



50 years together



CONDENSED CONSOLIDATED
ANNUAL REPORT **2019**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019 (000s CANADIAN DOLLARS)	2019	2018
ASSETS		
Cash and deposits	\$ 202,495	\$ 172,584
Loans, net of allowance for impairment	992,646	971,603
Property, plant, equipment, intangible assets and investment property	24,432	24,806
Other assets	51,668	36,933
	\$ 1,271,241	\$ 1,205,926
LIABILITIES & MEMBERS' EQUITY		
Deposits from members		
- Demand	\$ 570,649	\$ 572,142
- Term	363,500	314,585
- Registered plans	203,559	191,267
- Shares	3,280	3,420
	1,140,988	1,081,414
Other liabilities	11,686	11,210
Borrowings	43,293	38,880
Patronage payable	615	747
Income taxes payable	-	24
Deferred tax liabilities	136	170
Member equity shares	14,000	14,567
Retained earnings	60,540	58,504
Accumulated other comprehensive income (loss)	(17)	410
	\$ 1,271,241	\$ 1,205,926

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 2019 Annual Report, complete with full consolidated financial statements and independent auditors' report, can be obtained at ksco.com or at any Kootenay Savings branch.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME AND CHANGES IN MEMBERS' EQUITY

YEAR ENDED DECEMBER 31, 2019 (000s CANADIAN DOLLARS)	2019	2018
Interest income	\$ 40,271	\$ 39,179
Interest expense	16,561	12,108
Net interest income	23,710	27,071
Securitized loan income (expense)	(195)	161
Other income	8,145	8,111
	31,660	35,343
Provision for credit losses	(1,014)	1,981
Net interest and other income, after provision	32,674	33,362
Operating expenses		
- Personnel	19,095	17,972
- Other	10,417	11,005
	29,512	28,977
Property development	(98)	-
Net income before other items	3,064	4,385
PATRONAGE & DIVIDENDS		
Patronage dividends		
- 2.00% (2018 - 2.25%)	280	324
Dividends		
Membership equity shares		
- 2.00% (2018 - 2.25%)	3	3
Patronage shares		
- 2.00% (2018 - 2.25%)	62	73
	345	400
(Gain) or loss on assets	(91)	176
Contributions to KSCF	-	50
Net income before taxes	2,810	3,759
Current taxes	583	828
Deferred taxes	(30)	(218)
Net income	2,257	3,149
Other comprehensive loss, net of tax	(427)	(8)
Total comprehensive income	\$ 1,830	\$ 3,141
Members' equity, beginning of year	\$ 73,481	\$ 71,506
Net income	2,257	3,149
Patronage	(221)	(259)
Net redemption of member shares	(567)	(907)
Actuarial losses on defined benefit plans, net of tax	(63)	-
Unrealized loss, net of tax	(288)	(8)
Change in unrealized loss on cash flow hedges, net of tax	(76)	-
Members' equity, end of year	\$ 74,523	\$ 73,481

It's an amazing story – from bringing together three local credit unions in 1969 to where we are today, a multi-faceted financial organization with 37,000 members and \$1.3 billion in assets. Our next chapter looks to be even more exciting. Check out www.exploringstrengthandunity.ca.

