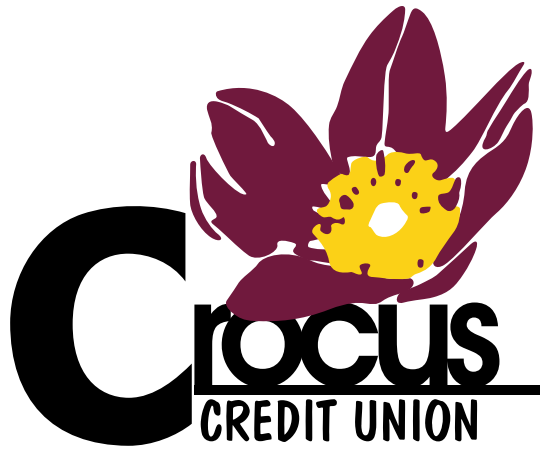




C
CROCUS
CREDIT UNION



ANNUAL
REPORT **14**



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

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	2016
Todd Burton – Vice-President	2015
D’Arcy Barker – Secretary	2015
Sharon Maguire	2016
Jason Gobeil	2015
Rae Smith	2016
Jonathan Richert	2014
Quentin Derhak	2014
Tony DeVliegere	2014



Staff:

Jamie Antonation, ACUIC – *Manager of Accounting*

Morgan Belcher – *Accounting Clerk*

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

Courtney Buchanan – *Member Services Representative (MSR)*

Arlene Cairns – *Consumer Loans Officer*

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

Megan Chute – *MSR*

Lorena Ducharme – *MSR*

Arnie Guist, FCUIC – *Chief Executive Officer*

Susan Harris – *Investment Assistant*

Nicole Hunter – *MSR*

Courtney Jewar – *Loans Clerk*

Shirley Kozoroski – *MSR/Receptionist*

Melanie Krauss-Wakely – *Member Services Supervisor*

Caralee Marsh – *Office Manager*

Tom Maxwell – *Loans Manager*

Ingrid Miron de Cruz – *MSR (on maternity leave)*

Jolene Morcombe – *Loans/Clearing Clerk*

Jennifer Penman – *MSR*

Corelei Poyser – *Commercial Loans Officer*

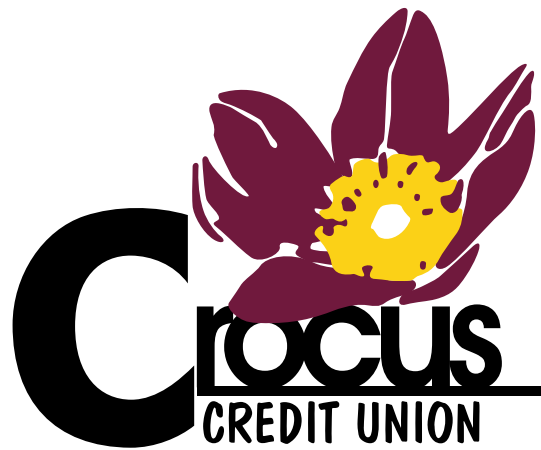
Glenda Ross – *Team Lead, Member Services*

Christine Schulz – *MSR*

Mandi Shaw – *Consumer Loans Officer*

Tayler Wakely – *MSR*

Alycia White – *Consumer Loans Officer*



AGENDA

Crocus Credit Union Annual General Meeting December 10, 2014

Welcome and Call to Order

One minute silence in honor of departed Crocus members

Motion regarding quorum

Minutes of Previous Meeting

Introduction of Board, Staff & Guests

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 & Answers

Door Prizes

Adjournment

President's Report

Firstly let me say that everyone is enjoying the recently renovated premises at 1016 Rosser, it is good to have the renovations over and completed and it is great to work and do our credit unioning in a fresh as new building.

On the positive side-for borrowers-interest rates continue to be VERY low however as a credit union the spread between what we pay and what we can charge our members remains RAZOR thin, however Thanks to the effort of our Board, Management and Staff we did post a nice profit this year. Congratulations to all those involved in this success and a BIG thank you to all of our supporting members.

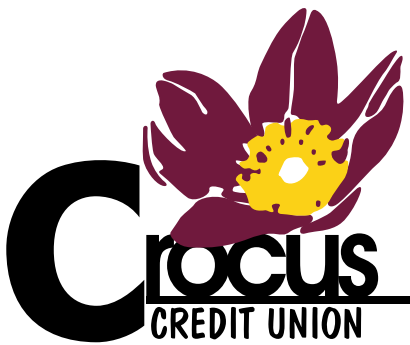
Government regulations keep piling up on all Financial Institutions and Credit Unions are no exception, the cost of complying with these new regulations continues to add up and eat into our profits also.

On another positive note-we do have the good fortune of having a great staff at our credit union with little turnover in the last year.

In closing, Merry Christmas and Happy New Year to all from your Crocus Credit Union Board.

Respectfully submitted

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



Directors and Officers Disclosure

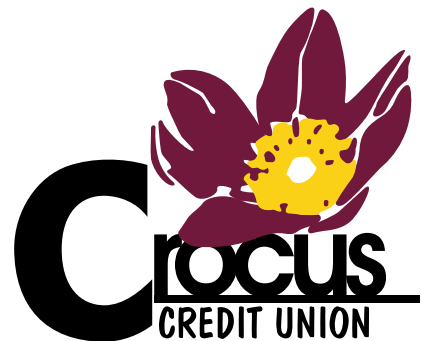
Statutory provisions of the Credit Unions and Caisses Populaires Act of Manitoba require the disclosure of the aggregate remuneration paid to all Directors; the aggregate amount paid to Directors for reimbursement of expenses and the details of any loans made to Directors

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 30, 2014:

<i>Aggregate amount of Board of Directors honoraria and per diems</i>	\$15,900
<i>Aggregate amount of Board of Directors related expenses</i>	\$ 0
<i>Aggregate amount of Board of Directors meeting, training & conference costs</i>	\$ 4,018
<i>Aggregate amount of benefits in loan interest foregone or discounted to Board of Directors</i>	0.00
TOTAL	\$19,918

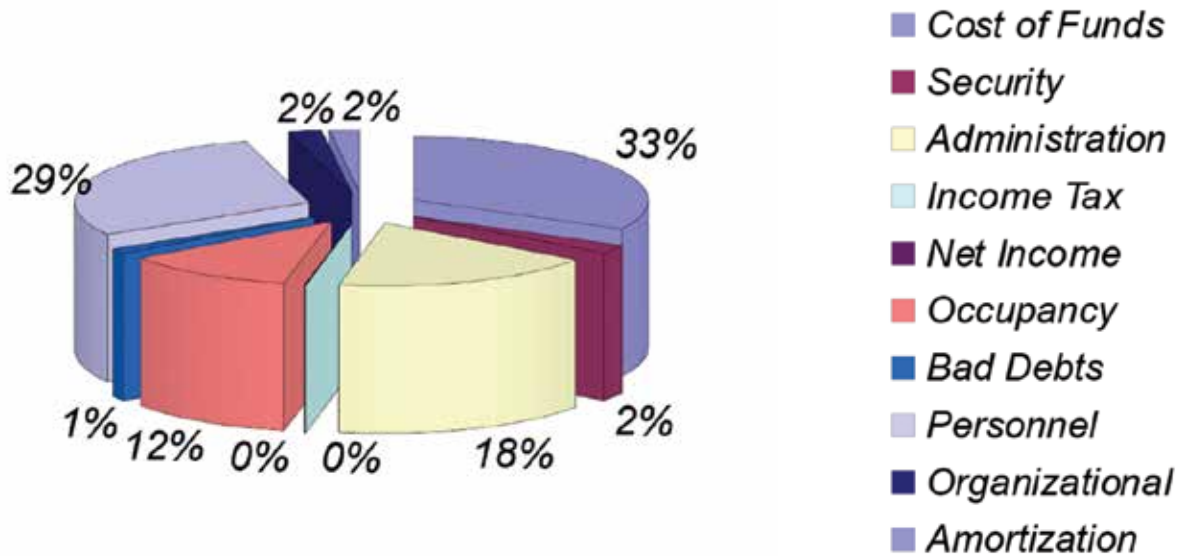
There were no loans advanced to Directors or Officers that did not conform to the Credit Union’s ordinary lending practices.



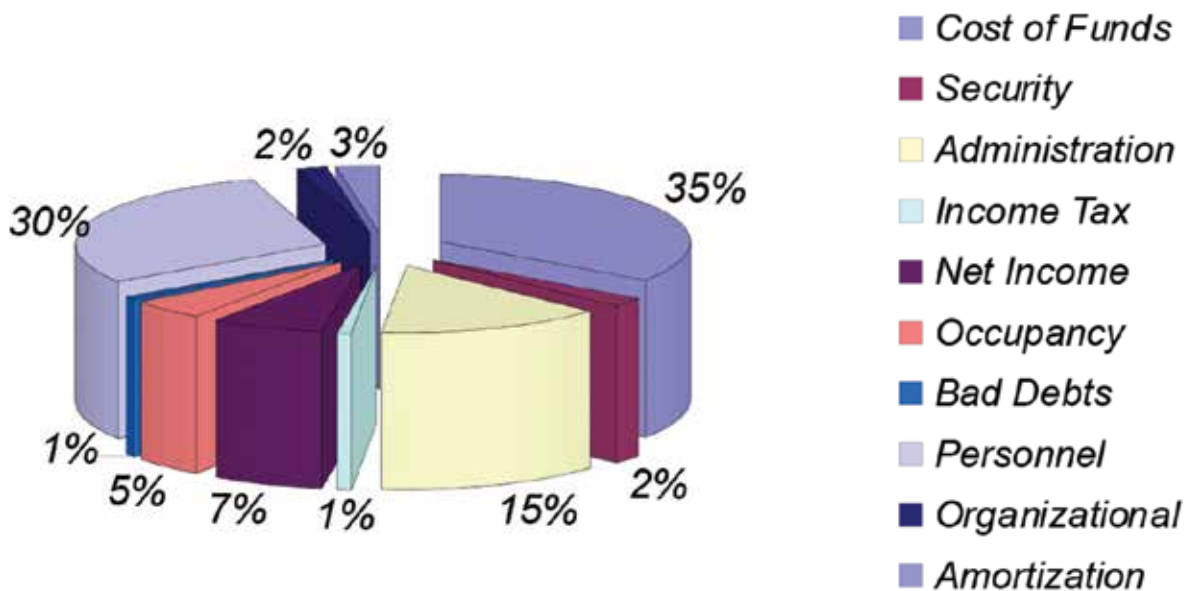
Mission Statement

*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!*

2013 Financial Pie



2014 Financial Pie



Crocus Credit Union Limited
Summary Financial Statements
For the year ended September 30, 2014

Independent Auditors' Report

To the Members of Crocus Credit Union Limited:

The accompanying summary financial statements of Crocus Credit Union Limited, which comprise the summary statement of financial position as at September 30, 2014, 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, 2014. We expressed an unmodified audit opinion on those financial statements in our report dated November 16, 2014.

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 Summary 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 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, these summary financial statements, derived from the audited financial statements of Crocus Credit Union Limited for the year ended September 30, 2014 are a fair summary of those financial statements.

Report on Other Legal and Regulatory Requirements

As at September 30, 2014, 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, 2014.

Brandon, Manitoba

November 20, 2014

MNP LLP
Chartered Accountants

Crocus Credit Union Limited

Summary Statement of Financial Position

As at September 30, 2014

	2014	2013
Assets		
Cash and cash equivalents	3,603,703	2,670,954
Investments and accrued interest	11,343,344	9,752,947
Members' loans receivable and accrued interest	96,155,275	86,559,317
Current tax receivable	-	31,582
Prepaid expenses	46,368	30,652
Property and equipment	1,558,405	1,594,727
	112,707,095	100,640,179
Liabilities		
Member deposits and accrued interest	103,837,140	91,600,305
Accounts payable	396,408	821,710
Current tax payable	5,489	-
Deferred tax	18,000	18,000
	104,257,037	92,440,015
Members' equity		
Member shares	1,488,577	1,573,385
Retained earnings	6,961,481	6,626,779
	8,450,058	8,200,164
	112,707,095	100,640,179

Approved on behalf of the board

Signed by "Rae Smith"
Director

Signed by "Sharon Maquire"
Director

Signed by "Tony DeVliegere"
Director

Crocus Credit Union Limited
Summary Income Statement
For the year ended September 30, 2014

	2014	2013
Interest income		
Member loans	3,715,791	3,391,351
Investments	252,619	305,234
	3,968,410	3,696,585
Interest expense		
Deposits	1,569,068	1,429,066
Interest on borrowed money	21,737	1,366
	1,590,805	1,430,432
Gross financial margin	2,377,605	2,266,153
Operating expenses		
Amortization	126,784	91,409
Member security	102,244	101,477
Administration	671,583	756,410
Occupancy	226,721	520,115
Organizational	89,447	99,093
Personnel	1,362,411	1,280,534
	2,579,190	2,849,038
Net operating expenses	(201,585)	(582,885)
Other income	613,387	704,843
Income before provision for impaired loans, patronage refund and income taxes	411,802	121,958
Provision for impaired loans	35,611	58,473
Income before patronage refund and income taxes	376,191	63,485
Provision for patronage refund	-	50,000
Net income before income taxes	376,191	13,485
Provision for income taxes		
Current	41,489	2,418
Net income	334,702	11,067

Crocus Credit Union Limited
Summary Statement of Changes in Members' Equity
For the year ended September 30, 2014

	<i>Member shares</i>	<i>Retained earnings</i>	<i>Total equity</i>
Balance October 1, 2012	1,663,505	6,615,712	8,279,217
Net income	-	11,067	11,067
Issuance of member shares	15,750	-	15,750
Redemption of member shares	(105,870)	-	(105,870)
Balance September 30, 2013	1,573,385	6,626,779	8,200,164
Net income	-	334,702	334,702
Issuance of member shares	75,314	-	75,314
Redemption of member shares	(160,122)	-	(160,122)
Balance September 30, 2014	1,488,577	6,961,481	8,450,058

Crocus Credit Union Limited
Summary Statement of Cash Flows
For the year ended September 30, 2014

	2014	2013
Cash provided by (used for) the following activities		
Operating activities		
Interest received from members' loans	3,691,535	3,373,519
Interest and dividends received from investments	272,627	285,798
Other non-interest income received	613,387	747,089
Payments to suppliers and employees	(2,893,424)	(2,254,286)
Interest paid to members	(1,558,404)	(1,364,981)
Interest paid on borrowed money	(21,737)	(1,366)
Income taxes (paid) recovered	(4,418)	(41,098)
	99,566	744,675
Financing activities		
Net change in member deposits	12,226,171	12,144,243
Issuance of member shares	75,314	15,750
Redemption of member shares	(160,122)	(155,870)
	12,141,363	12,004,123
Investing activities		
Net change in members' loans receivable	(9,607,313)	(9,798,112)
Net purchases of investments	(1,610,405)	(1,454,280)
Purchases of property and equipment	(90,462)	(709,964)
	(11,308,180)	(11,962,356)
Increase in cash and cash equivalents	932,749	786,442
Cash and cash equivalents, beginning of year	2,670,954	1,884,512
Cash and cash equivalents, end of year	3,603,703	2,670,954



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
- Interac E-Transfers
- Qtrade® Investor Brokerage Service
- Safety Deposit Boxes / Safe Keeping
- Travellers Cheques
- Utility Bill Payments & Transfers by Phone & Internet
- Website – www.crocuscu.mb.ca