



# UMA SAVINGS & CREDIT COOPERATIVE SOCIETY LTD



## ANNUAL REPORT 2023

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## Who we are:

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### OUR VISION

A highly socio-economically empowered medical doctor in Uganda.



### OUR MISSION

To provide optimal and affordable financial services to medical doctors in Uganda for their socio-economic development.

## Our strategic objective



\* To mobilize savings and related services earning competitive rates of interest and minimizing financial risk on such funds



\* To provide loan services at costs allowing the society to cover costs and make a surplus



\* To provide any other necessary and legally authorized financial services demanded by the members

## UMA SACCO Biography

UMA SACCO is a saving and credit cooperative for medical doctors in Uganda which was registered on 12th November 2012, as number 10064/RCS, under the Uganda Cooperative Societies Act 1992 Cap 112 and the Amendment Act 2020 together with the Regulations made thereunder. Since then, it has steadily remained in business serving its members. In its day-to-day operations, it is guided by its registered by-laws. To ease implementation, the registered by-laws are further supported by policies and procedures made by the Board.

UMA SACCO has significantly grown its loan portfolio to 8.1 billion.



## Statement on Corporate Governance

UMA SACCO has a strong corporate governance framework for responsible and transparent operations to ensure the long-term success of the SACCO. The statement of corporate Governance consists of the guiding principles including the system rules, practices, and processes by which UMA SACCO operations are directed and controlled. It's run by elected board committee members

## UMA SACCO Organizational Structure

### Annual General Meeting

The AGM is the supreme decision-making body of UMA SACCO. It comprises registered members of the organization. The AGM's main responsibilities include electing members to the Board, Supervisory Committee, and Vetting Committee; reviewing and approving annual financial statements and reports, approving strategic plans, business plans, work plans, and budgets, as well as appointing external auditors.

### The Board

The Board is elected by the AGM to run the business on behalf of members. It is responsible for the strategic leadership of UMA SACCO and the recruitment and supervision of the management team. Other key responsibilities of the Board include formulation of appropriate policies, approving internal controls, safeguarding all assets of the organization, ensuring that proper accounting records are kept as well, and ensuring that annual financial statements are prepared, audited, and presented to the AGM. The current Board comprises of 9 members. For proper execution of its mandate, the Board constitutes Subcommittees.

### Supervisory Board

The Supervisory Committee is directly elected by the AGM. It comprises of three (3) members who are not members of the board or any other committee of UMA SACCO. Its key role is to verify and evaluate the work of officials who have been elected or hired to run UMA SACCO.

### Vetting Committee

This Committee was introduced under the Cooperative Amendment Act 2020 and is responsible for screening members interested in leadership positions.

### Management team.

The Management team which is led by the Manager who reports to the Board.

The structure is as per the Organogram below:



# Communication from the chairperson of UMA SACCO

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**Prof. Catherine Abbo Adito**  
CHAIRPERSON

Officials from the Ministry of Trade, Industry and Co-operatives (MoTIC),  
Representatives from UCSCU,  
Board Members, Patron, SUPBO, Vetting Committee,  
Dear UMA SACCO Cooperators,  
Ladies and Gentlemen,

I am honored to welcome you all to the 11th Annual General Meeting of UMA SACCO, as we gather here today to reflect on the accomplishments and challenges faced by our cooperative society in the fiscal year ending 2022/2023. It is with great pleasure that I present this report, highlighting our journey and achievements over the past year.

## **Obituary**

In the concluded financial year, we lost our dear cooperators;  
Dr. Najoma Joseph Wankonta UMAS00578 and Dr. Rashiidi Nturagye UMAS01102. They will be dearly missed.

Let's take a moment of silence for our deceased cooperators.  
May the Almighty God rest their souls in eternal peace.

## **UMA SACCO BACKGROUND**

2011- UMA SACCO was established as a resolution of the UMA AGM of 2011

November 2012- SACCO was registered as UMA Cooperative Savings and credit Society Limited.  
No.10064/RCS

September 2013- started lending as a fully-fledged SACCO

FY 2014/15- Commenced investment in treasury bills and bonds

## **Governance Structure**

The AGM – Supreme Organ

The Vetting Committee

The Supervisory Committee

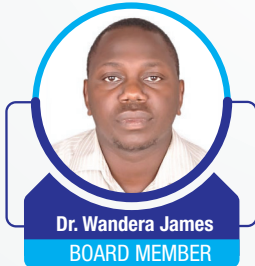
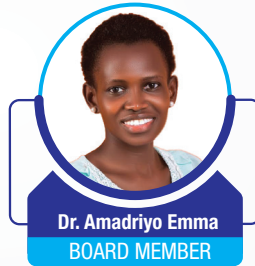
The UMA SACCO BOARD

THE COMMITTEES: LOANS, FINANCE AND INVESTMENT, HUMAN RESOURCE AND ADMINISTRATION,  
MARKETING, EDUCATION AND MOBILIZATION

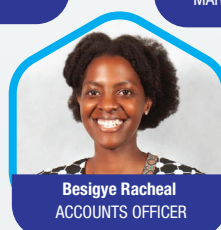
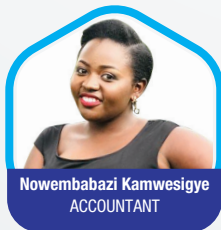




Board Members



Management



Co-option of members into the board. Co-option is the process by which an active SACCO member with cooperative qualities is appointed to the membership of a Board or committee by invitation of the existing members. The general purpose of co-option is to make sure board and committee activities do not stop because of lack of quorum. This practice of coopting that has been practiced since the formation of the UMA SACCO is premised on Article 39 of the constitution and bylaws. In 2016, a board member (Dr. Mina Nakawuka) left and I was co-opted and my name presented to the AGM of that year for endorsement. In 2017, another board member left the country and Dr Lorraine Oriokot was coopted and her name presented the AGM for endorsement. This year, I needed time off for health reasons. The Vice Chairperson, Dr Daniel Tumwine has been unavailable for personal reasons and has resigned with immediate effect (2nd October 2023). The board therefore agreed to coopt Dr Paul Kibenge and Dr Lillian Nabwire as members of the board. Allow me present these two members for AGM 2023 endorsement.

## A REMARKABLE REBOUND

I am excited to announce that UMA SACCO made a surplus in the concluded year 2022/2023.

The journey from a loss to surplus was not an easy one, but it was necessary to secure the future of UMA SACCO and the financial well-being of our members. Our bounce back to profitability was achieved through a series of strategic actions.

1) Enhanced Risk Management. We implemented rigorous risk assessment and management practices to reduce non-performing loans, ensuring that our loan portfolio remained healthy and sustainable. With this being done we were able to change the tides for the better. Bad loans started to reduce and we were able to register more repayments and less loan loss provisions this year.

2) Member Engagement. Our members played a vital role by demonstrating trust and resilience. Their continued deposits in

various terms, loan repayments and reaching out to other colleagues to honor their obligations, were instrumental in stabilizing our financial position.

## Financial Performance

UMA SACCO demonstrated financial stability and growth in the face of economic uncertainties. Our commitment to sound financial management has yielded positive results:

Our interest revenue for the fiscal year grew by 58% and our surplus reached over Ugx571 million, underscoring our ability to navigate challenges and generate sustainable returns.

## OPERATIONAL HIGHLIGHTS:

Our operational achievements during the year were pivotal in maintaining the SACCO's strong foundation:

### Share Capital and Equity

We registered increase in share capital by 20.4%. This reflects our focus on having a strong financial backbone to our SACCO.

## Membership Growth

We experienced a 14% increase in new member registrations, with our total membership now standing at 1,312 cooperators. This growth reaffirms our position as a trusted financial partner within the medical fraternity.

## Loan Portfolio

Our loan portfolio grew from Ugx 7.4 Billion to Ugx 8.1 Billion, reflecting an 8.6% increase. This showed our commitment to responsible lending practices within the industry standards, thanks to rigorous credit assessments and ongoing member support.

## Land for Members

UMA SACCO was able to secure 50 plots of residential land for our members in BusiikaBulemeezi. This adds to our previous estates where members are encouraged to acquire property for their developments.

## Risk Management

We continued to enhance our risk management strategies to protect the interests of our members. Strengthened



internal controls and risk mitigation measures have minimized operational risks and upheld our reputation for reliability. This has been possible with the introduction of quarterly internal audits to supplement the annual external audit.

## STRATEGIC INITIATIVES

UMA SACCO pursued strategic initiatives to drive innovation and relevance and they included:

### Digital Transformation

We launched a user-friendly mobile app MSACCO that provides members with seamless access to their accounts, loan applications, and transactions. Concurrently, we fortified our databases to ensure the safety of member data and transactions in the digital realm.

### Product Development

We are intensely looking into the various interests within our membership and weighing them with the possibilities to serve all members in their different categories. Key areas include loan products differentiation to meet the wide variety of the members' needs and circumstances, insurance products around health, education, last expense, among others.

### Regulatory Compliance

We diligently adhered to regulatory requirements throughout the year, ensuring that UMA SACCO's operations align with industry standards and best practices.

There has been a debate of the regulation of SACCOs under Tier 3, but the Board is closely monitoring the turn of events to see where the pronounced categorization places UMA SACCO for ease of compliance.

### Gratitude to our service providers:

Legal service: ASB Advocates  
Court Bailiffs: Matrix Advocates and Tukamuhebwa Nyago Agencies  
Landlord: Chrisams Building  
Security perfection: Solace Advocates  
Auditors: Augustus Associates Certified Public Accountants

## RECOGNITIONS

### Best saver

Dr. Atto Gladys, Dr. Piloya Thereza Were, Dr. Worodria William

### Best share purchases

Dr. Nabukenya Mary Gorreth, Dr. Karungi Kwesiga Brenda

### Best member referee

Dr. Fortunate Ambangira - 7 members  
Dr. Nanzira Racheal - 5 members  
Prof. Abbo Catherine Adito - 4 members  
Dr. Nahabwe Alone - 3 members

### Outstanding Loan payers

Dr. Kinengyere Patience and Dr. Ayiko Rogers

### Other Good Loan Payers

Dr. Bumba Derek, Dr. Mujuni Gerald, Dr. Namulema Edith, Dr. Joshua David Naloka, Dr. Kiyemba Ronald, Dr. Nakyeyune Jane Marion, Dr. Amate Anne, Dr. Namulema Suzan, Dr. Ojur Marcellino Orena, Dr. Twinomujuni Cyprian Katookye.

### Admission of New Members:

We believe you have made the best financial choice to join the UMA SACCO, make your membership count by actively saving on a regular basis, buying shares, attending financial literacy sessions, borrowing and paying back in time.

## PROPOSED DEFAULTERS TO BE SUSPENDED FROM THE SACCO

These are our members whom we are well known to us either by work or school and therefore it should be made known to all members that they need to prioritize repayment of their entire obligation with the SACCO.

These members' continued neglect of their obligations is causing losses to the rest of the SACCO members and this has led to the increase in loan provisions realized in the year.

**Despite our effort to recover from these members through reminders via email, SMS or call, sending demand notices to the defaulters and copying in the guarantors, handing over to court bailiffs, these**





**members have remained reluctant to settle their loan obligations.**

These members are the reason we were not able to declare dividends in the year 2021/2022

Implications for other financial institutions will be that these members will have a very poor crediting rating from UMA SACCO and so they will struggle to get credible lenders to take them on in their financial endeavors.

**OUTLOOK AND FUTURE PLANS**

As we celebrate our financial resurgence, UMA SACCO AT 10+1 Years, we remain focused on securing a prosperous future for UMA SACCO and our priorities include:

Sustainable Growth where we will continue to pursue a growth strategy that is sustainable and beneficial to our members with emphasis on collaboration and compliance in the uncertain regulatory environment.

Member-Centric Services that will enhance member services, ensuring that they have access to the financial tools and education needed to thrive.

Product Diversification to cater to the diverse financial needs of our members, the Board is reviewing a range of savings, credit/loans, insurance and investment products.

Advancing our digital capabilities to improve member experience and operational efficiency.

Expanding our financial education/literacy initiatives to empower members to make informed decisions.

Exploring strategic partnerships to broaden our service offerings and seize new growth

opportunities.

Bolstering the management team to provide services to our increasing membership in an effective and efficient manner.

**Investment:** SPV registered for one year now, needs dedicated members to move it forward.

I extend my heartfelt gratitude to our members for their unwavering trust and support. Members, do your part in building our SACCO.

I commend our dedicated staff for their hard work and commitment. I thank our Board of Directors for their wisdom and guidance, and I acknowledge the regulatory authorities for their oversight.

I am hopeful that we shall have a very enriching and insightful engagement on where we want our SACCO to be as we define the future of our socio economic empowerment.

Together, we have achieved remarkable results, and I am confident that our cooperative will continue to thrive, delivering value to all our stakeholders.

Finally, the vetting Committee and SUPBO needs to do more in future by interacting and briefing prospective Board members during their application time about their roles and expectations once elected to serve fellow Doctors. I believe this will be beneficial in making a strong elected UMA SACCO Board.

Thank you  
Prof. Catherine AbboAdito  
Chairperson, UMA SACCO  
30th September 2023



## Recognition of new members:

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UMA SACCO registered 162 new members in the last financial year giving us a total number of memberships of 1312.

### Recognition of UMA SACCO's best savers, loan payers, share purchaser and referees

UMA SACCO through the Chairperson expresses its appreciation to the best savers, share purchasers, and loan payers of the financial year 2022-2023.

The criteria for the best saver is the person saves every particular date of the month with a standing order, without missing and with a good amount.

Best share purchaser consistently buys shares with a significant amount on a monthly basis

The best referee has the highest number of members refereed in a year.

The outstanding Loan payers are those who pay their loans on time, buy shares, and save as well on a monthly basis.



# Supervisory Committee (SUPCO) Report



**Dr. Kadama Christina**  
CHAIRPERSON SUPCO

## **UMASACCO SUPBO REPORT TO THE UMASACCO AGM 30TH SEPTEMBER 2023**

### **SUMMARY:**

1. INTRODUCTION
2. UMASACCO OPERATIONS
3. MEMBERS
4. APPRECIATION

### **A. INTRODUCTION:**

- Good morning fellow cooperators!
- On behalf of SUPBO, and my own behalf, extend our heartfelt recognition and appreciation to all members, here present and those joining in online, for gracing this Annual General meeting (AGM) with your presence. SUPBO understands the value of your time and commitment to our cooperative.
- SUPBO acknowledges and thank the Chair of the BOARD, Prof Abbo, the Board members, and the dedicated management team for their unwavering efforts in sustaining UMASACCO throughout the year. In equal measure, SUPBO owes gratitude to the Governing bodies for their guidance since the inception of our cooperative, in 2012! You are all most warmly welcome to this AGM.
- Ladies and Gentlemen, your presence here today signifies your dedication to the success of UMASACCO, and SUPBO appreciate your continued support.

### **UMA SACCO Principal activity:**

Allow me to reiterate the core activity of UMASACCO, which is to provide our valued members with savings deposits and loan services, offering competitive interest rates, while minimizing financial risks associated with our savings.

As the Supervisory Board, our mandate as outlined in chapter 5 of our bylaws article 41, involves: -

- ensuring compliance with cooperative laws,
- internal controls,
- and oversight without intervening in administrative functions.
- SUPBO is responsible for verifying the accuracy of the SACCO financial condition.
- and ensuring administrative practices and procedures safeguard members rights and interests.

SUPBO is accountable to the AGM in line with our terms of office and method of work.

Allow me to introduce the members of SUPBO as elected at the AGM of 2019. Now serving the last one year.

Dr. Cecilia Nawavvu, Dr. Denson Nyabwana and Dr. Christina Kadama.

### **B. UMASACCO Operations:**

- Utilizing both onsite and offsite methods, SUPBO has conducted a thorough examination of UMASACCO's operations. We

are pleased to report that the BOARD and management have consistently followed the strategic and business plans, effectively addressing challenges as they arose.

- **Revenue:** UMASACCO has successfully diversified its income streams, fostered partnerships, and built confidence among members and financial institutions, including banks, UCSCU, and Enterprise Uganda, as well as leading Saccos in Uganda.

This approach has provided enhanced security for member funds and fostered significant fund growth, adapting to the changing financial landscape in the country. We recommend the urgent stratification of members to tailor products to the member diverse needs.

- **Digital Transformation:** UMASACCO has made significant strides in digital transformation, resulting in enhanced engagement among members and other financial institutions. It is essential to acknowledge that our competitors are also active in this arena. The BOARD has done well in maintaining a strong connection with members and potential members.

- SUPBO recommend that the BOARD continues to expedite the digitalization of a larger portion of UMASACCO operations, thus bringing services closer to members and increasing their confidence in our cooperative.

- **Risk Management:** The past year has seen substantial activity in areas such as policy review, formulation, membership education, management education, and vigilant oversight of office operations. SUPBO is of the view that more effort is required in understanding and collaborating with UMA as a corporate member of UMASACCO.

SACCO will then stand to benefit from the strengthening of its legal standing, particularly concerning property acquisition.

### **C. Members:**

UMASACCO's membership continues to grow. SUPBO cannot over emphasize the importance of deliberate efforts directed toward member quality, participation, and education, all aimed at enhancing the welfare of our members.

SUPBO strongly recommends stratification and ongoing education for members in cooperatives and finance.

### **D. Appreciation:**

As I come to the tail end of this report, I wish to express SUPBO sincere appreciation for:

- The opportunity to serve our mighty UMASACCO for the third consecutive year.
- The excellent working relationship with the BOARD, Management, all under the guidance of our founding Patron, prof D'arbella.
- The interactions with members as we collectively learn and grow amidst the evolving financial landscape in our country.
- UMA, UCSCU, and other governing bodies, as well as government institutions.
- Fellow SUPBO members, I have enjoyed how we have span each other's wheels to always find time for the SUPBO matters at the shortest notice.

Thank you for your attention, support and dedication to the success of UMASACCO. Together, we will continue to achieve greater heights in the cooperative movement. Where we have run short of your expectations, we promise to do better.

Thank you.  
Madam Chair, I submit 2023 SUPBO report.





**Norbert Aonu Okiror**  
MANAGER

Dear UMA SACCO Cooperators,  
Ladies and Gentlemen,  
I am pleased to present the annual management report for UMA SACCO for the year ended 30th June 2023. The report covers the growth realized in the year and the progress made towards achieving our strategic objectives for the year, providing insight into our financial performance, membership growth, loan portfolio, investments, equity, human resources, ICT capacity, and partnerships.

## **Membership**

By the end of June 2023, our membership had increased to 1,312 from 1,150 June 30, 2022. This shows a 14% increase in membership. However, this was short of the 500 members that we set out to recruit at the beginning of the year. The Education Marketing and Mobilization Committee (EMMC) has continued to explore avenues and strategies to increase our membership recruitment including unique products for the various members' needs, incentives for membership referrals and increased publicity of the SACCO activities among potential members.

## **Human Resource Development**

Our commitment to establishing and maintaining an efficient and effective

human resource force has resulted in improved Staff training and development programs. We are confident that our dedicated team will help us achieve our strategic goals.

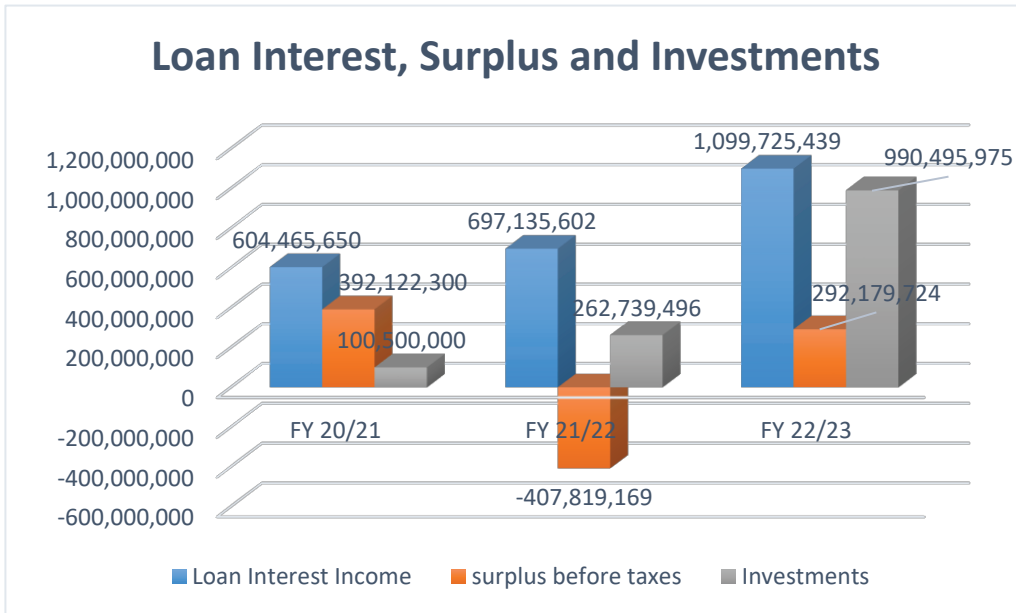
## **ICT Capacity Enhancement**

In line with our objective to enhance UMA SACCO's ICT capacity, we have invested in upgrading our systems and infrastructure. This will ensure that we can meet the current and future needs of our organization and members efficiently. In the past year we were able to integrate our operations with Savings Plus and MSACCO applications. This simplified the access to records which is very important in our daily operations.

## **Partnerships**

In pursuing the target of attracting and retaining best practice partners, we have made progress in building strategic partnerships that will benefit our members in the long term. We have started by reviewing our engagements with our mother organization the U.M.A, and also dived deep into maximizing opportunities from the UCSCU for our members, board and staff in the concluded year. We shall continue to explore opportunities in this area going forward.

## THE STRATEGIC HIGHS AND LOWS OF THE YEAR



### Investments

Our investments grew from UGX 0.2 billion to UGX 0.99 billion as of June 30, 2023. The SACCO is taking a cautious approach to ensure the safety and stability of our investments. This reflected 396.2% achievement of the strategic target set at the beginning of the year. The goal of UMA SACCO short term investments is to maximize earnings while maintaining liquidity for the SACCOs lending which is the core business of the SACCO.

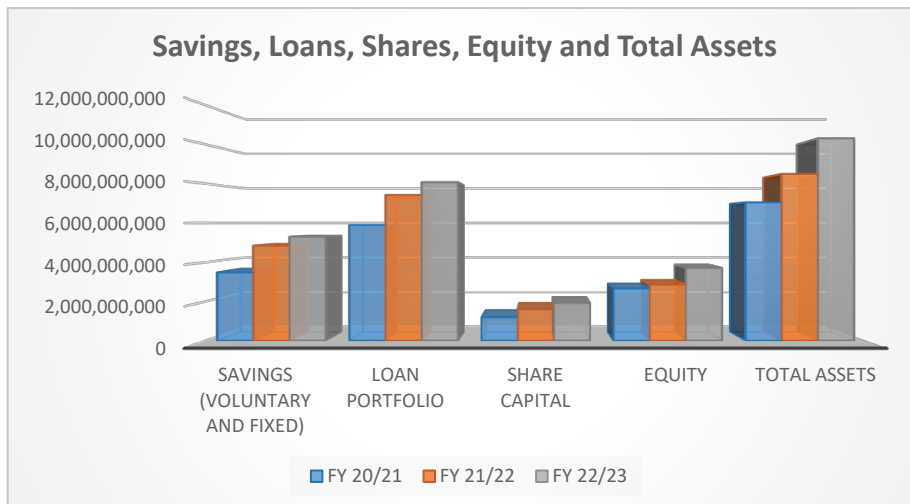
### Interest Income

The core activity of the SACCO is the provision of affordable loans at competitive rates. In the concluded year we were able to increase collections from the disbursed loans resulting into an annual income of Ugx 1 billion compared to Ugx 697 million collected in the previous year, registering a rate of 103.36% from our set target at the beginning of the year. the realization of this revenue was facilitated by the 30% collections from the chronic loans as reported during the previous AGM and the continuous repayments form the currently performing loans in the year.

### Annual Surplus

Due to the increased interest revenue from the loans and other investments, we were able to bounce back from Ugx 408 million deficit in the previous year to Ugx 292 million surplus after reserves as of 30th June 2023. On the behalf of the board and staff, I would like to thank all members who responded by honoring their loan obligations with the SACCO. This change in the collection rates for the chronic loans and stability of the currently performing loans led to a 139.13% achievement of the year's strategic targets.





### Savings Increase

Our savings increased from UGX 4.4 billion as of June 30, 2022, to UGX 4.8 billion by June 30, 2023 reflecting a 9.3% increase in the member’s voluntary savings. Our voluntary and fixed savings realized a 99.97% achievement compared to our strategic target.

### Loan Portfolio Growth

We achieved an 8.7% increase in the gross loan portfolio from UGX 7.4 billion to UGX 8.1 billion by June 30, 2023. This achievement demonstrates our commitment to providing financial assistance to our members. However, the stringent measures on loan assessment to minimize accumulating bad loans resulted into 94.35% loan disbursements as compared to the set target. The board is exploring modalities to continue making loans more obtainable to the good borrowers.

### Equity Growth

We have made significant progress in increasing our equity. As of June 30, 2023, our equity stood at UGX 3.7 billion, showing our members’ increased appreciation of the significance of capitalization of the SACCO. Our equity achieved 84.74% of the set target due to the loan loss provisions in the previous year which greatly weighed down on our retained earnings

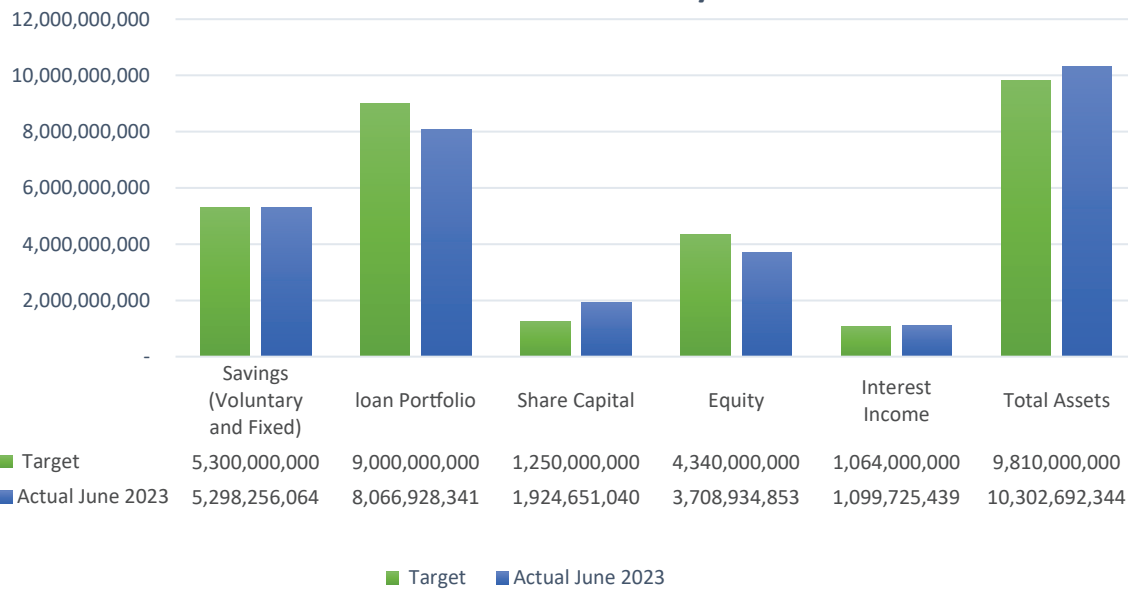
### Total Assets

We are proud to report that our total assets now stand at 10.3 billion. A testimony of our resolve to keep growing UMA SACCO so that every doctor can benefit from our services for socio-economic empowerment. This reflects 105.02% scoring on our strategic target.

During the year, UMA SACCO focused its efforts in the direction of the new strategic plan and progress was registered in all areas at various rates.



## Financial Performance 2022/2023



Despite achieving the greater part of our strategic targets, the management strives to register more growth in all areas through increased loan disbursements, improved revenue collection generated from loan repayments, and investment diversification.

Having come from a year of struggle in our overall loan performance, this is a sign that we are on the right track in the realization of our strategic objectives by 2027 as stated in our strategic plan 2022 – 2027.

### CHALLENGES FACED IN THE YEAR

#### Low Patronage

UMA SACCO is member-owned and member-used. It is therefore paramount that the members maximize the use of the SACCO. Member savings and share purchase were low in the year, and loan repayments did not come as expected especially from the chronic defaulters whom we have had from the past.

Out of the 1,312 members in the SACCO, 2,127 savings deposits were made yet if even only 1000 members saved each month, then we should have recorded 12,000 savings deposits/counts. Furthermore, the average monthly number of savers was only 177 members in the year.

For shares, we only realized 531 share capital deposits with an average of 44 purchases per month. When compared to our membership of over 1000 doctors, this is still a very low metric.

#### System Challenges

The late finalization of our system integration delayed the roll out of the member-account access platform which in turn delayed deposits mobilization during the year. However, after finally rolling out our member access portal, we received a low enrolment to the MSACCO platform with slightly over 300 members registered so far.

Member access was prioritized so that member can have real time tracking of their savings, shares and loan repayments and balances.

### FUTURE OUTLOOK 2024

Looking ahead, UMA SACCO remains committed to its mission of enhancing members' financial well-being through socio-economic empowerment. Key areas of focus are;





## Digital Access.

Popularizing the use of our new mobile-access platform for services. This will enable members to make deposits like savings, share purchase, repay loans and pay for any services from the SACCO at the comfort of their homes and work places. Continued digital innovation will enhance member-experience and streamline operations.

We have a dedicated desk and officer to help members navigate the registration process. I urge all members to reach out and get registered on MSACCO.

## Member profiling

Having grown to over 1,312 members, our member-needs have changed and understanding the various needs better will go a long way in the provision of relevant services to our cooperators.

During the profiling, more focus will be on the dormant members in the SACCO in a bid to reactivate their participation in UMA SACCO activities. The EMMC will be sharing a survey on these related efforts and the feedback will always be shared with the members.

## Member Recruitment and engagement

New member recruitment drives will be conducted in a bid to grow our membership and extend our services to the larger fraternity of medical doctors in Uganda.

This will be closely followed by continuous member-engagements through both online and offline literacy training on issues regarding financial growth, cooperation, personal credit and financial management. Financial education training empowers members to make informed financial decisions.

## Product Development and Reviews

UMA SACCO believes in diversity and it is necessary to have a wide range of products to meet the various needs of members. Management is therefore committed to reviewing and developing products to continue meeting these member needs.

**Strategic partnerships** to explore new growth opportunities and extend the range of services for our members. This is also one of the strategic areas in our strategic plan and the board and management will pay attention to all workable partnerships which bring benefits to our members. I call upon all our dear cooperators to respond in large number when called upon for such engagements with other private players in the space of cooperatives and entrepreneurship.

In **conclusion**, UMA SACCO has made significant strides in achieving its strategic objectives for the year 2023. Despite some areas where we did not meet our strategic targets, we are committed to continuous improvement and diligent efforts to reach our goals. We appreciate the support and trust of our members, and we look forward to another year of growth and success.

We extend our sincere gratitude to our dedicated members, committed staff, supportive Board of Directors, regulatory authorities, and all partners. Your unwavering support and collaboration have been instrumental in UMA SACCO's achievements.

We wish you a fruitful time ahead as you grow UMA SACCO.

Aonu Nobert Okiror



Manager  
UMA SACCO Ltd



**Dr. Geoffrey Erem**  
UMA SACCO TREASURER  
Academic Faculty and Senior Lecturer  
Department of Radiology, School of Medicine  
Makerere University

Thank you Chair, Professor Catherine Abbo for this opportunity to present the Treasurer's report 2023/2024 to the UMA SACCO Annual General Meeting of 2023.

I would like to welcome you all to the 11th Annual General Meeting of UMA SACCO. I thank you for your continued resilience and patronage to the UMA SACCO.

Over the past year, the SACCO made a net surplus before appropriations of **Ugx.571,295,785** from a deficit of Ugx **(407,819,169)**. This is attributed to the extensive efforts that have been aligned to recovery as well as improved expenditure management.

Permit me to proceed straight to the SACCO performance.

### **FINANCIAL PERFORMANCE OF FY2022/2023**

Loans and Advances to members.

The loan portfolio grew from 7.4 Billion in 2022 to 8 Billion in 2023, representing a favorable growth of 8.7%.

More efforts have been aligned to recovery and measures put in place for all Loan applications in line with the loan policy as amended to minimize the possibility of default.

As per the previous AGM resolution, the SACCO onboarded court bailiffs for the

recovery of the bad loans and the progress is promising. About 30% has been recovered from the previously critically bad loans.

The SACCO has onboarded the following Service providers regarding Loan and Loan recovery.

- Court Bailiffs – Tukamuhebwa Nyango Agencies & Matrix Advocates.
- Security Perfection – Solace Advocates.
- Land Valuation – Stanfield Partners, Pesh & Dean Ltd.

### **Member Savings**

In 2023, member savings (Voluntary & Fixed) grew to 5.2 Billion from 4.8 Billion in 2022, being 9.3% growth.

An applause to the savings challenge that has encouraged members to consistently save in groups. Savings Challenge managed to collect 385m January to December 2022 and has collected 105m January to June 2023

Our total savings were below target and this is mostly attributed to the fact that only 200 members save the required monthly minimum of Shs.100,000 consistently.

The SACCO leadership encourages all members to prioritize the SACCO through monthly saving as this gives the SACCO a better liquidity position to support the credit needs.

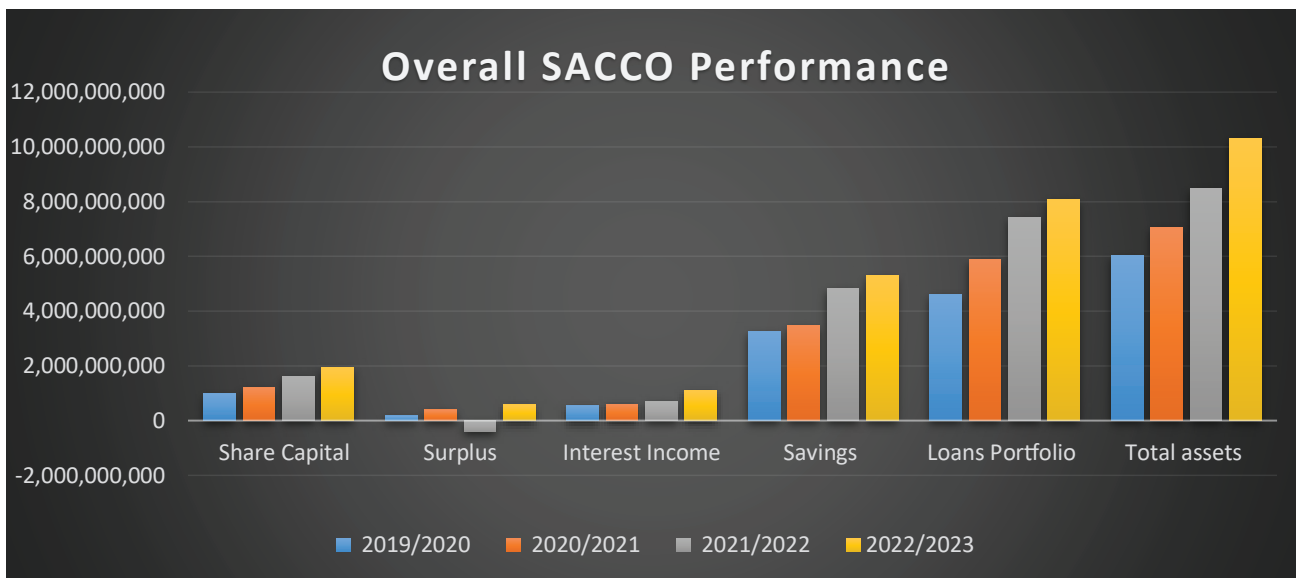


## Share capital

As of 30th June 2023, The SACCO had 19,246 ordinary shares of par value UGX 100,000. This represents authorized and fully paid share capital of 1,924,600,000 up from 1,598,200,000 at the end of 2022 representing a 20.4% growth. We encourage members to buy more shares in the SACCO as this is a worthwhile long-term investment but also provides us with funds for investments and asset growth.

## Overall SACCO Performance

Year	Share Capital	Surplus	Interest Income	Savings	Loans Portfolio	Total assets
2019/2020	981,400,000	177,010,543	543,190,675	3,237,413,312	4,597,514,254	6,047,067,811
2020/2021	1,199,400,000	392,122,300	604,465,650	3,477,724,454	5,899,210,034	7,046,563,619
2021/2022	1,598,251,040	-407,819,169	697,135,602	4,841,854,611	7,423,636,819	8,491,291,457
2022/2023	1,924,651,040	571,295,785	1,099,725,439	5,298,256,064	8,066,928,341	10,302,692,344
22/23 Growth percentage	20.4%	240.0%	57.7%	9.4%	8.7%	21.3%



## Revenue and Expenses

During the FY2023, UMA SACCO made interest income of UGX 1.3Bn compared to UGX 813M of FY 2022 which represents a 60% increase in interest Income over the last 12 months. In the same period, the Management & Operational expenditure increased from UGX 280M in FY2022 to UGX 367M in FY 2023 making a net increase of UGX 87M. This increase is due to the increased activity in the SACCO that has yielded better income compared to the past year as well as increased number in permanent Staff.

SACCO income and how it was spent in the year		
Item	Amounts	%age of income
Income for the year	1,352,770,111	
Interest on savings	287,050,932	21%
Operations	390,754,879	29%
Loan Provisions	103,668,516	8%
Reserves	107,727,325	8%
Building Fund	171,388,735	13%
Surplus after reserves	292,179,724	22%

### Chart representation of how SACCO income was spent in the year



- Interest on savings
- Operations
- Loan Provisions
- Reserves
- Building Fund
- surplus after reserves

**Improved liquidity position:** UMA SACCO’s cash and cash equivalent position improved greatly in 2023. The Board and Management took a deliberate, proactive and prudent approach to grow short term investments in money markets from UGX.262M in 2022 to UGX.990M in 2023 representing 277% growth.

This keeps the SACCO in a secure place regarding liquidity.

**Successful Investment Projects:** At the start of the year, the SACCO had the ongoing Namulonge project which was successfully sold off.

The Busiika Land project was also launched towards the end of the year and 43 plots out of 50 have been sold off.

The SACCO leadership is planning on more of such land products especially for the young doctors to support their start into the investment world.

### RECOMMENDATIONS

#### Savings Interest

Madam Chair, I propose that we maintain the interest of 5% on member’s mandatory savings.

#### Fixed Deposit Interest

The fixed Deposit Savings have shown a potential of growth.

I propose that in the new financial Year 2023/2024, Interest rates for fixed deposit accounts will be based on prevailing market interest rates.



**Dividends**

Madam Chair, I propose we pay out a dividend per share for the financial Year 2022/2023.

I propose that a rights issue is applied to avoid issues of 15% withholding tax on the dividends, however, in case a member needs cash dividend, it shall be done and a withholding tax effected.

**Loan Interest**

An interest rate of 15% reducing balance shall be maintained for the next financial year 2023/2024 and 2% per month on all emergency Loans.

**Investments:**

The SACCO leadership is committed to maintain short term investments in money markets to be safe as regards liquidity.

The Committee recommends that with the registration of the UMA SACCO SPV, House of Doctors Investments (HDI) Limited, the SACCO is looking more profitable investment ventures for the HD to operate.

**Assets**

Following the previous AGM resolution, the SACCO leadership is looking into different options available for the SACCO home acquisition in this financial year.

We also propose to a plan towards acquisition of a SACCO van in the next 2 to 3 years.

**Auditors**

Madam Chair, I would like to propose we maintain the auditors - Augustus Associates - for the next Financial Year 2023/2024.

**THANK YOU!**

**THE END!**

UMA SAVINGS AND COOPERATIVE SOCIETY LTD						
2022/2023 PERFORMANCE AND 2023/2024 PROPOSED BUDGET						
PARTICULARS	Approved 2022/2023 Budget	Actual Performance 2022/2023	VARIANCE	Proposed 2023/2024 Budget		Notes
<b>A INCOME</b>						
Interest on loans & Land	1,065,000,000.00	1,064,639,954.00	360,046.00	1,421,611,207.26		
Other Incomes	175,477,879.42	158,280,157.08	17,197,722.34	430,754,816.10		
<b>TOTAL INCOME</b>	<b>1,240,477,879.42</b>	<b>1,222,920,111.08</b>	<b>(17,557,768.34)</b>	<b>1,852,366,023.36</b>		
<b>B SUMMARY OF EXPENSES</b>						
Personnel expenses	169,580,000.00	143,737,143.00	25,842,857.00	211,468,000.00		
Operational expenses	120,097,800.00	170,444,013.00	(50,346,213.00)	187,024,200.00		
Governance expenses	95,020,000.00	53,568,100.00	41,451,900.00	125,720,000.00		
<b>Total Expenses</b>	<b>384,697,800.00</b>	<b>367,749,256.00</b>	<b>16,948,544.00</b>	<b>524,212,200.00</b>		
<b>Surplus before Interest &amp; provisions</b>	<b>855,780,079.42</b>	<b>855,170,855.08</b>	<b>(34,506,312.34)</b>	<b>1,328,153,823.36</b>		
Interest expenses	289,988,420.34	255,761,616.00	(34,226,804.34)	410,000,000.00		
<b>C Surplus before statutory provisions</b>	<b>565,791,659.08</b>	<b>599,409,239.08</b>	<b>(279,508.00)</b>	<b>918,153,823.36</b>		
Fixed Assets				432,800,000.00		
<b>UMA SACCO BUDGET INCOME NOTES</b>						
	<b>Approved 2022/2023 Budget</b>	<b>Actual Performance 2022/2023</b>	<b>VARIANCE</b>	<b>Proposed 2023/2024 Budget</b>		Notes
<b>INTEREST INCOME</b>	1,065,000,000.00	1,064,639,954.00	(360,046.00)	1,421,611,207.26		According to the draft strategic plan
<b>Other Incomes</b>			-			
<b>Loan Processing fees</b>	12,428,879.42	10,949,239.00	(1,479,640.42)	18,954,816.10		Based on expected disbursements in the year
<b>Short Term Investme</b>	66,600,000.00	93,854,553.00	27,254,553.00	110,000,000.00		Money Markets
<b>Entrance fees</b>	25,000,000.00	7,900,000.00	(17,100,000.00)	25,000,000.00		For 500 new members
<b>Annual subscription f</b>	47,800,000.00		(47,800,000.00)	65,000,000.00		As per members as at end of june 2023
<b>UMA</b>	3,600,000.00	5,000,000.00		4,800,000.00		400k per month
<b>Commission on land</b>	1,000,000.00	35,085,485.08	34,085,485.08	200,000,000.00		Based on Land sales coming up
<b>Branded items</b>	11,549,000.00	1,397,000.00	(10,152,000.00)	2,000,000.00		Net Income

	Medical Insurance	7,500,000.00	4,093,880.00	(3,406,120.00)	5,000,000.00	Net considered
	<b>Total Other Incomes</b>	<b>175,477,879.42</b>	<b>158,280,157.08</b>	<b>(18,597,722.34)</b>	<b>430,754,816.10</b>	
	<b>TOTAL INCOME</b>	<b>333,758,036.50</b>	<b>1,222,920,111.08</b>	<b>889,162,074.58</b>	<b>1,852,366,023.36</b>	
<b>2022/2023 PERFORMANCE AND 2023/2024 Proposed EXPENSE BUDGET</b>						
	<b>PARTICULARS</b>	<b>Approved Budget 2022/2023</b>	<b>Actual Performance 2022/2023</b>	<b>VARIANCE</b>	<b>Proposed 2023/2024 Budget</b>	<b>Notes - For Approved Budget amounts</b>
1.00	Finance costs					
	Interest on F/Savings	40,000,000.00	43,556,001.00	3,556,001.00	45,000,000.00	Based on current figures
	Interest on Savings	250,000,000.00	241,130,052.55	(8,869,947.45)	365,000,000.00	Based on strategic Plan
	Sub-total	290,000,000.00	284,686,053.55	(5,313,946.45)	410,000,000.00	
2.00	Personel Expenses			-		
	Salaries and Wages	130,800,000.00	115,542,857.00	(15,257,143.00)	169,080,000.00	Inline with HR policy
	Staff Transport	11,760,000.00	12,320,000.00	560,000.00	11,760,000.00	Inline with HR policy
	NSSF 10%	12,120,000.00	11,554,286.00	(565,714.00)	15,588,000.00	Inline with HR policy
	Staff medical expenses	4,900,000.00	4,320,000.00	(580,000.00)	5,040,000.00	Inline with HR policy
	Training	10,000,000.00	4,990,000.00	(5,010,000.00)	10,000,000.00	Inline with HR policy
	Sub-total	169,580,000.00	148,727,143.00	(20,852,857.00)	211,468,000.00	
3.00	Operational expenses			-		
	Stationary costs	4,577,000.00	2,553,200.00	(2,023,800.00)	5,800,000.00	Incremental Budget based on FY22/23 expenditure
	Office supplies	2,821,600.00	4,157,100.00	1,335,500.00	3,842,000.00	Incremental Budget based on FY22/23 expenditure
	Office equipment main	1,000,000.00	1,008,000.00	8,000.00	2,500,000.00	Incremental Budget based on FY22/23 expenditure
	Office Rent	21,240,000.00	21,240,000.00	-	21,240,000.00	Incremental Budget based on FY22/23 expenditure
	Transport expenses	8,400,000.00	2,576,900.00	(5,823,100.00)	2,400,000.00	Incremental Budget based on FY22/23 expenditure
	Communication Expen	7,000,000.00	2,540,598.00	(4,459,402.00)	2,000,000.00	Incremental Budget based on FY22/23 expenditure
	Internet	6,699,200.00	2,379,000.00	(4,320,200.00)	6,404,200.00	Incremental Budget based on FY22/23 expenditure
	External Audit	8,000,000.00	5,400,000.00	(2,600,000.00)	7,478,000.00	Incremental Budget based on FY22/23 expenditure
	Legal, Professional & C	7,000,000.00	9,877,700.00	2,877,700.00	28,400,000.00	Incremental Budget based on FY22/23 expenditure
	Transaction costs	14,000,000.00	14,957,567.00	957,567.00	14,000,000.00	Incremental Budget based on FY22/23 expenditure
	Loan recovery expenses		33,247,118.00	33,247,118.00	36,000,000.00	Incremental Budget based on FY22/23 expenditure

	Land related Expenses	1,000,000.00	16,722,500.00	15,722,500.00	10,000,000.00	Incremental Budget based on FY22/23 expenditure
	Branding (staff/corporate)	220,000.00	90,000.00	(130,000.00)	220,000.00	Incremental Budget based on FY22/23 expenditure
	General Welfare	2,150,000.00		(2,150,000.00)	2,150,000.00	Incremental Budget based on FY22/23 expenditure
	Marketing & Publicity	35,990,000.00	19,350,840.00	(16,639,160.00)	44,590,000.00	Incremental Budget based on FY22/23 expenditure
	Sub-total	120,097,800.00	136,100,523.00	16,002,723.00	187,024,200.00	Incremental Budget based on FY22/23 expenditure
4.00	Governance Expenses			-		
	Annual General Meeting	22,000,000.00	8,456,600.00	(13,543,400.00)	47,500,000.00	
	Board & Committee Costs	59,020,000.00	32,321,500.00	(26,698,500.00)	64,220,000.00	
	Annual Retreat	14,000,000.00	12,790,000.00	(1,210,000.00)	14,000,000.00	
	Sub-total	95,020,000.00	53,568,100.00	(41,451,900.00)	125,720,000.00	
	TOTAL EXPENDITURE	674,697,800.00	623,081,819.55	(51,615,980.45)	934,212,200.00	
	NET SURPLUS BEFORE CAPITAL BUDGET	(340,939,763.50)	599,838,291.53	940,778,055.02	918,153,823.36	
6.00	CAPITAL BUDGET					
	TOTAL CAPITAL BUDGET			-	432,800,000.00	



# Auditors Report



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## REPORT OF THE BOARD TO THE MEMBERS OF THE SOCIETY

### 1. Introduction

The Board is pleased to submit its report and the audited financial statements of UMA Co-operative Savings and Credit Society Limited (the society) for the year ended 30th June 2023 which discloses the state of affairs of the society for the year then ended.

### 2. Principle Activity

The SACCO's principal activity is to provide its members with savings deposits and loan services earning competitive rates of interest and minimizing the financial risk of such savings.

### 3. UMA SACCO's Mission

"To provide optimal and affordable financial services to medical doctors in Uganda for their socio-economic development"

### 4. The objectives of UMA SACCO are to:

- a) Mobilize savings and related services earning competitive rates of interest and minimizing financial risk on such funds.
- b) Provide loan services at interest rates allowing the society to cover costs and make a profit.
- c) Any other necessary and legally authorized financial services demanded by the members while pursuing her vision.

### 5. UMA SACCO Core values:

- Integrity
- Transparency
- Professionalism
- Teamwork

### 6. Results

The financial results for the year are shown on page 10.

### 7. Board Members

The members who served on the Board and various committees during the year ended 30th June 2023 are shown below:

No.	Name	Representation
1.	Professor Abbo Catherine Adito	Chairperson
2.	Dr. Tumwine Daniel	Vice chairperson
3.	Dr. Erem Geoffrey	Treasurer
4.	Dr. Ambangira Fortunate	Secretary
5.	Dr. Kisakye Ndagire Gloria	Board member
6.	Dr. Fauz Kavuma Juma	Board member
7.	Dr. Emma Amadriyo	Board member
8.	Dr. Mikago Peter	Board member
9.	Dr. Wandera James	Board member



## 8. Supervisory Committee

No.	Name	Representation
1.	Dr. Christina Kadama	Chairperson
2.	Dr. Cecillia Nawavvu	Member
3.	Dr. Denson Nyabwana	Member

## 9. Vetting Committee

No.	Name	Representation
1.	Dr. Juliet Nakku	Chairperson
2.	Dr. Anne Amate Magdalene	Member
3.	Dr. Samson Kamywa Lubowa	Member

## 10. Auditors

The Society's Auditors, Augustus Associates (Certified Public Accountants), being eligible, are willing to continue in office if re-appointed at the Annual General Meeting as auditors for the year ending 31 December 2023.



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**Secretary**

-----/-----/2023

## STATEMENT OF BOARD'S RESPONSIBILITIES

The Cooperative Societies Act Cap 112 (as amended) requires the Board to prepare financial statements for each year which show a true and fair view of the state of affairs of the society as at the end of the financial year. It also requires the Board to ensure that the society keeps proper books of account, which disclose with reasonable accuracy, at any time, the financial position of the society. They are also responsible for safeguarding the assets of the society.

The Board accepts the responsibility for the annual financial statements set out on pages 10 to 13, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments, and estimates, in conformity with International Financial Reporting Standard (IFRS) and in a manner required by the society's Byelaws, the Cooperative Societies Act cap 112 (as amended) and the Cooperative Societies Regulations 1992.

The Board members are of the opinion that the financial statements give a true and fair view of the state of affairs of the society and of its operating results. The Board further accepts the responsibility for maintenance of accounting records, which may be relied upon in the preparation of financial statements, as well as adequate system of internal control.

Nothing has come to the attention of the Board to indicate that the society will not remain a going concern for at least the next twelve months from the date of this statement.



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**Chairperson**

21/09/2023



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**Treasurer**

21/09/2023

## INDEPENDENT AUDITOR'S REPORT

### To the members of UMA Co-operative Savings and Credit Society Limited

#### Opinion

We have audited the financial statements of UMA Co-operative Savings and Credit Society Limited, which comprise the statement of financial position as at 30th June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the society as at 30th June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), and the requirements of the Cooperative Societies Act Cap 112 (as amended).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and Guidelines issued by the Institute of Certified Public Accountants of Uganda. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report (on the next page). We are independent of the society in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the society's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the society's financial reporting process.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the financial statements of the current period. Those matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KAM	How it was addressed
We focused on the audit of opening balances to ensure that correct opening balances were carried forward from the previous financial year.	We checked the prior year audited financial statement against the opening balances in the books of account for the year under audit.



## **Auditor's Responsibilities for the Audit of the financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Report on Other Legal and Regulatory Requirements**

As required by the Co-operative Societies Act 112 (as amended) and the Cooperative Societies Regulations 1992, we report to you based on our audit that:

- i) We have obtained all the information and explanations 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 society, so far as appears from our examination of those books; and

iii) The society's statement of financial position and statement of comprehensive income are in agreement with the books of account

iv) In our opinion the business administration of the society has been conducted efficiently, in accordance with cooperative principles and the auditing and accounting provisions of the Cooperative Societies Act; and in accordance with its objectives, byelaws and any other decisions made by the Annual General Meeting.

The engagement partner on the audit resulting in this independent auditor's report is CPA Kilama Tonny – P0382.



.....  
**CPA Kilama Tonny**

**Augustus Associates  
Certified Public Accountants  
Kampala**

**21/09/2023**



## STATEMENT OF COMPREHENSIVE INCOME

	Notes	30.06.2023 Shs	30.06.2022 Shs
Loan interest income	3	1,099,725,439	697,135,602
Interest expense	4	(287,050,932)	(255,764,616)
<b>Net interest income</b>		<b>812,674,507</b>	<b>441,370,986</b>
Other interest income	5	93,854,553	17,277,668
Fees and commissions	6	102,943,119	54,923,775
Other incomes	7	56,247,000	44,397,350
		<b>253,044,672</b>	<b>116,598,793</b>
<b>Gross operating income</b>		<b>1,065,719,179</b>	<b>557,969,779</b>
<b>Non interest expenditure</b>			
Increase in loan loss provision	12	103,668,516	685,576,736
Personnel costs	8	143,737,143	112,945,000
Governance costs	9	53,568,100	31,579,000
Administrative costs	10	193,449,636	135,688,212
<b>Total expenditure</b>		<b>494,423,395</b>	<b>965,788,948</b>
<b>Surplus before transfers to reserves</b>		<b>571,295,785</b>	<b>(407,819,169)</b>
<b>Less: Transfers to reserves</b>			
Education fund		(5,712,958)	-
Share transfer fund		(16,320,000)	-
Development fund		(28,564,789)	-
Statutory reserves		(57,129,578)	-
Tax fund		(171,388,735)	-
<b>Surplus after transfer to reserves</b>		<b>292,179,724</b>	<b>(407,819,169)</b>

(The financial statements on pages 10 to 13 should be read together with the related notes on 14 to 26)

These financial statements were approved by the Board on 21/09/2023, and were signed on its behalf by:



.....  
Chairperson



.....  
Treasurer

## STATEMENT OF FINANCIAL POSITION

	Note	30.06.2023 Shs	30.06.2022 Shs
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	11	522,381,166	958,479,287
Loan portfolio	12	7,239,324,673	6,699,701,667
Trade and other receivables	13	233,305,288	99,891,235
Short term investments	14	990,495,975	262,739,496
<b>Total current assets</b>		<b>8,985,507,102</b>	<b>8,020,811,685</b>
<b>Non-current assets</b>			
Property and equipment	15a	627,410,453	462,479,772
Intangible assets	15b	12,585,600	8,000,000
Land held for sale		677,189,189	-
<b>Total non-current assets</b>		<b>1,317,185,242</b>	<b>470,479,772</b>
<b>Total assets</b>		<b>10,302,692,344</b>	<b>8,491,291,457</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Members share capital		1,924,651,040	1,598,251,040
Statutory reserve fund		150,629,120	93,499,542
Share transfer fund		169,296,012	175,310,052
Development fund		74,773,141	46,208,352
Education fund		18,229,836	12,516,878
Retained earnings		(38,569,722)	(304,583,336)
Donated capital		1,020,000,000	1,020,000,000
Supervision fund		900,000	900,000
Tax savings fund		289,025,425	117,636,690
Revaluation surplus		100,000,000	100,000,000
<b>Total equity</b>		<b>3,708,934,853</b>	<b>2,859,739,218</b>
<b>Current liabilities</b>			
Member voluntary savings	17	4,822,601,051	4,412,299,598
Member fixed savings	18	475,655,013	429,555,013
Trade payables	19	1,051,508,135	572,297,704
Other payables	20	243,993,292	217,399,924
<b>Total non-current liabilities</b>		<b>6,593,757,491</b>	<b>5,631,552,239</b>
<b>Total equity and liabilities</b>		<b>10,302,692,343</b>	<b>8,491,291,457</b>

(The financial statements on pages 10 to 13 should be read together with the related notes on 14 to 26)

These financial statements were approved by the Board on 21/09/2023, and were signed on its behalf by:



Chairperson



Treasurer



## STATEMENT OF CHANGES IN EQUITY

Particulars	Members	Statutory	Share	Education	Developmen	Donated	Revaluation	Tax savings	Supervision	Retained	Total
	Share capital	reserve fund	transfer fund	fund	t fund	capital	reserves	fund	fund	earnings	Shs
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Balance as at 1.07.2022	1,598,251,040	93,499,542	175,310,052	12,516,878	46,208,352	1,020,000,000	100,000,000	117,636,690	900,000	(304,583,336)	2,859,739,218
Retained earnings	-	-	-	-	-	-	-	-	-	571,295,785	571,295,785
New shares issued	326,400,000	-	-	-	-	-	-	-	-	-	326,400,000
Movement in statutory reserves	-	57,129,578	-	-	-	-	-	-	-	(57,129,578)	-
Movement in share transfer	-	-	16,320,000	-	-	-	-	-	-	(16,320,000)	-
Transfer from share transfer fund	-	-	(22,334,040)	-	-	-	-	-	-	-	(22,334,040)
Movement in Educ. Fund	-	-	-	5,712,958	-	-	-	-	-	(5,712,958)	-
Movement in Development fund	-	-	-	-	28,564,789	-	-	-	-	(28,564,789)	-
Movement in tax fund	-	-	-	-	-	-	-	171,388,735	-	(171,388,735)	-
Prior year audit adjustment	-	-	-	-	-	-	-	-	-	(26,166,110)	(26,166,110)
<b>Balance as at 30.06.2023</b>	<b>1,924,651,040</b>	<b>150,629,120</b>	<b>169,296,012</b>	<b>18,229,836</b>	<b>74,773,141</b>	<b>1,020,000,000</b>	<b>100,000,000</b>	<b>289,025,425</b>	<b>900,000</b>	<b>(38,569,722)</b>	<b>3,708,934,853</b>

(The financial statements on pages 35 to 38 should be read together with the related notes on 39 to 50)

## STATEMENT OF CASHFLOWS

	30.06.2023 UGX	30.06.2022 UGX
<b>Cash flows from operating activities</b>		
Surplus/(Deficit) before tax	571,295,785	(407,819,169)
<b>Adjustments for:</b>		
Depreciation expense	7,847,223	4,534,560
Amortization	1,398,400	1,000,000
Increase in loan loss provision	103,668,516	685,576,736
Accum depreciation of disposed asset	8,000,000	-
<b>Surplus before working capital changes</b>	<b>692,209,923</b>	<b>283,292,127</b>
<b>Working capital changes</b>		
(Increase)/Decrease in loan portfolio	(643,291,522)	(1,524,426,785)
(Increase)/Decrease in voluntary savings	410,301,453	1,234,230,156
(Increase)/Decrease in receivables	(133,414,053)	(80,785,243)
Increase /(Decrease) in payables and accruals	479,210,431	4,218,082
Increase/(Decrease) in fixed savings	46,100,000	129,899,999
Increase/(Decrease) in other payables	26,593,368	(117,887,064)
Prior year adjustment	(26,166,110)	103,235,833
<b>Cash generated from operations</b>	<b>851,543,490</b>	<b>31,777,105</b>
Tax paid	-	-
<b>Net cash from/(into) operating activities</b>	<b>851,543,490</b>	<b>31,777,105</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(172,777,903)	(112,350,000)
Purchase of software	(13,984,000)	-
Short term investments	(727,756,479)	(162,239,496)
Purchase of land	(677,189,189)	-
<b>Net cash from/(used) in investing activities</b>	<b>(1,591,707,571)</b>	<b>(274,589,496)</b>
<b>Cash flows from financing activities</b>		
Proceeds from members' share contributions	326,400,000	398,850,000
Revaluation reserve	-	100,000,000
Transfer from share transfer fund	(22,334,040)	-
<b>Net cash from/(used) in financing activities</b>	<b>304,065,960</b>	<b>498,850,000</b>
<b>Net movement in cash and cash equivalents</b>	<b>(436,098,121)</b>	<b>256,037,609</b>
Cash and cash equivalents at the beginning of the year	958,479,287	702,441,678
<b>Cash and cash equivalents at end of the year</b>	<b>522,381,166</b>	<b>958,479,287</b>

(The financial statements on pages 35 to 38 should be read together with the related notes on 39 to 50)



## NOTES TO THE FINANCIAL STATEMENTS

### 1.1 The accounting entity

UMA Co-operative Savings and Credit Society Limited (the society) was registered with the Registrar of Cooperative Societies on the 12th November 2012 as a Cooperative Savings and Credit Society.

### 1.2 Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all year's presentation unless otherwise stated.

#### (a) Basis of Presentation

The financial statements are prepared under the historical cost convention. The accounting and reporting policies are in accordance with International Financial Reporting Standards.

The financial statements are prepared on an accrual's basis. Under this basis, transactions are recognized when they occur, not when cash is received or paid.

The preparation of the financial statements is in conformity with International Financial Reporting Standards requires estimates and assumption that affect the reported amounts of assets and liabilities at the date of financial statement and reported amounts of revenues and expenses during the reporting Year. Although those estimates are based on Mukono Inspired Teachers SACCOs best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The SACCO meets its day-to-day obligations from its current assets. On this basis, the Board considers it appropriate to prepare the financial statements on a going concern basis which assumes that the company will be in operational existence for foreseeable future.

#### (b) Statement of compliance

The financial statements of the SACCO have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of Co-operative Societies Act Cap 112 (as amended) and the Cooperative Societies Regulation 1992.

### New or revised Standards or Interpretations

#### (i) New and amended standards and interpretations in issue but not yet effective for the Period ended 31 December 2022.

Changes from the following new or revised standards and interpretations, amendments to existing standards and interpretations and improvements to IFRSs that were effective for the current reporting period did not have material impact on the accounting policies, financial position or performance of the Society.

Standard	Effective date	Impact on the society's financial statements
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022	None
COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendments to IFRS 16)	1 January 2022	None
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022	None
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022	None
Annual Improvements to IFRS Standards 2018 – 2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41)	1 January 2022	None

These amendments do not have a significant impact on the financial statements and therefore the required disclosures have not been made.

**(ii) New and amended standards and interpretations in issue but not yet effective for the Period ended 31 December 2023.**

Standards and interpretations that are not yet effective and have not been adopted early by the Society include:

Pronouncement	Effective date
IFRS 17 'Insurance Contracts'	1 January 2023
Amendments to IFRS 17 Insurance Contracts (Amendments to IFRS 17 and IFRS 4)	1 January 2023
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
Deferred Tax Related to Assets and Liabilities Arising from a Single Transactions (Amendments to IAS 12)	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1)	1 January 2023
Definition of Accounting Estimates (Amendments to IAS 8)	1 January 2023

These amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore the disclosures have not been made.

**(c) Accounting Policy**

The financial statements are prepared under the historical cost convention and accrual basis.

**(d) Going concern**

Nothing has come to the attention of the Board to indicate that the Society will not remain a going concern for at least the next twelve months from the date of this report. Therefore, the financial statements have been prepared on a going concern basis.



**(e) Key sources of estimation uncertainty**

In determining the depreciation rates management must make an estimate of the useful life of property and equipment; and whether property and equipment are impaired. Estimates are also made by management in determining the recoverable amounts of receivables, accounts payable and loan loss provision.

**(f) Revenue recognition**

Revenue mainly comprises of interest earned from loans advanced to members and other incomes such as Bank interest, fees and commissions e.t.c.

Interest income on loans and advances is accrued by reference to time in relation to the principle outstanding using effective interest rate applicable.

Fees and commissions and other income are recognized when the right to receive income is established.

Interest income on fixed deposit is recognized net of tax.

**(g) Expenditure recognition**

Expenditure is recognized when it is incurred.

**(h) Accounts payable.**

Accounts payable are recognized at fair value.

**(i) Accounts receivable.**

Accounts receivable are recognized at fair value.

**(j) Property and equipment**

All property and equipment are initially recorded at cost.

Depreciation is calculated on a straight-line basis to write off the cost of property and equipment to their residual value over their useful lives at the following annual rates:

Particulars	Rates
Computers and accessories	25%
Equipment	20%
Accounting software	25%
Furniture and fittings	12.5%
Safe	5%



Gains or losses on the sale of property and equipment are recognized upon disposal of such assets.

Maintenance and repairs that do not extend the useful lives of assets are expensed in the year in which they are incurred.

#### **(k) Cash and cash equivalents**

Cash and cash equivalents represent balances of cash at hand, bank and comparable liquid assets.

#### **(l) Dividends and Interests**

Interest paid on savings is 5% per annum while interest on share capital is 6% on share balance. Patronage bonus is calculated at 60% of the surplus while incentive bonus and dividends on share at 20% each.

#### **(m) IFRS 9 Financial instruments**

IFRS 9, as issued in July 2014, reflects the completion of all the phases of the IASB's work on the replacement of IAS 39 and applies to the classification and measurement of financial assets and financial liabilities, impairment as well as hedge accounting.

### **Classification and measurement of financial instruments**

#### **• Financial assets**

Financial assets are measured at amortised cost, fair value through profit or loss, or fair value through other comprehensive income, based on both the entity's business model for managing the financial assets and the financial asset's contractual cash flow characteristics.

Equity securities are measured at fair value through profit or loss unless the entity chooses, on initial recognition, to present fair value changes in other comprehensive income (OCI). This option is irrevocable and applies only to equity instruments, which are not held for trading. Unlike debt instruments, gains and losses in OCI are not recycled on sale and there is no impairment accounting. Derivatives are also measured at fair value through profit or loss. In comparison to IAS 39, there is no divergence of embedded derivatives for financial assets recorded at amortised cost or FVOCI. The de-recognition principles in terms of IAS 39 remain the same in IFRS 9.

#### **• Financial liabilities**

For liabilities designated at fair value through profit and loss, the change in the fair value of the liability attributable to changes in credit risk is presented in OCI. All other classification and measurement requirements in IAS 39 have been carried forward into IFRS 9.

#### **• Impairment of financial assets**

The expected credit loss model applies to debt instruments recorded at amortised cost or at fair value through other comprehensive income (such as loans, debt securities and trade receivables), lease receivables and most loan commitments and financial guarantee contracts.

Entities are required to recognize either 12-month or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition.

The measurement of expected credit losses would reflect a probability-weighted outcome, the time value of money and reasonable and supportable information.

Effective date and transition

The standard applies to annual periods beginning on or after 1st July 2019.

Loan loss provision was provided at was provided using the table below.



LOAN AGIENG	PERCENTAGE	NO. OF MEMBERS	AMOUNT	PROVISIONS
0 days	0%	98	5,233,618,090	-
1-30 days	5%	42	1,193,978,810	59,698,940
31-60 days	10%	22	618,537,658	61,853,766
61-90 days	25%	20	289,859,820	72,464,955
91-120 days	50%	13	111,031,293	55,515,647
121-180 days	75%	14	46,955,556	35,216,667
above 180 days	100%	51	542,853,693	542,853,693
<b>total</b>		260	8,036,834,921	827,603,668
			<b>previous year</b>	<b>723,935,152</b>
<b>loan portfolio</b>			<b>increase</b>	<b>103,668,516</b>

## (n) Taxation

### Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authority. The rate of income tax that will be applied in measuring the current tax shall be the statutory 30% in accordance with the Income Tax Act (1997) of Uganda.

With effect from 1 July 2019, the Government of Uganda amended the Income Tax Act 1997 and gave SACCOs a ten-year tax exemption.

### (o) Statutory reserves

The Cooperative Societies Act Cap 112 (as amended) and Cooperative Regulations 1992 require the SACCO to provide for the following statutory reserves:

Reserve	Rate	Basis	Reference	Comments
Education fund	1%	Annual surplus	Sec. 49 of Coop. Societies Act	Implemented because the SACCO made a surplus.
Share transfer fund	5%	Share capital	Reg. 43 of Coop. Societies Regulations	Implemented because the SACCO made a surplus.
Development revolving fund	5%	Annual surplus	Reg. 36 of Coop. Societies Regulations	Implemented because the SACCO made a surplus.
Statutory reserve fund	10%	Annual net surplus	Reg. 34 of Coop. Societies Regulations	Implemented because the SACCO made a surplus.

**(p) Savings**

These comprise of both compulsory and voluntary savings by members.

**(q) Investments**

For the purpose of cashflow, cash and cash equivalents comprise of cash at hand and Bank.

**(r) Cash and Bank**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

**(s) Comparatives**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.





	<b>Year ended 30.06.2023 Shs</b>	<b>Year ended 30.06.2022 Shs</b>
<b>3. Loan interest income</b>		
Interest from loans	1,099,725,439	697,135,602
	<b>1,099,725,439</b>	<b>697,135,602</b>
<b>4. Interest expense</b>		
Interest on fixed deposits	43,556,001	36,089,433
Interest on voluntary savings	243,494,931	219,675,183
	<b>287,050,932</b>	<b>255,764,616</b>
<b>5. Other interest income</b>		
Interest from link Bank	-	2,822,933
Interest from ICEA Trust Fund	93,854,553	14,454,735
	<b>93,854,553</b>	<b>17,277,668</b>
<b>6. Fees and commission income</b>		
Membership fees	7,900,000	9,650,000
Loan processing fees	10,949,239	10,570,072
Medical insurance-insurance	4,093,880	6,480,000
Commission on land loans	80,000,000	28,223,703
	<b>102,943,119</b>	<b>54,923,775</b>
<b>7. Other income</b>		
Annual subscription	49,850,000	41,500,000
Mobile money withdrawal fees	-	172,350
Sale of T-shirts	1,397,000	225,000
UMA Rent contribution	5,000,000	2,500,000
	<b>56,247,000</b>	<b>44,397,350</b>
<b>8. Personnel expenses</b>		
Salaries and wages	115,542,857	102,222,727
Staff welfare	4,320,000	330,000
NSSF 10%	11,554,286	10,392,273
Staff transport refund	12,320,000	-
	<b>143,737,143</b>	<b>112,945,000</b>
<b>9. Governance costs</b>		
Committee facilitation	32,321,500	21,970,000
Committee expense	12,790,000	7,412,000
AGM costs	8,456,600	2,197,000
	<b>53,568,100</b>	<b>31,579,000</b>

<b>10. Administrative costs</b>		
Transport	2,576,900	8,397,273
Income tax penalty	-	13,000,000
Land related expenses	16,722,500	2,268,000
Insurance premium	29,353,490	31,829,976
Loan expenses	33,247,118	-
Office rent	21,240,000	8,040,000
Office supplies	2,357,100	1,463,099
Office cleaning	1,800,000	800,000
Printing and stationery	2,553,200	2,616,199
Transport and travel	-	1,841,250
Bank charges	2,122,273	1,868,141
Mobile money charges	12,835,294	15,314,393
Professional and consultancy fees	5,227,700	10,589,906
Repairs and maintenance	1,008,000	2,982,000
Communication expenses	1,202,000	730,000
Internet	3,717,598	1,070,000
Utilities	3,760,000	780,000
Training expenses	4,990,000	1,600,000
UCSCU contributions	1,500,000	-
Corporate wear	90,000	-
Recruitment expenses	1,920,000	-
Office expenses	-	330,000
Condolences	-	37,000
Hand over costs	-	2,210,000
Retreat expenses	-	5,202,000
Marketing and publicity	17,430,840	1,700,000
Audit fees	5,400,000	3,000,000
Amortisation charge	1,398,400	1,000,000
Legal fees	3,150,000	-
Suspense	-	12,484,415
Depreciation	7,847,223	4,534,560
Write-off of obsolete software	10,000,000	
	<b>193,449,636</b>	<b>135,688,212</b>
<b>11. Cash and Bank balances</b>		
Cash at hand	35,400	5,442,200
Stanbic Bank	301,735,046	224,874,435
Centenary Bank	154,156,291	627,601,747
MTN mobile money	51,706,982	73,635,305
Airtel money	14,747,447	26,925,600
	<b>522,381,166</b>	<b>958,479,287</b>



<b>12. Loan portfolio</b>		
Gross portfolio	8,066,928,341	7,423,636,819
Less: provision for loan loss	(827,603,668)	(723,935,152)
<b>Net loan portfolio</b>	<b>7,239,324,673</b>	<b>6,699,701,667</b>
<b>13. Trade and other receivables</b>		
Receivable from UMA	17,980,000	15,140,000
Special purpose vehicle	1,766,500	1,016,500
Prepaid rent	8,080,000	8,080,000
Land fees receivable	78,000,000	28,200,000
Receivable from ICEA	120,548,788	14,454,735
Receivable from Med Insurance	6,930,000	33,000,000
	<b>233,305,288</b>	<b>99,891,235</b>
<b>14. Short term investments</b>		
ICEA Trust Fund	989,995,975	262,239,496
UCSCU	500,000	500,000
	<b>990,495,975</b>	<b>262,739,496</b>

### 15a. Property and equipment

Particulars	Leasehold	Safe	Office	Furniture and	Office	Total
	land		equipment	fittings	Computers	
	Shs	Shs	Shs	Shs	Shs	
<b>Cost</b>						
At 1.07.2022	446,000,000	7,600,000	10,741,550	4,250,000	5,900,000	<b>474,491,550</b>
Additions	154,176,603	-	-	10,701,300	7,900,000	<b>172,777,903</b>
Disposal	-	-	-	-	-	-
<b>At 30.06.2023</b>	<b>600,176,603</b>	<b>7,600,000</b>	<b>10,741,550</b>	<b>14,951,300</b>	<b>13,800,000</b>	<b>647,269,453</b>
<b>Depreciation</b>						
At 1.07.2022	-	1,700,000	6,182,038	2,654,740	1,475,000	<b>12,011,778</b>
Disposal	-	-	-	-	-	-
Charge for the year	-	380,000	2,148,310	1,868,913	3,450,000	<b>7,847,223</b>
<b>At 30.06.2023</b>	<b>-</b>	<b>2,080,000</b>	<b>8,330,348</b>	<b>4,523,653</b>	<b>4,925,000</b>	<b>19,859,001</b>
<b>Net Book Value</b>						
<b>At 30.06.2022</b>	<b>446,000,000</b>	<b>5,900,000</b>	<b>4,559,512</b>	<b>1,595,260</b>	<b>4,425,000</b>	<b>462,479,772</b>
<b>At 30.06.2023</b>	<b>600,176,603</b>	<b>5,520,000</b>	<b>2,411,202</b>	<b>10,427,648</b>	<b>8,875,000</b>	<b>627,410,453</b>
Depreciation rate	0%	5%	20%	13%	25%	

**15b. Software**

	<b>30.06.2023</b>	<b>30.06.2022</b>
Cost	13,984,000	10,000,000
Accumulated amortization	-	(2,000,000)
Write-off Amortization charge (10%)	(1,398,400)	(8,000,000)
<b>Carrying amount</b>	<b>12,585,600</b>	<b>-</b>

**16. Voluntary savings**

Voluntary savings	4,822,601,051	4,412,299,598
<b>Net members savings</b>	<b>4,822,601,051</b>	<b>4,412,299,598</b>

**17. Members' fixed savings**

Annual member fixed deposits	475,655,013	429,555,013
	<b>475,655,013</b>	<b>429,555,013</b>

**18. Trade payables**

PAYE payable	2,322,000	1,648,000
Loan protection fund (1.45%)	390,898,439	330,984,018
Audit fees payable	3,760,000	3,000,000
NSSF 10%	1,305,000	1,020,000
WHT payable	225,822,549	220,850,264
Software payable	2,796,800	5,000,000
Loan insurance payable (0.55%)	18,430,320	1,733,422
UMA funds payable	11,052,000	8,062,000
Unidentified deposits	32,621,027	-
Land held for sale Busiika	362,500,000	-
	<b>1,051,508,135</b>	<b>572,297,704</b>

**19. Other payables**

Interest on voluntary savings	206,970,691	186,723,905
Interest on fixed deposits	37,022,601	30,676,018
	<b>243,993,292</b>	<b>217,399,923</b>



## 20. Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and related party, regardless of whether a price is charged or not. Out of the loans disbursed Shs 653,746,054 relates to loans borrowed by the Board.

## 21. Financial risk management

### a) Strategy in using financial instruments

A financial instrument is any contract that gives rise to a financial asset from another entity and a financial liability or equity instrument of another entity. By nature of its business the entity's activities are principally related to the use of financial instruments.

### b) Capital adequacy (solvency risk)

Capital adequacy means maintaining the entity's minimum capital requirements (core capital and supplementary capital). UMA SACCO monitors its capital adequacy by consolidating general ledger balances so as to prepare a consolidated statement of financial position and comprehensive income to enable proper extraction of performance monitoring tool reports at any time. PMT reports are used to monitor capital adequacy of the entity and other performance ratios.

### c) Credit risk exposure

This is the risk that a counter party will be unable to pay amounts in full when they fall due. Credit risk factors were assessed as shown below:

#### i. Collateral risk

UMA SACCO manages credit risk by placing limits on the amount of risk accepted in relation to one borrower. Management reviews limits on the level of risk by product, industry sector or as approved by the Board. Credit risk is also managed through regular analysis of the potential borrowers' ability to meet interest and capital repayment obligations and by adjusting the lending limits where necessary. It is also managed by obtaining guarantee of the members.

#### ii. Concentration risk exposure

Relates to potential risk to which the society/entity is exposed in case a catastrophe befell a particular type of industry or class of its borrowers.

## 22. Contingent Liabilities

There were no contingent liabilities as at 30th June 2023 from which material loss would be anticipated.

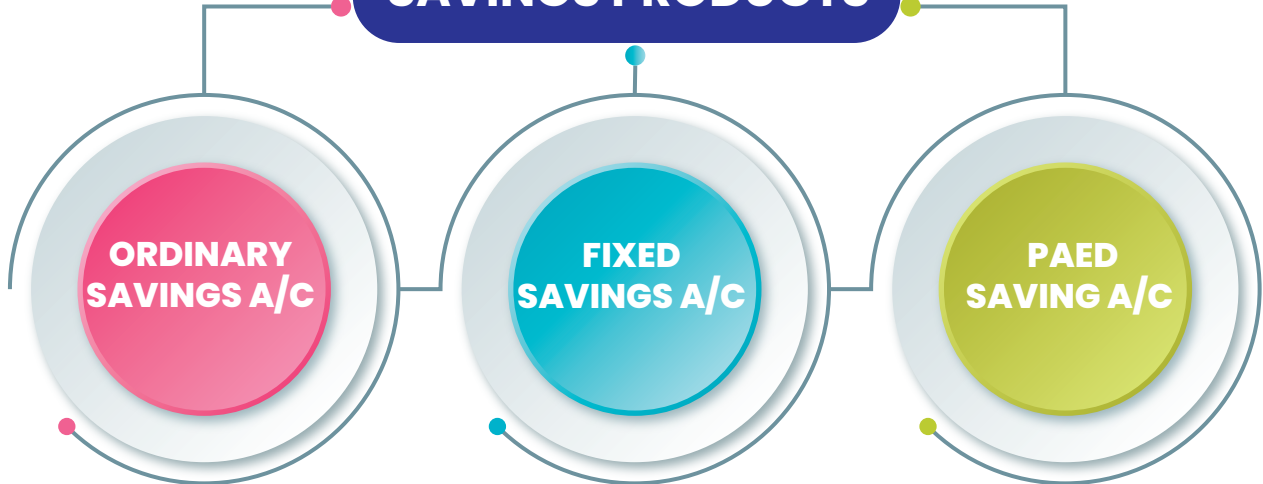
## 23. Events after the end of the reporting period

The SACCO evaluated its 30th June 2023 financial statements for events after the end of the reporting period through to the date of issue of the financial statements. There were no events to report on.

-END-

# UMA SACCO PRODUCTS:

## SAVINGS PRODUCTS



- \* Daily deposit Ugx 5,000
- \* Weekly deposit Ugx 25,000
- \* Monthly deposit Ugx 100,000

- \* Initial deposit Ugx 1,000,000
- \* Deposit frequency termly
- \* Withdraw upon maturity or add another term deposit
- \* Interest rate 9%

- \* Initial deposit Ugx 50,000
- \* Earn 6% interest per annum
- \* Free kids saving box
- \* E-birthday card every year
- \* Parent/Trustee can use it to qualify for a loan

## LOANS PRODUCTS

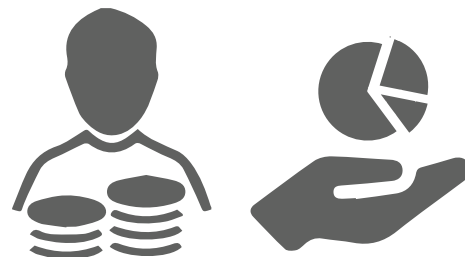


## MEDICAL INSURANCE



**UMA SACCO MEMBERS- UGX 770,000**  
**NON SACCO MEMBERS - UGX 810,000**

## SHARES





## UMA SACCO PAYMENT MODES



A/C Name: **UMA SACCO 10064/RCS**  
A/C Number: **9030005828863**  
**Wandegeya Branch**



A/C Name: **UMA SACCO 10064/RCS**  
A/C Number: **3100075748**  
**Ntinda Branch**



**Dial \*185\*9#**  
Enter merchant ID -**148915**  
**Enter amount, payment reference and enter pin**  
OR  
**MSACCO code**  
**Dial \*165\*6\*3#** and follow prompts



**Dial \*165\*3#**  
Enter merchant ID -**1166811**  
**Enter amount and enter pin**



**MSACCO APP**  
download from Play Store.



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Web: [www.umasacco.com](http://www.umasacco.com)**