

*Celebrating 25 Years of*  
**GROWTH & PROFIT**



The image features a solid blue background. In the center, the year '2018' is displayed using large, shiny, gold-colored balloons. Each digit is a separate balloon with visible vertical folds and a metallic sheen. Scattered throughout the entire blue background are numerous small, gold-colored confetti pieces, which appear to be thin, irregular strips of paper or foil, adding a festive and celebratory feel to the design.

# 2018

2018 was a major milestone for PCCU  
as we **celebrated our 25th anniversary.**

## CELEBRATING 25 YEARS!

We hosted a celebration in April bringing together past and current board and employees for a gala event. It was wonderful catching up with old friends and reminded us all how lucky we are to be working with a *great organization* like PCCU.

Our *25th anniversary gift* to our member-owners was our new **Member Rewards program**. This program was designed after in-depth consultations with our employees and member-owners allowing them to **share in their profits** instantly.

PCCU was selected as a Platinum Level AON **Best Employer of Canada!** To be recognized as a Best Employer, organizations need to perform strongly on *employee engagement, leadership, performance culture, and employment brand*.

The Spiritwood members and employees joined us on January 1st. And the new Eatonia branch and renovated Dinsmore branch celebrated their first full year in 2018.

PCCU had much to celebrate in 2018 and we look forward to **many more years of celebrations**.



Our employees are 100%  
committed to, and trained to, **help our  
members grow their money.**



# CELEBRATIONS

Our 25th anniversary milestone gave PCCU an opportunity to reflect on the incredible importance and dedication our long-term employees have brought to our organization.

It was also a time to reflect on how satisfying it has been to help our members with their celebrations. Buying a home, sending a child to university and paying off a mortgage are all important milestones and our team has enjoyed the satisfaction of helping our members succeed at meeting their goals.

Let's celebrate our hard-working staff on their individual milestones, dedicating years of service to PCCU and our members.



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## 25 Years

Bev Brooks  
Al Meyer  
Karilyn Thiessen

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## 20 Years

Verlyn Doetzel  
Tracy Upton

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## 15 Years

Elan Kidd  
Barb Kowerchuk

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## 10 Years

Stevie Dyok  
Theresa Fisher  
Lorna Hauta  
Renee Patton

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## 5 Years

Tanya Allan  
Cindy Gifford  
Ashley Hamilton  
Robin Houston  
Jolene Moen  
Naomi Neil  
Gerry Rorick  
Mary-Jean (MJ) Roth  
Norris Rusling

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While 25 years was  
a huge milestone, **we can't wait  
for the next 25 years!**





## CELEBRATING 25 YEARS

A lot has happened in 25 years and we brought together past and current board and employees to celebrate our anniversary with a gala event in Rosetown in April. It was a fantastic night. Visiting with old friends and colleagues reminded every one of us how important (and fun) this journey has been.

Our member-owners received a gift as well. Our new Member Rewards program was unveiled in 2018 and has received wonderful reviews. This program was designed after in-depth consultations with our employees and member-owners. The PCCU Member Rewards program allows members to share in their profits instantly with interest rate reduction on loans and interest rate incentives on PCCU investments. Those benefits can really add up for members who choose PCCU as their primary financial institution.



# donations

AND SPONSORSHIPS

Almost \$13,500 was awarded to grade 12 students through our ACH!EVE Scholarships where PCCU invests in ideas.

PCCU gave back over \$175,000 to our communities through sponsorships and donations in 2018.

PCCU provides our staff with opportunities to volunteer in their communities through a fully paid community day each calendar year.

We are locally owned but connected as a system. Together, credit unions are a powerful contributor to the Canadian economy.



**\$13,500**

**ACH!EVE**

Scholarships



**\$175,000**

Sponsorships  
and Donations



**Volunteer**

Opportunities



**Locally**

Owned



Since 2008, credit unions have contributed more than \$466 million to Canadian communities. In 2017, credit unions contributed \$62.4 million through:



**\$17.3M**  
Sponsorships



**\$23.3M**  
Donations



**302,035**  
Volunteer Hours



**\$4.9M**  
Donations-In-Kind



**\$1.8M**  
Credit Union  
Charitable  
Foundations




**\$12.8M**  
Financial Services to  
63,136 Community  
Organizations



**\$2.3M**  
2,243 Credit Union  
Scholarships &  
Bursaries

In 2017, an average of 5.4 per cent of credit union pre-tax income went to community donations and sponsorships, compared to an average of less than one per cent for the five big banks.

Note: Numbers do not add up to total due to rounding

A large, irregularly torn piece of white paper is centered on a solid blue background. The paper has jagged, deckled edges and is slightly folded, creating a three-dimensional effect. The text is printed on the front surface of the paper.

We would like to thank  
our members for your support  
and input throughout the  
year and we look forward to  
**serving you** in the future.

## RANKED FIRST 14 YEARS RUNNING



We don't want to brag but we don't mind when others do it for us! In 2018, Ipsos Reid found that credit unions are taking first place in nine categories:

**First for Customer Service Excellence**

*(14th consecutive year)*

**First for Branch Service Excellence**

*(14th consecutive year)*

**First for Values My Business**

*(11th consecutive year)*

**Winner (tied) for Live Agent Telephone Banking Excellence**

*(6th year)*

**Winner (tied) for Mobile Banking Excellence**

*(4th time, 3rd consecutive year)*

**Winner (tied) for Financial Planning and Advice**

*(11th consecutive year)*

**First for Online Banking Excellence**

*(4th consecutive year, First in 2018, tied last three years)*

**Winner (tied) ATM Banking Excellence**

**Winner (tied) for Automated Telephone Banking Excellence**

*(6th consecutive year)*

## MESSAGE FROM THE BOARD PRESIDENT AND THE CHIEF EXECUTIVE OFFICER

On behalf of the Board of Directors and staff, we are pleased to provide an overview of Prairie Centre Credit Union for 2018.

2018 was a year of challenges for our regional and provincial economy, especially in the areas of resources and agriculture sectors. The impacts for our region varied depending on each community's reliance on these sectors. Even with these challenges, PCCU continued to grow, as our assets increased by over 6% to \$743 Million, and our off book business grew by 11% to \$177 Million. The lending side increased by 5% to \$612 Million. In total our Assets Under Management are \$920 Million.

Effective January 1st, 2018, we welcomed Spiritwood members to our PCCU family. All of our staff were engaged in the banking system conversion, and the offering of new products and services to their members. 2018 was a transition year, and we expect 2019 will bring growth and business development to the branch. Included in the Merger, we welcomed two new directors, Wayne Pauls and Jason Gaboury.

We also welcomed Hughes Agencies to our subsidiary PCCU Insurance Ltd. There were many changes and we continue the transition process. We now operate three agencies, located in Elbow, Eston and Harris.

Our Member Rewards Program, which rewards members for using more of our products and services, generated a benefit for members of \$558,000 in 2018. We expect that as members continue to increase their product and service usage with us, the total benefit to members will increase.

During 2018, the Board of Directors continued to work on Governance Training and Board Succession Planning. We also revisited our Strategic Plan and Direction for the future. We will continue to serve our rural communities and our members with a balance between in person and technology services.

On May 1st, 2018, we celebrated our 25th Anniversary, and we continued with celebrations throughout the year. We have grown, developed and changed throughout the last 25 Years. Although there have been many changes over the years, we have maintained our emphasis on growth and our commitment to Rural Saskatchewan.

In closing, we thank you our members for your support and trust in PCCU in 2018, and we will continue to work at meeting your needs in the years to come.

We would also like to thank our staff and management for their commitment to serving our members. In late 2018 we received the AON Platinum Award as one of the Best Employers in Canada 2019, for Small and Medium Size Enterprises.

Our Vision Statement for PCCU:

*"Saskatchewan's  
largest rural based  
credit union, committed  
to serving our members  
and communities  
everywhere."*



**GREG HANNAY**  
Board President



**AL MEYER**  
Chief Executive Officer

# MANAGEMENT DISCUSSION AND ANALYSIS

## INTRODUCTION

In 2018, Prairie Centre Credit Union celebrated 25 years of operation. We are now the 6th largest credit union in Saskatchewan and operate as an independent rural-based credit union owned by our 15,269 members with branch operations located in the communities of Beechy, Dinsmore, Eatonia, Elbow, Elrose, Eston, Harris, Herbert, Kyle, Loreburn, Morse, Outlook, Rosetown and our newest branch of Spiritwood.

We have over 150 staff members working and living in the trading area who provide full financial services to our members with a focus on helping members grow their money. We are committed to providing ongoing staff training and development sessions to improve our employee's skills, which allows us to better assist and serve our members.

As the largest rural credit union in Saskatchewan, one of our main influences is the local farming economy. Assets increased in 2018 with the addition of our Spiritwood branch, and member deposits expanded late in the year. Record profitability is attributed to extraordinary dividend payments from Concentra and SaskCentral, and through higher than expected loan recoveries. We strengthened our capital ratio and are looking ahead to 2019 as a year of growth and expansion for our credit union.

## MANAGEMENT DISCUSSION AND ANALYSIS

The information that follows is provided to help members understand and assess the current financial position and future plans of Prairie Centre Credit Union (2006) Ltd. and is intended to be reviewed along with the financial statements.

As we look to the future we are making assumptions which are subject to risk and uncertainties and create the possibility that our predictions and projections will not prove to be accurate. Therefore readers are cautioned to not place undue reliance on these statements.

## ECONOMIC CONDITIONS

Agriculture was projected to rebound after contracting last year; however adverse growing conditions led to mixed crop development. Global demand for cattle and hog products is expected to stay strong. There is a build-up of inventory as prices are being negatively affected from global markets.

Provincially, we are recovering after the collapse of key commodity prices; most notably oil. The government has adjusted

spending to balance the budget, and GDP growth is only expected to be 1.6%. After years of no change, interest rates increased twice in 2017, and also 3 times in 2018. The outlook for 2019 is continued rising of rates if the economy stays resilient.

Across Canada, the uncertain trade environment is slowing business investment and our economy has been more dependent on household consumption and government spending on infrastructure. Households continue to be highly leveraged which may influence the Bank of Canada to raise rates at a more gradual pace to avoid a slowdown in spending as consumers adjust to higher debt servicing costs.

Globally, the United States' economy continues to be strong through government spending and tax cuts. Economic growth in China has also been strong, and the combination of growth in both countries will see the global economy grow 3%. The trade problems between China and the United States are affecting our economy and we look forward to a trade deal between these two countries. The strength in these two economies overcomes uncertainties in the European Union and a possibility of failure in the Brexit negotiations.

*Our members have told us  
that they want their financial  
institution to help them grow  
their money and we agree.*

## STRATEGIC OVERVIEW

Our vision for Prairie Centre Credit Union is to be "Saskatchewan's largest rural based credit union committed to serving our members and communities everywhere". This desire forms the basis for our strategic plans. In order to be successful, we have established our mission to provide "1st Choice Financial Solutions for our Community." Our Board of Directors along with Executive Management, set specific objectives that support our vision and mission and align with our values. We follow a three year planning cycle that begins with input from our members garnered through surveys and feedback to staff. Our current strategic plan is for the period from 2017 to 2019. An overview of the strategic result areas we are placing additional focus on during this period is provided in this report.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Relationship Building and Service Delivery

We will continue to grow our member relationships through the increased usage of our products and services. This is in keeping with our value proposition which is to Grow Your Money. Our members have told us that they want their financial institution to help them grow their money and we agree. It's a win-win proposition because when our members grow their money, we grow our money.

In conjunction with our 25th Anniversary we are proud to promote Member Rewards - a relationship based reward linked to the level of business that members do with the credit union. This is in place of a traditional cooperative patronage model and was designed based on what our members told us would be a fair level of incentive for their loyalty and doing business with PCCU. The program encourages members to utilize more products and services from Prairie Centre. The financial benefit to our members from Member Rewards through increased deposit rate and lower loan rates and members was \$558,000 in 2018. Be sure and talk to our staff about how you can start receiving your Member Rewards!

We continue to provide full financial services to all of our members. We are pleased to offer members a comprehensive selection of financial services from loans, deposits, and registered savings plans, to financial planning, mutual funds, securities, and tax free savings accounts. Our trained and experienced staff members serve our members' needs wherever our members deem it is most convenient.

Our members diversify their deposit holdings by opening accounts with our brokers and mutual fund representatives. Currently we administer \$160 million in deposits held in Aviso Wealth accounts.

### Rural Based Communities and Member Engagement

In our strategic plan, particular emphasis has been placed on providing service to rural Saskatchewan based on a service delivery model that balances in person service in our communities with strong technology delivery options in order to serve members everywhere.

We ensure our facilities are welcoming and secure and we have been upgrading branches ever since Prairie Centre Credit Union was formed in 1993. In 2018, we completed renovations in Outlook to add office space to both floors of our current facility, and also began work on an addition to the Administration centre in Rosetown. In 2019 we are reviewing requirements for Spiritwood and Loreburn.

Prairie Centre Credit Union is committed to providing members with technology based services for convenience and increased access. Two popular digital options we offer are remote deposit capture and e-Transfers. In 2018, our members deposited over 13,000 cheques simply by taking a picture of it; that's 1,000 more than last year! Members use e-Transfer to send or receive money using an email address or mobile phone number. In 2018 there were about 575 completed every day, adding up to over 210,000 in the year which nearly triples the number of transfers made the prior year. A digital service we are working on for 2019 is the introduction of mobile/Apple/Samsung/Google pay to allow members to use their device as a payment option. Watch for announcements when this service is available!

As Saskatchewan's largest rural based credit union, we have been focusing on development of agriculture related products and services to grow our agriculture portfolio. This is a reflection of our rural roots and our belief in the importance of agriculture to our economy and our credit union. We continue to see growth in agricultural loans.

We are engaged with and strongly support our communities through volunteering and financial support of community organizations and activities. During 2018, \$220,000 was provided through to our communities in donations, scholarships, sponsorships and in-kind contributions. We are deeply rooted here on the prairies, and as we continue to grow, so does our investment in our communities. The dollar value noted here does not include contributions made through volunteer hours our staff members provide on a regular basis. Our staff commitment to volunteering helps build thriving communities and we're very proud of the work they do!

### Mergers and Acquisitions

Throughout the province, credit unions continually assess their viability and the value that remaining as a stand-alone operation brings to their membership. The position of Prairie Centre Credit Union is to actively pursue other credit unions to merge with us. We are pleased to welcome Spiritwood Credit Union effective January 1, 2018. During 2018 all the services of Prairie Centre Credit Union were provided to the members of our new Spiritwood branch.

PCCU Insurance Ltd. is our general insurance subsidiary with offices in Elbow, Harris and Eston. We offer a full line of products including home, farm, auto, and commercial insurance. We started operations in 2013 in Elbow; in 2017 we purchased an agency in



Harris, and in 2018 added another agency in Eston. Our intentions include acquiring additional insurance agencies provided the purchase is supported through business case analysis. We are very pleased with the addition of these services and have had an average return on investment of over 20% before tax.

### Profitability and Capital

We have a strong focus on profitability to build capital through managed growth and acceptable risk levels, while developing and maintaining services within the communities.

In 2018 our assets grew from \$640 million to \$743 million with increased member business and the addition of the Spiritwood branch. Loans grew to \$612 million from \$539 million the year prior. Member deposits ended the year at \$672 million from \$577 million and we are very pleased with these results.

We reached record profit levels of \$7.6 million, well ahead of target and last year's record profit of \$4.7 million. There were extraordinary dividends and gains on investments received in 2018, as well as loan recoveries that pushed our profit well above expected levels.

Beyond the dollars we earn, we watch our efficiency ratio closely as a measure of our profitability. In 2018 our ratio was 73.50%, which equates to us spending 73 ½ cents for every dollar we earn in revenue. We were able to be more efficient in 2018 as we were lower than our 2017 efficiency ratio of 73.83%, and also lower than the 78.42% ratio that was in budget for 2018. For 2019, we are projecting lower profit levels and an efficiency ratio of 78.42% due to the continued low interest rate environment and higher investment in technology related projects. Our goal is to keep our efficiency ratio at a level that optimizes profitability while still providing quality service to our membership and while investing into future operations.

Our capital level increased due to the profit we earned as it is added to retained earnings. We have attained the highest level of capital since becoming Prairie Centre. Capital levels are expanded upon in the section of the report on Capital Management.

### Technology

We use technology at all levels in the organization to meet changing service needs and to increase efficiencies. As technology is integral to our operations, we formalized an Information Technology Framework to ensure we align technology investment with our strategic plan. This effectively utilizes our resources and manages

risks and threats in the organization. In 2018 we made significant progress on our multi-year plan to utilize technology for streamlining the delivery of services to our members, and for digitizing the storage of data. In 2019 we will continue to leverage technology throughout the organization and continue to progress on requirements specified in the framework to productively manage this area of our organization.

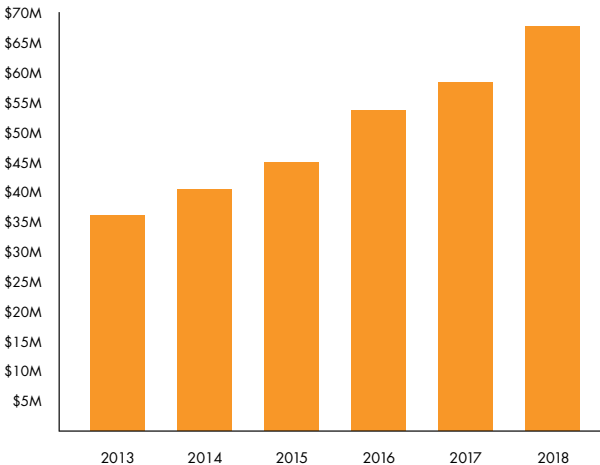
### CAPITAL MANAGEMENT

One of the primary measures of financial strength of any financial institution is its capital position. Worldwide, all financial institutions are tasked with building capital to ensure downturns in the economy can be withstood. Prairie Centre Credit Union builds capital through retained earnings that is categorized on our balance sheet as Members' Equity.

The fundamental strength of a credit union is the level of capital it holds to protect against normal, anticipated, and unexpected business events. Our main objective remains to preserve and build capital while growing our market share. It is our goal to provide our members with the best service possible, and the products they require.

Credit unions operate in a highly regulated environment and our main regulator is Credit Union Deposit Guarantee Corporation (the Corporation). The Corporation sets regulatory guidelines to which all Saskatchewan credit unions must adhere. In order to assess capital adequacy, the Corporation models standards adopted by financial

### RETAINED EARNINGS



# MANAGEMENT DISCUSSION AND ANALYSIS

institutions around the world, including Canadian banks. These standards are evolving and promote the importance of ensuring a strong banking sector to withstand financial crisis.

The Board of Directors and Executive Management believe in maintaining a strong capital position. We have a Capital Management Framework and Capital Adequacy Assessment Process developed by management in accordance with the regulatory expectations that is reviewed and approved by the Board of Directors. The goal of capital management is to achieve and exceed regulatory minimums, maintain an optimal level of capital, meet operational requirements, absorb unexpected losses, implement long term strategic plans, and signal financial strength.

As our capital is comprised of our equity, Prairie Centre Credit Union relies on profitability to grow its capital position. The credit union retains its annual earnings in order to meet the capital requirements and maintain our independence. As the graph reveals, our retained earnings have been growing steadily, and at the end of 2018, capital grew to \$67.7 million.

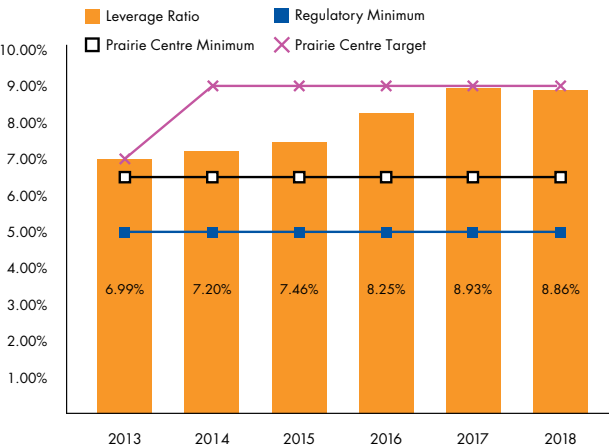
To calculate capital levels we use two measures. The first is called the leverage test and is a calculation of eligible capital to leverage assets. The second measure is a risk based capital test which compares eligible capital to risk weighted assets. Minimum and target measures are established in policy and regular reviews of capital requirements are completed.

Currently, the regulatory requirement for a credit union is to have a minimum leverage ratio of 5.0%. Prairie Centre has established a minimum level for the leverage ratio of 6.50% and a long term target level of 9.0%. At the end of 2018 our leverage ratio was 8.86% compared to a level of 8.93% at the end of 2017. This is a slight decline consistent with the asset growth of the credit union.

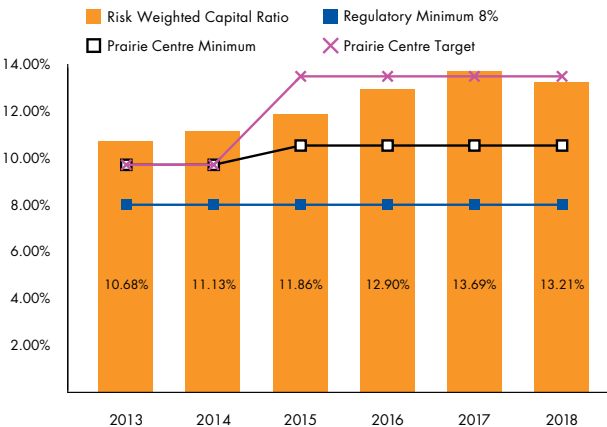
Credit unions assess additional capital requirements based on the risks faced by their individual operations using an Internal Capital Adequacy Assessment process (ICAAP). ICAAP evaluates requirements for capital relative to strategic plans and the credit union's risk appetite. The assessment of risks with assigned capital requirements is a key tool in making strategic business decisions. Enterprise-wide stress testing and scenario analysis are also used to assess the impact of various stress conditions on our risk profile and capital requirements.

The Corporation's minimum ratio of eligible capital to risk weighted assets is 10.50% and this is our policy minimum for risk weighted capital. Our long term target level has been set at 13.50% to ensure we have adequate capital relative to our risk profile. We completed 2018 with a ratio of 13.21% which is a slight decline from 13.69%. This was expected, as we had predicted a drop in our risk weighted capital through asset growth in last year's report. Looking ahead to 2019, the leverage ratio is budgeted to be 9.16% and risk weighted capital ratio is expected to rise to 13.62%.

## TIER 1 CAPITAL RATIO (LEVERAGE TEST)




## RISK WEIGHTED CAPITAL ASSETS




## Enterprise Risk Management

As a financial institution, Prairie Centre Credit Union is exposed to a variety of risks. Risk is the downside that exists in almost every component of the Credit Union's activities. Risk represents the potential negative impact, financial loss or risk to reputation that is possible as we work to achieve our goals. Managing and appropriately balancing risk with business opportunities is the top priority for the Board of Directors and Management of Prairie Centre Credit Union.



*The credit union uses a comprehensive reporting process to monitor performance relative to plans, and provides regular updates to the Board of Directors.*



Our primary risk offset is our capital position. Prairie Centre has a moderate level of capital and therefore takes a moderate approach to risk.

To actively manage risk, Prairie Centre has implemented an enterprise-wide risk management (ERM) approach for the identification, measurement, and monitoring of risks.

The ERM Framework establishes risk categories and details how risk management is designed and functions at Prairie Centre. The Board of Directors is responsible for approving the overall business strategies, for understanding the major risks, setting acceptable risk tolerance and defining risk appetite levels. Annually, the Board of Directors review the relevant risks faced by the credit union, and approves an action plan set by Executive Management.

Executive Management is responsible for implementing strategies and policies approved by the Board, and for developing processes that identify, measure, monitor, and control risks. In order to achieve this objective, Executive Management undertakes continuous risk identification. Annually, in conjunction with the business plan, Executive Management reviews emerging risks from planned activities, and from changes occurring in the marketplace. Required actions are built into the budget and business plan for the upcoming year.

An Asset Liability Committee (ALCO), comprised of senior management, meets regularly to monitor present and potential exposure in the areas of interest rate risk, credit risk, operations risk, liquidity risk, and currency risk. ALCO reviews short term and long term interest rate trends and outlines the corrective action to control risk present on the balance sheet of the credit union.

## Strategic Risk

Strategic risk is the risk that business decisions or plans could be flawed, which will impact the ability of the credit union to meet objectives. To manage this risk, the credit union engages in formal planning processes, which result in a three year strategic plan and the formulation of key strategic measurements annually as the business plan is established. The credit union uses a comprehensive reporting process to monitor performance relative to plans, and provides regular updates to the Board of Directors. As described above, the ERM process further identifies emerging risks and formulates plans as risks are identified.

## Market Risk

Market risk is the risk that the financial position or earnings will be adversely affected by changes in market conditions such as interest rates and foreign exchange rates. Prairie Centre's market risk primarily arises from movements in interest rates. The credit union employs comprehensive management processes around our market exposures and risk taking activities.

There is defined policy around numerous interest rate risk measures, which is then compared to our current and expected future situation through dynamic modeling. We also utilize income simulation for scenario and stress testing based on changes in interest rates.

Regular reporting of these risk measures and how they compare to credit union policy and industry standards is provided to the Asset and Liability Committee, Audit and Risk Committee, Board of Directors, and system regulators. We assess the need for mitigating activities and implement appropriate risk mitigating strategies where and when deemed necessary.

## Liquidity Risk

Liquidity is a measure of our ability to meet our financial obligations and our members' day to day cash needs and loan demands without incurring unacceptable losses. Adequate liquidity is dependent upon our ability to efficiently meet both expected and unexpected cash flows

# MANAGEMENT DISCUSSION AND ANALYSIS

and collateral needs without adversely affecting either daily operations or our financial condition.

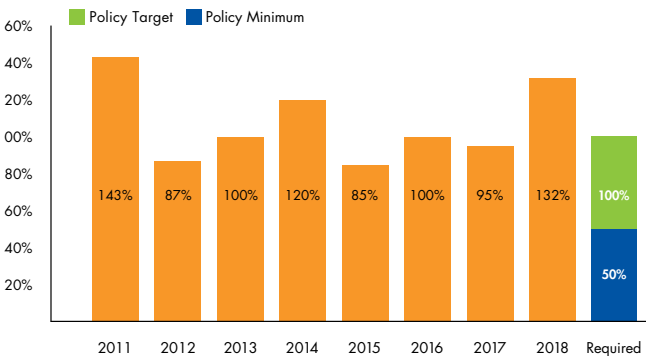
Liquidity risk is the risk to our financial condition or safety and soundness arising from the inability (whether real or perceived) to meet our contractual obligations. The primary role of liquidity risk management is to proactively assess the need for funds to meet obligations and ensure the availability of cash or collateral to fulfill those needs at the appropriate time by coordinating the various sources of funds available to the institution under normal and stressed conditions.

We manage liquidity in accordance with our Liquidity Risk Management Framework. The credit union's framework includes strategies to maintain sufficient liquid resources to continually fund our balance sheet commitments and member demand. For our operating liquidity requirements we ensure we have liquid assets and established borrowing facilities equal to the potential outflow. Actual and anticipated inflows and outflows of funds are calculated on a daily basis to allow us to detect a potential liquidity event at the earliest possible stage. We also have a comprehensive liquidity crisis management plan to follow in the unlikely event that this occurs.

Our Operating Liquidity ratio is an internal measure which considers projected cash inflows as a percentage of projected cash outflows. Our board has defined our target as 100%, with a minimum of 50%.

Operating Liquidity and policy level comparisons are provided below:

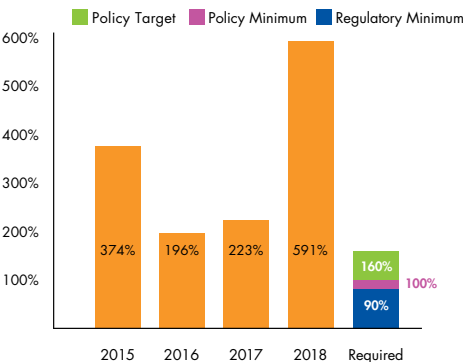
## OPERATING LIQUIDITY



We also evaluate liquidity using the Liquidity Coverage Ratio (LCR), which assesses liquidity in a stressed situation, comparing the value of our high quality liquid assets to potential net outflows. We have set policy requirements above the regulatory standard for the Liquidity Coverage Ratio. The finance division provides quarterly liquidity reports to the Asset and Liability Committee (ALCO) who oversee liquidity risk exposure and management.

Our liquidity coverage ratio position, policy and regulatory requirements are provided below:

## LIQUIDITY ADEQUACY RATIO



We are well above required liquidity levels and continue to manage our liquidity to align with policy and regulatory specifications.

## Credit Risk

Credit risk originates primarily from our direct lending activities and syndicated loans (credit products purchased, but not administered by Prairie Centre Credit Union) and, to a lesser extent, our holdings of investment securities. Credit risk is the risk of financial loss resulting from a borrower or counterparty's inability to meet its obligations.

Credit risk management focuses on underwriting and pricing loans according to their level of risk and ensuring the overall portfolio is well diversified. There are five parts to credit risk management including policy, credit granting, monitoring and exposure, portfolio management, and audit.

Lending practices are set by the Board of Directors in policy and put into practice through procedures as established by management. Credit granting is performed in accordance with approved policies, procedures,

and applicable legislation. This includes credit analysis, pricing, terms, and documentation of loans. Consistent documentation is used by all Prairie Centre branches. Pricing parameters are in place to support lenders in pricing decisions and to ensure risk is being offset by rates while remaining competitive in the market.

Concentration limits in regard to industry and size of loans have been designed to reflect our risk tolerance. Credit risk is further mitigated through in-depth and ongoing training of lending personnel, independent adjudication of larger risk loan applications, and regular monitoring and reporting. Reflecting the economic conditions, our level of impaired loans and our delinquency levels grew in 2018, although remain within our target levels and are closely monitored.

The credit union's credit portfolio and lending practices undergo regular and ongoing independent assessment through external audit, internal audit, and regulatory reviews. Reports are provided to management and to the Board of Directors through the Audit and Risk Committee.

The Credit Union monitors its exposure to potential credit losses and maintains both specific and collective loan allowances accordingly. Specific allowances are reviewed regularly by examining the individual loans and estimating the likelihood of realizing the full carrying value. In 2018, we established a collective allowance which was calculated by taking into consideration current economic conditions, historical losses, and delinquency in the portfolio. We also consider forward looking future information when establishing the value of the collective loan allowance. Loans are presented in our financial statement at the net realizable value.

One of the larger areas of lending tends to be residential mortgages. In order to manage the risk associated with mortgage lending we take a balanced approach to structuring the portfolio. We utilize both insured and uninsured mortgages in financing home purchases, and also provide lines of credit to members using home equity as security. Insured residential mortgages are mortgages whereby our exposure to default is mitigated by insurance through the Canada Mortgage and Housing Corporation (CMHC) or other private mortgage default insurers.

A breakdown of our residential mortgages is provided in the chart below and reveals the majority of our mortgage portfolio is insured, while we also have \$65.6M in mortgages and \$5.4M in line of credits that are uninsured.

	Residential mortgages		Line of Credits	
	Insured	Uninsured	Total	Total
Total	\$100,476,776 60%	\$65,675,246 40%	\$5,424,756	\$171,576,778

### Residential Mortgage Portfolio by Amortization Period

Mortgages are repaid over a longer period of time. The following table provides a breakdown of the remaining amortization period of our mortgage portfolio by percentage of the outstanding amount for performing insured and uninsured mortgages.

Remaining amortization period	%	Insured Dollars	%	Uninsured Dollars
10 years and less	3%	\$2,817,934	19%	\$13,050,724
10 to 20 years	24%	\$24,327,825	34%	\$23,978,835
20 to 25 years	71%	\$71,146,101	47%	\$33,569,357
Greater than 25 years	2%	\$2,184,916	1%	\$501,086
Total	100%	\$100,476,776	100%	\$71,100,002

The majority of our residential mortgage portfolio is insured which lowers credit risk. To reduce the risk on uninsured mortgages we require a larger down payment, resulting in a lower loan to value ratio. The following table provides the loan to value ratio for newly originated uninsured residential mortgages and home equity line of credits granted in 2018.

Mortgage Originated in 2018	Loan to Value
Uninsured Mortgages	63%
Home Equity Line of Credit	57%

# MANAGEMENT DISCUSSION AND ANALYSIS

## Legal and Regulatory Risk

Prairie Centre Credit Union operates in a heavily regulated and rules-based environment. Legal and regulatory risk arises from potential non-compliance with laws, rules, regulations, or ethical standards in the jurisdiction in which the organization operates.

All employees are accountable for compliance within the scope of their responsibilities and complete annual training to stay up to date on the requirements. Specialized departments are knowledgeable in the regulations that pertain to their areas. We utilize a Compliance Framework and assign responsibility of day to day management of all legal and regulatory requirements to Business Unit Compliance Officers (BUCOs). Reporting regarding compliance is completed by the BUCOs to our risk department who ensure compliance requirements are followed. Summarized reporting is provided to the board of directors. In addition, compliance is tested through reviews completed by internal and external audit as well as our regulator.

## Operational Risk

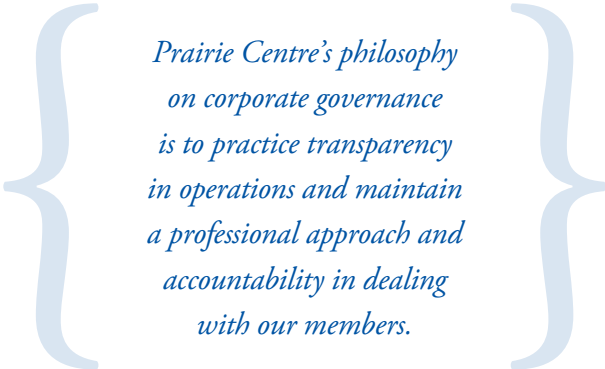
Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. Exposure to this risk arises from deficiencies in internal controls, technology failures, human error, or natural disasters.

Operational risk is managed through the use of preventative measures including policies and procedures, controls, and monitoring. These include segregation of duties, employee training, performance management and a structured internal audit program. The credit union mitigates operational risks through utilization of alert systems, business continuity planning, appropriate insurance coverage, and secure technology solutions. We have a dedicated technology department responsible for system security and functionality.

## CORPORATE STRUCTURE AND GOVERNANCE

Corporate Governance is the system by which organizations are directed and controlled. Prairie Centre Credit Union operates within a comprehensive regulatory framework. We incorporate and establish bylaws as provided for under provincial legislation through The Credit Union Act, 1998. We are regulated by The Credit Union Deposit Guarantee Corporation. The Corporation sets out Standards of Sound Business Practice and provides regulatory guidance for all Saskatchewan credit unions. Within this framework, the Board of Directors is responsible to approve policy and sets the overall direction of the credit union and management is responsible for operations.

Prairie Centre's philosophy on corporate governance is to practice transparency in operations and maintain a professional approach and accountability in dealing with our members. The credit union voluntarily adheres to a Market Code which consists of business conduct practices that ensure we maintain high standards of professionalism. Our focus is on maintaining the highest standards by conducting affairs ethically and lawfully and by sustaining a culture of integrity and professionalism. We treat all information as private and confidential, maintain reliable banking and payment systems, employ fair sales practices, and deal with any member complaints to ensure a satisfactory resolution.



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**Board of Directors**

There are currently twelve independent members on the Board of Directors, representing the six districts of Prairie Centre Credit Union. The functions of the Board include formulation of strategic business plans, setting up goals for evaluating the performance of the CEO, approving corporate mission, vision and values, monitoring corporate performance against strategic business plans, ensuring compliance with laws and regulations, keeping members informed regarding plans, strategies, and performance of the credit union, and other important matters.

In acting in the best interests of the credit union and its members, the Board’s actions adhere to the standards set out in The Credit Union Act, 1998; The Credit Union Regulations, 1999; the Standards of Sound Business Practice; Prairie Centre Credit Union’s articles and bylaws, and all legislation applicable to credit unions.

During the financial year 2018, the Board of Directors held six regular meetings and had one special meeting. The directors also met for Mid-Term planning in June, and Board Succession sessions in December.

Our directors place strong emphasis on learning and development and participate in training every year. The board continues to participate in the Credit Union Director Achievement (CUDA) training certification program with seven directors who have graduated from the program. The Board of Directors and the Executive Management team enrolled in The Professional Director Certification Program™, a training program delivered by Governance Solutions Inc. This intensive and comprehensive training on corporate governance was completed in 2016, with those attending earning the Professional Director (Pro. Dir™) designation. This achievement demonstrates the commitment of our credit union to having strong and effective governance practices. Prairie Centre is the first credit union in Saskatchewan to have its full board and executive management team undertake this intensive training and certification program. The Board and Executive team participate in continuing education requirements for the designation they have earned through an online subscription with Governance Solutions Inc. and other training opportunities.

**Board Committees**

For enhanced efficiency and effectiveness, well-appointed and structured committees are utilized. Each committee has a mandate outlining its purpose and responsibilities which enables a clear focus on specific areas of activity vital to the effective governance of our credit union. Prairie Centre Credit Union has the following board committees:

**Governance Committee**

The Governance Committee is comprised of the President and the three Vice-Presidents of the Board. Duties related to governance are to set and maintain effective governance guidelines, ensure the performance and succession of senior leadership, and ensure compliance with all policies and Prairie Centre Credit Union bylaws. This committee met once in 2018.

**Audit and Risk Committee**

The Audit and Risk Committee, which met three times in 2018, is comprised of five directors. The purpose of the Audit and Risk Committee is to oversee the financial reporting process, review financial statements, liaise with internal and external auditors and regulators, and review internal control procedures at a high level. The committee also ensures the Enterprise Risk Management framework is reviewed, oversees the identification, measurement and development of strategies to manage risks, and oversees compliance with legal and regulatory requirements.

**GOVERNANCE INVESTMENT**

	Honorariums	Per Diems	Training	Travel	Office/ Other costs	Total
Amount	\$4,800	\$75,125	\$7,117	\$11,066	\$28,941	\$127,049

## BOARD OF DIRECTORS



**Greg Hannay, PRO.DIR**

***President***

Representative of District #2

Elected to the Prairie Centre Board of Directors in 2009. Farmer/Seed Cleaning Plant Owner. Chair of the Governance Committee; Sits on the Audit & Risk Committee and the Conduct Review Committee. Director of PCCU Insurance Ltd.



**Cathy Newby, PRO.DIR**

Representative of District #3

Elected to the Prairie Centre Board of Directors in 2005. Farmer/Business Owner. Chair of Member Engagement Committee, Sits on the Human Resources Committee.



**Craig Hanson, P.ENG., PRO.DIR**

***1st Vice President***

Representative of District #2

Elected to the Prairie Centre Board of Directors in 2005. Farmer/Engineer. Sits on the Audit and Risk Committee, the Conduct Review Committee and Governance Committee.



**Karen Sinclair, PRO.DIR**

Representative of District #2

Elected to the Prairie Centre Board of Directors in 2010. Subject Matter Expert, CFS Ministry of Social Services. Chair of the Human Resources Committee.



**Michelle Brummund, B.COMM., CPA, CA, PRO.DIR**

***2nd Vice President***

Representative of District #1

Elected to the Prairie Centre Board of Directors in 2010. Accountant/Farmer. Chair of the Audit and Risk Committee and the Conduct Review Committee, Sits on the Governance Committee.



**John Kutz, DIP.AG., PRO.DIR**

Representative of District #3

Elected to the Prairie Centre Board of Directors in 2011. Farmer. Sits on the Human Resources Committee.

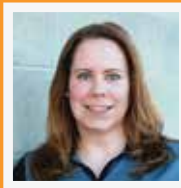


**Evan Sjovold, B.SC.(AG.), PRO.DIR**

***3rd Vice President***

Representative of District #4

Elected to the Prairie Centre Board of Directors in 2005. Farmer. Sits on the Audit and Risk Committee, the Conduct Review Committee and the Governance Committee.



**Heather Wilson-Gerbrandt,**

**BA, TEFL, PRO.DIR**

Representative of District #5

Appointed to the Prairie Centre Board of Directors in 2016. Educational Assistant/Rancher. Sits on the Human Resources Committee and Member Engagement Committee.



**Keith Collins, DIP.AG., PRO.DIR**

Representative of District #1

Elected to the Prairie Centre Board of Directors in 2009. Farmer. Sits on the Audit and Risk Committee, and the Conduct Review Committee.



**Jason Gabouray**

Representative of District #6

Appointed to the Prairie Centre Board of Directors in 2018. Farmer/Rancher. Sits on the Member Engagement Committee.



**Brian Benson, PRO.DIR**

Representative of District #4

Elected to the Prairie Centre Board of Directors in 2009. Retired. Sits on the Human Resources Committee.



**Wayne Pauls**

Representative of District #6

Appointed to the Prairie Centre Board of Directors in 2018. Retired. Sits on the Member Engagement Committee.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Conduct Review Committee

The Conduct Review Committee, which met twice in 2018, is comprised of five directors. The purpose of the Conduct Review Committee is to ensure that all proposed related party transactions with the credit union are deemed fair to the credit union and that best judgment is exercised in all matters of related party relationships.

### Human Resources Committee

The Human Resources Committee, comprised of four directors, is accountable to make recommendations for consideration by the Board of Directors for all human resources planning, and the total compensation system of the credit union. This committee met twice in 2018.

### Member Engagement Committee

This committee is made up of four Board Members and was established to generate ways to stimulate member involvement in the credit union such as increasing attendance at annual general meetings, becoming a director, and recognition of the co-operative difference in having membership in their financial institution. The committee met twice in 2018.

### Nominating Committee

The Nominating Committee oversees the nomination and election processes for election of credit union directors. The committee is comprised of the directors whose terms are expiring the following year. When we merge with another credit union, names of directors and the terms they will serve are included in the amalgamation agreement, therefore no meetings were required for this committee.

### Returning Officer Committee

As per our Bylaws, the Returning Officer Committee consists of the Returning Officer appointed at the previous Annual Meeting and those members of the Board of Directors whose terms expire in two years. The Returning Officer is charged with conducting the election process, and as we did not have an election in 2018, there were no activities required by this committee.

### Executive Management

Prairie Centre Credit Union has an experienced Executive Management team who are responsible to oversee the operations of the credit union within the context of strategies and policies approved by the directors, and for developing processes that identify, measure, monitor, and control risks. Management reports to the Board of Directors and committees on a regular basis with progress relative to the annual business plan. They also report to the Board of Directors regarding Prairie Centre's compliance to legislative, regulatory and policy requirements.

### Summary

As we reflect on the past year, Prairie Centre Credit Union would like to thank our Board of Directors, management, and staff for their commitment and hard work. We also want to acknowledge and show appreciation to our members for your continued support as our organization evolves. We look forward to meeting all of your financial needs in the future. It is our pleasure to continue to help you, our members, **Grow Your Money**.

## EXECUTIVE MANAGEMENT TEAM



### **Al Meyer, Chief Executive Officer (CEO)**

In his role as CEO, Al is responsible for implementing the corporate strategic direction, vision, mission, and values, along with overseeing the overall credit union operations. With over 40 years of financial institution experience, Al provides leadership within Prairie Centre, the credit union system, and Prairie Centre communities through corporate and community involvement. Since starting with the credit union system, Al has held a number of managerial positions both in

Saskatchewan and Alberta. Al has been with Prairie Centre since 1993, and has served as CEO since 2000. Al is a director of the Co-operative Superannuation Society and Chairman of the Board, he is also on the Board of Directors for PCCU Insurance Ltd. Al has served as a director on the boards of SaskCentral, Concentra Financial and has also served as a member of the Celero Management committee. Al has completed the Professional Director Certification Program through Brown Governance Inc. and Johnson Shoyama Graduate School of Public Policy.



### **Tim Askin, Chief Project Officer**

Tim is responsible for managing our corporate strategic projects as well as providing fixed asset management for Prairie Centre Credit Union. Currently he is spear-heading a three year corporate-wide Enterprise Content Management initiative, as well as our work process review strategy. Tim constantly plans for and initiates renovations and new facility builds. Tim has 31 years credit union experience and has been with Prairie Centre since 1995. He is a

Director on the Board for PCCU Insurance Ltd. Tim is a past representative with the Provincial CEAMS Technology group. He has completed the Executive Certificate in Applied Leadership at Queens Business College, and in 2016, completed the Brown Governance Professional Director Certification Program giving him a Professional Director (Pro.Dir™) designation.



### **Lesley Carlson, Chief Financial Officer**

Lesley is in charge of overseeing the operations of the Finance, Accounting and Risk Divisions. In the area of finance and accounting, this includes preparation of financial statements, forecasting, asset and liability management, as well as capital and liquidity management to ensure Prairie Centre is at the forefront of emerging requirements for prudent financial oversight and control. In the risk division, this includes oversight of Enterprise Risk Management,

Privacy and Compliance functions to ensure Prairie Centre monitors exposure to risk and minimizes the impact to the organization while keeping member service top of mind.

Lesley has been with Prairie Centre Credit Union since 1989 and has over 35 years of credit union experience in a variety of positions - frontline, marketing, deposits, advisory services and now finance and risk. Lesley is a member of the PCCU Insurance board of directors. Lesley is a Certified Financial Planner, has completed the Associate Credit Union Institute of Canada Designation with honours, and holds a Bachelor of Management Degree with Distinction. In 2016 she earned the Professional Director (Pro.Dir™) designation, and in 2018 she completed the Certified Chief Executive program through the Credit Union Executive Society.



### **Blair Wingert, Chief Operating Officer**

In his role as Chief Operating Officer, Blair oversees the business activities in all retail service centres; which include all fourteen branches, Wealth Management Services and PCCU Insurance Ltd. Blair provides leadership and strategic execution of Prairie Centre's credit management, underwriting standards, loan quality and overall retail administration.

With a strong commitment to member service, Blair drives product and service development initiatives pertaining to retail operations. Starting at

Prairie Centre Credit Union in 2014, Blair has over 15 years of experience in the financial services industry in a management capacity, which has involved leading people and managing branches as well as projects. Blair has a Bachelor of Commerce degree, Certified Chief Executive (CCE) designation and an Associate of the Credit Union Institute of Canada (ACUIC). In 2016, Blair completed the Brown Governance Professional Director Certification Program and earned the Professional Director (Pro.Dir™) designation.



### **Rob Jones, Chief Information Officer**

As Chief Information Officer, Rob focuses his enthusiasm on visualizing what's ahead and identifying trends that keep our rural members up at night. His natural curiosity combined with dedication to ask questions aids in his leadership of the Information Team. Through Governance to Digital Services to Engagement, Rob understands that our people are not here to sell products and services — they serve as ambassadors focused on delivering personalized financial solutions to the people that make rural

Saskatchewan their home. Rob's results-driven leadership style empowers the Information Team to learn, be curious, and become energized by their passion to exceed expectations and maximize value to internal and external members. Rob's team delivers timely and user-pertinent access to information because they understand that excellence is not a specific act — it's an informed, results producing, habit. Even though it doesn't always seem like work, Rob has the opportunity to exercise his creative muscles through the implementation of competitive and breakthrough information-based strategies consistent with Prairie Centre's strategic direction. Rob's commitment to ongoing learning continues to be realized through his recent completion of the Professional Director (Pro.Dir™) designation and ongoing commitment to the CUES CEO Institute.

## ANNUAL REPORT MESSAGE 2018

### DEPOSITS FULLY GUARANTEED

Credit Union Deposit Guarantee Corporation (the Corporation) is the deposit guarantor for Saskatchewan credit unions, and the primary regulator for credit unions and Credit Union Central of Saskatchewan (SaskCentral) (together, Provincially Regulated Financial Institutions or "PRFIs").

The Corporation is charged through provincial legislation, *The Credit Union Act, 1998*, with the main purpose of guaranteeing the full repayment of deposits held in Saskatchewan credit unions. The Corporation was the first deposit guarantor in Canada and has successfully guaranteed deposits since it was established in 1953. By guaranteeing deposits and promoting responsible governance, the Corporation contributes to confidence in Saskatchewan credit unions.

For more information about deposit protection, the Corporation's regulatory responsibilities, and its role in promoting the strength and stability of Saskatchewan PRFIs, talk to a representative at the credit union or visit the Corporation's web site at [www.cudgc.sk.ca](http://www.cudgc.sk.ca).





*Thank you* to our Board of Directors, management, and staff for their *commitment and hard work*. We also wish to acknowledge and *show appreciation* to our members for your support as our *organization evolves*, and *we look forward to meeting* all of your *financial needs* in the future. It is our pleasure to *continue to help you*, our members...

**Grow Your Money.**



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

To the Members of Prairie Centre Credit Union (2006) Ltd.:

### Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2018, and the summary consolidated statements of comprehensive income, changes in members' equity and cash flows for the year then ended, are derived from the audited consolidated financial statements of Prairie Centre Credit Union (2006) Ltd. (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 audited consolidated financial statements, in accordance with International Financial Reporting Standards.

### 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 audited 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 in our report dated March 12, 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 International Financial Reporting Standards.

### 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 Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Saskatoon, Saskatchewan  
March 12, 2019

  
Chartered Professional Accountants

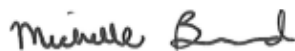
## SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31	2018	2017
<b>Assets</b>		
Cash and cash equivalents	\$ 72,439,895	\$ 52,970,260
Investments	47,110,212	38,131,393
Member loans receivable	612,664,809	539,163,943
Other assets	3,256,316	3,235,885
Property, plant and equipment	7,846,377	6,737,480
	<b>\$ 743,317,609</b>	<b>\$ 640,238,961</b>
<b>Liabilities</b>		
Member deposits	\$ 672,151,352	\$ 577,536,423
Other liabilities	3,326,094	4,189,867
Membership shares	83,405	67,560
	<b>675,560,851</b>	<b>581,793,850</b>
<b>Members' equity</b>		
Retained earnings	61,652,735	54,361,583
Contributed surplus	6,104,023	4,083,528
	<b>67,756,758</b>	<b>58,445,111</b>
	<b>\$ 743,317,609</b>	<b>\$ 640,238,961</b>

Approved on behalf of the Board



Board President, Greg Hannay



Audit & Risk Committee Chair, Michelle Brummund

A full set of audited consolidated financial statements is available from the Credit Union

## SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year Ended December 31	2018	2017
Interest income	\$ 28,923,845	\$ 23,589,841
Interest expense	7,912,620	5,697,522
Gross financial margin	21,011,225	17,892,319
Other income	5,358,130	4,892,502
Net interest and other income	26,369,355	22,784,821
Operating expenses	18,834,617	16,460,590
Income before provision for (recovery of) impaired loans and income taxes	7,534,738	6,324,231
Provision for (recovery of) impaired loans	(2,307,416)	782,986
Income before provision for income taxes	9,842,154	5,541,245
Provision for income taxes	2,183,223	850,527
Comprehensive income	7,658,931	4,690,718

A full set of audited consolidated financial statements is available from the Credit Union

## SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' EQUITY

Year Ended December 31

	Contributed Surplus	Retained Earnings	Total
Balance, December 31, 2016	4,083,528	49,670,865	53,754,393
Comprehensive income	–	4,690,718	4,690,718
Balance, December 31, 2017	4,083,528	54,361,583	58,445,111
<b>IFRS 9 transition adjustments</b>	<b>–</b>	<b>(367,779)</b>	<b>(367,779)</b>
<b>Comprehensive income</b>	<b>–</b>	<b>7,658,931</b>	<b>7,658,931</b>
<b>Contributed surplus resulting from business combination</b>	<b>2,020,495</b>	<b>–</b>	<b>2,020,495</b>
<b>Balance, December 31, 2018</b>	<b>6,104,023</b>	<b>61,652,735</b>	<b>67,756,758</b>

## SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended December 31

2018

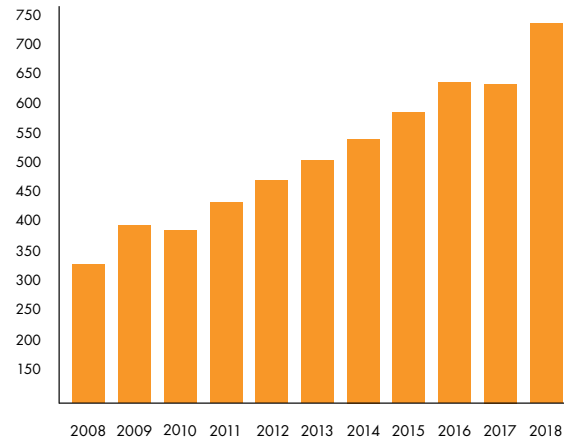
2017

Cash flows provided by (used in) the following activities:

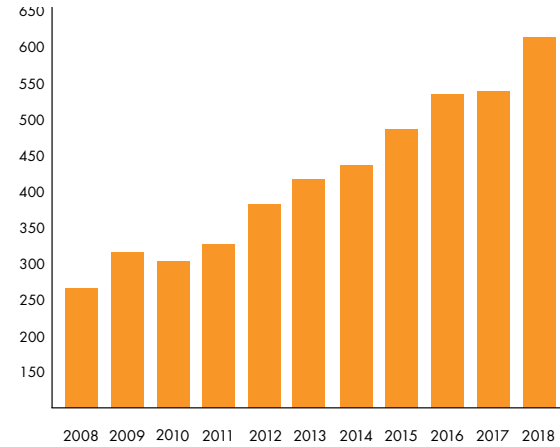
Operating activities	<b>\$ 5,466,058</b>	\$ 4,750,947
Financing activities	<b>36,815,526</b>	(8,160,541)
Investing activities	<b>(22,811,949)</b>	9,571,599
<b>Increase in cash and cash equivalents</b>	<b>19,469,635</b>	6,162,005
<b>Cash and cash equivalents, beginning of year</b>	<b>52,970,260</b>	46,808,255
<b>Cash and cash equivalents, end of year</b>	<b>\$ 72,439,895</b>	<b>\$ 52,970,260</b>

A full set of audited consolidated financial statements is available from the Credit Union

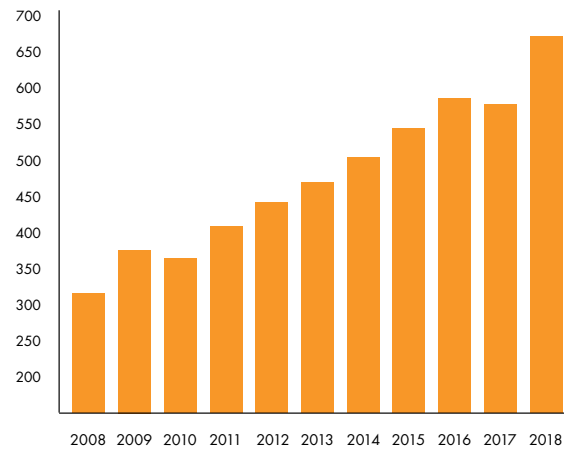
## ASSETS



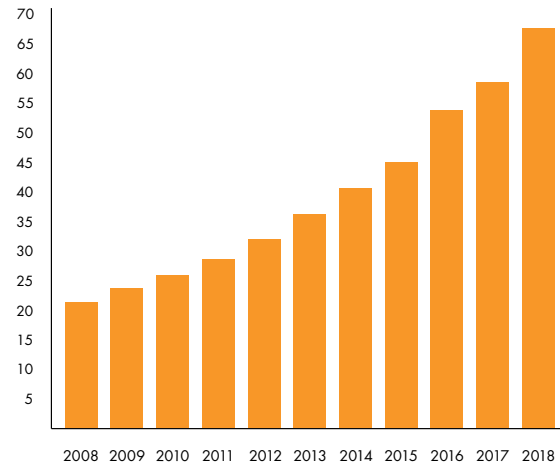
## LOANS



## MEMBER DEPOSITS



## MEMBERS' EQUITY





For complete details and more information,  
contact your branch today or visit [www.pccu.ca](http://www.pccu.ca)

