### condensed consolidated annual report 2020

## condensed consolidated statement of financial position

AS AT DECEMBER 31, 2020 (000s CANADIAN DOLLARS)		<b>2020</b> 20		
ASSETS				
Cash and deposits	\$	212,192	\$	202,495
Loans, net of allowance				
for impairment	1,	1,058,372		992,646
Property, plant, equipment,				
intangible assets and				
investment property		23,702		24,432
Other assets		59,255		51,668
	\$ 1	1,353,521	\$	1,271,241

#### LIABILITIES & MEMBERS' EQUITY

Deposits from members		
- Demand	\$ 692,306	\$ 570,649
- Term	327,337	363,500
- Registered plans	210,813	203,559
- Shares	3,153	3,280
	1,233,609	1,140,988
Other liabilities	12,055	11,686
Borrowings	30,819	43,293
Patronage payable	350	615
Income taxes payable	184	-
Deferred tax liabilities	-	136
Member equity shares	13,485	14,000
Retained earnings	63,050	60,540
Accumulated other		
comprehensive income (loss)	(31)	
	\$ 1,353,521	\$ 1,271,241

#### **APPROVED BY THE DIRECTORS**

Ron Anderson Mike Konkin

NOTE: Readers are cautioned that these condensed consolidated financial statements do not include all the disclosures required for complete and fair presentation. The Kootenay Savings 2020 Annual Report, complete with full consolidated financial statements and independent auditors' report, can be obtained at kscu.com or at any Kootenay Savings branch.

## condensed consolidated statements of comprehensive income and changes in members' equity

Interest income         \$ 39,167         \$ 40,204           Interest expense         15,426         16,561           Net interest income         23,741         23,643           Securitized loan income (expense)         (288)         (195)           Other income         10,088         8,212           33,541         31,660           Provision (recovery) for credit losses         929         (1,014)           Net interest and other income, after provision         32,612         32,674           Operating expenses         - Personnel         19,207         19,095           - Other         10,057         10,417         29,264         29,512           Property development         (229)         (98)           Net income before other items         3,119         3,064           PATRONAGE & DIVIDENDS           Patronage dividends         -1,25% (2019 - 2,00%)         153         280           Dividends         Membership equity shares         -1,25% (2019 - 2,00%)         2         3           Patronage shares         -1,25% (2019 - 2,00%)         37         62           192         345         (Gain) or loss on assets         (190)         (91)           Net income before taxes         (190	YEAR ENDED DECEMBER 31, 2020 (000s CANADIAN DOLLARS)	-	2020		2019
Net interest income         23,741         23,643           Securitized loan income (expense)         (288)         (195)           Other income         10,088         8,212           33,541         31,660           Provision (recovery) for credit losses         929         (1,014)           Net interest and other income, after provision         32,612         32,674           Operating expenses         - Personnel         19,207         19,095           - Other         10,057         10,417         29,264         29,512           Property development         (229)         (98)           Net income before other items         3,119         3,064           PATRONAGE & DIVIDENDS           Patronage dividends         -1,25% (2019 - 2,00%)         153         280           Dividends         153         280           Membership equity shares         -1,25% (2019 - 2,00%)         2         3           -1,25% (2019 - 2,00%)         37         62           192         345           (Gain) or loss on assets         (190)         (91)           Net income before taxes         (190)         (91)           Net income         2,647         2,257           Other	Interest income	\$	39,167	\$	40,204
Net interest income         23,741         23,643           Securitized loan income (expense)         (288)         (195)           Other income         10,088         8,212           33,541         31,660           Provision (recovery) for credit losses         929         (1,014)           Net interest and other income, after provision         32,612         32,674           Operating expenses         - Personnel         19,207         19,095           - Other         10,057         10,417         29,264         29,512           Property development         (229)         (98)           Net income before other items         3,119         3,064           PATRONAGE & DIVIDENDS           Patronage dividends         -1,25% (2019 - 2,00%)         153         280           Dividends         153         280           Membership equity shares         -1,25% (2019 - 2,00%)         2         3           -1,25% (2019 - 2,00%)         37         62           192         345           (Gain) or loss on assets         (190)         (91)           Net income before taxes         (190)         (91)           Net income         2,647         2,257           Other		·		Ċ	
Other income         10,088         8,212           33,541         31,660           Provision (recovery) for credit losses         929         (1,014)           Net interest and other income, after provision         32,612         32,674           Operating expenses         - Personnel         19,207         19,095           - Other         10,057         10,417           29,264         29,512           Property development         (229)         (98)           Net income before other items         3,119         3,064           PATRONAGE & DIVIDENDS           Patronage dividends         -1,25% (2019 - 2,00%)         153         280           Dividends         4         2         3           Membership equity shares         -1,25% (2019 - 2,00%)         2         3           Patronage shares         -1,25% (2019 - 2,00%)         37         62           (Gain) or loss on assets         (190)         (91)           Net income before taxes         (190)         (91)           Net income before taxes         (145)         (30)           Current taxes         615         583           Deferred taxes         (145)         (30)           Net income	·		23,741		
Net interest and other income, after provision (provision (provision of provision provision of provision of provision of provision of provision provision of provision provis	Securitized Ioan income (expense)		(288)		(195)
Provision (recovery) for credit losses         929         (1,014)           Net interest and other income, after provision         32,612         32,674           Operating expenses         - Personnel         19,207         19,095           - Other         10,057         10,417           29,264         29,512           Property development         (229)         (98)           Net income before other items         3,119         3,064           PATRONAGE & DIVIDENDS           Patronage dividends         -1,25% (2019 - 2,00%)         153         280           Dividends         Membership equity shares         -1,25% (2019 - 2,00%)         2         3           -1,25% (2019 - 2,00%)         2         3         62           Patronage shares         192         345           (Gain) or loss on assets         (190)         (91)           Net income before taxes         (190)         (91)           Net income before taxes         (145)         (30)           Current taxes         (145)         (30)           Deferred taxes         (145)         (30)           Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427) </td <td>Otherincome</td> <td></td> <td>10,088</td> <td></td> <td>8,212</td>	Otherincome		10,088		8,212
Net interest and other income, after provision         32,612         32,674           Operating expenses         - Personnel         19,207         19,095           - Other         10,057         10,417           29,264         29,512           Property development         (229)         (98)           Net income before other items         3,119         3,064           PATRONAGE & DIVIDENDS           Patronage dividends         -1,25% (2019 - 2.00%)         153         280           Dividends         Membership equity shares         -1,25% (2019 - 2.00%)         2         3           Patronage shares         -1,25% (2019 - 2.00%)         37         62           Patronage shares         -1,25% (2019 - 2.00%)         37         62           (Gain) or loss on assets         (190)         (91)           Net income before taxes         (190)         (91)           Net income before taxes         (190)         (91)           Net income         2,647         2,257           Other comprehensive loss, net of tax         (145)         (30)           Net income         2,647         2,257           Other comprehensive income         \$ 74,523         \$ 73,481           Net income			33,541		31,660
after provision         32,612         32,674           Operating expenses         - Personnel         19,207         19,095           - Other         10,057         10,417         29,264         29,512           Property development         (229)         (98)           Net income before other items         3,119         3,064           PATRONAGE & DIVIDENDS           Patronage dividends         -1,25% (2019 - 2.00%)         153         280           Dividends         Membership equity shares         -1,25% (2019 - 2.00%)         2         3           Patronage shares         -1,25% (2019 - 2.00%)         37         62           Patronage shares         192         345           (Gain) or loss on assets         (190)         (91)           Net income before taxes         3,117         2,810           Current taxes         615         583           Deferred taxes         (145)         (30)           Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427)           Total comprehensive income         \$ 74,523         \$ 73,481           Net income         2,647         2,257           Patronage	Provision (recovery) for credit losses		929		(1,014)
Operating expenses	Net interest and other income,				
- Personnel       19,207       19,095         - Other       10,057       10,417         29,264       29,512         Property development       (229)       (98)         Net income before other items       3,119       3,064         PATRONAGE & DIVIDENDS         Patronage dividends       -1.25% (2019 - 2.00%)       153       280         Dividends       Membership equity shares       -1.25% (2019 - 2.00%)       2       3         Patronage shares       -1.25% (2019 - 2.00%)       37       62         192       345         (Gain) or loss on assets       (190)       (91)         Net income before taxes       (190)       (91)         Current taxes       615       583         Deferred taxes       (145)       (30)         Net income       2,647       2,257         Other comprehensive loss, net of tax       (14)       (427)         Total comprehensive income       \$ 74,523       \$ 73,481         Net income       2,647       2,257         Patronage       (137)       (221)         Net redemption of member shares       (515)       (567)         Actuarial losses on defined benefit plans, net of tax       (30) <td>after provision</td> <td></td> <td>32,612</td> <td></td> <td>32,674</td>	after provision		32,612		32,674
Other         10,057         10,417           29,264         29,512           Property development         (229)         (98)           Net income before other items         3,119         3,064           PATRONAGE & DIVIDENDS           Patronage dividends         3,113         280           -1.25% (2019 - 2.00%)         153         280           Dividends         153         280           Membership equity shares         1.25% (2019 - 2.00%)         2         3           Patronage shares         1.25% (2019 - 2.00%)         37         62           192         345         62           (Gain) or loss on assets         (190)         (91)           Net income before taxes         (190)         (91)           Current taxes         615         583           Deferred taxes         (145)         (30)           Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427)           Total comprehensive income         \$ 74,523         \$ 73,481           Net income         2,647         2,257           Patronage         (137)         (221)           Net redemption of member shares <td>Operating expenses</td> <td></td> <td></td> <td></td> <td></td>	Operating expenses				
Property development   (229) (98)   Net income before other items   3,119   3,064	- Personnel		19,207		19,095
Property development         (229)         (98)           Net income before other items         3,119         3,064           PATRONAGE & DIVIDENDS           Patronage dividends         -1.25% (2019 - 2.00%)         153         280           Dividends         Membership equity shares         -1.25% (2019 - 2.00%)         2         3           Patronage shares         -1.25% (2019 - 2.00%)         37         62           192         345         (Gain) or loss on assets         (190)         (91)           Net income before taxes         (190)         (91)           Current taxes         615         583           Deferred taxes         (145)         (30)           Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427)           Total comprehensive income         \$ 74,523         \$ 73,481           Net income         2,647         2,257           Patronage         (137)         (221)           Net redemption of member shares         (515)         (567)           Actuarial losses on defined benefit plans, net of tax         (30)         (63)           Unrealized loss, net of tax         (30)         (63)           <	- Other		10,057		10,417
Net income before other items         3,119         3,064           PATRONAGE & DIVIDENDS           Patronage dividends         -1.25% (2019 - 2.00%)         153         280           Dividends         Membership equity shares         -1.25% (2019 - 2.00%)         2         3           Patronage shares         -1.25% (2019 - 2.00%)         37         62           192         345           (Gain) or loss on assets         (190)         (91)           Net income before taxes         3,117         2,810           Current taxes         615         583           Deferred taxes         (145)         (30)           Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427)           Total comprehensive income         \$ 74,523         \$ 73,481           Net income         2,647         2,257           Patronage         (137)         (221)           Net redemption of member shares         (515)         (567)           Actuarial losses on defined benefit plans, net of tax         (30)         (63)           Unrealized loss, net of tax         -         (288)           Change in unrealized gain (loss) on cash flow hedges, net of tax <td< td=""><td></td><td>_</td><td></td><td></td><td></td></td<>		_			
PATRONAGE & DIVIDENDS           Patronage dividends         -1.25% (2019 - 2.00%)         153         280           Dividends         Membership equity shares         -1.25% (2019 - 2.00%)         2         3           Patronage shares         -1.25% (2019 - 2.00%)         37         62           192         345           (Gain) or loss on assets         (190)         (91)           Net income before taxes         3,117         2,810           Current taxes         615         583           Deferred taxes         (145)         (30)           Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427)           Total comprehensive income         \$ 74,523         \$ 73,481           Net income         2,647         2,257           Patronage         (137)         (221)           Net redemption of member shares         (515)         (567)           Actuarial losses on defined benefit plans, net of tax         (30)         (63)           Unrealized loss, net of tax         -         (288)           Change in unrealized gain (loss) on cash flow hedges, net of tax         16         (76)					
Patronage dividends       -1.25% (2019 - 2.00%)       153       280         Dividends       Membership equity shares       -1.25% (2019 - 2.00%)       2       3         Patronage shares       -1.25% (2019 - 2.00%)       37       62         192       345         (Gain) or loss on assets       (190)       (91)         Net income before taxes       3,117       2,810         Current taxes       615       583         Deferred taxes       (145)       (30)         Net income       2,647       2,257         Other comprehensive loss, net of tax       (14)       (427)         Total comprehensive income       \$ 74,523       \$ 73,481         Net income       2,647       2,257         Patronage       (137)       (221)         Net redemption of member shares       (515)       (567)         Actuarial losses on defined benefit plans, net of tax       (30)       (63)         Unrealized loss, net of tax       -       (288)         Change in unrealized gain (loss) on cash flow hedges, net of tax       16       (76)	Net income before other items		3,119		3,064
-1.25% (2019 - 2.00%)  (Gain) or loss on assets (190) (91)  Net income before taxes Current taxes Deferred taxes (145) (30)  Net income Other comprehensive loss, net of tax Total comprehensive income  Members' equity, beginning of year Net income Net income Patronage Net redemption of member shares Actuarial losses on defined benefit plans, net of tax Unrealized loss, net of tax Change in unrealized gain (loss) on cash flow hedges, net of tax  (190) (91) (190) (91) (281) (30) (427) (30) (521) (567) (567)	Patronage dividends -1.25% (2019 - 2.00%) Dividends Membership equity shares -1.25% (2019 - 2.00%)				
(Gain) or loss on assets       (190)       (91)         Net income before taxes       3,117       2,810         Current taxes       615       583         Deferred taxes       (145)       (30)         Net income       2,647       2,257         Other comprehensive loss, net of tax       (14)       (427)         Total comprehensive income       \$ 74,523       \$ 73,481         Net income       2,647       2,257         Patronage       (137)       (221)         Net redemption of member shares       (515)       (567)         Actuarial losses on defined benefit plans, net of tax       (30)       (63)         Unrealized loss, net of tax       -       (288)         Change in unrealized gain (loss) on cash flow hedges, net of tax       16       (76)			37		62
Net income before taxes         3,117         2,810           Current taxes         615         583           Deferred taxes         (145)         (30)           Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427)           Total comprehensive income         \$ 74,523         \$ 73,481           Net income         2,647         2,257           Patronage         (137)         (221)           Net redemption of member shares         (515)         (567)           Actuarial losses on defined benefit plans, net of tax         (30)         (63)           Unrealized loss, net of tax         -         (288)           Change in unrealized gain (loss) on cash flow hedges, net of tax         16         (76)	,		192		345
Net income before taxes         3,117         2,810           Current taxes         615         583           Deferred taxes         (145)         (30)           Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427)           Total comprehensive income         \$ 74,523         \$ 73,481           Net income         2,647         2,257           Patronage         (137)         (221)           Net redemption of member shares         (515)         (567)           Actuarial losses on defined benefit plans, net of tax         (30)         (63)           Unrealized loss, net of tax         -         (288)           Change in unrealized gain (loss) on cash flow hedges, net of tax         16         (76)	(Gain) or loss on assets		(190)		(91)
Current taxes         615         583           Deferred taxes         (145)         (30)           Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427)           Total comprehensive income         \$ 74,523         \$ 73,481           Members' equity, beginning of year         2,647         2,257           Patronage         (137)         (221)           Net redemption of member shares         (515)         (567)           Actuarial losses on defined benefit plans, net of tax         (30)         (63)           Unrealized loss, net of tax         -         (288)           Change in unrealized gain (loss) on cash flow hedges, net of tax         16         (76)					
Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427)           Total comprehensive income         \$ 2,633         \$ 1,830           Members' equity, beginning of year         \$ 74,523         \$ 73,481           Net income         2,647         2,257           Patronage         (137)         (221)           Net redemption of member shares         (515)         (567)           Actuarial losses on defined benefit plans, net of tax         (30)         (63)           Unrealized loss, net of tax         -         (288)           Change in unrealized gain (loss) on cash flow hedges, net of tax         16         (76)	Current taxes				
Net income         2,647         2,257           Other comprehensive loss, net of tax         (14)         (427)           Total comprehensive income         \$ 2,633         \$ 1,830           Members' equity, beginning of year         \$ 74,523         \$ 73,481           Net income         2,647         2,257           Patronage         (137)         (221)           Net redemption of member shares         (515)         (567)           Actuarial losses on defined benefit plans, net of tax         (30)         (63)           Unrealized loss, net of tax         -         (288)           Change in unrealized gain (loss) on cash flow hedges, net of tax         16         (76)	Deferred taxes		(145)		(30)
Total comprehensive income         \$ 2,633 \$ 1,830           Members' equity, beginning of year Net income         \$ 74,523 \$ 73,481           Patronage         (137) (221)           Net redemption of member shares         (515) (567)           Actuarial losses on defined benefit plans, net of tax         (30) (63)           Unrealized loss, net of tax         - (288)           Change in unrealized gain (loss) on cash flow hedges, net of tax         16 (76)	Net income	_			
Members' equity, beginning of year       \$ 74,523       \$ 73,481         Net income       2,647       2,257         Patronage       (137)       (221)         Net redemption of member shares       (515)       (567)         Actuarial losses on defined benefit plans, net of tax       (30)       (63)         Unrealized loss, net of tax       -       (288)         Change in unrealized gain (loss) on cash flow hedges, net of tax       16       (76)	Other comprehensive loss, net of tax		(14)		(427)
Net income 2,647 2,257 Patronage (137) (221) Net redemption of member shares (515) (567) Actuarial losses on defined benefit plans, net of tax (30) (63) Unrealized loss, net of tax - (288) Change in unrealized gain (loss) on cash flow hedges, net of tax 16 (76)	Total comprehensive income	\$	2,633	\$	1,830
Net income 2,647 2,257 Patronage (137) (221) Net redemption of member shares (515) (567) Actuarial losses on defined benefit plans, net of tax (30) (63) Unrealized loss, net of tax - (288) Change in unrealized gain (loss) on cash flow hedges, net of tax 16 (76)	Members' equity beginning of year	<u> </u>	74 523	¢	73 //81
Patronage (137) (221) Net redemption of member shares (515) (567) Actuarial losses on defined benefit plans, net of tax (30) (63) Unrealized loss, net of tax - (288) Change in unrealized gain (loss) on cash flow hedges, net of tax 16 (76)		Ÿ		Ÿ	
Net redemption of member shares Actuarial losses on defined benefit plans, net of tax Unrealized loss, net of tax Change in unrealized gain (loss) on cash flow hedges, net of tax (515) (567) (30) (63) (63) (78)					
Actuarial losses on defined benefit plans, net of tax (30) (63) Unrealized loss, net of tax - (288) Change in unrealized gain (loss) on cash flow hedges, net of tax 16 (76)	•		, ,		
Unrealized loss, net of tax - (288) Change in unrealized gain (loss) on cash flow hedges, net of tax 16 (76)	Actuarial losses on defined benefit				
Change in unrealized gain (loss) on cash flow hedges, net of tax 16 (76)	· ·		(30)		
on cash flow hedges, net of tax 16 (76)	•		-		(288)
M I /	-	_		<u>,</u>	
Members' equity, end of year \$ 76,504 \$ 74,523	riempers equity, end of year	<u> </u>	70,504	<b>&gt;</b>	74,523



# Join our virtual annual general meeting

Monday, May 10, 2021 6:00 pm PT / 7:00 pm MT



Register at kscu.com/AboutUs/AGM by May 6th

