



**COCOA RESEARCH CO-OPERATIVE  
CREDIT UNION LTD  
NEW TAFO AKIM**



**REPORTS & FINANCIAL STATEMENTS  
2020/2021**



**Bankers:** GCB Bank, New Tafo Akim  
Consolidated Bank Ghana, Koforidua  
Absa Bank Ghana, Koforidua

**Auditors:** Department of Co-operatives  
Credit Union Association of Ghana (CUA) Ltd



## **CREDIT UNION ANTHEM**

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

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



**SAVE  
YOUR CHILD'S  
FUTURE**



CRCCU

#### **OUR VISION:**

To become the preferred Financial institution of choice in the Eastern Region

#### **OUR MISSION:**

CRCCU exists to help its members attain a lifetime financial freedom through the provision of unique blend of products (savings and loans) at a competitive rate as well as other financial and technical services for the purpose of improving members living standards.

### **OUR CORE VALUES**

The success of the Credit Union is hinged on the understated core values:

#### **CREDIBILITY:**

CRCCU adopt the highest level of intergrity in its administrative and service activities. We measure, monitor, analyse and improve productivity, processes, tasks and ourselves to satisfy members and stakeholders.

#### **RESOURCEFUL:**

CRCCU is resourced with a high caliber of Board of Directors, and staff in manning the operations of the Credit Union.

#### **CREATIVITY:**

CRCCU is comitted to adopting new ideas to meet the needs of its members.

#### **CARE FOR MEMBERS:**

The business of CRCCU is in two ways - being there for one anothers and the providing good return on assets for members.

#### **UNITY:**

CRCCU will harmonize with people of all races, ethnicities and religions; we remain loyal to assist in the needs of many of our members as our ability and financial resources support.

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NOTICE OF ANNUAL GENERAL MEETING (AGM)



**COCOA RESEARCH CO-OPERATIVE  
CREDIT UNION LTD.**

**IS ORGANIZING ITS**

# **3<sup>RD</sup> ANNUAL GENERAL MEETING '21**

**THEME CONSOLIDATION OF GAINS FOR  
SUSTAINABLE GROWTH OF THE CREDIT UNION...**

VENUE **CRIG PARK**  
NEW TAFO-AKIM

DATE **FRIDAY 15<sup>TH</sup>**  
OCTOBER, '21

TIME **2 PM**  
PROMPT



**ALL COVID-19 PROTOCOLS SHALL BE OBSERVED!!**



## PROGRAMME OUTLINE FOR ANNUAL GENERAL MEETING

1. Arrival and Registration
2. Opening Prayer
3. Credit Union Song
4. Introduction of Dignitaries
5. Welcome Address by Chairman
6. Presentation of Audit Report – (Auditors)
7. Acceptance & Discussion of Audit Report
8. Presentation and Adoption of Resolution
9. Presentation and Approval of 2022 Budget Statement
10. Any Other Business
11. Vote of Thanks
12. Closing Prayer
13. Refreshment



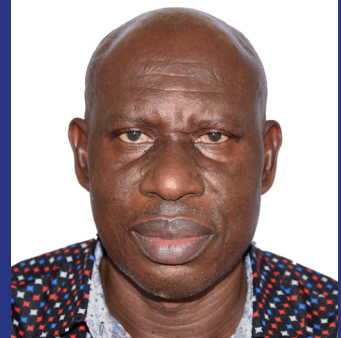
Dr. George A. Ameyaw  
Chairman



Ms. Winifred O. Kumi  
Vice Chairperson



Mr. Joseph Ntim Krofa  
Secretary



Mr. Opoku Brenya  
Treasurer



Mr. Lloyd Brobbey Adasi  
Asst. Secretary



Mr. Ofori Ntiamoah  
Asst. Treasurer

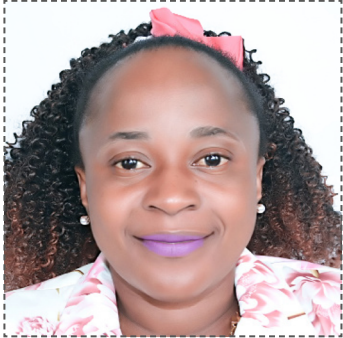


Mr. Samuel Yao Mawudeku  
Member





## SUPERVISORY COMMITTEE



Erica Sakyibea  
Agyebeng (Mrs.)  
Chairperson



Mr. Stephen Annor Tetteh  
Secretary



Mr. Joseph Boatey  
Member

## LOANS COMMITTEE



Mr. Peter Boamah-Dankyi  
Chairman



Mr. Osafo Boateng  
Secretary



Mr. Anthony Agyapong  
Member



OFFICE STAFF



Mr. Eric B. Koranteng  
General Manager



Mr. Godsway Gavoe  
Dep. General Manager  
(Operations)



Mr. Jacob E. Attramah  
Dep. General Manager  
(Accounts)



Ms. Adelaide Tetteh  
Branch Manager  
(Bunso)



Mr. Gershon K. Amponsah  
Accounts Officer



Miss. Ruth Osei Faah  
Cashier / Credit  
Officer



Miss Comfort Boatemaa  
Audit Officer



Mr. Eugene Abankwah  
Administrative  
Officer



# CHAIRMAN'S ADDRESS

## INTRODUCTION

CRIG Management Representative, Regional Manager of CUA, Regional Co-operative Director, Invited Guests, Valued Credit Union Members, Ladies and Gentlemen. I am happy to welcome you to the 2021 Annual General Meeting (AGM) (3rd AGM) of the Cocoa Research Co-operative Credit Union Limited to present to you the operational performance of the Union for the past year (i.e. July 2020 to June, 2021) and also solicit your support on some policy decisions to improve upon the operations of the Credit Union. The theme for this year's AGM is "Consolidation of our gains for sustainable growth of the Credit Union". This is to emphasise the need for us to continue to work hard as important stakeholders of the Union by taking advantage of the gains that have been made over the years to accelerate the growth of the credit union in a more sustainable manner. To this end, some decisions and initiatives were made by the Board of Directors during the year under review as may be highlighted in this report.

## MEMBERSHIP

The common bond of the Credit Union is still open to members who want to join the Union to benefit from our financial services, mainly in the form of: "Savings, Shares and Loans". At the moment registered members are mainly staff of COCOBOD Subsidiaries (i.e. CRIG, SPD, CHED, CMC, QCC, BUNSO COCOA COLLEGE), PLANT GENETIC, together with inhabitants of New Tafo, Bunso and its environs. Aggressive membership drive activities were carried by the reconstituted Education Committee with the aim of increasing the membership base of the Union. The Credit Union also fulfilled its obligations as a non-banking co-operative organization whose operations are regulated by the Department of Co-operatives, BoG and CUA Ltd. Total membership of the Union as at June 2021 was Two Thousand and Sixty-One (2,061)

## REPORTS ON BoD COMMITTEES/STAFF

The Credit Union is governed by a seven (7) member BoD and by a three (3) member Supervisory and Loan Committee, respectively.

### a. Board of Directors

The Board of Directors held 13 management meetings to discuss and take some critical decisions for the Union during the year under review.

### b. Supervisory Committee

The Supervisory Committee held 8 meetings and produced reports which helped the BoD to take certain critical decisions as captured in their report.

### c. Loans Committee

The Loans Committee held 40 meetings to appraise and recommend for approval for loans applications from members. Details of the loans applications can be found in the Loans



Committee's report.

### OFFICE STAFF

The Credit Union operated with staff strength of Seven (7) in three functional units namely Administration, Accounts and Internal Audit Units during the period under review. A new General Manager (GM) was however appointed to supervise operations in the office and he assumed duty on 1st September, 2021.

The aforementioned three (3) functional units have been re-constituted to the position of the General Manager, with two Deputy General Managers namely; Deputy General Manager in charge of Operations and Deputy General Manager in charge of Accounts and a Branch Manager (Bunso).

### AUDIT REPORT

Relevant documents of the Union were audited by the appointed Auditors of CUA and Department of Co-operatives respectively and their report submitted to the Board of Directors. The Board of Directors approved a 10% interest on Members' Savings and 20% Dividend on Members' Shares and these has been credited to members' accounts. Details of these could be found in the audited financial report.

### ACHIEVEMENTS

Some of these achievements worthy of mention during the period under review include:

1. Growth of the total assets of the Union from **GH¢ 16,807,003.81** (June 2020) to **GH¢ 19,815,974.59** as at June 2021.
2. Creation of website ([www.crcough.org](http://www.crcough.org)) for the Union
3. Activation of text message alert system on the software to send real time message to members about their transactions.
4. Rebranding of the Office.
5. Completion and renting out of the Union's Apartments to tenants
6. Review of Staff Condition of Service
7. Completion of a Strategic Document for the Union
8. Initiation of processes for the acquisition of Controller and Accountant General Code for our operations
9. Initiation of processes for making Bunso outlet a 'full Branch Office' with well-equipped internet and software access infrastructure
10. Considerations are under way for making Koforidua as niche for the Union's products and services

### ISSUES OF CONCERN

Some of the challenges on the operations of the credit union which the BoD considers as issues of concern are as follows:

1. Issuance of dud cheques for loan repayment by some members who were granted special loans
2. Loan delinquency mainly on the part of members not on payroll
3. Multiple loan guarantorship by same members



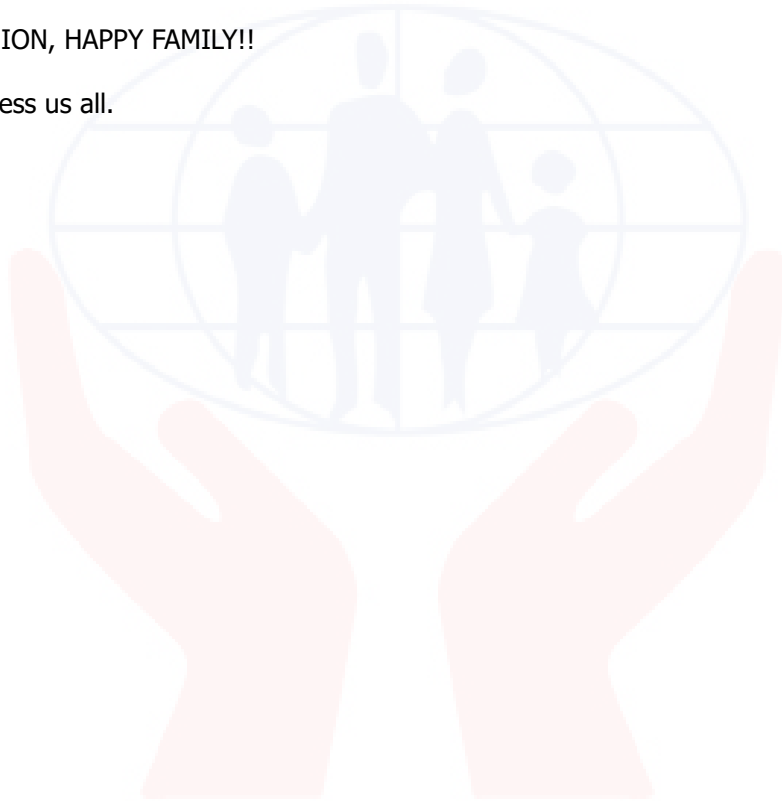
4. Savings withdrawal request against policy
5. Loan set off request against policy
6. Attack on the office staff using abusive words

### CONCLUSION

CRIG Management Representative, Regional Manager of CUA, Regional Co-operative Director, Invited Guests, Valued Credit Union Members, Ladies and Gentlemen. I wish to once again thank you for attending this year's AGM. Kindly contribute to all discussions at this meeting so that together, we can promote the sustainable growth of the credit union in the long term.

CREDIT UNION, HAPPY FAMILY!!

May God bless us all.





# AUDITOR'S REPORT

## Opinion

We have audited the financial statements of Cocoa Research Co-operative Credit Union Limited set out on pages 28 to 42, which comprises the statement of financial position as of **30<sup>th</sup> June 2021**, the Statement of Income and, statement of changes in equity, statement of cash flows for the year then ended, and notes, including a summary of significant accounting policies.

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

## Basis for opinion

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

## Director's Responsibility for the Financial Statements



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

## Auditor's Responsibility

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

We conducted our audit in accordance with Generally Accepted International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, misstatements can arise from fraud or error and are considered material if, individually or in aggregate. In making those risk assessments, we obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union internal control. We also evaluated the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.



Name	Institution	Auditor's Signature
Romeo Odonkor	- CUA LTD	
Catherine Owiafe	- Department of Cooperative	
Sheila Abrokwa	- Department of Co-operative	







# FINANCIAL STATEMENTS

<b>COCOA RESEACH CO-OPERATIVE CREDIT UNION LIMITED</b>			
<b>STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2021</b>			
	<b>NOTES</b>	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		<b>GH ₵</b>	<b>GH ₵</b>
Liquid Funds	13	215,922.59	665,344.14
Liquid Investments	14	5,225,590.97	5,637,887.72
Other Investments	15	294,662.69	237,250.45
Net Loans To Members	16 / 23	12,376,779.05	9,047,922.74
Other Current Assets	17	741,757.24	210,729.64
/ Non Current Assets	21	961,262.05	1,007,869.12
<b>TOTAL ASSETS</b>		<b>19,815,974.59</b>	<b>16,807,003.81</b>
<b>Current Liabilities</b>			
Other Current Liabilities	18	184,288.62	125,560.78
Members Savings	19	14,103,327.47	12,139,855.68
		<b>14,287,616.09</b>	<b>12,265,416.46</b>
<b>EQUITY</b>			
Members Shares	20	962,035.46	644,130.13
Reserves (incl. Net Surplus)	22	4,566,323.04	3,897,457.22
		<b>5,528,358.50</b>	<b>4,541,587.35</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>19,815,974.59</b>	<b>16,807,003.81</b>

Approved by Management Board on 12/10/2021  
 The Notes 1-23 form an integral part of these financial statements

  
 Dr George Ameyaw  
**Chairman**

  
 Opoku Brenya  
**Treasurer**

APPROVED  
 REGIONAL CO-OPERATIVE...  
 AGPR...  
 DATE: 12-10-2021

Date: \_\_\_\_\_





<b>COCOA RESEACH CO-OPERATIVE CREDIT UNION LIMITED</b>			
<b>INCOME STATEMENT FOR THE YEAR ENDED 30TH JUNE 2021</b>			
	<b>NOTES</b>	<b>2021</b>	<b>2020</b>
<b>INCOME</b>		<b>GH ₵</b>	<b>GH ₵</b>
Interest on Loans	2. ₵	2,479,139.41	1,934,460.32
Interest on Liquid Investments	3.	656,404.37	449,142.00
Other Financial Income	4.	10,563.79	17,118.50
		<u>3,146,107.57</u>	<u>2,400,720.82</u>
Non- Operating Income	5.	27,226.43	21,175.97
<b>TOTAL INCOME</b>		<b>3,173,334.00</b>	<b>2,421,896.79</b>
<b>LESS EXPENDITURE:</b>			
Cost of Funds		1,186,033.80	578,221.62
Personnel Cost	7.	323,496.27	266,687.88
Occupancy	8.	24,202.00	18,021.50
Organizational	9.	440,685.32	322,282.83
Security	10	59,809.98	58,419.57
Administration	11	165,389.01	272,565.72
Provision for Loan Losses	12 / 23	-	167,558.00
<b>TOTAL OPERATING EXPENSES</b>		<b>2,199,616.38</b>	<b>1,683,757.12</b>
<b>Net Surplus</b>		<b>973,717.62</b>	<b>738,139.67</b>
<b>SURPLUS APPROPRIATION</b>			
Net Surplus c/f		<u>973,717.62</u>	<u>738,139.67</u>
Statutory Reserve	25%	243,429.41	184,534.92
Education Reserve	10% ₵	97,371.76	73,813.97
Operating Reserve	65% ₵	632,916.45	479,790.78
		<u>973,717.62</u>	<u>738,139.67</u>
The Notes 1-23 form an intergral part of these financial statements			



**COCOA RESEARCH CO-OPERATIVE CREDIT UNION LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE 2021**

	<b>2021</b>	<b>2020</b>
	<b>GH ₵</b>	<b>GH ₵</b>
<b>1. Cash flows from OPERATING ACTIVITIES (before changes in operating assets &amp; liabilities)</b>		
Net Surplus	973,717.62	738,139.67
<b>Adjustment:</b>		
Depreciation on Non Current Assets	59,046.07	62,022.57
Increase in Allowance	-	167,558.00
Other adjustment (Reserve)	(148,133.51)	-
<b>Cash flows from OPERATING ACTIVITIES</b>	<b>884,630.18</b>	<b>967,720.24</b>
<b>Changes in OPERATING ASSETS and LIABILITIES</b>		
Increase (-) /Decrease (+) in Total Loan Balance	(3,328,856.31)	1,483,923.46
Increase (-) /Decrease (+) in Other Current Assets	(531,027.60)	807,247.69
Increase (+) /Decrease (-) in Members Savings	1,963,471.79	258,046.35
Increase (+) /Decrease (-) in Other Current Liabilities	58,727.84	29,000.80
<b>Net Cash generated from OPERATING ACTIVITIES</b>	<b>(953,054.10)</b>	<b>3,543,938.54</b>
<b>2. INVESTING ACTIVITIES</b>		
Purchase of Non Current Assets (-)	(12,439.00)	(394,073.92)
Increase (+) /Decrease (-) in Other Investments	(57,412.24)	841,380.49
<b>Net Cash used in INVESTING ACTIVITIES</b>	<b>(69,851.24)</b>	<b>447,306.57</b>
<b>3. FINANCING ACTIVITIES</b>		
Proceeds from Shares Issued	317,905.33	83,405.28
Dividend Paid	(156,718.29)	(250,645.41)
<b>Net Cash used in FINANCING ACTIVITIES</b>	<b>161,187.04</b>	<b>(167,240.13)</b>
<b>4. Cash and cash equivalent at the end of period</b>		
Net Increase (+)/Decrease (-) in Cash and Cash Equivalent	(861,718.30)	3,824,004.98
Opening Cash and Cash Equivalent at the beginning of year	6,303,231.86	2,479,226.88
<b>Closing Cash and cash equivalent</b>	<b>5,441,513.56</b>	<b>6,303,231.86</b>



## COCOA RESEACH CO-OPERATIVE CREDIT UNION LIMITED

## STATEMENT OF CHANGES IN EQUITY

	Members Share Capital	Operating Reserve	Statutory Reserve	Other Reserves	Total Equity
Balance b/f	644,130.13	2,240,077.59	1,069,807.79	587,571.84	4,541,587.35
Ajustments		- 71,903.94	-	- 76,229.57	- 148,133.51
Net Shares Subscribed	317,905.33				317,905.33
Surplus for the year (Appropriation)		632,916.45	243,429.41	97,371.76	973,717.62
Dividend paid		(156,718.29)			- 156,718.29
<b>Total</b>	<b>962,035.46</b>	<b>2,644,371.81</b>	<b>1,313,237.20</b>	<b>608,714.03</b>	<b>5,528,358.50</b>



## COCOA RESEACH CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

2021

2020

GH ₵

GH ₵

#### **1. BASIS OF PREPARATION**

##### **1.1. Statement of Compliance**

The financial statements of COCOA RESEACH CO-OPERATIVE CREDIT UNION LIMITED has been prepared in accordance with Generally Accepted Accounting Principles (GAAP). Additional information required under the Co-operative Societies Act 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 GAAP 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 Presentational 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. However impaired investments interest are not recognised as income.

###### **iii.) Other Financial Income**

Other Financial Income comprises interest earned on the Union's, 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 the minimum quarterly balance at 2%

**1.8. Provision of Loan Loss**

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

**1.9. Bad Debts Written Off / Loans Set aside.**

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

**1.10. Propose Dividend**

The Board of Directors wish to propose a dividend (.....%) amounting to GHC..... at the forth coming Annual General Meeting. Dividends on ordinary shares are recognized in the period in which they are approved by the Dividend proposed which is yet to be approved by members, is disclosed by way of notes.

**1.11. Members Shares**

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

**1.12. Members Loans**

All members' loans are non – derivative financial assets with fixed or determinable payments that are not quoted in an active market and have been classified as loans and receivables. Members' loans are reported at their recoverable amount representing the aggregate amount of principal, less any provision for impaired loans.

**1.13. Members Savings**

Members' savings are measured at amortized cost.

**1.14. Employee Benefits**

(a) Post - Employment Benefits

(i) Social Security and National Insurance Trust (SSNIT)

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

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

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

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

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



### **1.15. Property, Plant and Equipment**

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

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

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

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

### **1.16. Intangible assets**

#### **Computer software licenses**

Intangible assets include computer software licenses.

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

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

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

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

<b><u>Key Performance Disclosure</u></b>	<b><u>Standard</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>
	<b>%</b>	<b>%</b>	<b>%</b>
Loan Delinquency Ratio	5	3.3	31.02
Liquidity Ratio	20	27.46	37.50
Capital Adequacy Ratio	15	27.90	27.02



## NOTES TO THE FINANCIAL STATEMENTS

### COCOA RESEACH CO-OPERATIVE CREDIT UNION LIMITED

<u>NOTES TO THE FINANCIAL STATEMENTS</u>	<u>2021</u>	<u>2020</u>
	<u>GH c</u>	<u>GH c</u>
<b><u>2. Interest on Loans</u></b>		
Interest on Normal Loans	2,477,981.17	1,729,853.47
Interest on other loans	-	193,576.00
Interest on car loans	1,158.24	1,156.78
Interest on CRMU loans	-	9,874.07
	<b><u>2,479,139.41</u></b>	<b><u>1,934,460.32</u></b>
<b><u>3. Interest on Liquid Investments</u></b>		
Interest on Bank Savings GCB 602	685.12	1,607.84
Interest on Bank Savings GCB JSA 018	12.22	286.80
Interest on Fixed Deposit SIC	230,046.05	139,684.09
Interest on Dalax Investment	15,945.01	84,643.70
Interest on Fixed Deposit GCB Tafo	280,113.07	156,408.12
Interest on Fixed Deposit CBG	100,972.60	26,005.98
Interest on Investa Capital JSA	15,533.32	13,999.38
Interest on Investment GCB 118/051	5,685.69	1,144.27
Interest on Bank Savings - CBG	5,320.56	-
Interest on Barclays BankA/C	2,028.23	1,387.82
Interest on CUA CFF	62.50	23,974.00
	<b><u>656,404.37</u></b>	<b><u>449,142.00</u></b>
<b><u>4. Other Financial Income</u></b>		
Interest On Statutory Reserve	7,724.74	16,342.00
Commission on Mobile Money Operation	2,839.05	-
Dividend On Cua Shares	-	776.50
	<b><u>10,563.79</u></b>	<b><u>17,118.50</u></b>
<b><u>5. Non-Operating Income</u></b>		
Entrance Fee	4,450.00	5,520.00
Other Income - Residential Apartment	6,400.00	-
Other Income - Withdrawal Charges	5,593.82	15,655.97
Commission on LPP	9,417.81	-
Sale of Union Cloth	1,365.00	-
	<b><u>27,226.43</u></b>	<b><u>21,175.97</u></b>



**COCOA RESEARCH CO-OPERATIVE CREDIT UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

	<b>2021</b>	<b>2020</b>
	<b>GH ¢</b>	<b>GH ¢</b>
Interest on Member Savings	1,186,033.80	570,525.04
Interest on Fixed Deposits	-	7,696.58
	<b><u>1,186,033.80</u></b>	<b><u>578,221.62</u></b>

**7. Personnel Cost**

Staff Salaries	195,359.93	194,870.88
SSNIT contribution, part of CU	39,014.76	19,208.76
Medical Expenses	1,609.48	243.29
Staff Bonus	-	5,720.00
Contract Staff Allowance	1,200.00	900.00
Clothing Allowance	11,335.80	8,466.00
P.A.Y.E	27,685.12	21,587.92
Staff Over Time	1,239.00	2,180.00
C-CUP Contribution	41,652.18	13,511.03
Leave Allowance	4,400.00	-
	<b><u>323,496.27</u></b>	<b><u>266,687.88</u></b>

**8. Occupancy**

Repairs and Maintenance	5,350.00	8,459.00
Residential Apartment Repairs	2,962.00	-
Utilities	<u>15,890.00</u>	<u>9,562.50</u>
	<b><u>24,202.00</u></b>	<b><u>18,021.50</u></b>

**9. Organizational Cost**

CUA Dues	10,400.00	19,462.00
Donations	7,015.50	8,752.00
Protocol	16,353.00	8,334.20
Education & Training	88,015.51	52,977.60
Meeting Expenses	89,214.50	92,179.00
BOD/Committee Allowance	53,570.00	62,700.00
Chapter Building Levy	8,328.00	5,490.00
Annual General Meeting	45,050.00	18,714.60
Honorarium	32,976.12	41,550.00
Chapter Dues LEVY	8,328.00	-
Signatory/Treasurer	-	-
News Paper & Publication	8,285.80	-
Perdiem / Allowance for Official duty	16,740.00	-
Corporate Social Responsibility	11,647.89	-
ICU Day expenses	16,656.00	-
Promotion	28,105.00	9,900.83
Other Organisational Cost	-	2,222.60
	<b><u>440,685.32</u></b>	<b><u>322,282.83</u></b>





<b>11. Administration</b>		
Travelling and Transport	21,236.00	21,573.00
Bank Charges	11,310.35	26,621.10
Refreshment	252.00	8,913.00
Office Expenses	9,366.00	51,029.50
Communication & Postage	7,252.90	8,622.24
Office Supplies	1,226.50	550.00
Audit Expenses	10,573.09	13,985.00
Annual IT Maintenance Services	4,000.00	-
Printing and Stationery	9,221.30	19,817.68
Cusoft/Cumas Maintenance Fees	8,141.89	6,980.63
Miscellaneous Expenses	-	3,480.00
Covid-19 Preventive Expenses	7,544.70	8,040.00
Perdiem/Allowance for Official Duty	1,003.50	1,720.00
Repairs&Maintenance of Furniture /Fitting	1,823.00	4,525.00
KU Day Expenses	8,650.71	7,390.00
T/T for Board and Committee	-	2,130.00
DOC Renewal Fees	-	50.00
Detergents&Toiletries	4,741.00	540.00
Computer Installation&Repairs	-	2,376.00
Corporate Social Responsibility	-	6,500.00
Repairs Office Equipment	-	1,750.00
Counterfit	-	70.00
Car Maintenance Allowance	-	340.00
Fuel & Maintenance	-	12,450.00
Building Expenses	-	1,090.00
Depreciation on Non Current Assets	59,046.07	62,022.57
	<b>165,389.01</b>	<b>272,565.72</b>
<b>12. Allowance for Loan Losses</b>		
<i>Please see also note 23. Loan Loss Allowance</i>		
Increase in Allowance	-	167,558.00
	-	<b>167,558.00</b>



## COCOA RESEACH CO-OPERATIVE CREDIT UNION LIMITED

<u>NOTES TO THE FINANCIAL STATEMENTS</u>	<u>2021</u>	<u>2020</u>
	<u>GH ₵</u>	<u>GH ₵</u>
<b>13. Liquid Funds</b>		
Cash On Hand	2,903.00	-
<b>Subtotal Cash Balance</b>	<b>2,903.00</b>	<b>-</b>
GCB Current AC Bunso 532	59,945.05	536,546.63
GCB current Ac Tafo 634	73,035.63	70,534.72
Absa Bank Current AC	67,199.86	48,262.79
Electronic Cash	12,839.05	10,000.00
<b>Subtotal Bank Current Balance</b>	<b>213,019.59</b>	<b>665,344.14</b>
	<b>215,922.59</b>	<b>665,344.14</b>
<b>14. Liquid Investments</b>		
Treasury Bill - JSA GCB	31,565.12	28,647.78
Bank Savings CBG	1,012,582.05	38,544.89
GCB Savings 602 Bunso	5,061.39	30,590.27
Bank Savings JSA GCB 018	582.95	550.73
Fixed Deopsit- Delax	122,269.76	276,108.14
Cua Time Deposit	7,412.24	7,412.24
Fixed Deposit-SIC	1,435,723.08	1,345,677.03
CBG Fixed Deposit	-	1,022,082.20
Fixed Deposit GCB	1,851,703.91	2,150,421.61
Investa Capital Fund JSA	119,088.83	103,555.51
Central Finance Facility (CFF) Savings	639,621.64	634,297.32
	<b>5,225,590.97</b>	<b>5,637,887.72</b>
<b>15. Other Investments</b>		
CUA House Bond	491.80	491.80
CUA Statutory Reserves Deposit	280,656.89	223,244.65
CUA Shares	5,550.00	5,550.00
CUA Kasoa Training Centre Shares	7,964.00	7,964.00
	<b>294,662.69</b>	<b>237,250.45</b>
<b>16. Net Loans To Members</b>		
LOANS TO MEMBERS	12,948,927.05	9,620,070.74
<b>Subtotal: Total Loan Balance</b>	<b>12,948,927.05</b>	<b>9,620,070.74</b>
less: set aside	215,757.63	-
<b>Subtotal: Total Loan Balance</b>	<b>12,733,169.42</b>	<b>9,620,070.74</b>
less: Loan Loss Allowance	356,390.37	572,148.00
	<b>12,376,779.05</b>	<b>9,047,922.74</b>

**COCOA RESEACH CO-OPERATIVE CREDIT UNION LIMITED**

<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>2021</b>	<b>2020</b>
	<b>GH ₵</b>	<b>GH ₵</b>
<b>17. Other Current Assets</b>		
Staff loan / Salary Advance	630.00	-
Account Receivable other	712,701.16	110,567.69
Account Receivable CRMU	1,084.64	1,084.64
Interest Receivable	-	6,062.10
Loans to Members - Staff	-	8,412.26
Car Loan	27,341.44	33,572.30
Migration Difference	-	51,030.65
	<b>741,757.24</b>	<b>210,729.64</b>
<b>18. Other Current Liabilities</b>		
Audit Fees Payable	17,500.00	12,000.00
Stabilization Fund payable	153,411.53	111,101.55
SSNIT contribution payable	-	1,882.14
Glico Pension Trustee	577.09	577.09
Deferred rent income	12,800.00	-
	<b>184,288.62</b>	<b>125,560.78</b>
<b>19. Members Savings</b>		
Regular Savings	14,013,305.63	12,069,729.28
Junior Savings Account	90,021.84	-
<b>Subtotal: Total Regular Savings</b>	<b>14,103,327.47</b>	<b>12,069,729.28</b>
Junior Savings Account	-	70,126.40
	<b>14,103,327.47</b>	<b>12,139,855.68</b>
<b>20. Members Shares</b>		
MEMBER SHARES	962,035.46	644,130.13
	<b>962,035.46</b>	<b>644,130.13</b>



**COCOA RESEARCH CO-OPERATIVE CREDIT UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**21. Non Current Assets Schedule**

Description	Cost as at 1st July 2019	Disposal Cost	Additions	Balance/Cost as of 30th June 2020/ 1st July 2020	Additions	Balance as of 30th June 2021
<b>Property, Plant &amp; Equipment</b>						
Office Building	171,190.59			171,190.59		171,190.59
Office Equipment	50,137.37		38,417.50	88,554.87	0.00	88,554.87
Furniture & Fixings	59,007.41		1,100.00	60,107.41	0.00	60,107.41
Residential Apartment House	442,966.28		332,634.42	775,600.70	6,399.00	783,999.70
Computer and Accessories	93,345.84		6,329.50	99,675.34	4,040.00	103,715.34
<b>Subtotal Carrying Value of Property, Plant &amp; Equipment</b>	<b>816,647.49</b>	<b>0.00</b>	<b>378,481.42</b>	<b>1,195,128.91</b>	<b>12,439.00</b>	<b>1,207,567.91</b>
<b>Intangible Assets</b>						
Software	6,930.00			6,930.00		6,930.00
CUMAS Software			15,582.50	15,582.50		15,582.50
<b>Subtotal Carrying Value of Intangible Assets</b>	<b>6,930.00</b>	<b>0.00</b>	<b>15,582.50</b>	<b>22,522.50</b>	<b>0.00</b>	<b>22,522.50</b>
<b>Total Carrying Value of Non Current Assets</b>	<b>823,577.49</b>	<b>0.00</b>	<b>394,073.92</b>	<b>1,217,651.41</b>	<b>12,439.00</b>	<b>1,230,090.41</b>

**21. Non Current Assets Schedule (cont.)**

Depreciation/ Amortisation	Balance b/f as at 1st July 2019	Disposal Depreciation	Charge for the year	Balance/Balance b/f as at 30th June 2020/1st July 2020	Charge for the year	Balance as of 30th June 2021
<b>Property, Plant &amp; Equipment</b>						
Office Building	9,632.99		3,423.81	13,056.80	3,423.81	16,480.61
Office Equipment	40,895.78		22,138.71	63,034.49	22,138.71	85,173.20
Furniture & Fittings	18,477.46		6,010.74	24,488.20	6,010.74	30,498.94
Residential Apartment House	0.00		0.00	0.00	15,679.99	15,679.99
Computer and Accessories	73,824.00		25,850.31	99,674.31	2,047.31	101,721.62
<b>Subtotal Carrying Value of Property, Plant &amp; Equipment</b>	<b>142,830.23</b>	<b>0.00</b>	<b>57,423.57</b>	<b>200,253.80</b>	<b>49,300.56</b>	<b>249,554.36</b>
<b>Intangible Assets</b>						
Software	4,929.49		2,000.51	6,930.00	0.00	6,930.00
CUMAS Software			2,598.49	2,598.49	9,745.51	12,344.00
<b>Subtotal Carrying Value of Intangible Assets</b>	<b>4,929.49</b>	<b>0.00</b>	<b>4,599.00</b>	<b>9,528.49</b>	<b>9,745.51</b>	<b>19,274.00</b>
<b>Total Depreciation of Non Current Assets</b>	<b>147,759.72</b>	<b>0.00</b>	<b>62,022.57</b>	<b>209,782.29</b>	<b>59,046.07</b>	<b>268,828.36</b>
<b>Carrying Amount</b>	<b>675,817.77</b>	<b>0.00</b>	<b>332,051.35</b>	<b>1,007,869.12</b>	<b>-46,607.07</b>	<b>961,262.05</b>



## 22. Reserves

	Balance b/f	Ajustments	Appropriation	Balance
Statutory Reserve	1,069,807.79		243,429.41	1,313,237.20
Education Reserve	204,065.14	-76,229.57	97,371.76	225,207.33
Building Reserve	383,506.70			383,506.70
Operating Reserve	2,240,077.59	-228,622.23	632,916.45	2,644,371.81
<b>Total Reserve</b>	<b>3,897,457.22</b>	<b>-304,851.80</b>	<b>973,717.62</b>	<b>4,566,323.04</b>

## 23. Allowance For Loan Losses

Balance b/f	572,148.00
Less Write-offs (see below)	-215,757.63
<b>Subtotal</b>	<b>356,390.37</b>
Write -Offs	0.00
Increase In Allowance	0.00
<b>Allowance For Loan Losses</b>	<b>356,390.37</b>

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

Ageing Report	No. of loans	Loan Balance	%	Required Provision
current	0	12,527,626.35	1%	125,276.00
1-3months	0	100,969.59	10%	10,097.00
4-6months	0	23,464.23	30%	7,039.00
7-9months	0	53,057.94	80%	31,835.00
10-12months	0	28,051.31	100%	28,051.00
<b>Allowance For Loan</b>				<b>202,298.00</b>
Over 12months	0	215,757.63	set aside	215,757.63
<b>Total Loan Balance</b>	<b>0</b>	<b>12,948,927.05</b>		









OFFICE ACTIVITIES





## ADOPTION OF RESOLUTION

- **Dividend**

In pursuance with recommendations of the Board of Directors at this Annual General Meeting, a dividend of Twenty percent (20%) per the value of equity share held with the CRCCU is hereby being declared for the financial year ended June 30, 2021 and same be paid out of net surplus to members for the financial year ended June 30, 2021.

- **Amendment of By-Laws**

- **Presentation of Budget for 2022**



## REPORT FROM SUPERVISORY COMMITTEE 2020/2021

### INTRODUCTION

The Supervisory Committee is a three member elected committee responsible for the internal audit function of the Credit Union. The committee is mandated to certify that the Credit Union maintains the required mandatory standards which, ensure safety and soundness of the Credit Union. This was executed by ensuring that the Board of Directors, the Loans Committees and staff of the Cocoa Research Co-operative Credit Union Ltd. fulfilled respective functions properly. This mandate was exercised in accordance with the Credit Union Regulations and provisions of the Co-operative Societies Act 1963 (NLCD 252).

### COMMITTEE MEMBERS

The members of the committee are: Erica Sakyibea Agyebeng, Stephen Annor Tetey and Joseph Boatey.

### ACTIVITIES

During the year, the committee reviewed operations of the Credit Union in the following areas and made recommendations for improvements where necessary:

- Accounting Procedures
- Banks and Investments Reconciliations
- Loans Review
- Loan Delinquency review
- Committees Minutes, and
- Operational Activities

### GENERAL OBSERVATIONS

There was general adherence to established policies, procedures and internal controls. Compliance with related laws and regulations that govern Co-operative Credit Unions operations was adequate during the year.

### RECOMMENDATIONS

Recommendations were made where deemed necessary, the implementation of which resulted in improvements in the internal control environment thus, reducing the risk of loss to the Credit Union.

- The Loans Committee should beef up to recover loans repayment promptly by following up loans when the time for the repayment is due.
- The investment of funds should be done in approved and Accredited Institutions to avoid loss of funds.
- There should be means of transport which will transport the Cashier to and from Bank.



- Minutes should be taken during any form of Annual General Meeting (AGM).
- Internal Controls, regarding approval of loans, there should be thresholds as to how much the Loans Committee can recommend and approve, anything beyond must be approved by the Board.
- There should be regular changes of passwords on individual accounts to the Application Software.

### APPRECIATION

Finally, we thank members who afforded us the privilege to serve over the past year and we look forward to continually serve you better in the coming years.





## REPORT FROM LOANS COMMITTEE 2020/2021

### INTRODUCTION

The Credit Union has been in existence to help bring financial relief to its members in time of dire need. The Loans Committee, plays an important role in loans management and administration for, and on behalf of Cocoa Research Co-operative Credit Union (CRCCU). The Committee after being inaugurated, has been working on its core business of processing, appraising, recommending and granting of loans to improve on members' socio economic lives and also to stabilize the business gains of the Union.

During the period under review (June, 2020 – June, 2021), 1,211 out of 2,061 members, constituting 58.8% of the total membership were granted loans. A total amount of GH¢12,848,318.67 was given out as loans representing 64.84% of the Union's overall assets of GH¢19,815,974.59 as at 30th June, 2021. Net loans outstanding for the period under review stood at GH¢12,376,779.05, representing 62.5% of the Union's total assets.

The Loans Committee in close collaboration with the Office Staff has continued to reduce loan delinquency.

### CHALLENGES

Despite the successes attained in the year under review, it is also worth noting that the Loans Committee also had some challenges and among these are;

- **Partial Withdrawals of Savings**

It was realized that some members who applied for loans frequently came for savings withdrawals and vice versa, forgetting that their savings were used as security.

- **Dumping**

It was evidently clear that some members only saved colossal amount, only to come back in a short while to apply for loans

- Some loan requests from members far exceeded the stipulated savings contribution as enshrined in the by-law and the policy documents.

- **Loan Indebtedness**

The Loans Committee was much concerned about how some loan applicants were and are unable to repay their loans on timely basis especially, those that are not from the payroll system.



### SUGGESTION/RECOMMENDATION

The Education Committee must intensify their educational campaigns to make members understand the Union's operations, sensitize them on the need to minimize partial withdrawals and rather increase their savings and share portfolios.

### LOAN COMMITTEE MEMBERS

The Loans Committee members are:

- |    |                                  |           |
|----|----------------------------------|-----------|
| 1. | Mr. Peter Adonteng Boamah-Dankyi | Chairman  |
| 2. | Mr. Stephen Osafo Boateng        | Secretary |
| 3. | Mr. Anthony Agyapong             | Member    |





## REPORT FROM EDUCATION COMMITTEE 2020/2021

### THE EDUCATION COMMITTEE

The Education Committee was re-constituted during the year under review to continue with its mandate of educating existing and prospective members on the principles, operations, and benefits of the Credit Union. This was to increase the membership base of the Union. Three sub-committees namely; Internal Education Committee, Community Education Committee, and External Education Committee were consequently created to effectively execute this mandate.

The Internal Education Committee focused on educating CRIG staff at Tafo, whereas the Community Education Committee concentrated on providing education to non-CRIG staff within Tafo and its environs including market women, store keepers, commercial drivers and many other professional groups. The External Education Committee on the other hand educated members at the CRIG Sub Stations and Plantations at Afosu, Bunso, Bole, Worakese, Wantram and Acherensua/Mabang.

### ACTIVITIES CARRIED OUT DURING THE YEAR UNDER REVIEW

#### External Education Committee

The Committee embarked on education tour from 17th May – 21st May 2021 to the CRIG Sub-Stations (Bole, Afosu and Bunso) and Plantations (Wantram, Worakese, Acherensua/Mabang) to educate members on modalities to access loans, policies on savings and savings withdrawal, minimum shares, junior savings accounts, loan insurance and other operational activities of the credit union.

#### Internal Education Committee

The Committee interacted and educated staff of the Security Unit, the General Service Divisions, and field staff on the operations of the Credit Union in terms of modalities on how to access loans, policies on savings and savings withdrawal, minimum shares, junior savings accounts, loan insurance and other operational activities of the Credit Union. Concerns of members about loan deductions and delays in loan processing were addressed during the questions and answers time.

#### Community Education Committee

The Committee used the consumer relationship approach to educate existing and prospective members at Asiakwa, Akyem Asafo, Old Tafo and its environs on the operations of the Credit Union. The education centered on benefits and products of the credit union. Concerns of some prospective members about the sustainability and credibility of the Credit Union were addressed by the Committee.



## BUDGET FOR THE 18 MONTHS ENDING 31ST DECEMBER, 2022

	2021 (Half Year) GH¢	2022 (Full Year) GH¢	CONSOLIDATED GH¢
<b>INCOME</b>			
Interest on Loans	1,225,301.13	2,487,732.59	3,713,033.72
Interest on Liquid Investments	105,001.24	213,184.33	318,185.57
Other Financial Income	1,271.06	2,580.65	3,851.71
	1,331,573.43	2,703,497.57	4,035,071.00
Non Operating Income	15,207.44	30,875.71	46,083.15
<b>TOTAL INCOME</b>	<b>1,346,780.87</b>	<b>2,734,373.28</b>	<b>4,081,154.15</b>
<b>LESS EXPENDITURE:</b>			
Cost of Funds	558,491.77	1,133,907.53	1,692,399.30
Personnel Cost	281,874.22	572,290.08	854,164.30
Occupancy	14,678.40	29,801.60	44,480.00
Organizational	136,719.00	277,581.00	414,300.00
Security	22,212.29	45,097.69	67,309.98
Administration	47,523.81	96,487.73	144,011.54
Provision for Loan Losses	24,506.02	49,754.65	74,260.67
<b>TOTAL OPERATING EXPENSES</b>	<b>1,086,005.51</b>	<b>2,204,920.28</b>	<b>3,290,925.79</b>






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**SURPLUS** **790,228.36**

**Surplus  
Appropriation**

Statutory Reserves	25%	197,557.09
Other Reserves	75%	592,671.27
	<b>100%</b>	<b>790,228.36</b>

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**ASSETS**

Liquid Funds	<b>1,438,313.32</b>
Liquid Investments	5,178,963.30
Other Investments	394,662.69
Net Loans to Members	14,852,134.86
Other Current Assets	983,172.04
Non Current Assets	1,000,869.17
<b>TOTAL ASSETS</b>	<b>23,848,115.38</b>

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**Current Liabilities**

Other Current Liabilities	316,924.92
Member Savings	16,923,992.96
	<b>17,240,917.88</b>

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**EQUITY**

Members Shares	1,250,646.10
Reserves (Incl. Net Surplus)	5,356,551.40
	<b>6,607,197.50</b>

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**TOTAL LIABILITY  
AND EQUITY**

**23,848,115.38**

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JOIN CRCCU  
**NOW!!!**

Tel:  
**0342292400**

Email:  
**crccu2018@yahoo.com**

Website  
**www.crccugh.org**



**COCOA RESEARCH CO-OPERATIVE  
CREDIT UNION LTD**  
NEW TAFO AKIM