary, Newly Elected
Mr Bernard K. Ntibrey	Community Representative
Assoc Prof Lewis Brew	Chairman, Loans Committee
Dr Etornam B. Fiadonu	MCCUL Member, Loans
Mr Rowland P. Baffoe	Committee, MCCUL Secretary.
Madam Ernestina Brown	Loans Committee, MCCUL
Mr Charles Kwofie	Member, Education Committee, MCCUL
Mr David Nzemah-Mensah	General Manager, MCCUL
Mr Samuel Laari	Deputy Manager, MCCUL
	Operations Officer, MCCUL

4. CHAIRMAN'S ACCEPTANCE SPEECH

The Chairman (Nana Isaac Eduah) thanked the organisers for the opportunity given him and gladly accepted the responsibility of chairing the function. He solicited the support and cooperation from all members to steer the affairs of the meeting to a successful end.

5. MEMBER EDUCATION

Mr Samuel G. Laari, the Head of Operations educated members on issues relating to the operations of Minescho Credit Union. He mentioned that the basic membership requirement at Minescho was to pay GH¢300.00 as the minimum share. He reiterated that the shares attract dividends, and therefore urged members to purchase additional shares to increase their dividend.

He further presented the under listed products of the Credit Union:

- i. CUA Kidi Account: Purposely designed for children to encourage parents to save towards their future;
- ii. Introduction of Group Loans: New loans were introduced to cater for the challenge faced by clients in securing guarantors for their loans. The introduction of Group loans allows 5 to 7 members to come together to access loans.
- iii. Instant Cash: To cater for contract funding, school fees payment, etc

He stated that the transactions (payment into and withdrawal) could be carried out via MTN MoMo. Also, the GT Bank as a partnering bank assists in clearing cheques drawn on the accounts. In conclusion, the head of Operations stated that instant messaging to clients through other social media platforms.

6. CONSIDERATION AND ACCEPTANCE OF PREVIOUS MINUTES

The minutes of the meeting held on Saturday, 12th March, 2022 was not considered because the Board Secretary at the time of the meeting had exhausted his term of office.

7. WELCOME ADDRESS AND REPORT BY THE BOARD CHAIRMAN

The Acting Vice Chairman/Secretary (Dr Akyene Tetteh) presented the welcome address and a report of the activities of the Union for the fiscal year ended 2022 on behalf of the Board Chairman (Prof Anthony Simons).

7.1 Operating Environment

Dr Akyene Tetteh mentioned that the year under review was characterised by a mix of opportunities and challenges. He added that as part of the government's continuous effort to implement fiscal and micro-economic policies aimed at recovering from the economic downturn due to the Covid-19 pandemic and the Russia-Ukraine war, members could have their financial transactions heavily affected. He reiterated that due to the reforms in 2018 with the banking and securities sector clean-up exercise by the Bank of Ghana and the Securities and Exchange Commission, the Union's liquid investment of GH¢ 1,000,902.77 was still locked up with some defunct Fund management and Investment Houses.

7.2 Financial Performance

The Vice Chairman/Secretary informed members that the Union has maintained its strong financial standing throughout the various stages of operations as detailed in Table 1:

Table 1: Increment in Areas of Operations

S/N	Areas of Concern	Year 2022	Year 2021	% in Growth
1	Total Asset Size	19,406,209.10	16,342,369.48	18.75
2	Member Savings	17,089,242.92	14,776,618.30	15.65
3	Member Share Capital	2,186,381.16	1,921,071.06	13.81
4	Loan Portfolio	10,265,549.17	9,147,509.51	12.22
5	Net Surplus/Loss	378,128.21	(348,708.00)	LOSA

7.3 Resignation/Election of Officers

According to the Acting Vice Chairman/Secretary, one Board member resigned in December, 2022, and another Board member ended his four (4) year mandate of service on the Board of Minescho Credit Union. He also stated that at the Board's monthly meeting held on 14th January, 2023, appointed Dr Akyene Tetteh to act as the Vice Chairman/Secretary, pending the election of new members to the Board at the AGM. He therefore indicated that the Board advertised for two (2) additional Board members from the general community to replace those who had left.

7.4 Membership Growth

The Acting Vice Chairman/Secretary presented that the Union has recorded a steady membership growth. He said that the Credit Union remains committed to the dedication and quality of services provided by staff and volunteers.

7.5 Digital Transformation

The Acting Vice Chairman/Secretary informed members that the Union has invested significantly in modernising its technological infrastructure to make transactions more convenient, secure, and accessible for members.

7.6 Challenges and Opportunities

Despite the challenges faced by the Credit Union due to economic uncertainties, regulatory changes, and evolving members' expectations, the Union would remain steadfast in navigating through the waters with prudence and innovation.

7.6 Conclusion

The Acting Vice Chairman/Secretary remarked that for the past 30 years, the Credit Union has embarked on a mission to serve the community, offering a financial haven where members could feel valued and supported. He further mentioned that the Union would continue to invest in digital transformation and also adapt to the evolving needs of the technology-savvy members. He also stated that another cornerstone of the future lies in financial inclusivity to reach out to underserved communities, providing them with the tools and resources needed to build a secure financial future.

The Acting Vice Chairman thanked all members and urged everyone to commit to the cause of Minescho Credit Union. He also thanked all Board and Committee members as well as staff and volunteers for their support, hard work and dedication.

8. REPORT BY COMMITTEES

8.1 Supervisory Committee

The Supervisory Committee's Report was presented by Mr James Bosomtwe which covers the fiscal year under review spanning from January, 2022 to December, 2022. He mentioned that the Committee had a series of meetings to review sections of the Union's operations to ensure adherence to internal controls.

8.1.1 Scope and 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 Statement and notes to the reports;

- ii. Review of Loans Operations;
- iii. Review of BOD minutes, 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 Control, Operational Policies, and Procedures.

8.1.2 Observations

The observations and recommendations of the Committee are presented as follows:

- i. All weaknesses and risks identified in the operations of the Union were brought to the notice of BoD and/Management;
- ii. Internal Control weaknesses were discussed with relevant Senior Management Members; and
- iii. Major deficiencies related to Minescho's by-laws and Policies were brought to the attention of the Board of Directors for the necessary action.

It was reported that Minescho's Internal Controls, Bye-Laws, policies and 'Governance Processes had worked satisfactorily during the period under review. However, a few industry challenges and some operational deficiencies were identified, highlighted and corrected.

8.1.3 Action by the Board

The Board implemented measures and strengthened the internal addressing weaknesses identified and minimising the occurrence of likely risks during the period under review.

8.1.4 Challenges

The challenge identified by the Committee was attributed to the general liquidity and increase in inflation which affected savings and funds mobilisation.

8.1.4 Recommendation

The following were the recommendations of the Committee:

- i. Members to comply with the minimum share purchase requirement to help create loanable funds for members and shareholders; and
- ii. The need to expand our scope of operations to reach out to more customers within the Community.

8.2 Loans Committee

The report was presented by the Chairman, Assoc Prof Lewis Brew. In his presentation, he informed members that the Committee held twelve (12) meetings to consider and approve loans. He presented the loans disbursed as well as loans recovered as detailed in Table 2:

Table 2: Details of Disbursed Loans and Recovered Loans

SN	Branch	Loans Disbursed (GH¢)	Loan Recovered (GH¢)
1	Tarkwa	8,290,761.85	6,029,029.84
2	Bogoso	1,851,500.00	1,036,074.36
Total		10,142,261.85	7,065,104.20

The Chairman stated the delinquent loans was Two Hundred and Thirty-Eight Thousand, One Hundred and Twenty-Two Ghana Cedis, Eighty-Five Pesewas (GHCC 238,122.85)

8.2.1 Challenges

The Chairman presented the challenges of the Committee as follows:

- i. High loan delinquency rate;
- ii. Irregular savings pattern of some members; and
- iii. Irregular payment of restructured loans.

8.2.1 Recommendation

(a) High Loan Delinquency Rate-

I. Enhanced Credit Screening: Improve the loan application process by incorporating more rigorous credit assessments to ensure borrowers can repay.

ii. Regular Monitoring and Follow-Up: Implement a system for regular monitoring of loan repayments and follow-up with delinquent borrowers to understand and address their challenges.

(b) Irregular Savings Patterns of Some Members

i. Automated Savings Plans: Implement automated savings options where members can set up regular, automatic transfers from their accounts to their savings plans.

ii. Savings Goals and Tools: Provide tools and resources for members to set and track savings goals, helping them to stay motivated and focused.

iii. Regular Communication and Reminders: Send regular reminders and educational content about the benefits of consistent saving to encourage better saving habits.

(c) Irregular Payment of Restructured Loans

i. Clear Restructuring Terms: Ensure that the terms and conditions of restructured loans are communicated and understood by borrowers, including new payment schedules and any associated changes in interest rates.

ii. Regular Review of Restructured Loans: Schedule periodic reviews of restructured loans to assess borrower compliance and make necessary adjustments based on their current financial situation.

By implementing these recommendations, the Committee can work towards improving loan repayment rates, encouraging regular savings, and managing restructured loans more effectively.

8.3 Education Committee

The General Manager, Mr. Charles Kwofie, presented the report on behalf of the Committee. The following were highlights of the report:

- i. Outreach programme was conducted for new members from various organisations, including the University of Mines and Technology (UMaT), UMaT Basic School, Senior High Schools (SHS), GPRTU Stations, and business shops within the Tarkwa Nsuaem Municipality; and
- ii. Intensive publicity was carried out to educate prospective members on the products and benefits the Minescho offers to its members.

8.3.1 Observation

The Committee observed that the adoption of social media has proven to be effective. Members were assured that the Committee would therefore continue to utilise social media for consistent improvement in performance within the Municipality.

8.3.2 Challenges

The challenges of the Committee were:

- i. The availability of more attractive 2nd competitive loans for staff of UMaT from other financial institutions including UMaT-GUSSS, continues to affect the Union. The Committee also received complaints regarding interest charges and insurance on Minescho Loans; and
- ii. Absence of tracking system to track members to join the Union as a result of the work done by the Committee; and

8.3.3 Recommendation

The Committee recommended that the Union consider the loan products with the respective interest charges to remain competitive.

9. PRESENTATION OF AUDITOR'S REPORT

The Financial Statement of Minescho Co-operative Credit Union was presented by Mr Isaac Owusu Ennin. The summary of the Financial Statement is presented as follows:

Table 3: Details of Audited Report

SN	Type of Statement	Area of Interest	Figures for 2022 (GHC)	Figures for 2021 (GHC)
1	Statement of Financial Position	Total Liabilities and Equity	19,406,200.10	16,342,369.48
2	Income Statement	Net Surplus/Deficit	378,128.21	(348,708.00)
3	Cash Flow Statement	Closing Cash and Cash Equivalent	5,271,015.40	3,743,485.85
4	Statement of Change Equity	Total Equity	1,986,014.46	-

In the opinion of the District Auditor, the financial statements give a true and fair view of the financial position of Minescho Credit Union Limited as at 31st December, 2022 and of its financial performance and its cash flows for the year that ended by the Co-operative Societies Act, 1968 (NLCD252) and industry standard. After the presentation, the report was accepted by the Vice Board Chairman. This was followed by some reactions from members as detailed below:

- i. Mr Eduafo requested that there should be due diligence by the Credit Union on loan requests from clients. Clients of the Union should be given proper education ;
- ii. Mr Christian K. Awutey pointed out that the report should include the classification or disclosure of requirements;
- iii. There should be a blend of the local dialect (Fante/Twi) and the English language to benefit members;
- iv. Mr Kenya sought clarification on the reduction in membership of the Union; and
- v. Mr Christian K. Awutey remarked that the difference in figure resulting from the migration of membership to the new software should be written off to give clear presentation of the report.

9.1 Election of Officers

Mr Peter Dogbe, the Regional Director of Co-operatives, conducted the election of new Officers to serve on the Board and Supervisory Committee of Minescho Credit Union. The details are shown as follows in Table 4:

Table 4: Details of Election of Officers

Table 4: Details of Election of Officers

POSITION: Vice Chairman, BoD				
Outgone Member		Remarks	Incoming Member	Remarks
1	Assov Prof B. Kumi-Boateng	Resigned from the MCU Board of Directors	Dr Akyene Tetteh	—
POSITION: Secretary, BoD				
2	Mr Robert Ewusi-Ntenah	Exhausted his tenure of office	Dr Monica V. Crankson	—
POSITION: Treasure, BoD				
3	Dr Akyene Tetteh	Appointed as the Vice Chairman	Mr Ernest Frempong	
POSITION: Community Reps on the BoD				
4	-	-	Nana Isaac Eduah	
5	-	-	Mad Ernestina Brown	
POSITION: Member, Supervisory Committee				
6	Mr Thomas K. Nkrumah	Exhausted his tenure of office	Mr James Bosomtwe	

All the selected members to the various positions were rectified by members at the AGM. The newly elected members were assisted to take the Oath of Secrecy and Office.

9.0 PRESENTATION OF SOLIURARITY MESSAGE

9.1 Presentation by Ms Abigail Addo, Representative from the GT Bank, Tarkwa

Miss Abigail Addo highlighted on the GT Bank's unwavering commitment towards the growth of Minescho Credit Union. She further mentioned the GT Bank will continue to offer assistance to the Union in all financial matters.

9.0 Presentation by Mr James Keyode, Representative from the Omini Bank, Tarkwa.

Mr James Kayode praised Minescho Credit Union for being a great partner. He mentioned that the active performance of the union has also affected the operations of Omini Bank. He assured members that Omni Bank has enhanced its operations to give good returns on the investment by Minescho so that members could also reap appreciable dividends on their investments. In conclusion, he encouraged members to pay their loans promptly and regularly since the Union operates with affordable interest rates.

10. PRESENTATION OF AWARDS

Awards were presented to deserving members as detailed in Table 4.

Table 4: Details of Awardees

SN	Category	Name of Awardee	Presented By
1	Highest Share Holder	Mad. Esther Y. Adiku	Nana Isaac Eduah
		Isaac Tetteh	Nana Isaac Eduah
		Mr Ebenezer Atorbrah (Bogoso)	Nana Isaac Eduah

11. ANY OTHER BUSINESS

The following issues were raised by members for further action by the Credit Union:

- i. Percentage of interest paid on member's savings should be indicated together with SMS alerts;
- ii. Regular sensitisation of members and the general public on Minescho products;
- iii. Bogoso branch to have a new office space to facilitate their operations;
- iv. Regularisation of prompt alerts on clients' transactions;
- v. Minescho Board to engage UMaT Management on the delayed payment of deductions by staff;
- vi. 40% of net surplus to be paid as dividends to members of the "Credit Union; and
- vii. Board to consider scholarship scheme for wards of members;

12. CHAIRMAN'S CLOSING REMARKS

The Chairman remarked that the Credit Union is making progress and this calls for support from all members. He encouraged borrowers from the Union to make a frantic effort to pay promptly to sustain the operations of the Credit Union. He expressed his appreciation to all members for their support and cooperation.

13. CLOSURE

Mr Mawukpemor A. Dankwah moved for the closure of the meeting and was seconded by Mr Kofi Kyere. The meeting ended at 1:15 p.m. with a prayer by Mr Charles Kwofie.



.....
Nana Isaac Eduah
Chairman, 30th AGM
Minescho Credit Union



.....
Rowland P. Baffoe
Recorder, 30th AGM
Minescho Credit Union

SPONSORS LIST

BUSINESS	LOCATION	CONTACT
Crystal Hostel	Brofuyedru	0244646149
Mark Ama AB. Vent.	Kwabedu opposite Jehova Witnes	0243433908
Timtey's Ent.	Tamso Hill Top	0243037884
Samperp Catering Services	Inside ABA	0542162222
Julia-Will Ent.	Akempim Opposite Anglogold	
Tafasoda Ent.	Below Sag Restaurant	0244289025
Sag Restaurant	Opposite Hisense	0558741871
Shamatt Cosmetics	New Atuabo Opposite Methodist Ch.	0244917996
Abesim Transport and Trading	Inside Mines	0244437524
Manfredo Links	Adjescent Obrempong Cold Store	0546161616

PRODUCTS & SERVICE

- **LOANS**
- **SHARES**
- **SAVINGS**
- **MASTER CARD**
- **FIXED DEPOSIT**
- **KIDDIE ACCOUNT**
- **MOBILE BANKING**
- **CHEQUE CLEARING**
- **MOBILE MONEY SERVICES**



**MINESCHO,
A UNION OF
EXCELLENCE**

Get In Touch

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Tarkwa, Bogoso



Head Office: UMaT Campus



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