

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE, 2012**



**HYDRO EMPLOYEES
CO-OPERATIVE CREDIT UNION LTD.**

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MISSION STATEMENT

Hydro Credit Union is committed to helping members to attain a lifetime financial freedom through the provision of a unique blend of savings and loans at competitive rates as well as financial advisory services for the purpose of raising their standard of living whilst ensuring the long term sustainability of the credit union.

VALUE STATEMENT

- Integrity
- Members First
- Teamwork

CREDIT UNION SONG

It's a small word after all
It's a small world after all
It's a small world after all
It's a small, small world

It's a small world

It's a small world after all
It's a world of laughter
It's a world of tears and cheers
It's a credit union world

It's a small world

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

AGENDA

1. Arrival and registration
2. Call meeting to order
3. Opening prayer
4. Credit union song
5. Introduction of dignitaries
6. Confirmation of the previous minutes
7. Matters Arising
8. Presentation of Reports
9. Presentation of Auditors Accounts – 2011/2012
10. Share dividend
11. General Questions Time
12. AOB
13. Chairman's Closing Remarks
14. Closing Prayer
15. Refreshment

HYDRO EMPLOYEES COOPERATIVE CREDIT UNION
MINUTES OF ANNUAL GENERAL MEETING HELD ON TUESDAY
15TH MAY, 2012 AT THE AKOSOMBO COMMUNITY CENTRE

AGENDA

- (a) Confirmation of the previous minutes
- (b) Matters Arising
- (c) Presentation of Reports
- (d) Audit report (2010/2011)
- (e) Share Dividend
- (f) AOB

OPENING

The meeting started at 5.40pm with an opening prayer by Mr. Emmanuel Markin followed by the introduction of members of all Committees for the Hydro Credit Union and the invited guests (the office of the Eastern Regional Chapter of CUA namely Mr. Akey-Bekoe Cyprian, Eastern Regional Manager of CUA, Mr. Kumi, Asuogyaman District Cooperative Officer and CUAAudit team).

The chairman used the opportunity to apologize to members for the delay in holding the Annual General Meeting. He attributed it to the software upgrading programme undertaken by the Office with the Software Providers to enable the office have efficient financial

management system. This activity delayed the financial statement preparation and the Audit team visit. He expressed happiness that at long last the audit has been done and that has led to having this meeting to deliberate on our financial position and the way forward.

READING AND ADOPTION OF PREVIOUS MINUTES

The BOD Secretary read the minutes of the previous meeting to members present. After review of the minutes for comments, omissions and additions, Mrs. Comfort Darko moved for the acceptance of the minutes and was seconded by Mrs. Clara Mensah.

MATTERS ARISING

The proposed Visitors Center

The BOD chairman, Mr. Henry Tetteh Ahorlu informed members that management has submitted all the required documentations to VRA for the plot opposite the Ghana Commercial Bank for the project.

However, our request has been put on hold until further notice due to the restructuring process in the Authority i.e. transforming some departments such as Real Estate, Akosombo International School and the Health Service Departments into self-sustaining business units,

He therefore assured members that management will continue to pursue the application when the opportunity is opened.

MAIN BUSINESS

Auditors Report

The chairman then gave Mr. Amoanyi Kingsford the opportunity to present the 2010/2011 Audit report to members.

Mr. Amoanyi Kingsford started by commending the BOD, Staff and the Union members for the impressive performance in the 2010/2011 financial year as a result of prudent and efficient management of funds of the Credit Union.

He concluded that the union complied with the requirements of the Cooperative Society's decree of 1968(NLCD) and the Accounts reflects the true state of affairs as at 30th June 2011.

Income and expenditure Account for the period ending 30th June 2011

According to the report, the income of the union grew from GH¢735,323.57 in 2010 to GH¢1,051,040.95 in 2011.

The total operating expenses (interest on member savings, provision for loan losses, personnel, occupancy, organizational, security and administration) rose from GH¢486,397.43 in 2010 to GH¢644,674.63 in 2011.

The net surplus for the financial year rose to GH¢406,366.32 as against GH¢248,926.14 in 2011. An increase of 63.25%.

During the discussions on the Audit report, Mr. Joseph Abel wanted an explanation on how the interest rate on loans was arrived at. The manager explained that it is the total interest paid by members on loans granted to

them during the period under review.

After the presentation and discussions, the chairman requested a member to move for the acceptance of the Audit report in the absence of any further discussion.

Mr. Walter Kyei moved for the acceptance of the Audited financial statement for 2010/2011 financial year and was seconded by Emmanuel Kugbadzor.

Other Financial Service Products

The Manager used the occasion to inform members about other financial service product being introduced, namely the Term deposit, Child Savings Accounts, the mobile phone unit top up, money transfer services, instant update of accounts statement on your mobile phone and withdrawable

savings account. He added that the union's long term vision of withdrawable savings is to introduce an Automated Teller Machine (ATM) in its operations. A member was surprised that the union has all these products/services but not enough information has been disseminated on the ground for members to know these products/services. The member therefore advised management to revive the union's educational drive so that existing and prospective members will be well informed on the various products/services offered.

Share Dividend

The chairman informed members that management in consultation with the Audit Team had declared 18% share dividend on member's shares for 2010/2011 financial year.

ANY OTHER MATTERS

Inclusion of Union Staff members in the Financial Statement Booklet

A member suggested that management should consider the inclusion of staff names in the Booklet since they were major players in the success story of our society. The manager responded that it is not a deliberate to exclude them. He however assured members that staffs names will be included in the subsequent financial statement booklet.

Opening of branch Offices

A member also suggested to management to consider opening branches just like most of our counterparts in other regions instead of reliance on union representatives. The manager responded that the suggestion is laudable however, a lot of factors are considered in setting up branches. According to him, apart from expected increase in overhead costs, the branch should be self-sustaining in that, it has to be able to mobilize its own funds and handle its operations without sourcing funds from the mother institution.

CUA in considering the negative effect of opening branches on credit unions has made it as a policy that any society intending to open a new branch should sought permit from CUA before opening such branches.

Closing

In his closing remarks the chairman thanked members present for honoring our invitation and urged them to consider the union as a first point of call for financial assistance.

He thanked the BOD and other Committee members, staff and the CUA office staff for their continuous support.



.....
Samuel Anyang
Secretary



.....
Henry Tetteh Ahorlu
Chairman

1.0 INTRODUCTION

On behalf of the Hydro Credit Union Board of Directors, this report is submitted to summarize our credit union's operations and financial results for the year ended June 30, 2012.

As evidenced by the financial statements, Hydro Credit Union enjoyed another successful year. Our focus has always been and will continue to be meeting the financial needs of our members and providing the highest level of services. We appreciate each member, from those who have been with us through the decades to those who have recently joined the credit union. Without your loyalty and support, we could not have made it to where we are today.

2.0 ADMINISTRATION

2.1 BOARD OF DIRECTORS DISCLOSURES

The names of Directors in office at the date of this report, or who held office during the course of the financial year are as follows:

Mr. Henry Tetteh Ahorlu	Chairman
Mr. Ebo – Amoah	Vice Chairman
Mr. Phinehas Afriyie	Treasurer
Mr. Ralph Punamane	Asst. Treasurer
Mr. Samuel Anyang	Secretary
Mr. Edward Zentey	Asst. Secretary
Mr. Emmanuel Markin	Member
Mr. Kenneth Sackeyfio	Ex- Officio/ Advisor

2.2 STAFFING

The office is headed by a manager with five permanent staff. They are:

Joseph Garti
Macdonald Bruce
Rita Agbaglo
Edward Arjarquah
Ebenezer Akuffo
Selorm Dewornu

3.0 MEMBERSHIP

The total membership as at the beginning of the year was 3,735 which is made of 2,864 males, 861 females and 10 groups. During the year, 592 new members were admitted which is made of 385 male, 192 female and 15 groups. 104 members withdrew their membership. At the end of the year, membership stood at 4223.

PARTICULARS	MALE	FEMALE	GROUP	TOTAL
No. at 1/7/11	2864	861	10	3735
Add new Admission	385	192	15	592
TOTAL	3249	1035	25	4327
Less Withdrawals	79	25	0	104
No. at 30/6/12	3170	1028	25	4223
Increase /Decrease	306	167	15	488
% Increase /decrease				

PRINCIPAL ACTIVITIES

The principal activities of the credit union during the year were the provision of financial and associated services to members. There were no significant changes in the principal activities during the year.

4.1 SHARES

Total shares capital at the beginning of the financial year was GH¢ 401,051.38. The share capital increased by 44% to bring the total share capital to GH¢ 579, 190.60 at the close of 2011/2012 financial year.

4.2 SAVINGS

Members total savings as at July 2011, stood at GH¢ 6,507,818.81. Members savings also saw an increase of 50% giving a total savings to GH¢ 9,803,141.83.

4.3 LOANS

It was another year of continued growth as our portfolio expanded. Net loans to members at the beginning of the year under review stood at GH¢ 5,084,929.17 and at the end of the year, net loans to members was GH¢ 7,815,370.64.

4.4 NET SURPLUS

Significant progress was made in 2011/2012 financial year with respect to a number of key organizational success factors both strategic and operational. The union has recorded an increase of 75.5% of its net surplus. The credit union's profit after all operational expenses amounted to GH¢ 713,466.54 as against GH¢406,366.32 last year.

4.0 RESERVES

The unions significant performance has also led to an increase in the unions total reserves to GH¢ 1, 589, 496.11 representing 13.10% of our total assets.

TOTAL ASSETS

The unions total assets at the beginning of 2011/2012 financial year stood at GH¢ 7,916,811.14. This increased by 53% during the year, bringing the unions total assets to GH¢ 12,107,165.48.

5.0 CONCLUSION

I extend a special thanks to the Board of Directors, committee members, management and staff for their support, dedication and vision. In closing, although economic conditions and other competitors continue to challenge the credit union, we are confident that we can respond appropriately and continue to provide a superior level of service and competitive products to our members while maintaining a financially sound institution.

We look forward to serving you in 2012/2013 and in the years to come.

Long live Hydro Credit Union

Long Live CUA

Thank you all.

HYDRO CREDIT UNION, AKOSOMBO LOANS COMMITTEE REPORT FOR JULY, 2011 TO JUNE, 2012

During the period of July, 2011 to June, 2012, the loans committee met once every week on Tuesdays to review and approve loan applications submitted by members'. The committee also met on any other day to attend to emergency financial needs of members.

The committee, in approving loans to members took into consideration the loan policy on the three C's, being, the character of the borrower, capacity of the borrower to repay loan and collateral against loan. Again, the VRA policy on loan services based on the non-statutory deductions on a borrower's payslip which should not exceed 50% of the net salary was looked at; but, relaxed a bit since most borrowers already had their deductions above 50 %.

A few borrowers were given financial counselling when the need arose.

Records were taken for the number of applicants whose loans were approved for payment based on purposes such as housing, medicals, school fees, funerals, business and others.

The total amount of loans granted for the period under review was Seven Million , Four Hundred and Twenty-six Thousand , Nine Hundred and Twenty Cedis only (GH¢ 7,426,920.00)

Attached is a detailed summary of loan analysis for the period under review.

CHALLENGES

The committee encountered a few challenges:

- 1) In-consistency of loan re-payment of some borrowers leading to loan delinquency.
- 2) The inability of the office to deduct delinquent loans from some guarantors of delinquent borrowers.

RECOMMENDATION

- Loan defaulters should be encouraged to service their loans regularly.
- The office should take the necessary steps to retrieve all delinquent loans from guarantors of delinquent borrowers.

Submitted by:

Walter Kyei
(Secretary, Loans Committee)

LOANS GRANTED FOR THE PERIOD JULY 2011 TO 2012

PURPOSE	MALE	AMOUNT	FEMALE	AMOUNT	TOTAL AMOUNT
HOUSE	384	2,425,000.00	49	174,425.00	2,599,425.00
SCHOOL FEES	240	1,823,055.00	42	405,021.00	2,228,076.00
TRANSPORT	71	727,880.00	34	163,350.00	891,230.00
BUSINESS	91	496,000.00	25	98,153.00	594,153.00
RENT	45	356,120.00	14	89,495.00	445,615.00
MEDICALS	23	156,807.00	9	66,000.00	222,807.00
FUNERAL	13	210,065.00	6	87,011.00	297,076.00
OTHERS	10	128,000.00	9	20,538.00	148,538.00
TOTAL	877		187		7,426,920.00

**SUPERVISORY COMMITTEE
ANNUAL REPORT FOR 2011/2012 FINANCIAL YEAR**

MEMBERS

Mr., M.K. Adu-Brobbey	Chairman
Mr. Johnson Odjao	Secretary
Mr. Patrick Senyo Addipah	Member

We have examined the books of accounts of the Hydro Co-operative Credit Union in line with the Regulations and policies of the Association.

Our aim is to express an opinion whether the financial records prepared are, in all material respect, in accordance with applicable financial reporting framework. Below are our findings:

I. AUTHORISATION

Our audit revealed that all transactions were duly authorized before payment and the individual who authorized each transaction was mandated to do so.

II. CASH COUNT

The books of accounts showed details of all monies received and expended. We conducted continual cash count on petty cash and daily receipts and have found no irregularities. We also noticed that all cash takings were banked intact on daily basis.

III. BANK RECONCILIATION STATEMENTS

We have reviewed the above statements monthly to ensure that there was agreement between the Cash Book and the Bank Statements.

IV. CONCLUSION

All information and explanations needed for the purpose of our audit have been provided. To the best of our knowledge, proper books of account have been kept by the Credit Union.

We therefore wish to thank the Manager and Staff of the Credit Union for their tremendous support accorded us in the discharge of our assignments for the period July 2011 to June 2012.

.....
M.K. ADU BROBBEY
(CHAIRMAN, SUPV. COMMITTEE)

.....
JOHNSON ODJAO
(SECRETARY, SUPV. COMMITTEE)

FINANCIAL HIGHLIGHTS 1 AS AT 30TH JUNE 2012

OPERATING STATEMENT

IN % ON AVERAGE ASSETS, BASE: GH¢10,012,002.81

PARTICULARS	ACTUAL AMOUNT(GH¢)	%	STANDARD AMOUNT	%		REMARKS
<u>INTEREST EARNINGS</u>						
Interest On Loans	1,458,298.43	14.6	2,002,400.56	20		
Interest On Financial Invest.	265,789.95	2.7	200,240.06	2		
Interest On Other Invest.	11,933.45	0.1	100,120.03	1		
TOTAL FINANCIAL INCOME	1,736,021.83	17.3	2,302,760.65	23	min.	Unfavourable
<u>LESS COST OF FUNDS</u>						
Interest On Members Savings	597,676.96	6.0	500,600.14	5		
Interest On Borrowings	-	0.0	200,240.06	2		
TOTAL COST OF FUNDS	597,676.96	6.0	700,840.20	7	max.	favourable
GROSS FINANCIAL MARGIN	1,138,344.87	11.4	1,601,920.45	16	min.	Unfavourable
Less Increase In Provision for Loan Losses	18,199.07	0.2	400,480.11	4	max.	favourable
NET FINANCIAL MARGIN	1,120,145.80	11.2	1,201,440.34	12		
Add Non - Financial Income	30,482.18	0.3	100,120.03	1	min.	Unfavourable
GROSS MARGIN	1,150,627.98	11.5	1,301,560.37	13	min.	Unfavourable
<u>LESS OPERATING EXPENSES</u>						
Personnel	119,342.57	1.2	250,300.07	2.5		
Occupancy	10,625.78	0.1	100,120.03	1		
Organizational	126,722.12	1.3	100,120.03	1		
Security	70,621.71	0.7	100,120.03	1		
Administration	109,770.26	1.1	150,180.04	1.5		
TOTAL OPERATION EXPENSES	437,132.44	4.4	700,840.20	7	max.	favourable
NET OPERATING MARGIN	713,495.54	7.1	600,720.17	6	min.	favourable

Result:

Favourable = 4

Unfavourable = 4

FINANCIAL HIGHLIGHTS II AS AT 30TH JUNE 2012

OPERATING STATEMENT

IN % ON AVERAGE ASSETS, BASE: GH¢12,107,194.48

PARTICULARS	ACTUAL AMOUNT(GH¢)	%	STANDARD AMOUNT	%		REMARKS
ASSETS						
LIQUID FUNDS	901,295.48	7.4	242,143.89	2	max.	Unfavourable
LIQUID INVESTMENTS	2,587,409.82	21.4	2,179,295.01	18	min.	Favourable
OTHER INVESTMENTS	291,939.05	2.4	605,359.72	5	min.	Unfavourable
NET LOANS TO MEMBERS	7,815,399.64	64.6	8,475,036.14	70	max.	Favourable
OTHER ASSETS	277,909.62	2.3	-	0	max.	Unfavourable
FIXED ASSETS	233,240.87	1.9	605,359.72	5	max.	Favourable
TOTAL	12,107,194.48	100.00	12,107,194.48	100		
LIABILITIES						
CURRENT LIABILITIES	135,336.94	1.1	-	0	max.	Unfavourable
EXTERNAL LOANS	-	0.0	605,359.72	5	max.	Favourable
MEMBERS SAVINGS	9,803,141.83	81.0	9,685,755.58	80	min.	Favourable
MEMBERS SHARES	579,190.60	4.8	605,359.72	5	min.	Unfavourable
RESERVES	1,589,525.11	13.1	1,210,719.45	10	min.	Favourable
TOTAL	12,107,194.48	100.0	12,107,194.48	100		

Result:

Favourable = 6

Unfavourable = 5

HYDRO EMPLOYEES CO- OPERATIVE CREDIT UNION LTD.
REPORT OF THE AUDITORS TO THE MEMBERS FOR THE
YEAR ENDED 30TH JUNE 2011

We have audited the Financial Statements of Hydro Employees Co-operative Credit Union Limited which has been prepared under historical cost convention. We have obtained all the information and explanations we required.

Responsibilities

These Financial Statements are the responsibility of the Credit Union's Management Committee. Our responsibility is to express an independent opinion on these financial statements based on our audit.

Basis of Opinion

We conducted our audit in accordance with generally accepted standards. These standards require that we plan and perform our audit to obtain a reasonable assurance whether the financial statements are free of material misstatements. An audit includes examining on, a test basis evidence supporting the amounts and disclosures in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, proper books have been kept and the financial statements which are in agreement therewith, comply with the requirements of the Co-operatives Societies Decree of 1968 (NLCD 252) and give a true and fair view of the state of affairs of the society as at 30th June, 2011 and of the results of its business for the period then ended.



MR. KWAME OWUSU AGYEMANG
CUA LTD.



MR. SAMUEL KUMI
DEPT. OF CO-OPERATIVES

INCOME AND EXPENDITURE FOR THE YEAR ENDED 30TH JUNE 2012

	NOTES	2012 GH ¢	2011 GH ¢
INCOME			
41 Interest on Loans	2	1,458,298.43	967,781.52
42 Interest on Liquid Investment	3	265,789.95	33,910.05
45 Other Financial Income	4	11,933.45	10,754.61
		1,736,021.83	1,012,446.18
46 Non Financial Income	5	30,482.18	38,594.77
TOTAL INCOME		1,766,504.01	1,051,040.95
<u>LESS EXPENDITURE</u>			
51 Cost of Funds	6	597,676.96	382,840.73
52 Personnel Cost	7	119,342.57	61,807.60
53 Occupancy	8	10,625.78	6,679.98
54 Organizational	9	126,772.12	74,817.11
55 Security	10	70,621.71	44,884.50
56 Administration	11	109,770.26	73,644.71
57 Provision for Loan Losses and Write Off	12/24	18,199.07	-
TOTAL OPERATING EXPENSES		1,053,008.47	644,674.63
Net Surplus		713,495.54	406,366.32
SURPLUS APPROPRIATION			
Net Surplus c/f			
25% Statutory Reserve		178,373.88	101,591.58
Education Reserve		71,349.55	
Proposed Dividend		104,254.31	72,189.25
Operating Reserve		359,517.80	232,585.49
		713,495.54	406,366.32
		713,495.54	406,366.32

BALANCE SHEET AS AT 30TH JUNE 2012

	NOTES	2012 GH ¢	2011 GH ¢
ASSETS			
11 Liquid Funds	13	901,295.48	132,696.79
12 Liquid Investments	14	2,587,409.82	2,042,634.97
13 Other Assets	15	291,939.05	190,347.47
14 /24 Net Loans to Members	16/25	7,815,399.64	5,084,929.17
15 Other Assets	17	277,909.62	236,461.51
16/25 Net Fixed Assets	21	233,240.87	229,741.23
TOTAL ASSETS		12,107,194.48	7,916,811.14
LIABILITIES			
21 Current Liabilities	18	135,336.94	81,602.44
22 Members Savings	19	9,803,141.83	6,507,818.51
		9,938,478.77	1,327,389.89
CAPITAL			
31 Members Share	20	579,190.60	401,051.38
32 Reserve (incl. Net Surplus)	22	1,589,525.11	926,338.51
		2,168,715.71	1,327,389.89
TOTAL LIABILITIES AND CAPITAL		12,107,194.48	7,916,811.14

Approved by Management Board on 15th November 2012

The above statement together with the attached certified schedules giving full details of all assets are to our best knowledge and belief correct.



.....
HENRY AHORLU



.....
AFRIYE K. PHINEHAS

Approved by Department of Co-operatives:

Date:

NOTES TO THE FINANCIAL STATEMENTS**1. ACCOUNTING POLICIES**

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

a) Basis of Accounting

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

b) INTEREST ON MEMBERS' SAVINGS

Interest on Members' Savings is paid on yearly balance.

c) DEPRECIATIONS

Depreciation is charge on a straight line basis

Premises	2%
Office Equipment	25%
Furniture & Fittings	20%
Equipment and Vehicles	20%
Computer and IT Equipment	33.33%
Software	33.33%

	2012 GH¢	2011 GH¢
2. Interest on Loans		
Interest on Normal Loans	1,458,298.43	967,781.52
	1,458,298.43	967,781.52
3. Interest on Liquid Investments		
Interest on fixed deposits-ADB		
Interest on fixed deposit-SIC-FSL	271.13	126.77
Interest on fixed deposits-GCB	192,612.68	-
Interest on Call A/C	37,138.04	2,555.48
Interest on Savings A/C-GCB	11.87	
Interest on CUA CFF Savings	7,828.66	5,868.33
	27,927.57	25,359.47
	265,789.95	33,910.05
4. Other financial Income		
Interest on Statutory Reserve		
Dividend on CUA Shares	11,837.45	10,754.61
	96.00	-
	11,933.45	10,754.61
5. Non Financial Income		
Entrance Fee		
Interest on Micro Savings Boxes	3,035.00	2,145.00
Rental Income	1,158.00	620.00
Other Income	10,096.80	17,185.20
	16,192.38	18,644.57
	30,482.18	38,594.77

	2012 GH ¢	2011 GH ¢
6. Cost of Funds		
Interest on Member Savings	566,639.05	379,009.87
Interest on Fixed Deposits	<u>31,037.91</u>	<u>3,830.86</u>
	<u>597,676.96</u>	<u>382,840.73</u>
7. Personnel Cost		
Staff Salaries	75,408.36	43,038.87
SSNIT contribution, part of CU	9,852.75	5,595.16
Staff Bonus	5,373.20	3,039.87
Staff Allowance / Overtime	18,952.38	7,703.58
Dressing Allowance	2,000.00	750.00
Cashiers Allowance	630.00	360.00
Medical Expenses	1,000.45	631.20
C-CUPP, part of CU	3,789.45	-
Housing Allowance	459.30	688.92
Other Personnel Cost	<u>1,876.68</u>	<u>-</u>
	<u>119,342.57</u>	<u>61,807.60</u>
8. Occupancy		
Office Utilities/Rent	909.00	869.00
Rent & Utilities	3,246.78	1,451.08
Repairs and Maintenance	<u>6,470.00</u>	<u>4,359.90</u>
	<u>10,625.78</u>	<u>6,679.98</u>
9. Organizational Cost		
CUA Dues	41,261.79	12,963.50
Chapter Dues	11,160.00	11,748.50
Meeting Cost	1,541.20	1,131.90
Publicity and Promotions	2,350.00	10,450.00
Education & Training	45,983.38	27,081.71
Hotel Accom. & Protocol	8,407.00	2,027.00
Committee Allowance	13,738.75	7,556.50
Annual General Meeting	<u>2,330.00</u>	<u>1,858.00</u>
	<u>126,772.12</u>	<u>74,817.11</u>

	2012 GH ¢	2011 GH ¢
10. Security		
Risk Management Premium	48,670.00	37,860.00
CUA Stabilization Fund	14,704.71	
Business Licence Fee	10.00	30.00
Audit expenses	2,587.00	3,994.50
Audit Fees	4,650.00	3,000.00
	<u>70,621.71</u>	<u>44,884.50</u>
11. Administration		
Traveling and Transport	1,971.00	796.30
Bank Charges	25,364.47	15,844.82
Bad Debt	13,426.89	12,000.00
Cleaning Cost	2,200.00	1,432.00
Fuel Cost	2,626.10	2,541.77
Vehicle Running Cost	4,816.73	808.72
Cusoft Maintenance	1,550.00	1,450.00
Office Expenses	4,574.55	2,530.00
Insurance-Vehicle	1,372.86	1,515.51
Printing and Stationery	24,502.30	6,620.04
Depreciation on Fixed Assets	27,365.36	28,105.55
	<u>109,770.26</u>	<u>73,644.71</u>
12. Provision for Loan Losses		
<i>Please see also note 23. Accumulated Provision For Loan Losses</i>		
Increase in Provision for Loan Losses	18,199.07	-
	<u>18,199.07</u>	<u>-</u>
13. Liquid Funds		
Cash on Hand	1,471.10	1,390.00
Petty Cash	12.80	7.90
Office Safe	20,708.42	-
Subtotal Cash Balance	<u>22,192.32</u>	<u>1,397.90</u>
GCB Current A/C	835,945.42	-
Zenith Current A/C	25,971.87	104,228.65
Anum Rural Bank Current A/C	10,677.00	6,299.00
ADB Current A/C (Juapong)	6,508.87	20,771.24
Subtotal Bank Balance	<u>879,103.16</u>	<u>131,298.89</u>
	<u>901,295.48</u>	<u>132,696.79</u>

	2012 GH ¢	2011 GH ¢
14. Liquid Investments		
Fixed Deposit-Amal Bank	-	500,000.00
Fixed Deposit-GCB Akosombo	100,000.00	100,000.00
E-Cash	10,000.00	5,000.00
Fixed Deposit-ADB Juapong	22,000.00	2,000.00
Bank Saving-GCB Akosombo	105,589.55	319,288.40
Fixed Deposit-SIC Finance Service	1,692,612.68	750,000.00
Central Finance Facility (CFF) Saving	<u>657,207.59</u>	<u>366,346.57</u>
	<u>2,587,409.82</u>	<u>2,042,634.97</u>
15. Other Investments		
CUA House Bond	99.00	99.00
CUA Stationery Reserves Deposit	270,640.05	169,048.47
CUA Shares	1,200.00	1,200.00
CUA Kasoa Training Centre Shares	<u>20,000.00</u>	<u>20,000.00</u>
	<u>291,939.05</u>	<u>190,347.47</u>
16. Net Loans To Members		
LOAN TO MEMBERS - FIXED INTEREST	7,751,213.60	5,014,388.06
LOANS TO MEMBERS - SHORT TERM	171,109.00	69,265.47
Subtotal: Total Loan Balance	7,922,322.60	5,173,653.06
less: set aside	1,433.96	-
less: accum. Provision For Loan Losses	<u>(105,489.00)</u>	<u>(88,723.89)</u>
	<u>7,815,399.64</u>	<u>5,084,929.17</u>
17. Other Assets		
Staff Salary Advance	5,439.34	4,425.14
CUA Cloth	14,521.00	34,500.00
C-CUPP	-	5,327.43
Sundry Debtor	13,000.00	26,426.89
Domestic Rent Advance	-	1,500.53
Staff Loan	69,035.06	24,013.43
Other Accounts Receivables VRA	<u>175,914.22</u>	<u>140,268.09</u>
	<u>277,909.62</u>	<u>236,461.51</u>

	2011 GH¢	2010 GH¢
17. OTHER ASSETS		
Accounts Receivable VRA	140,268.09	435,125.21
Staff Salary Advance	4,425.14	3,363.61
C-CUPP	5,327.43	3,175.35
CUA Cloth	34,500.00	513.00
Staff Loan	24,013.43	29,213.35
Sundry Debtor	26,426.89	38,426.89
Domestic Rent Advance	1,500.53	2,046.53
	236,461.51	511,863.94
	=====	=====
18. CURRENT LIABILITIES		
Stabilization Fund	887.36	887.36
Risk Management Claims Payable	463.73	463.73
Dividend on Members' Shares	72,189.25	54,213.25
Loan Protection Plain (LPP)	8,062.10	6,922.23
	81,602.44	62,486.57
	=====	=====
19. MEMBERS SAVINGS		
Regular Savings	6,223,563.27	4,733,971.65
Term Deposit	280,982.86	-
Dormant Savings	3,272.68	3,375.72
	6,507,818.81	4,737,347.73
	=====	=====
20. MEMBERS SHARES		
Members Shares	401,051.38	300,989.21
	401,051.38	300,983.21
	=====	=====

	2012 GH ¢	2011 GH ¢
<u>18. Current Liabilities</u>		
Audit Fees Payable	4,650.00	-
Stabilization Fund	14,704.71	887.36
Risk Management Claims Payable	-	463.73
Dividend on Members' Shares	104,254.31	72,189.25
Loan Protection Plan (LPP)	11,727.92	8,062.10
	<u>135,336.94</u>	<u>81,602.44</u>
<u>19. Members Savings</u>		
Regular Saving	9,346,088.99	6,223,563.27
Withdrawal Savings	15,894.72	
Term Saving	436,672.28	280,982.86
Other Saving (Dormant)	4,485.84	3,272.68
	<u>9,803,141.83</u>	<u>6,507,818.81</u>
<u>20. Members Shares</u>		
MEMBER SHARES	579,190.60	401,051.38
	<u>579,190.60</u>	<u>401,051.38</u>

NOTES TO THE FINANCIAL STATEMENTS**21. Fixed Asset Schedule**

Fixed Assets	Cost	Disposal	Additions	Balance
Land & Premises	191,520.83		28,055.00	219,575.83
Office Equipment	26,471.10			26,471.10
Furniture & Fittings	13,702.00		2,590.00	16,292.00
Equipment and Vehicles	47,447.00			47,447.00
Computer and IT Equipment	25,217.12		220.00	7,946.20
Software	7,946.20			25,437.12
Development Cost	10,469.80			10,469.80
Total Gross Assets	322,774.05	0.00	30,865.00	353,639.05
Depreciation	Balance b/f	Disposal	Charge for the year	Balance
Land & Premises	37,509.41		4,391.52	41,900.93
Office Equipment	7,293.51		6,617.78	13,911.29
Furniture & Fittings	12,524.18		3,258.40	15,782.58
Equipment and Vehicles	9,489.40		9,489.40	18,978.80
Computer and IT Equipment	24,477.32		959.80	25,437.12
Software	1,739.00		2,648.47	4,387.47
Total Depreciation	93,032.82	0.00	27,365.36	120,398.18
Net Fixed Assets	22,741.23	0.00	3,499.64	233,240.87

22. Reserves

	Balance b/f	Adjustments	Appropriation	Balance
Statutory Reserve	251,603.74	-232,607.67	178,373.88	662,585.29
Insurance Reserve	12,719.38		0.00	12,719.38
Loan Protect Fund	250,293.27	-107,564.45	0.00	357,857.72
Education Reserve	1,270.01		71,349.55	72,619.56
Operating Reserve	410,452.11	286,226.75	359,517.80	483,743.16
Total Reserve	926,338.51	-53,945.37	609,241.23	1,589,525.11

23. Accumulated Provision For Loan Losses

Balance b/f	88,723.89
Less Set Aside (see below)	1,433.96
Subtotal	87,289.93
Bad Loans Written Off	0.00
Increase In Provision	18,199.07
Accumulated Provision For Loan Losses	105,489.00

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

Ageing Report	No. of loans	Loan Balance	%	Required Provision
current		7,857,391.31	1%	
1-3months		17,620.91	10%	78,574.00
4-6months		14,274.68	30%	1,762.00
7-9months		26,826.99	60%	4,282.00
10-12months		4,774.75	100%	16,096.00
Accumulated Provision				4,775.00
				105,489.00
Over 12month		1,433.96		
Total Loan Balance		7,922,322.60	set aside	1,433.96

The under - listed Loan was been set aside

Name	Account No.	Loan Balance
Samson Azumah	4993	1,433.96

