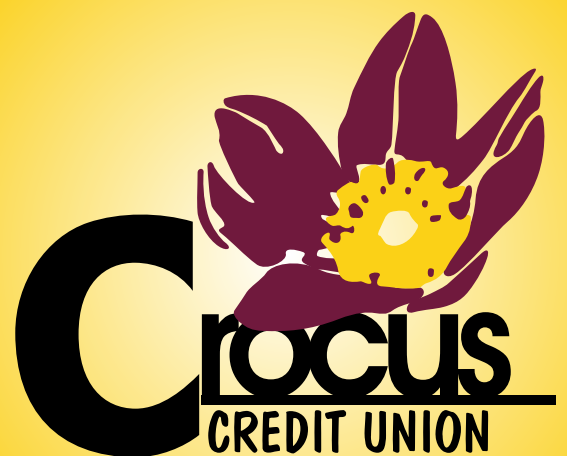
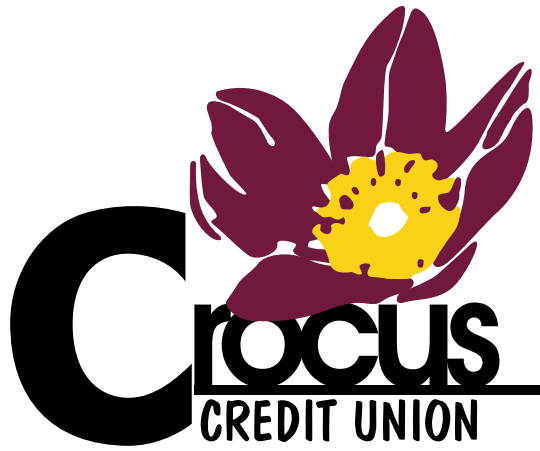




# ANNUAL REPORT 13







## Serving YOU since 1952

### **Main Branch**

1016 Rosser Avenue  
Brandon, Manitoba R7A 0L6  
Phone: 204-729-4800

Open:

Monday to Thursday 9:00am – 5:00pm

Friday 9:00am – 5:30pm

Saturday: 10:00am – 2:00pm

*ATM Onsite*

### **Drive-Thru ATM**

832 – 18th Street  
Brandon, Manitoba

### **On-Line Banking – Member Direct**

[www.crocuscu.mb.ca](http://www.crocuscu.mb.ca)

### **Thomas Mall Branch**

742 – 18th Street  
Brandon, Manitoba R7A 5B5  
Phone: 204-729-4820

Open:

Monday to Friday 10:00am to 6:00pm

### **Telephone Banking – CU by Phone**

Phone: 1-877-523-1949

## Board of Directors:

	<i>Term expires</i>
Rod Ficek – President	2013
Sharon Maguire – Vice President	2013
Rae Smith	2013
Jonathan Richert	2014
Quentin Derhak	2014
Tony DeVliegere	2014
D’Arcy Barker – Secretary	2015
Jason Gobeil	2015
Todd Burton	2015



## Staff:

Jamie Antonation, ACUIC – *Manager of Accounting*

Morgan Belcher – *Accounting Technician*

Courtney Boak – *Loans / Clearing Clerk*

Neal Boyce, FCUIC, CFP – *Manager of Wealth Management*

Amanda Ellis – *Loans Clerk*

Courtney Buchanan – *Member Services Representative*

Arlene Cairns – *Consumer Loans Officer*

Luis Chorro Martinez – *Business Development Officer, Ethnic Market*

Arnie Guist, FCUIC – *CEO*

Susan Harris – *Investment Assistant*

Clare Hoggins – *Commercial Loans Officer*

Shirley Kozoroski – *Member Services Representative*

Melanie Krauss-Wakely – *Member Services Supervisor*

Claudine Lambert – *Member Services Representative*

Caralee Marsh – *Office Manager*

Tom Maxwell – *Loans Manager*

Ingrid Miron de Cruz – *Member Services Representative*

Jolene Morcombe – *Member Services Representative*

Jennifer Penman – *Member Services Representative*

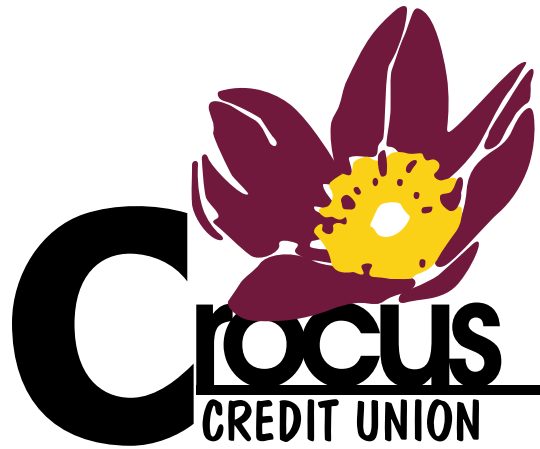
Susan Robbins – *Executive Assistant*

Glenda Ross – *Team Lead – Member Services*

Mandi Shaw – *Consumer Loans Officer*

Darlene Smith – *Member Services Representative / Reception*

Alycia White – *Consumer Loans Officer*



## **AGENDA**

### **Crocus Credit Union Annual General Meeting December 4th, 2013**

Welcome and Call to Order

One minute of silence in honour of departed Crocus Members

Motion regarding quorum

Minutes of Previous Meeting

Introduction of Board Members, Staff and Guests

Door Prizes

Reports:

- 1) President
- 2) CEO
- 3) Audit Committee – motion regarding appointment of Auditor
- 4) Nomination Committee

Door Prizes

Presentation of Long-term Service Awards

Questions and Answers

Door Prizes

Adjournment

# President's Report

Greetings!

This is my first President's Report and I am happy to advise that the CCU is alive and doing very well!

It has been very exciting at Crocus this past year to year and a half.

Allow me to summarize the past number of months.

- 1) As CCU we celebrated our 60th Anniversary in the summer of 2012.
- 2) In 2012 we commenced the renovations at our Main Office at 1016 Rosser Ave.
- 3) In June of 2013 we held our Grand Re-opening after Renovations at the Main Branch at 1016 Rosser Ave. The Mayor and our area Councillor attended and enjoyed Beef on a Bun and the Grand Re-opening ceremonies with us along with representatives from CUCM and other local CU's. We appreciate and thank all those who came to join us in the celebration of our renovations and thank all those, staff and members, who hung in there with us during the renovations. Again Thank You to all.

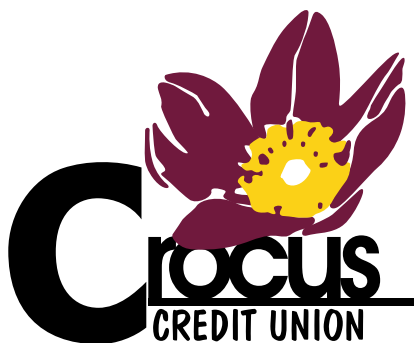
4) In the summer of 2013 we, CCU, hit a milestone in our growth as a CU. We hit the \$100,000,000 mark in assets and for this great accomplishment we have a number of folks to Thank!

- a) First and foremost to you the members who place your confidence, trust and of course your money/loans with us each and every day and year after year. *ThankYou*
- b) The staff/management group that provides the excellent service and management skills to us, the members, each and every day. *ThankYou*
- c) The Board of CCU (both past and present) who have helped guide CCU throughout the years. *ThankYou*
- d) To our sister CU organizations and support institutions that have walked with us during the past 60+ years and who have helped us along the way to this great milestone, such as CUCM, CUDG, Concentra Financial, and neighbouring CU's. *ThankYou*

And in Closing again to all the fine folks who work/help/support/govern this great organization. *ThankYou.*

**Rod Ficek, B.A.,DTM,AMP**

***President and Chairman of the Board***



# Directors and Officers Disclosure

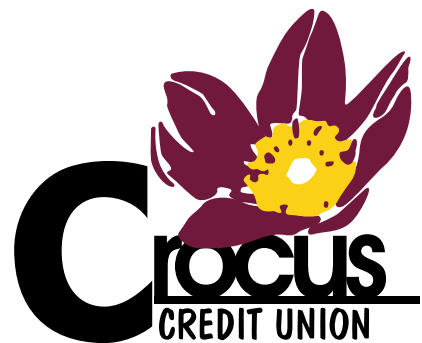
Statutory provisions of the Credit Unions and Caisses Populaires Act of Manitoba require the disclosure of the aggregate remuneration paid to all Directors; the aggregate amount paid to Directors for reimbursement of expenses and the details of any loans made to Directors

or Officers which do not conform to the Credit Union’s ordinary lending practices.

The following is the disclosure of remuneration and expenses for the Board of Directors and Officers for the year ending September 30th, 2013.

<i>Aggregate amount of Board of Directors honoraria and per diems</i>	<i>\$ 14,125.</i>
<i>Aggregate amount of Board of Directors related expenses</i>	<i>1,751.</i>
<i>Aggregate amount of Board of Directors meeting, training and conference costs</i>	<i>5,598.</i>
<i>Aggregate amount of benefits in loan interest foregone or discounted to Board of Directors</i>	
<b>TOTAL</b>	<b>\$ 21,474.</b>

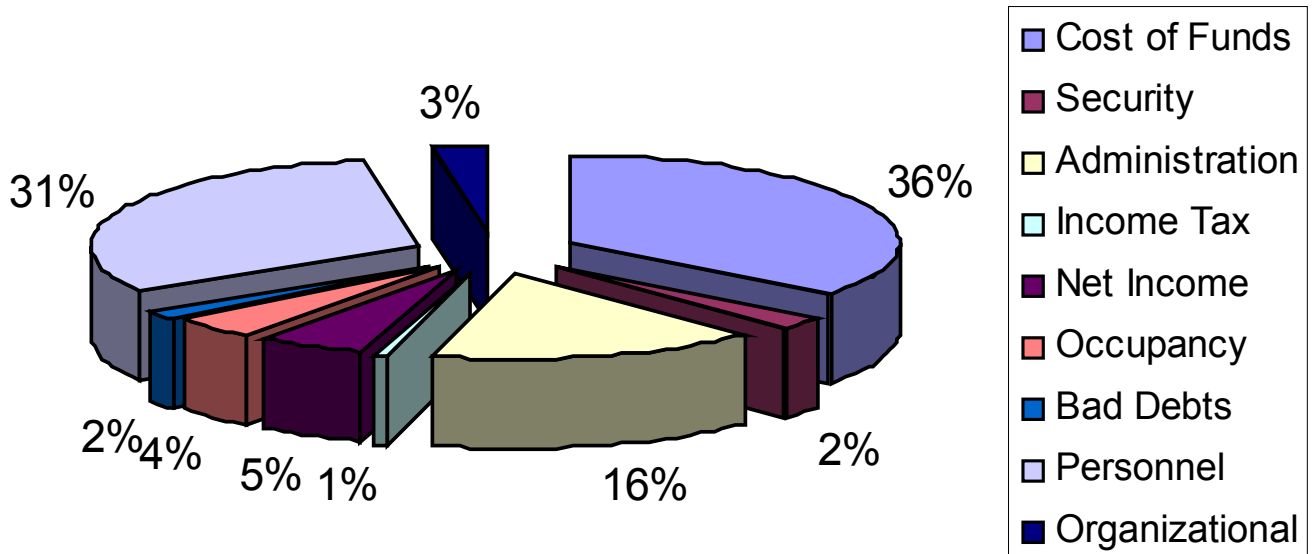
There were no loans advanced to Directors or Officers that did not conform to the Credit Union’s ordinary lending practice.



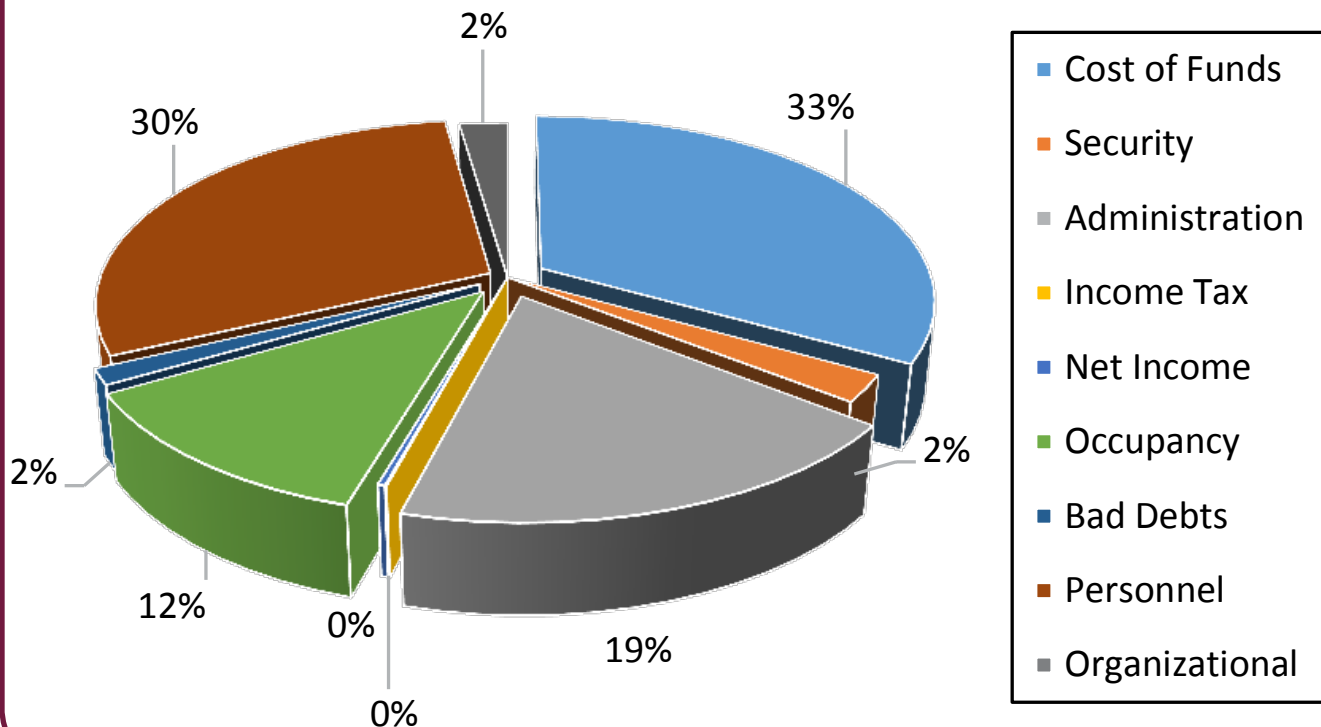
## Mission Statement

*To be a dynamic, socially responsible, co-operative financial organization that provides personal, quality service to our membership and community.  
Not the biggest; simply the best!*

## 2012 Financial Pie



## 2013 Financial Pie



**Crocus Credit Union Limited**  
**Summary Financial Statements**  
*For the year ended September 30, 2013*

## Independent Auditors' Report on the Summary Financial Statements

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To the Members of Crocus Credit Union Limited:

We have audited the accompanying financial statements of Crocus Credit Union Limited, which comprise the summary statement of financial position as at September 30, 2013 and the summary income statement, statements of changes in members' equity and cash flows for the year then ended are derived from the audited financial statements of Crocus Credit Union Limited for the year ended September 30, 2013. We expressed an unmodified audit opinion on those financial statements in our report dated November 8, 2013.

The Summary 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 Crocus Credit Union Limited.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

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

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, these financial statements, derived from the audited financial statements of Crocus Credit Union Limited for the year ended September 30, 2013 are a fair summary of those financial statements.

### *Report on Other Legal and Regulatory Requirements*

As at September 30, 2013, 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 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 financial statements and notes for the year ended September 30, 2013.

Brandon, Manitoba

November 8, 2013

*MNP LLP*

Chartered Accountants

# Crocus Credit Union Limited

## Summary Statement of Financial Position

*As at September 30, 2013*

	<b>2013</b>	<b>2012</b>
<b>Assets</b>		
Cash and cash equivalents	<b>2,670,954</b>	1,884,512
Investments and accrued interest	<b>9,752,947</b>	8,279,231
Members' loans receivable and accrued interest	<b>86,559,317</b>	76,801,846
Current tax receivable	<b>31,582</b>	-
Property and equipment	<b>1,594,727</b>	976,172
Prepaid expenses	<b>30,652</b>	40,433
	<b>100,640,179</b>	87,982,194
<b>Liabilities</b>		
Member deposits and accrued interest	<b>91,600,305</b>	79,391,977
Accounts payable	<b>821,710</b>	285,902
Current tax payable	-	7,098
Deferred tax	<b>18,000</b>	18,000
	<b>92,440,015</b>	79,702,977
<b>Members' equity</b>		
Member shares	<b>1,573,385</b>	1,663,505
Retained earnings	<b>6,626,779</b>	6,615,712
	<b>8,200,164</b>	8,279,217
	<b>100,640,179</b>	87,982,194

**Approved on behalf of the board**

Signed "Rae Smith" \_\_\_\_\_, Director

Signed "Tony DeVliegere" \_\_\_\_\_, Director

Signed "Sharon Maguire" \_\_\_\_\_, Director

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

**Crocus Credit Union Limited**  
**Summary Income Statement**  
*For the year ended September 30, 2013*

	<b>2013</b>	<b>2012</b>
<b>Interest income</b>		
Member loans	<b>3,391,351</b>	3,258,991
Investments	<b>305,234</b>	291,128
	<b>3,696,585</b>	3,550,119
<b>Interest expense</b>		
Deposits	<b>1,429,066</b>	1,394,531
Interest on borrowed money	<b>1,366</b>	7,675
	<b>1,430,432</b>	1,402,206
<b>Gross financial margin</b>	<b>2,266,153</b>	2,147,913
<b>Operating expenses</b>		
Administration	<b>798,656</b>	646,647
Amortization	<b>91,409</b>	88,478
Member security	<b>101,477</b>	85,400
Occupancy	<b>520,115</b>	170,500
Organizational	<b>99,093</b>	104,948
Personnel	<b>1,280,534</b>	1,229,487
	<b>2,891,284</b>	2,325,460
<b>Net operating income (loss)</b>	<b>(625,131)</b>	(177,547)
<b>Other income</b>	<b>747,089</b>	616,374
<b>Income before provision for impaired loans, patronage refund and income taxes</b>	<b>121,958</b>	438,827
<b>Provision for impaired loans</b>	<b>58,473</b>	75,042
<b>Income before patronage refund and income taxes</b>	<b>63,485</b>	363,785
<b>Patronage refund</b>	<b>50,000</b>	130,000
<b>Income before income taxes</b>	<b>13,485</b>	233,785
<b>Income taxes</b>		
Current	<b>2,418</b>	32,498
Deferred tax	<b>-</b>	(2,000)
	<b>2,418</b>	30,498
<b>Net income</b>	<b>11,067</b>	203,287

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

**Crocus Credit Union Limited**  
**Summary Statement of Changes in Members' Equity**  
*For the year ended September 30, 2013*

	<i>Member shares</i>	<i>Retained earnings</i>	<i>Total</i>
<b>Balance, September 30, 2011</b>	<b>1,674,912</b>	<b>6,412,425</b>	<b>8,087,337</b>
Net income	-	203,287	<b>203,287</b>
Issuance of member shares	91,848	-	<b>91,848</b>
Redemption of member shares	(103,255)	-	<b>(103,255)</b>
<b>Balance, September 30, 2012</b>	<b>1,663,505</b>	<b>6,615,712</b>	<b>8,279,217</b>
Net income	-	11,067	<b>11,067</b>
Issuance of member shares	15,750	-	<b>15,750</b>
Redemption of member shares	(105,870)	-	<b>(105,870)</b>
<b>Balance, September 30, 2013</b>	<b>1,573,385</b>	<b>6,626,779</b>	<b>8,200,164</b>

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

# Crocus Credit Union Limited

## Summary Statement of Cash Flows

*For the year ended September 30, 2013*

	2013	2012
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Interest received from member loans	3,373,519	3,248,541
Interest and dividends received from investments	285,798	267,101
Service charges and other income received	747,089	616,374
Income taxes paid	(41,098)	(1,825)
Interest paid to members	(1,364,981)	(1,367,261)
Interest paid on borrowed money	(1,366)	(7,675)
Payments to suppliers and employees	(2,254,286)	(2,342,208)
	<b>744,675</b>	<b>413,047</b>
<b>Investing activities</b>		
Net change in members' loans receivable	(9,798,112)	(3,909,361)
Purchase of investments	(1,454,280)	(991,344)
Purchase of property and equipment	(709,964)	(86,430)
	<b>(11,962,356)</b>	<b>(4,987,135)</b>
<b>Financing activities</b>		
Net change in member deposits	12,144,243	1,442,458
Issuance of member shares	15,750	499
Redemption of member shares	(155,870)	(141,907)
	<b>12,004,123</b>	<b>1,301,050</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>786,442</b>	<b>(3,273,038)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>1,884,512</b>	<b>5,157,550</b>
<b>Cash and cash equivalents, end of year</b>	<b>2,670,954</b>	<b>1,884,512</b>

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



# Deposit Guarantee Corporation of Manitoba

## DEPOSIT GUARANTEE IS A LEGAL RESPONSIBILITY OF THE DEPOSIT GUARANTEE CORPORATION OF MANITOBA

Manitoba provincial law requires the Corporation to guarantee credit union deposits. The exact wording under Section 143 of The Credit Unions and Caisses Populaires Act is:

“Purposes of a deposit guarantee corporation:

The purposes of a guarantee corporation are to guarantee the deposits of members of credit unions and to ensure and promote the development of sound financial procedures and controls to protect credit unions against financial losses and, without limiting the generality of the foregoing, a guarantee corporation shall do such things as are necessary to enable a credit union assigned to it to satisfy the claims of the members of the credit union for withdrawals of deposits.”

## What is the Corporation?

Formed in 1965 as The Credit Union Stabilization Fund, the Corporation was originally created by initiative of the Manitoba credit union system. Since 1970, the role of the Corporation has been set out in legislation in The Credit Unions and Caisses Populaires Act.

## How does it Work?

As the ultimate guarantor of your deposits, the Corporation continually monitors critical practices and procedures throughout the Manitoba credit union system. Corporation staff regularly inspect and analyze lending practices, financial performance, and operating procedures of each credit union in the Province.

Any issues identified are brought to the attention of the credit union's Board and management. The Corporation has authority under the Credit Unions and Caisses Populaires Act, to require prompt resolution of any issues it raises with a credit union.

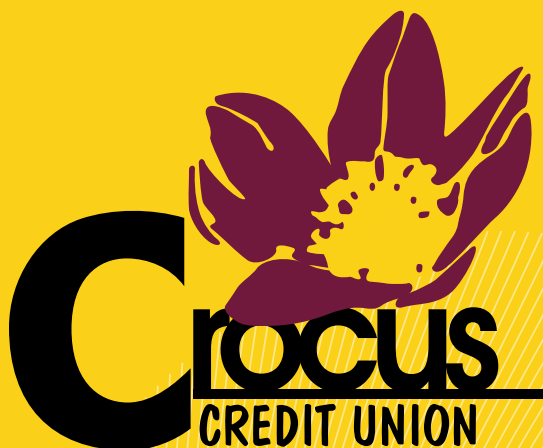
## Mission Statement

To guarantee deposits in Manitoba credit unions and promote sound business practices through the authority provided in The Credit Unions and Caisses Populaires Act, and by working cooperatively with Credit Unions, Credit Union Central and the Government of Manitoba.

## Guiding Principles

In all that it does, the Credit Union Deposit Guarantee Corporation will strive to:

- Act in a prudent and ethical manner.
- Consider the needs and viewpoints of Credit Unions, Credit Union Central and Government
- Recognize and acknowledge the value of individuals by relating to them fairly, honestly and respectfully.
- Seek proactive, innovative and equitable solutions to issues and problems.
- Employ balanced, common-sense measures which will minimize undue risk.
- Communicate clearly with individuals and stakeholder organizations.



## SERVICES AND MORE

### DEPOSITS:

- Maximizer Chequing / Savings
- US \$ Chequing
- Golden Accounts
- Plan 24 – Daily Savings
- Regular Chequing
- RRSP; RRIF & RESP
- Special Savings
- Term Deposits
- Full-Package Service Plan
- Tax Free Savings Accounts

### LOANS:

- Commercial Lines of Credit
- Commercial Loans
- Interim financing
- Mortgages
- Overdraft Protection
- Personal / Equity Lines of Credit
- Personal Loans
- Student Loans

### OTHER:

- Automated Teller Machine- in Branch & Drive Thru
- Automatic Transfers
- Commissioner for Oaths
- Certified Financial Planner
- Credit Union MasterCard®
- Credential Securities®
- CU by Phone – telephone banking
- CU @ Home – internet banking
- Direct Payroll / Pension Deposits
- Electronic Statements
- Extended Hours of Operation
- Insurance: Travel, Home , Life, Mortgage & Disability
- MemberCard® Debit Card
- Mobile Banking
- Money Orders & Drafts
- Mutual Funds
- Night Depository
- Point of Sale Machines
- Qtrade ® Investor Brokerage Service
- Safety Deposit Boxes / Safe Keeping
- Travellers Cheques
- Utility Bill Payments & Transfers by Phone & Internet
- Website – [www.crocuscu.mb.ca](http://www.crocuscu.mb.ca)

