

## Message from the CEO

At SASCU, we are proud to partner with a myriad of community-minded people, staying true to our founding principles while also competing effectively against our competitors.

It was a busy and successful year at SASCU where we continued to have two areas of strategic focus: being member-centric and making continuous improvements in our many processes to serve members better.

### MEMBER CENTRICITY

Placing the member in the centre of our activities and decisions is fundamental to our business.

What does this look like? First, we continue to work on improving our member service regardless of how a member chooses to do business with us. We work hard to make it an easy experience—whether it is in-branch, online, or mobile—and one that brings value.

Since members' needs are always changing, standing still is never an option! Some of the initiatives completed last year included the following:

- Extended Contact Centre hours: Monday to Friday 8 a.m. to 8 p.m., Saturdays 8 a.m. to 4 p.m.
- Launched free e-transfers with the option to have them auto-deposited upon receipt and the ability to request e-transfers from others.

- Purchased a successful Insurance office in Enderby with professional and friendly staff to serve you.
- Introduced electronic signatures to wire transfers allowing you to send funds anytime, anywhere, even from your mobile device.
- Developed a new Youth Strategy to attract and serve this important group.
- Upgraded our Mobile App for an improved banking experience including iOS Touch ID and message indicator.

### CONTINUOUS IMPROVEMENT

We continue to work smarter; improving key processes to make them shorter, clearer and simpler for both staff and members. We have made early strides. Initiatives completed last year include the following:

- Streamlined home insurance renewal process
- Introduced free Wifi in our branches.
- Replaced five ATMs with improved security and functionality
- Trained a team of staff to deliver financial literacy workshops to the community.

### SOME CHOICES MATTER

Everyone has a choice and more than half of our community chooses to bank with a financial institution that has their head office in Salmon Arm. Because of that support, SASCU is able to employ 150 people, use numerous local suppliers and vendors, and give back more than \$225,000 each year to the community.

As a cooperative that was born from the hard work and community spirit of the Shuswap, SASCU is committed to earning the position of top choice each and every time. I encourage every member to take a couple minutes to watch "Some Choices Matter" [sascu.com/Membership](http://sascu.com/Membership) – this short clip really captures what makes a credit union different. We are more than a financial institution. We are SASCU.

We are so appreciative of the support SASCU receives. Each and every member is sincerely valued and as owners, members are welcome to contact me directly with questions or comments. Just one more difference of being part of SASCU.

Sincerely,



Barry Delaney  
Chief Executive Officer  
SASCU Financial Group  
250.833.1310  
[barrydelaney@sascu.com](mailto:barrydelaney@sascu.com)

# 2019 ANNUAL GENERAL MEETING Tuesday May 7 2018 at 7 p.m.

• 2018 highlights • Financial review • Meet your Board of Directors  
PRESTIGE INN HARBOURFRONT RESORT 251 HARBOURFRONT DR NE, SALMON ARM

# SASCU Announces New Director Elected by Acclamation



## 2018 SASCU Board Members

Left to right:

David Witt, Ken Black, Constance Ladell, Trent Sismey, Barry Johnson (Chair), John Schlosar, Frank Popien, Joan Ragsdale, and Dave King (Vice Chair)

For the first time in many years, SASCU did not hold an election. We had the same number of candidates nominated as positions available so incumbent directors Constance Ladell and Frank Popien, and newcomer Darlene McBain were elected by acclamation. This will be formally completed at the May 7 Annual General Meeting.

Director Ken Black chose not run for a third term. "We would like to thank Ken for six years of service to SASCU and wish him a wonderful retirement," said Barry Johnson, Board Chair of SASCU Financial Group. Nominations were open from November 2, 2018 to January 8, 2019.

### DARLENE MCBAIN Director



Darlene McBain retired in 2017 after practicing law in the Kamloops area for 17 years. Darlene continued her active volunteerism life when she moved to Scotch Creek in 2007. A highlight has been her years on the Adams River Salmon Society including serving as President from 2011 to 2016.

### CONSTANCE LADELL Director

Director Constance Ladell was first elected to the SASCU Board in 2016 and will be serving her second term.

### FRANK POPIEN Director

Director Frank Popien was first elected in 2009 and served until taking a brief sabbatical in 2013. Called back to the Board in 2015, Frank will be starting his ninth year in 2019.



## SASCU Community Crew

In 2018 we launched an employee volunteer program to re-energize our staff involvement with non-profit community events! Watch for the blue shirts and black vests at events around the Shuswap.

Clockwise: SASCU Executive help at the Salvation Army Food Bank warehouse; riders join the Ride Don't Hide event; volunteers at the SASCU Prize Tent during the Canada Day Children's Festival.

### Statement of Consolidated Balance Sheet

	December 31, 2018	December 31, 2017
<b>Assets</b>		
Cash	\$ 11,808,850	\$ 9,884,400
Investments	108,650,403	74,807,441
Derivative financial assets	387,594	647,187
Loans to members	632,219,616	590,542,086
Property, plant and equipment	14,829,671	15,234,052
Goodwill and intangibles	5,047,679	988,014
Investment property	540,614	558,956
Other assets	1,067,379	948,557
	<b>\$ 774,551,806</b>	<b>\$ 693,610,693</b>
<b>Liabilities and Members' Equity</b>		
Accounts payable and accrued liabilities	\$ 3,231,365	\$ 3,247,449
Member deposits	731,117,385	653,274,306
Derivative financial liabilities	387,594	647,187
Member shares	748,270	771,621
Members' equity	39,067,192	35,670,130
	<b>\$ 774,551,806</b>	<b>\$ 693,610,693</b>

### Statement of Consolidated Comprehensive Income and Members' Equity

	December 31, 2018	December 31, 2017
Financial income	\$ 23,460,905	\$ 20,741,587
Financial expense	8,232,155	6,079,744
Financial margin	15,228,750	14,661,843
Other income	5,808,399	5,330,148
	<b>21,037,149</b>	<b>19,991,991</b>
<b>Operating expenses</b>		
Distributions to members	36,537	866,842
Employee salaries and benefits	9,531,097	8,754,802
Other	7,327,293	6,872,279
	<b>16,894,927</b>	<b>16,493,923</b>
Income before income taxes	4,142,222	3,498,068
Income taxes	745,160	411,697
Comprehensive income for the year	3,397,062	3,086,371
Members' equity, beginning of year	35,670,130	32,583,759
Members' equity, end of year	<b>\$ 39,067,192</b>	<b>\$ 35,670,130</b>

### Statement of Consolidated Cash Flows

	December 31, 2018	December 31, 2017
Cash flows from operating activities	\$ 40,328,282	\$ 29,105,808
Cash flows from investing activities	(38,380,481)	(27,576,942)
Cash flows from financing activities	(23,351)	(19,597)
Net increase in cash	1,924,450	1,509,269
Cash at beginning of year	9,884,400	8,375,131
Cash at end of year	<b>\$ 11,808,850</b>	<b>\$ 9,884,400</b>

  
Chair of the Board

  
Chair of the Audit Committee

---

# Report of the Independent Auditor on the Summary Consolidated Financial Statements

---

To the Members of Salmon Arm Savings and Credit Union

## Opinion

The summary consolidated financial statements, which comprise the summary consolidated balance sheet at December 31, 2018, and the summary consolidated statements of comprehensive income and members' equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Salmon Arm Savings and Credit Union ["the "Credit Union"] for the year ended December 31, 2018.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the consolidated financial statements, in accordance with the criteria disclosed in Note 1 to the summary financial statements.

## Summary 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 and the auditor's report thereon, therefore, is not a substitute for reading the consolidated financial statements and the auditor's report thereon.

## The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements for the year ended December 31, 2018 in our report dated March 5, 2019.

## Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the criteria disclosed in Note 1 to the summary consolidated financial statements.

## Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, Engagements to Report on Summary Financial Statements.

*BDO Canada LLP*

Chartered Professional Accountants  
Salmon Arm, British Columbia  
March 5, 2019

---

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

---

December 31, 2018

## 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, 2018. 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:

(a) 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;

(b) 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

(c) 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.

### SASCU Credit Union

info@sascu.com

Salmon Arm Downtown  
370 Lakeshore Drive NE  
PO Box 868  
Salmon Arm, BC V1E 4N9

Salmon Arm Uptown  
1120 25th Street NE  
PO Box 868  
Salmon Arm, BC V1E 4N9

### SASCU Wealth

250.833.4466  
info@sascuwealth.com  
Downtown Branch

### SASCU Insurance

250.833.4450  
info@sascuinsurance.com  
Uptown Branch

### Contact Centre 250.832.8011

Sicamous  
436 Main Street  
PO Box 477  
Sicamous, BC V0E 2V0

### Mon - Fri 8 a.m. to 8 p.m. Sat 8 a.m. to 4 p.m.

Sorrento  
1240 Sorrento Shoppers Plaza  
Trans Canada Highway  
PO Box 248  
Sorrento, BC V0E 2W0

### Shuswap Insurance Brokers

250.838.7707  
info@shuswap ins.com  
PO Box 437, 604 Cliff Avenue  
Enderby, BC V1E 1V0