

Annual Report

2018



MISSION STATEMENT

We are a financial cooperative committed to providing programs and services which enhance the economic and social well being of our members and our community.

VISION STATEMENT

To exceed member and community expectations.

CORE VALUES

- Trust
- Service Excellence
- Community
- Collaborative Relationships
- CSR and Sustainability
- Cooperative Principles

COOPERATIVE SOCIAL RESPONSIBILITY VALUE STATEMENT

Sydney Credit Union's commitment to Cooperative Social Responsibility defines its recognition of stakeholders, while in the pursuit of sustainable solutions, that involve and balance the interests of our organization, our members, our staff, our community, our cooperative sector and our environment.

Contents

Chair's Report	3
Chief Executive Officer's Report	5
Management & Staff	7
Commitment to Community	11
Scholarships & Bursaries	13
Charitable Foundation	14
Fat Cat	17
Financial Literacy	18
Applied Wealth Strategies	19
Management's Responsibility for Financial Information	20
Summary Financial Statements	21

84th Annual General Meeting

April 3, 2019

Agenda

Registration

Call to Order - Establish Quorum

Period of Silence in Honour of Deceased Members

Welcome Cooperative Partners

Approval of Agenda

Approval of April 4, 2018 Annual General Meeting Minutes

Business Arising from the Minutes

Report of the Board of Directors

Report of the Nominating Committee

Report of the Auditor

Report of the Chief Executive Officer

New Business:

- Appointment of Auditors for 2019
- Employee Service Awards
- Other Business
- Under One Umbrella
- Your Community, Your Credit Union Video

Drawing of Door Prizes

Adjournment

Chair's Report

Patronage
2014 - 2018
(\$ Thousands)



Net Income
2014 - 2018
(\$ Thousands)



Equity
2014 - 2018
(\$ Millions)



Please let me first take the time to thank you for the honour and privilege to serve as your board chair for 2018. I feel very lucky to be part of an organization that is inter-woven into the fabric of the community, one that actively participates in activities and events that forward our community in a positive way, and have been doing so since 1935.

In a time globally, when the economy is a challenge, the Sydney Credit Union continues to find ways to maintain a healthy financial position. This is, in no small part, thanks to the wonderful management and staff at the Sydney Credit Union. They, along with the entire board, work hard to ensure that we are fairly representing all our members.

2018 was an interesting year. From the legalization of Cannabis, to the purchase of a pipeline to major changes in NAFTA, Canada (and the world) is constantly evolving. We too, must evolve. We work hard to plan for changes and to be proactive, not reactive to the situations at hand.

You can be assured that as a member of Sydney Credit Union you will receive the great banking you're seeking, but as you know, being a member is about something more. It is about being part of something bigger. It is about being more than customer; it is about helping to build and shape your community.

In 2018, Sydney Credit Union supported more than one-hundred non-profit groups, community organizations and events; events that brought people together in times of celebration and in times of need. This could never happen without YOU, the member! This is YOUR community contribution and something YOU should feel proud of!

You have entrusted your Board of Directors to serve you and your Credit Union. On behalf of your Board of Directors, Thank You for your trust in us. We look forward to continuing to serve you and Sydney Credit Union in 2019.

Co-operatively yours,

Mary Jane Morrison



Mary Jane Morrison
Chair

Board of Directors



Back Row: Blaise MacLean, Mike McIntyre, Dan MacDonald, Mike Mombourquette, Joe Legge, Jay Hollohan
 Front Row: Sarah MacEachern, Mary Jane Morrison, Hugh MacKinnon, Danielle MacKinlay
 Missing: Danielle Johnston

2018 Board Meeting Attendance and Committee Participation

Director	Board	Executive	Credit	CSR	Audit	Policy	Nominating
Joe Legge	8/8	8/8		1/1	2/3		
Mary Jane Morrison	8/8	8/8		2/3	1/1	2/2	
Hugh MacKinnon	6/8	2/3	3/4			1/2	
Mike Mombourquette	7/8	8/8		4/4	1/1		
Jeanette Thompson	3/3		1/1	1/1			2/2
Blaise MacLean	8/8		3/4			2/2	
Dan MacDonald	8/8	3/5	4/4	4/4			
Danielle Johnston	3/5			0/2	0/1		
Jay Hollohan	5/8			3/4	3/4		
Sarah MacEachern	4/8			1/1	4/4		
Danielle MacKinlay	4/5			3/3			
Mike McIntyre	2/3			1/2			

Chief Executive Officer's Report

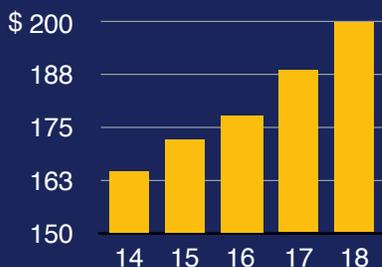
Loans
2014-2018
(\$ Millions)



Deposits
2014-2018
(\$ Millions)



Assets
2014-2018
(\$ Millions)



It gives me great pleasure to share with you what a great year Sydney Credit Union enjoyed in 2018. While we achieved very good financial results, resulting in an increase in our Patronage Rebate, we were also able to refresh our pledge to our cooperative values, including an increased focus on improving the financial literacy of our community.

Sydney Credit Union is committed to providing excellent financial advice and solutions to our members. We've successfully balanced our role in serving our community with the financial needs of the individuals and businesses we serve. When you are not only local, but truly care about your members, then you can't help but care about their family, their schools, and their environment. You become entwined with their lives and the life of the community – that is *Truly Local Banking*.

I would like to take a few minutes now to review some key financial highlights for 2018 with you. I'm proud to say that with asset growth of over 6.5%, we have exceeded \$200 million in assets at year end by almost \$1m. Perhaps even more rewarding is that our net membership grew by 1.6%, ending the year at just over 13,900 members. The net loan portfolio grew by 11.0% or \$17,584,000, while deposit balances increased by 5.8% or \$9,813,000. This variance between lending and deposit growth is a focus for your board and management team in 2019. We will continue our efforts to invite additional deposit business from our members and potential members to help narrow this discrepancy.

At December 31, 2018 our operating income of \$1,301,000 was \$205,000 higher than the previous year, even after our Patronage Rebate increased by \$60,000 over 2017 to \$260,000. Unfortunately, we also saw a significant increase of \$151,000 in our income tax expense, so Net Income overall increased by \$53,000.

At Sydney Credit Union we are honoured that you trust us to provide you the advice that will see you thrive financially. We are also aware that you rely on us to ensure your credit union remains sustainable and secure. We are therefore responsible to provide you with the products and services that are relevant, convenient and affordable, always ensuring that your credit union continues to succeed and grow. This security and stability allows us to be innovative and bold, as we look to meet your needs now and in the future.

The launch of our new suite of credit cards with provider Collabria is an example of the



Carol Ripley
CEO

Chief Executive Officer's Report

benefits we can enjoy by selecting products that have a strong business case and display economies of scale. This suite offers a wide variety of either Visa® or Mastercard® credit cards for individuals and businesses, with low fees, comparable market rates, and an attractive rewards program. Collabria also provides 24/7 access to account information online through MyCardInfo.com. Even more importantly, they offer around-the-clock fraud monitoring and protection services for credit card members.

This past year we introduced receipt printers in our branches, which significantly decreased our need for deposit slips for over-the-counter transactions. This also allows members the choice of requesting a printed or electronic receipt with every transaction, the latter of which is sent directly to your email inbox. Not only is this a cost reduction, it is environmentally friendly. As we move forward we will continue to look for areas where we can create efficiencies, and as a result reduce expenses, because we know both measures contribute to our profitability and sustainability.

We will also continue to work with other collaborative credit unions to leverage our collective size, which will help us excel in a very competitive marketplace. Furthermore, working together as a cooperative system enables us to utilize the latest technologies, and take full advantage of the trends that are impacting the banking industry. Collaborating on operations with cooperative partners will mean we can spend more quality time with you, the member, ensuring we are totally focused on your financial well-being and future financial success.

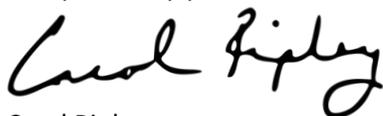
Sydney Credit Union is striving to become an employer of choice, as we believe that this is an important driver for our success. We want to have staff that are motivated coming to work each day, are invested in our cooperative principles, and that are proud to work here. To measure how we are doing we carried out a staff engagement survey this year. The feedback we received will be the benchmark against which we will measure whether changes we are implementing are having the desired effect in the future, and will guide us as we continuously work towards improvements.

I would certainly be remiss if I didn't boast about our dedication to supporting our community, echoing the Chair's comments. Our Co-operative Social Responsibility (CSR) Value Statement recognizes this commitment, and we share our Five Star Success results with our five stakeholders: our organization, members, staff, community and the co-operative sector at large. This differentiator in the banking field is one of the pillars that the cooperative system was built on, and is as much a fabric of our DNA as is the one member, one vote philosophy. Our members' success is very dependent on the strength of the community in which they live.

In closing I would like to thank our staff, management team and Board members for your tremendous support in 2018. Our employees continue to demonstrate their professionalism and commitment to our members and our community, and I can't thank them enough. To the Board, you have been a source of wise counsel and inspiration, and I continue to value your incredible contributions and leadership as we look ahead to a bright future. Most importantly to you, our members, I want to say *Thank You*. We would not have enjoyed such a successful year without your support and patronage.

Sydney Credit Union is looking forward to an exciting future, to becoming even more of a leader in our community, and as a member you play a key role in contributing to that success.

Co-operatively yours,



Carol Ripley
Chief Executive Officer

Member First Team



Rakesh Kochhar
Chief Operating Officer



Jane Graham



Yianni Harbis, Frances MacDonald



Chris Larade, Annette Coakley, Chris Parsons,
Tracy Shebib, Karen MacNeil

YOUR Member First Team



Bobbi-Ann Lanceleve
Lindsay MacNeil
Natalie Lomond



Adrienne Collins



Stephen LeBlanc, Joline Vassallo



Jackie Young, Connie MacNeil, Michael Toomey, Barb Miller

Member First Team



Denise Dezagiacomo, Lori Jessome,
Michelle Mugford, Susanne Taylor



Lisa Antinello LeBlanc, Andrew Livingstone, Crista Currie



Back: Alisha Smith,
Tracy MacKinnon,
Kristen Bell, Matthew
Manning

Front: Nadara
MacDonald, Angela
Brenton, Ida Luther,
Nicole Nicholas

Member First Team



Chris MacPherson, Todd Day
Shelley Murrant, Patsy Cantwell



Natalie Rudderham



Mark Carabin, Jennifer Griffin, Cindy MacDonald



Muriel Jackson, Linda Deleskie, Carol Lee Carrigan,
Laurelle Saccary

Missing from photos: Christina Boudreau-Melanson, Elizabeth Murphy, Courtney Phillip, Laura Rykuny

Sydney Credit Union is proud to support many community organizations including:

- Acoustic Roots Festival
- African Heritage Society
- Alzheimers Society of Cape Breton
- Basketball Cape Breton
- Big Pond Scottish Concert
- Boardmore Playhouse
- Canadian Council of the Blind (CNIB)
- Cantley Village Recreation Association
- Cape Bretoners Dragon Boat Team
- Cape Breton Chorale
- Cape Breton Classic Cruisers Car Club
- Cape Breton County Minor Hockey Association
- Cape Breton Fiddlers Association
- Cape Breton Fiddlers Run
- Cape Breton Highlanders Basketball
- Cape Breton Kiwanis Festival
- Cape Breton Music Industry Cooperative (CBMIC)
- Cape Breton Regional Chamber of Commerce
- Cape Breton Regional Library
- Cape Breton Regional Hospital Cancer Care Fund
- Cape Breton Regional Hospital Foundation
- Cape Breton Screaming Eagles
- Cape Breton Tradesmen
- Cape Breton University School of Nursing
- CBU Tourism & Hospitality Management Program
- Cape Breton Victoria Regional School Board
- Children's Wish Foundation
- CBU Students Union
- Christmas Daddies
- Community Homeless Shelter
- Community Safety Net
- Cove Guest Home
- Destigmatize
- EPIC Youth Peer Program
- Every Woman's Centre
- Friends of Neville Park Society
- Football Nova Scotia
- Glance Bay UNIA
- Great Cape Breton Clean Up (CBRM)
- Heart & Stroke Foundation of Canada
- Highland Arts Theatre
- The HOPE Project
- Hospice Palliative Care
- Kidney Foundation (Cape Breton)
- Kinsmen Club of Sydney
- Kiwanis Club of Sydney

YOUR Community



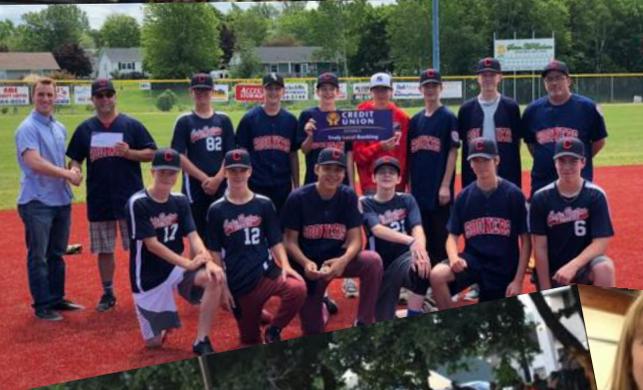
YOUR Credit Union

Sydney Credit Union is proud to support many community organizations including:

Cape Breton Firefighters Burn Care Society receives donation made 11 years ago

Sharon Montgomery-Dupe (sharon.montgomery@cbpost.com)
Published: Dec 03, 2018 at 7:48 p.m.
Updated: Dec 04, 2018 at 11:58 a.m.

Facebook Twitter + More 107



- The Lakes at Ben Eoin Youth League
- L'Arche Cape Breton
- Lingan Golf & Country Club Youth League
- Loaves and Fishes
- Lumiere Arts Festival
- MacGillvray Guest Home
- Main-a-Dieu Community Development Association
- Meals on Wheels
- Mira Ferry Community Fair
- Mountainview Elementary School
- NSCC – Marconi Campus
- NSCC Make Way Campaign
- New Dawn Enterprises Ltd.
- Northside Hospital Foundation
- Nova Scotia Fire Fighters
- Nova Scotia Ground Search and Rescue
- Nova Scotia Keltics Rugby
- Nova Scotia Nurses Union
- Nova Scotia Secondary School Students Association (NSSSA)
- Pathways
- Port of Sydney
- Pride Cape Breton
- Riverview High School – Red Cup
- Rockin' for Wishes Fundraiser
- Royal Canadian Legion Branch 12
- Rt. Hon. Vincent Massey C.H. Chapter IODE
- Salvation Army/Servicom Employees
- Schooner Curling Club
- Shriners
- St. Mary's Polish Church
- St. Theresa's Parish Spirit Days
- Sydney Academy Athletics
- Sydney Academy Parents Safe Grad Committee
- Sydney Minor Baseball
- Sydney Minor Hockey Association
- Sydney Sooners Baseball
- Sydney Harbourfront Festival
- Sydney Waterfront District
- Two Rivers Wildlife Park
- Transition House Foundation
- Under One Umbrella
- United Way of Cape Breton
- VON
- Westmount Canada Day Celebration
- Whitney Pier Legion
- Whitney Pier Society for the Arts
- Pierscape
- Whitney Pier Youth Club
- YMCA Cape Breton

Scholarships & Bursaries

Sydney Credit Union recognizes the financial burden that increasing tuition costs have on students pursuing their dream for higher education. For almost 50 years, we have provided scholarships to students in the community as a sign of support for the achievement of their educational goals.

The Sydney Credit Union Scholarship Program awards \$11,000 to students through the school scholarships listed below:

- Riverview High School
4 scholarships of \$500 each
- Sydney Academy High School
4 scholarships of \$500 each
- Sydney Academy Safe Grad Bursary
1 bursary of \$100
- Etoile de l'Acadie
1 scholarship of \$500
- Cabot High School
1 scholarship of \$500
- Rankin School of the Narrows
1 scholarship of \$500
- Nova Scotia Community College, Marconi Campus
1 scholarship of \$500
- Cape Breton University
4 scholarships of \$1,000 each
1 scholarship of \$500
- The Cape Breton Kiwanis Festival of Music, Speech and Drama
2 scholarships of \$200 each

Helping Students Succeed



Sydney Credit Union Charitable Foundation

2018 Total Donations \$28,500!



2nd Annual Battle of the Golden Jackets Golf Tournament






CREDIT UNION

SYDNEY

Charitable Foundation

BATTLE OF THE GOLDEN JACKETS GOLF TOURNAMENT

\$16,637 Raised






Fat Cat

Sydney Credit Union's Fat Cat® Account is designed to introduce children to the concept of money management. Opening a Fat Cat® account helps local children to establish the groundwork for their financial future and gives them the opportunity to develop money management skills.

Local schools participating in the Fat Cat® Program include Harbourside Elementary, Marion Bridge Elementary, Cusack Elementary, Brookland Elementary, Sydney River Elementary, Coxheath Elementary, Robin Foote Elementary, Mountainview Elementary and Harbourview Montessori.

Sydney Credit Union's Fat Cat® mascot has become a popular local celebrity, with children and adults alike recognizing him at local events and school visits.



Financial Literacy



SYDNEY

Truly **LOCAL** Banking



Sydney Credit Union is committed to Financial Literacy and growing the financial knowledge and skills of our members and our community. We offer support to various local groups and organizations through our Lunch and Learn program, Community Financial Literacy Information Program and our Each One Teach One Financial Literacy Sessions. The presentations focus on everything from basic budgeting and building credit, to filing your taxes, managing debt to choosing a home that is right for you.

If you feel you or your community group or organization would benefit from one of our financial literacy sessions, reach out to us.

Growing financial knowledge and know how benefits us all!

Regardless of net worth, Canadians who engage CERTIFIED FINANCIAL PLANNER® professionals for their financial planning needs report that they are experiencing significantly higher levels of financial and emotional well-being.

Applied Wealth Strategies is Sydney Credit Union's focused approach to financial planning. Applied Wealth Strategies offers personal and confidential financial planning services with recommendations tailored to the client's unique situation.

Our focus is on you, the client and your family. We take the time to help you understand your financial situation and explain the many vehicles that can be used to secure and grow your investments.

Applied Wealth Strategies has a broad insurance and investment toolkit to help you organize, analyze and strategize the best ways to reach your personal financial goals.

Managed by Denise Gallant, CFP, Applied Wealth Strategies employs a full-time staff of three. The Applied Wealth Strategies team consistently pursues continuing education, and we continue to make investments in tools and infrastructure to support the well-being of our clients.

At Applied Wealth Strategies we realize the importance of financial security to our clients and we strive to provide solid advice, excellent personal service and to build long-term successful relationships.

Ask your Credit Union specialist for a referral to Applied Wealth Strategies or contact us directly at info@appliedwealth.ca



Denise Gallant CFP, Tammy Campbell, Kim Neville

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Management's Responsibility for Financial Information

Management of Sydney Credit Union is responsible for the integrity, consistency, objectivity, and reliability of the financial statements accompanying this annual report. The financial statements and related financial information were prepared in accordance with the Credit Union Act and Regulations and conform in all material respect with International Financial Reporting Standards and related regulations. Management has exercised its judgement and made best estimates where appropriate and the Board and management consider the information to be fairly presented.

Sydney Credit Union's accounting systems and related internal controls are designed, and supporting procedures maintained, to provide reasonable assurance that financial records are complete and accurate, and that assets are maintained and accounted for in accordance with its policies and procedures, and that transactions are recorded on the Credit Union's books and records.

The Board of Directors, acting through the Audit Committee, oversees management's responsibilities for financial reporting and systems of internal controls. The Audit Committee meets with management and external auditors to satisfy itself as to the reliability and integrity of the financial information and the safeguarding of assets. The Committee reports its findings to the Board of Directors for consideration in approving the annual financial statements.

MGM & Associates, independent external auditors, have been appointed by the members to examine and report on the financial statements. They have had full and free access to the Audit Committee and Board of Directors, and provide an objective independent review of the fairness of reported operating results and financial position. Their report outlines the scope of their examination and their opinion. Full financial statements are available upon request.

Carol Ripley
Chief Executive Officer

Rakesh Kochhar
Chief Operating Officer



**CREDIT
UNION**

SYDNEY

Truly Local Banking

Summary Financial Statements of

**SYDNEY CREDIT UNION
LIMITED**

Year ended December 31, 2018



MGM & Associates
Chartered Professional Accountants
Commerce Tower
15 Dorchester Street, Suite 500
PO Box 1
Sydney NS B1P 6G9

Telephone (902) 539-3900
Fax (902) 564-6062
Internet www.mgm.ca

INDEPENDENT AUDITORS' REPORT ON THE SUMMARY FINANCIAL STATEMENTS

To The Members of
Sydney Credit Union Limited

The accompanying summary financial statements, which comprise the statement of financial position as at December 31, 2018, and the statements of comprehensive income, changes in members' equity and cash flows and the schedule of expenses for the year then ended, are derived from the audited financial statements of Sydney Credit Union Limited for the year ended December 31, 2018. We expressed an unmodified audit opinion on those financial statements in our report dated March 21, 2019. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Sydney Credit Union Limited.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with International Financial Reporting Standards.

Auditors' Responsibility

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

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Sydney Credit Union Limited for the year ended December 31, 2018 are a fair summary, in all material respects, of those financial statements, in accordance with International Financial Reporting Standards.

A handwritten signature in black ink that reads "MGM & Associates". The signature is written in a cursive, flowing style.

Chartered Professional Accountants
Licensed Public Accountants

Sydney, Canada
March 21, 2019

SYDNEY CREDIT UNION LIMITED

Financial Statements

Year ended December 31, 2018

Statement of Financial Position	1
Statement of Comprehensive Income	2
Statement of Changes in Members' Equity	3
Statement of Cash Flows	4
Schedule of Expenses	5

SYDNEY CREDIT UNION LIMITED

Statement of Financial Position

December 31, 2018, with comparative figures for 2017

	2018	2017
ASSETS		
Cash and cash equivalents	\$ -	\$ 5,749,978
Investments and deposits	19,169,281	18,363,851
Loans to members	177,927,203	160,343,668
Other assets	522,788	701,227
Property, buildings and equipment	3,333,228	3,393,364
Deferred income tax asset	8,000	-
	\$ 200,960,500	\$ 188,552,088
LIABILITIES		
Liabilities to members		
Deposits	\$ 177,975,694	\$ 168,162,247
Accrued interest on deposits	411,211	192,423
Accrued patronage rebate	260,357	200,007
	178,647,262	168,554,677
Liabilities to non-members		
Bank indebtedness	1,104,374	-
Accounts payable and accrued liabilities	786,977	814,565
Deferred income tax asset	-	33,300
Income taxes payable	202,013	71,804
	2,093,364	919,669
	180,740,626	169,474,346
MEMBERS' EQUITY		
Equity shares	88,130	86,880
Retained earnings	18,808,199	17,667,317
Contributed surplus	1,323,545	1,323,545
Accumulated other comprehensive income	-	-
	20,219,874	19,077,742
	\$ 200,960,500	\$ 188,552,088

SYDNEY CREDIT UNION LIMITED

Statement of Comprehensive Income

Year ended December 31, 2018, with comparative figures for 2017

	2018	2017
INCOME		
Interest on loans	\$ 7,319,523	\$ 6,536,688
Investment income	368,841	335,100
	<u>7,688,364</u>	<u>6,871,788</u>
INTEREST EXPENSE		
Interest on members' deposits	992,345	735,468
Loan interest and referral fees	302,304	334,676
	<u>1,294,649</u>	<u>1,070,144</u>
Financial margin	6,393,715	5,801,644
Other income (note 17)	2,158,730	2,206,262
	<u>8,552,445</u>	<u>8,007,906</u>
EXPENSES		
Personnel	3,318,646	3,312,053
Members' security (schedule)	191,860	178,860
General business (schedule)	2,502,470	2,395,835
Occupancy (schedule)	360,435	370,481
Provision for loan losses	698,487	492,193
Depreciation	179,413	161,897
	<u>7,251,311</u>	<u>6,911,319</u>
Income before income taxes	1,301,134	1,096,587
Income taxes		
Current	428,345	226,328
Deferred	(20,400)	30,200
	<u>407,945</u>	<u>256,528</u>
NET INCOME	893,189	840,059
OTHER COMPREHENSIVE INCOME	-	-
COMPREHENSIVE INCOME	<u>\$ 893,189</u>	<u>\$ 840,059</u>

SYDNEY CREDIT UNION LIMITED

Statement of Changes in Members' Equity

Year ended December 31, 2018, with comparative figures for 2017

	Equity shares	Retained earnings	Contributed surplus	Accumulated other comprehensive income	Total
BALANCE, DECEMBER 31, 2016	\$ 86,450	\$ 16,827,258	\$ 1,323,545	\$ -	\$ 18,237,253
Comprehensive income	-	840,059	-	-	840,059
Shares issued	6,560	-	-	-	6,560
Shares redeemed	(6,130)	-	-	-	(6,130)
BALANCE, DECEMBER 31, 2017	86,880	17,667,317	1,323,545	-	19,077,742
Comprehensive income	-	893,189	-	-	893,189
Shares issued	6,635	-	-	-	6,635
Shares redeemed	(5,385)	-	-	-	(5,385)
Allowance for impaired loans transition adjustment	-	247,693	-	-	247,693
BALANCE, DECEMBER 31, 2018	\$ 88,130	\$ 18,808,199	\$ 1,323,545	\$ -	\$ 20,219,874

SYDNEY CREDIT UNION LIMITED

Statement of Cash Flows

Year ended December 31, 2018, with comparative figures for 2017

	2018	2017
CASH FLOWS FROM OPERATIONS		
Net income	\$ 893,189	\$ 840,059
Items not involving cash		
Depreciation	179,413	161,897
Deferred income taxes	(20,400)	30,200
Change in opening allowance for IFRS 9 adoption	226,793	-
Change in non-cash operating working capital		
Increase in loans to members	(17,583,535)	(17,148,280)
Decrease in income taxes receivable	-	33,092
Decrease in other assets	178,439	866,428
Increase in deposits	9,813,447	9,810,812
Increase in accrued interest on deposits	218,788	23,343
Increase in accrued patronage rebate	60,350	55,903
Decrease in accounts payable and accrued liabilities	(27,588)	(105,572)
Increase in income taxes payable	130,209	71,804
	(5,930,895)	(5,360,314)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in equity shares, net	1,250	430
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Decrease (increase) in investments and deposits	(805,430)	2,332,701
Purchase of property, buildings and equipment	(119,277)	(192,347)
	(924,707)	2,140,354
DECREASE IN CASH AND CASH EQUIVALENTS	(6,854,352)	(3,219,530)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	5,749,978	8,969,508
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ (1,104,374)	\$ 5,749,978
Supplemental cash flow information		
Cash paid during the year for		
Interest on members' deposits	\$ 752,134	\$ 705,241
Income taxes	298,136	121,432
Cash received during the year for		
Dividends and interest on investments	390,683	340,789
Interest on loans to members	7,291,007	6,188,703

SYDNEY CREDIT UNION LIMITED

Schedule of Expenses

Year ended December 31, 2018, with comparative figures for 2017

	2018	2017
MEMBERS' SECURITY		
Deposit insurance	\$ 154,639	\$ 145,857
Bonding insurance	37,221	33,003
	\$ 191,860	\$ 178,860
GENERAL BUSINESS		
Service fees and charges	\$ 1,108,467	\$ 1,072,439
Data processing	325,273	303,759
Miscellaneous	236,414	170,240
Central assessment and dues	227,195	223,565
Advertising and promotion	252,056	217,299
Educational	87,442	105,574
Telephone	48,517	73,377
Office and stationery	63,858	78,012
Service contracts and maintenance	44,687	47,384
Postage	57,405	50,630
Professional fees	34,381	37,591
Scholarships	9,600	9,000
Administrative fees - RRSP	7,175	6,965
	\$ 2,502,470	\$ 2,395,835
OCCUPANCY		
Municipal taxes	\$ 122,174	\$ 123,105
Repairs and maintenance	49,835	58,872
Heat, lights and water	82,122	79,717
Janitorial and cleaning supplies	74,272	74,788
Insurance	32,032	33,999
	\$ 360,435	\$ 370,481

Truly Local Banking





**CREDIT
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SYDNEY

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SYDNEY BRANCH
95 Townsend Street
Sydney, NS B1P 5C9

SYDNEY RIVER BRANCH
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