

**Swan Valley Credit Union Limited**  
**Summary Consolidated Financial Statements**  
*For the year ended December 31, 2021*

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

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To the Members of Swan Valley Credit Union Limited:

### Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2021, and the summary consolidated income statement, summary consolidated statements of , changes in members' equity and cash flows for the year then ended, are derived from the audited consolidated financial statements of Swan Valley Credit Union Limited (the "Credit Union") for the year ended December 31, 2021.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements of Swan Valley Credit Union Limited for the year ended December 31, 2021.

### Report on Other Legal and Regulatory Requirements

As at December 31, 2021 the Credit Union met the capital and liquidity reserve requirements established by Sections 15, 21 and 21(1) of the Regulations to the Credit Unions and Caisses Populaires Act of Manitoba.

Readers of the summary consolidated financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity reserve requirements, the reader must refer to the audited consolidated financial statements and notes for the year ended December 31, 2021.

### 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 1, 2022.

### 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.

Brandon, Manitoba

March 1, 2022



Chartered Professional Accountants

# Swan Valley Credit Union Limited

## Summary Consolidated Statement of Financial Position

*As at December 31, 2021*

	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Cash and cash equivalents	39,474,827	44,623,829
Accounts receivable	757,186	2,299,923
Investments and accrued interest	75,907,618	52,219,857
Members' loans receivable and accrued interest	216,786,869	208,193,719
Income taxes recoverable	-	6,991
Prepaid and other assets	161,580	168,496
Property and equipment	6,655,260	6,847,268
Goodwill	1,739,082	1,739,082
	<b>341,482,422</b>	316,099,165
<b>Liabilities</b>		
Member deposits and accrued interest	317,900,396	293,595,701
Income taxes payable	285,942	9,975
Accounts payable	1,243,936	1,616,767
Deferred tax	7,000	40,000
	<b>319,437,274</b>	295,262,443
<b>Members' equity</b>		
Member shares	2,613,109	3,006,009
Retained earnings	19,432,039	17,830,713
	<b>22,045,148</b>	20,836,722
	<b>341,482,422</b>	316,099,165

Approved on behalf of the Board

Signed "Ken Treasure"  
Director

Signed "David Dayson"  
Director

## Swan Valley Credit Union Limited Summary Consolidated Income Statement

*For the year ended December 31, 2021*

	<b>2021</b>	<b>2020</b>
<b>Interest income</b>		
Member loans	7,352,481	7,616,194
Investments	1,519,997	1,634,536
	<b>8,872,478</b>	9,250,730
<b>Interest expense</b>		
Member deposits	2,982,428	3,684,678
Borrowing	-	5,616
	<b>2,982,428</b>	3,690,294
<b>Net interest income</b>	<b>5,890,050</b>	5,560,436
<b>Operating expenses</b>		
Administration	1,530,902	1,407,520
Amortization and impairment	347,705	351,896
Member security	281,615	254,083
Occupancy	367,721	487,691
Organizational	155,912	192,264
Personnel	3,422,665	3,501,488
	<b>6,106,520</b>	6,194,942
<b>Net operating expenses</b>	<b>(216,470)</b>	(634,506)
<b>Other income</b>	<b>2,878,281</b>	2,507,388
<b>Income before provision for impaired loans and income taxes</b>	<b>2,661,811</b>	1,872,882
<b>Provision for impaired loans</b>	<b>461,651</b>	427,426
<b>Income before income taxes</b>	<b>2,200,160</b>	1,445,456
<b>Provision for income taxes</b>		
Current	630,804	337,999
Deferred	(33,000)	(55,000)
	<b>597,804</b>	282,999
<b>Net income</b>	<b>1,602,356</b>	1,162,457

**Swan Valley Credit Union Limited**  
**Consolidated Statement of Changes in Members' Equity**  
*For the year ended December 31, 2021*

	<i>Member shares</i>	<i>Retained earnings</i>	<i>Total equity</i>
<b>Balance December 31, 2019</b>	<b>3,051,248</b>	<b>16,669,116</b>	<b>19,720,364</b>
Net income	-	1,162,457	1,162,457
Issuance of member shares	75	-	75
Redemption of member shares	(45,314)	-	(45,314)
Dividend on preference shares, net of tax recovery	-	(860)	(860)
<b>Balance December 31, 2020</b>	<b>3,006,009</b>	<b>17,830,713</b>	<b>20,836,722</b>
Net income	-	1,602,356	1,602,356
Issuance of member shares	425	-	425
Redemption of member shares	(393,325)	-	(393,325)
Dividend on preference shares, net of tax recovery	-	(1,030)	(1,030)
<b>Balance December 31, 2021</b>	<b>2,613,109</b>	<b>19,432,039</b>	<b>22,045,148</b>

## Swan Valley Credit Union Limited

### Summary Consolidated Statement of Cash Flows

*For the year ended December 31, 2021*

	<b>2021</b>	<b>2020</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Interest received from member loans	7,328,555	7,637,065
Interest and dividends received from investments	1,530,068	1,698,308
Other income received	4,414,087	825,783
Cash paid to suppliers and employees	<b>(6,124,730)</b>	<b>(5,711,639)</b>
Interest paid on deposits	<b>(3,328,296)</b>	<b>(3,869,117)</b>
Interest paid on borrowed money	-	(5,616)
Income taxes paid	<b>(341,564)</b>	<b>(392,870)</b>
	<b>3,478,120</b>	<b>181,914</b>
<b>Financing activities</b>		
Net change in member deposits	24,650,563	21,850,129
Issuance of member shares	425	75
Redemption of member shares	<b>(393,325)</b>	<b>(45,314)</b>
	<b>24,257,663</b>	<b>21,804,890</b>
<b>Investing activities</b>		
Net change in members' loans receivable	<b>(9,030,875)</b>	<b>(10,060,972)</b>
Purchases of investments	<b>(23,697,832)</b>	-
Proceeds on disposal investments and accrued interest	-	23,890,709
Purchases of property and equipment	<b>(156,078)</b>	<b>(489,162)</b>
	<b>(32,884,785)</b>	<b>13,340,575</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(5,149,002)</b>	<b>35,327,379</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>44,623,829</b>	<b>9,296,450</b>
<b>Cash and cash equivalents, end of year</b>	<b>39,474,827</b>	<b>44,623,829</b>