

**LANDIS CREDIT UNION LIMITED**

**LANDIS, SASKATCHEWAN**

**INDEPENDENT AUDITORS' REPORT AND  
SUMMARIZED FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

## MANAGEMENT'S RESPONSIBILITY COMMUNICATION

To the Members,  
**Landis Credit Union Limited**

Management is responsible for preparing the accompanying summarized financial statements and is responsible for their integrity and objectivity. The basis of presentation adopted is not in conformity with International Financial Reporting Standards in that the financial statements do not contain all the required disclosures. The basis of presentation is considered by management to be most appropriate for the broad communication of financial information to members, however, readers are cautioned that these statements may not be appropriate for their specific purposes.

Complete financial statements are available upon request.



**Bob Carpenter**  
General Manager



**Lorne Hadley**  
Audit Committee Chair



## INDEPENDENT AUDITORS' REPORT

**To the Members,  
Landis Credit Union Limited**

The accompanying summarized statements, which comprise the summarized statement of financial position as at December 31, 2017 and the summarized statement of changes in members' equity, comprehensive income and cash flows for the year then ended are derived from the audited financial statements of **Landis Credit Union Limited** for the year ended December 31, 2017. We expressed an unmodified audit opinion on those financial statements in our report dated February 22, 2018.

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

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

Management is responsible for the preparation of a summary of the audited financial statements on the basis described in Note 1.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on the summarized 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 summarized financial statements derived from the audited financial statements of **Landis Credit Union Limited** for the year ended December 31, 2017 are a fair summary of those financial statements, in accordance with the criteria described in Note 1.

**February 22, 2018  
Saskatoon, Saskatchewan**

*Virtus Group LLP*

**Chartered Professional Accountants**

**LANDIS CREDIT UNION LIMITED**  
**SUMMARIZED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2017**  
**(with comparative figures for 2016)**

ASSETS	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	\$ 2,598,188	\$ 939,574
Investments	512,660	3,707,858
Loans receivable	14,574,505	13,310,377
Other assets	162,248	180,236
Property and equipment	24,923	27,133
Investment in insurance agency	360,000	360,000
	<u>\$ 18,232,524</u>	<u>\$ 18,525,178</u>
<b>LIABILITIES</b>		
Deposits	\$ 16,056,722	\$ 16,480,290
Other liabilities	47,516	6,455
Shares	5,230	5,290
	<u>16,109,468</u>	<u>16,492,035</u>
<b>MEMBERS' EQUITY</b>		
Retained earnings	2,123,056	2,033,143
Accumulated other comprehensive income	-	-
	<u>\$ 18,232,524</u>	<u>\$ 18,525,178</u>

**APPROVED BY THE BOARD:**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**LANDIS CREDIT UNION LIMITED**  
**SUMMARIZED STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
(with comparative figures for the year ended December 31, 2016)

	<u>2017</u>	<u>2016</u>
Retained earnings - beginning of year	\$ 2,033,143	\$ 1,909,779
Net income	<u>89,913</u>	<u>123,364</u>
Retained earnings - end of year	<u>\$ 2,123,056</u>	<u>\$ 2,033,143</u>
Accumulated other comprehensive income - beginning of year	\$ -	\$ -
Other comprehensive income	<u>-</u>	<u>-</u>
Accumulated other comprehensive income - end of year	<u>\$ -</u>	<u>\$ -</u>
<b>TOTAL EQUITY</b>	<u><u>\$ 2,123,056</u></u>	<u><u>\$ 2,033,143</u></u>

**LANDIS CREDIT UNION LIMITED**  
**SUMMARIZED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
(with comparative figures for the year ended December 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>Interest revenue</b>		
Loan	\$ 661,818	\$ 587,490
Investment	149,684	166,042
	<u>811,502</u>	<u>753,532</u>
<b>Interest expense</b>		
Borrowed money	261	266
Member deposits	131,583	125,899
Patronage allocation	24,000	-
	<u>155,844</u>	<u>126,165</u>
<b>Net interest</b>	655,658	627,367
<b>Provision for credit losses</b>	<u>2,085</u>	<u>2,937</u>
<b>Net interest after provision for credit losses</b>	653,573	624,430
<b>Other income</b>	<u>79,042</u>	<u>81,481</u>
<b>Operating expenses</b>		
General business	234,557	196,798
Occupancy	17,012	18,125
Organizational	19,917	16,789
Personnel	343,932	322,772
Security	28,550	26,354
	<u>643,968</u>	<u>580,838</u>
<b>Income before income taxes</b>	88,647	125,073
<b>Income taxes</b>		
Current (recovery)	(966)	1,979
Deferred (recovery)	(300)	(270)
	<u>89,913</u>	<u>123,364</u>
<b>Net income before other comprehensive income</b>	89,913	123,364
<b>Other comprehensive income</b>	<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>	<u>\$ 89,913</u>	<u>\$ 123,364</u>

**LANDIS CREDIT UNION LIMITED**  
**SUMMARIZED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
(with comparative figures for the year ended December 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>Cash provided by (used in) operating activities:</b>		
Net income	\$ 89,913	\$ 123,364
Items not involving cash:		
- Amortization	10,408	8,887
- Provision for credit losses	2,085	2,937
Net change in other assets and other liabilities	59,049	(91,285)
	161,455	43,903
<b>Cash provided by (used in) investing activities:</b>		
Investments	3,195,199	(862,183)
Loans receivable	(1,266,210)	69,594
Property and equipment	(8,200)	(14,559)
	1,920,789	(807,148)
<b>Cash provided by (used in) financing activities:</b>		
Deposits	(423,570)	(451,684)
Shares	(60)	(320)
	(423,630)	(452,004)
<b>Increase (decrease) in cash</b>	1,658,614	(1,215,249)
<b>Cash position - beginning of year</b>	939,574	2,154,823
<b>Cash position - end of year</b>	\$ 2,598,188	\$ 939,574

---

**1. Basis of the summarized financial statements**

The summarized financial statements are derived from the audited financial statements, prepared in accordance with International Financial Reporting Standards, as at December 31, 2017 and December 31, 2016 and for the years then ended.

The preparation of these summarized financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summarized financial statements using the following criteria:

- (a) the summarized financial statements include a statement for each statement included in the audited financial statements;
- (b) information in the summarized financial statements agrees with the related information in the audited financial statements;
- (c) major subtotals, totals and comparative information from the audited financial statements are included; and
- (d) the summarized financial statements contain the information from the audited financial statements dealing with matters having a pervasive or otherwise significant effect on the summarized financial statements.

The audited financial statements of Landis Credit Union are available upon request by contacting the Credit Union.

---