

**Salmon Arm Savings and Credit Union
Summary Consolidated Financial Statements**

Statement of Consolidated Balance Sheet

	December 31, 2017	December 31, 2016
Assets		
Cash	\$ 9,884,400	\$ 8,375,131
Investments	74,807,441	47,679,933
Derivative financial assets	647,187	477,730
Loans to members	590,542,086	565,446,960
Property, plant and equipment	15,234,052	15,677,586
Intangible assets	988,014	1,004,101
Investment property	558,956	577,298
Other assets	948,557	1,107,070
	\$ 693,610,693	\$ 640,345,809
Liabilities and Members' Equity		
Accounts payable and accrued liabilities	\$ 3,247,449	\$ 4,159,518
Member deposits	653,274,306	602,333,584
Derivative financial liabilities	647,187	477,730
Member shares	771,621	791,218
Members' equity	35,670,130	32,583,759
	\$ 693,610,693	\$ 640,345,809

Statement of Consolidated Comprehensive Income and Members' Equity

	December 31, 2017	December 31, 2016
Financial income	\$ 20,741,587	\$ 19,476,116
Financial expense	6,079,744	5,556,441
Financial margin	14,661,843	13,919,675
Other income	5,330,148	5,326,361
	19,991,991	19,246,036
Operating expenses		
Distributions to members	866,842	1,564,633
Employee salaries and benefits	8,754,802	9,041,992
Other	6,872,279	6,522,838
	16,493,923	17,129,463
Income before income taxes	3,498,068	2,116,573
Income taxes	411,697	408,621
Comprehensive income for the year	3,086,371	1,707,952
Members' equity, beginning of year	32,583,759	30,875,807
Members' equity, end of year	\$ 35,670,130	\$ 32,583,759

Statement of Consolidated Cash Flows

	December 31, 2017	December 31, 2016
Cash flows from operating activities	\$ 29,105,808	\$ 7,693,649
Cash flows from investing activities	(27,576,942)	(3,946,481)
Cash flows from financing activities	(19,597)	(4,015,946)
Net increase (decrease) in cash	1,509,269	(268,778)
Cash at beginning of year	8,375,131	8,643,909
Cash at end of year	\$ 9,884,400	\$ 8,375,131

Chair of the Board

Chair of the Audit Committee



Tel: 250 832 7171
Fax: 250 832 2429
www.bdo.ca

BDO Canada LLP
201 - 571 6th Street NE
Salmon Arm, BC V1E 1R6 Canada

Report of the Independent Auditor on the Summary Consolidated Financial Statements

To the Members of Salmon Arm Savings and Credit Union

The accompanying summary consolidated financial statements, which comprise of the summary consolidated balance sheet as at December 31, 2017 and the summary consolidated statements of comprehensive income and members' equity and cash flows for the year ended December 31, 2017, are derived from the audited consolidated financial statements of Salmon Arm Savings and Credit Union. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated March 6, 2018. Those consolidated financial statements, and the summarized consolidated financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

The summary consolidated financial statements do not contain all the disclosures required by international financial reporting standards. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Salmon Arm Savings and Credit Union.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary of the audited complete consolidated financial statements in accordance with the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Salmon Arm Savings and Credit Union as at December 31, 2017 and for the year ended December 31, 2017 are a fair summary of those consolidated financial statements, in accordance with the basis described in Note 1.

BDO Canada LLP

Chartered Professional Accountants

Salmon Arm, British Columbia
March 6, 2018

Salmon Arm Savings and Credit Union Note to Summary Consolidated Financial Statements

December 31, 2017

1. Summary Consolidated Financial Statements

The summary consolidated financial statements are derived from the complete audited consolidated financial statements, prepared in accordance with international financial reporting standards as at December 31, 2017. The preparation of these summary consolidated financial statements requires management to determine the information that needs to be reflected so that they are consistent in all material respects with, or represent a fair summary of, the audited consolidated financial statements.

Management prepared these summary consolidated financial statements using the following criteria:

- the summary consolidated financial statements include the statement of consolidated balance sheet, statement of consolidated comprehensive income and members' equity and the statement of consolidated cash flows;
- information in the summary consolidated financial statements agrees with the related information in the complete audited consolidated financial statements including comparative information and all major subtotals and totals; and
- in all material respects, the summary consolidated financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete audited consolidated financial statements, including significant accounting policies and the notes thereto.

The complete audited consolidated financial statements of Salmon Arm Savings and Credit Union are available upon request by contacting the management of Salmon Arm Savings and Credit Union.

ANNUAL GENERAL MEETING

SASCU invites all members to attend

Prestige Inn Harbourfront Resort
251 Harbourfront Drive NE, Salmon Arm

Tuesday, May 8, 2018 at 7:00 p.m.

Meet your Board of Directors.
Review highlights of 2017.
Enjoy coffee, tea & treats.