

Diamond North CREDIT UNION

2019 Annual Report

Vision

Your partner of choice in building financial success for you and your community.

Mission

Our members are our owners.

Diamond North Credit Union provides value to our owners through the relationships we build and our shared commitment to the co-operative principles. Our success allows us to invest in our owners and communities.













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Serving You Since				
1939 - Prince Albert	1939 - Debden			
1941 - Arborfield	1942 - Zenon Park			
1943 - Choiceland	1945 - White Fox			
1950 - Albertville	1950 - Nipawin			
1954 - Carrot River	1996 - Big River			

Welcome Message

From President Maurice Lalonde and CEO Colleen Harmatiuk



Maurice Lalonde, President

It is our pleasure to present our report to you, the members, on behalf of the Board of Directors of Diamond North Credit Union for 2019.

We'd like to begin by saying thank you to our members and clients for continuing to do business with us and for sharing your Diamond North Credit Union experience with others. We recognize that the world has taken an abrupt turn and we are all currently trying our best to navigate through the COVID-19 pandemic. Our credit union has made a number of service delivery changes and adjustments to our business. One of these modifications is the postponement of our Annual Meeting. At the time of writing this, we do not have a firm date but will be sure to advertise the date once we are able. Now, more than ever, we recognize that it is through strong member commitment and referrals that we continue to grow our business, expand our services and make our communities better.



Colleen Harmatiuk, CEO

Our strategic direction remains focused on building on our two Key Success Factors; Service Delivery and Member/Owner Relationships:

Service Delivery

At DNCU, the shift in how our members are transacting their financial business continues to change and become much more digitally focused. We recognize that our members believe that 'service' can be delivered in many different ways and we strive to meet those expectations and needs of all our membership. As in the past years, in-branch member traffic continues to decrease while electronic transactions are on the rise. In response to this, we remain committed to developing a service delivery network that meets, first and foremost, the information, knowledge, and service needs our member/owners require in building wealth for themselves, their families, and our communities.

Member/Owner Relationships

We take to heart the fact that **when you succeed, we succeed.** In knowing this, we are continually inspired to do more, reach further, and evolve in step with our changing world and with your changing needs, as we work to improve your financial health. Our commitment to building relationships that makes it easy for members to choose and trust us as their **"solution provider of choice"** is paramount in our organization. Our business is centered on these relationships and this allows us to provide our members with sound financial advice. **Not only are we committed to our members but also to our communities**. You have likely seen our green DNCU shirts being worn with pride in our communities as our employees **volunteered over 4,000 hours** at many different events throughout the year. In addition, **DNCU donated over \$97,000 to community sponsorship in 2019**.

We believe our achievement for 2019 was quite positive when you consider the external environment we work in, which continued to be one of razor-thin margins, increasing regulations, and heightened competition. In addition, our agricultural members faced their own set of challenges with uncooperative weather that resulted in increased costs while they worked to harvest their crops. Despite these external pressures, we remained focused, and it's paid off with some measure of success. We made solid gains in our total assets with 4% organic growth above the growth we experienced through our merger with Debden Credit Union Limited.

Welcome Message

Our net income, after corporate taxes, was \$1,846,000. DNCU experienced increased delinquency which resulted in higher than normal loan allowances. Loan allowances are required when we have monitored a loan file and have determined that the ability to recover on our security is doubtful. In such a case, we prudently address the potential loss when it's recognized, and proceed with setting up an allowance. You will see from our financial statements that for 2019, this was a considerable number. It is important to note, that we have not recognized significant loan losses for a number of years and that credit loss is a risk factor in any financial institution. It is also important to assure you, our members that DNCU has sound lending policies and procedures and we have strong lenders who apply these practices appropriately. There are times, however, where credit deteriorates and we are placed in a loss position.

Though there was a reasonable profit in light of the credit losses, we did not end the year in a position to pay a patronage rebate for 2019 and due to the abrupt changes in the Bank of Canada rates in March of 2020, it is unlikely we will be paying any form of patronage for 2020. In saying that, we are looking to develop a new member rewards program and hope to introduce this by early 2021.

On January 1, 2019 we merged with Debden Credit Union and, for the first half of the year we worked at combining our business processes. In June, we were able to bring the banking systems together and began offering all of the DNCU products and services to Debden and Big River members.

In 2020, we'll invest in our Prince Albert community by completing a renovation of our service center that will allow us to ensure we have the space to house more specialists to provide a wider range of services to our members. We are committed to Prince Albert and the surrounding area and believe we can continue to build business in this region. Looking ahead, we'll continue our work of better understanding your needs and goals, and also any challenges or opportunities you may be facing.

In closing, a special thank you goes out to our employees for their passion and enthusiasm that's led to such meaningful differences being made in our communities—as well as in the financial success of our members and clients. Our people continue to demonstrate their strong commitment to our members through this new challenge of COVID-19 and have done their utmost to continue to provide service to our members in new and unique ways to ensure safety to all. We believe this is a result of DNCU's strong leadership culture. By strengthening qualities like responsiveness and innovative thinking among our team, we've been able to deepen our relationships with those we serve, collaborate more effectively, and complete projects with lasting value for our members, clients, and communities. There's no greater satisfaction for us than knowing that our DNCU network of helpful expertise, our broad range of products and services, and our keen local understanding have all contributed to helping you build success.

Respectfully submitted,

Maurice Lalonde, President

Colleen Harmatiuk, CEO

Credit Union Market Code

Diamond North Credit Union voluntarily adheres to the Credit Union Market Code. This code has been jointly developed by Saskatchewan credit unions, SaskCentral, and Credit Union Deposit Guarantee Corporation to ensure the protection of credit union members. The code sets forth the guidelines for the following areas:

Fair Sales— Diamond North Credit Union's actions and decisions regarding member advice, information and recommendations are objective and reflective of the financial needs and the roles and responsibilities of the member and the credit union. Diamond North Credit Union is committed to providing relevant and meaningful information about products and services to enable members to make informed decisions.

Transparency and Disclosure- Diamond North Credit Union is open and honest in its dealings with existing and potential members. Providing general information about the rights and obligations that arise out of a relationship a member has, relative to the financial services Diamond North Credit Union provides.

Professional Standards for Employees- Diamond North Credit Union is committed to employee development, education, professional designations and/or accreditation standards where appropriate. Business is conducted in a manner that maintains a strong reputation by exercising reasonable, prudent, and professional judgment in the provision of products and services.

Privacy- Diamond North Credit Union protects the interests of members by ensuring all member/client information is kept confidential and used only for the purpose for which it was gathered.

Complaint Handling- Diamond North Credit Union has an established internal complaint handling process that provides timely and responsive service to member's complaints. The information on complaint handling is available at www.diamondnorthcu.com.

Low Fee Accounts- Diamond North Credit Union offers a basic banking account that will accommodate all persons. A low fee account is an option for individuals who conduct limited monthly transactions.

Cooperative Values

As a true co-operative financial institution, Diamond North Credit Union is guided by the seven internationally recognized principles of co-operation:

Open and Voluntary Membership- Co-operatives are voluntary organizations, open to all people able to use its services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

Democratic Member Control- Co-operatives are democratic organizations controlled by their members, those who buy the goods or use the services of the co-operative, who actively participate in setting policies and making decisions.

Members' Economic Participation- Members contribute equally to, and democratically control, the capital of the co-operative. This benefits members in proportion to the business they conduct with the cooperative rather than on the capital invested.

Autonomy and Independence- Co-operatives are autonomous, self-help organizations controlled by their members. If the co-operative enters into agreements with other organizations or raises capital from external sources, it is done so based on terms that ensure democratic control by the members and maintains the co-operative's autonomy.

Education, Training and Information- Co-operatives provide education and training for members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperative. Members also inform the general public about the nature and benefits of cooperatives.

Co-operation Among Co-operatives- Co-operatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

Concern for Community- While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs accepted by the members.

Saskatchewan Credit Union Director Recognition

2020 Recipient, Allan Mochoruk

The Saskatchewan Credit Union Director Recognition Program recognizes elected officials who have demonstrated a significant contribution to the Saskatchewan credit union system. Annually, each Saskatchewan credit union may induct one Board member, past or present, to the Saskatchewan Credit Union Director Order of Merit Awards.

Award principles include:

- Record of exemplary service to a Saskatchewan credit union
- Demonstrated leadership and an understanding of and commitment to co-operative principles
- Illustrates a positive public profile that reflects favorably on the credit union and the local community

Past Order of Merit Recipients					
2019	Francis Chabot	Zenon Park			
2018	Marcel Brassard	Albertville			
2017	Gordon Wilmot	White Fox			
2016	Andre Laforge	Carrot River			
2015	Bill Weighill	Carrot River			
2014	Carman Dodge	Prince Albert			

Diamond North Credit Union would like to recognize the hard work and dedication of Allan Mochoruk to the credit union and his community.



Allan served on the Board of Directors for a total of 15 years - nine years under Diamond North Credit Union and six years for Nipawin Credit Union Limited. Allan held the position of President from 2006 to 2015 under Diamond North Credit Union. Allan was the Chairman of the Steering Committee during the original formation of Diamond North Credit Union in 2006 which saw Carrot River, Nipawin, White Fox and Zenon Park credit unions merge together, and again in 2008 when Albertville and Prince Albert joined the organization. Allan retired from the Board in 2015.

Allan has always had a strong **commitment to community involvement** where he has served on many committees and Boards, including, Nipawin Town Council, Nipawin Chamber of Commerce, Nipawin Housing Authority, Nipawin Lions Club, St. John Anglican Church, Nipawin Biomass Ethanol Gen Co-op.

Allan was the former owner of Duplex Furniture in Nipawin. During his career Allan was a provincial director for Mega Furniture Buying Group for four years and held the position of Secretary for the Nipawin Retail Merchants group for five years.

Alan and his wife Marion were blessed with a daughter and have two grandchildren and three great grandchildren who they enjoy spending quality time with.

Diamond North Credit Union is pleased to induct Mr. Allan Mochoruk to the Saskatchewan Credit Union Director Recognition Program and to present him with the Order of Merit. A celebration of this award is being planned for a future date.

Board of Directors

Anchored in the co-operative principle of democratic control, Diamond North Credit Union is governed by a member-elected Board of Directors. The Board is accountable for leading and nurturing the long term strategic direction of the Credit Union while creating and maintaining value for its members, and the communities in which it does business.

The Board respects the role that outside agencies play in ensuring fair practices, consumer protection and a level playing field with competitors. The Credit Union is committed to following the regulations and guidelines set for it by the Government of Saskatchewan, Credit Union Deposit Guarantee Corporation and in the *Credit Union Act 1998*, *The Standards of Sound Business Practice*, and its own bylaws and policies.

In 2013 the Credit Union adopted The Carver Policy Governance model which focuses on the functions rather than the structure of governance. Carefully established written Board policy sets the strategic direction for the Credit Union and provides both the Board and management with clear boundaries around who is accountable for specific outcomes and the means for seeing those outcomes achieved.

BOARD OF DIRECTORS March 31, 2020						
Name	Occupation	Years of Service	Term Expiry	Meeting Attendance *		
Gillies, Sandra	Grain/Cattle Farmer	3	2021	100%		
Head, Marcel	Community Development Officer	3	2022	93%		
Lalonde, Maurice President	Businessman	22	2020	100%		
Nickel, Kent First Vice-President	Businessman	3	2021	80%		
Pagan, Greg	Bison Rancher	10	2022	100%		
Serack, Leslee	Retired Finance Director	6	2021	100%		
Thompson, John Second Vice-President	Retired Forester	22	2020	85%		
Warriner, Christopher	Honey/Purebred Beef Producer	11	2022	93%		

^{*} Although meeting attendance is tracked for the electoral year (April – March); it is only reported up to the time of printing (February 24, 2020). Only those meetings scheduled for a director's attendance are included when calculating attendance.

Board Composition

Directors, whom are elected, serve three year terms that expire on a rotational basis. With the change to our Bylaws on January 1, 2019 a director can sit on the Board for a maximum of twelve years. A director is ineligible for nomination for one year following the completion of the four consecutive terms. No election was held in 2019 due to the amalgamation agreement between Diamond North Credit Union and Debden Credit Union Limited. Effective, January 1, 2019 the Board welcomed two new directors, Sandra Gillies of Debden and Christopher Warriner of Big River. Roger Kirk and Brandie Trew each resigned from the Board during the year.



(Seated L-R): Christopher Warriner, Marcel Head, Greg Pagan (Insert): Kent Nickel

Mandate and Responsibilities

The Board of Directors governs on behalf of the

members with an emphasis on outward vision, diversity in viewpoints, strategic leadership and a clear distinction of roles between the Board and the CEO. The Board translates its members' wishes into credit union performance. The Board maintains policies that are responsive to the needs of its members and designed to maximize the potential for the long term viability of the organization as a whole.

Director Training

Diamond North Credit Union is committed to the on-going professional development of its directors and has established policies that provide the financial resources to do so. Policy requires that new directors complete the first of three levels of training available through the National Credit Union Director Achievement program (CUDA) in their first year.

Christopher Warriner completed the CUDA Level A training requirements. Sandra Gillies excelled and achieved Levels A, B and C of the CUDA training program. Marcel Head and Sandra Gillies attended the Canadian Conference for Credit Union Leaders in May. As well, the Board arranged an in-house CUDA training session which was held at Nipawin in November and was attended by all directors.

Directors also attend seminars and system meetings as necessary throughout the year. Attendance and training is tracked on an annual basis.

Board of Directors

Director Committees

The Board of Directors believes that a fundamental principle of sound governance is ensuring that members of the Board have equal access to all information, discussion and options requiring Board approval and therefore takes a minimalistic approach to the use of committees to preserve the wholeness of the Board's job. However, to ensure compliance with governing legislation, the following Board committees have been appointed:

Audit Committee: The purpose of the Audit committee is to ensure an independent review of the credit union's operations on areas deemed necessary to maintain the integrity of financial data, adequacy of internal controls, and adherence to requirements of *The Credit Union Act, 1998, The Credit Union Regulations, 1999, and the Standards of Sound Business Practices.* All directors serve on the committee.

Conduct Review Committee: The Conduct Review Committee ensures that Diamond North Credit Union acts with the full integrity and objectivity of its directors and employees, by having in place policies, processes and practices that protect people and the organization from claims and from the perception of unfair benefit or conflict of interest. All directors serve on the Conduct Review Committee.

Elections Committee: The Elections Committee oversees the nomination and election processes for the election of Credit Union directors. The committee is comprised of each member of the Board not seeking re-election in the next Board election cycle. The minutes of its meetings are submitted to the Board and it reports to the Board during regular Board meetings.

Note: Other oversight committees include: Asset/Liability, Risk Management, and Credit Management. These committees are facilitated by management and report to the Board as required.

Diamond North Credit Union directors receive remuneration for items related to Diamond North Credit Union business or training. Allowable reimbursable expenses are for meetings, travel, meals, accommodations, mileage, and training. In addition, Diamond North Credit Union pays insurance premiums on behalf of the directors.

In 2019 the budgeted remuneration amount was \$74,400, actual paid was \$62,132.10. Directors were reimbursed an additional \$21,556.05 for out of pocket expenses. Insurance premiums that were paid on behalf of the directors totaled \$9,202.44.

Evaluation

The purpose of Board self-evaluation is to compare what the Board does and produces what it said it would do. With this in mind, the Board reviews its policies that address Board behavior and performance at least annually to ensure they accurately reflect expectations. Compliance with these policies is assessed regularly throughout the year.

Executive Management

The Diamond North Credit Union Executive Management team is responsible to oversee the operations of the credit union within the context and strategies outlined by the Board. The Executive Management team is comprised of four members:

Chief Executive Officer (CEO), Colleen Harmatiuk

The Chief Executive Officer is responsible for providing strategic leadership to Diamond North Credit Union by working with the Board of Directors and the executive management team to establish, implement and oversee the Credit Union's long-range goals, strategies, plans and policies. The CEO's personal leadership demonstrates the Board of Director's vision and commitment to the Credit Union's membership and to co-operative principles. Colleen is a collaborative, innovative and visionary leader who brings to Diamond North Credit Union 28 years of credit union experience.



L-R): Brenda Lehmann, Kevin Isaacson, Randall Kerluke, Colleen Harmatiuk

She has worked primarily in executive positions including Vice President of Corporate Services and Chief Operating Officer (Corporate). Colleen has extensive experience working with Boards of Directors, executive teams, staff, system partners, regulators, and members. During her time in the credit union system she has volunteered on a number of committees and has contributed to the cooperative movement.

Colleen has completed the Certified Chief Executive designation through CUES.

As well, Colleen successfully achieved the Professional Director Certification Program TM through Governance Solutions Inc. and Johnson Shoyama Graduate School of Public Policy.

Vice President of Corporate Services, Brenda Lehmann

Brenda is responsible for leading the business areas that support the retail function and the administration departments. As a member of the executive management team, Brenda works with the leadership team to deliver on Diamond North Credit Union's mission & vision. In her role Brenda is responsible for overseeing Compliance, Marketing and Technology. She has obtained a Business Administration Certificate from the University of Saskatchewan, Certification in Credit Union Management Studies and a Professional Leadership Certification from the University of Regina. Brenda has 36 years of experience in the cooperative/credit union system.

Vice President of Finance, Kevin Isaacson

Kevin as VP of Finance, has oversight of all the financial aspects of the organization and ensures regulatory compliance within these areas. This position is responsible for analyzing and reviewing financial data of Diamond North Credit Union. The VP of Finance reports financial performance, prepares budgets, monitors revenues and expenditures, manages Diamond North Credit Union's investments, cash and liquidity. Additionally, Kevin oversees the audit functions, Asset Liability Committee (ALCO) and RMC. He works closely with the CEO and the Board of Directors to insure the organization is on target and in line to achieve its financial and strategic goals. Kevin has attained the Fellowship of the Credit Union certification. Kevin has 26 years of credit union experience and has held many positions throughout his career.

Vice President of Retail Services, Randall Kerluke

Randall is responsible for leading the retail branch network and the Credential Financial Strategies office; he also ensures support departments function fluidly and leads the Credit Management Committee. He works closely with managers and supervisors in the areas of deposit, lending and wealth management to deliver on our commitment to CHOICE Service and generate the business results to support our long term strategic plan. Randall holds a Bachelor of Commerce degree from the University of Saskatchewan, is a Fellow of the Credit Union Institute of Canada and is currently pursuing his Certified Chief Executive designation with CUES. Randall has 26 years of credit union experience.

2019 Special Events

Achievement In Marketing Excellence Awards



Diamond North Credit Union was the winners of two AIME (Achievement in Marketing Excellence) Awards at the National Credit Union Conference in May 2019. The categories were:

Co-ordinated Campaign and New Product Launch. CEO, Colleen Harmatiuk, HR Officer, Larissa Schellenberg and former VP of Retail Services, Jason Panchyshyn were present to accept the awards.

51st Anniversary of Santa Claus Day





The Nipawin Branch celebrated their 51st Anniversary of the Annual Santa Claus Day on Saturday, December 7, 2019. There were 292 children who attended the event and enjoyed gifts, treats and a picture with Santa.

Credential[®] Securities

Diamond North Credit Union is constantly seeking ways to add quality products, services and convenience to your life. That's why we partner with Credential Securities to provide access to a comprehensive range of wealth management services to our members.

Credential Securities is committed to a client-centered approach to manage and protect your personal wealth and develop your personal wealth strategy to help you realize your full financial potential.



Karla Morris Investment Advisor Credential Securities

Karla Morris is the Credential Securities Investment Advisor located at the Credential Securities branch at **100A** – **1**st **Avenue W. in Nipawin**. Karla will work with you to create a personal financial blueprint you can follow to help achieve your monetary objectives.

You may want to consider taking advantage of this service today! You can stop by the Credential Securities branch or call Karla today at **306-862-8160** for a no-cost, no-obligation consultation.

Mutual funds and other securities are offered through Credential Securities, a division of Credential Qtrade Securities Inc. Credential Securities is a registered mark owned by Aviso Wealth Inc.

Corporate Social Responsibility

Corporate Social Responsibility is belief in a company's accountability to community; the belief that a company should take into account the social, ethical, and environmental effects of its activities on its staff and the community around it.

Diamond North Credit Union believes that supporting communities and demonstrating social and economic leadership are not optional – they're fundamental to who we are, what we do, and how we serve our members. Each year Diamond North Credit Union allocates 3.0% of pre-tax profit to be given back to our communities through our Community Investment Fund.

In 2019, Diamond North Credit Union donated in excess of \$97,000 to various organizations, charities, non-profit clubs, parks and projects. This financial support was allocated to a widely diverse sector, including youth, seniors and First Nations



communities. Funds supported capital projects for recreation, entertainment events, charity, education and health initiatives. These community investment initiatives strengthen and add value to our communities through increased tourism, attractiveness of our region and lifestyle.

In 2019, our 96 employees donated over 4,091 hours of their time to various volunteer activities and organizations. The willingness of our employees and the loyalty of our membership provides the means to give back to our communities.

As well as donations to various events and organizations, Diamond North Credit Union awarded \$7,500 in scholarships to students in our communities. Our 2019 scholarship recipients were: Randie Kapeller and Camryn Wassill (Arborfield), Emma Panter (Big River), Janay

Schmaltz (Carrot River), Alana Burka (Choiceland), Andie Hidlebaugh and Nicole Rowlett (Nipawin), Alannah Cotterill (Cumberland College Award). One of the criteria of our scholarships is the spirit of cooperation and giving back to the communities and at the same time achieving a high level academic standing. We are proud to support these students in their post-secondary education and future aspirations.

Through our community investment fund, Diamond North Credit Union returns the support of our members to the communities which we live and operate in. By actively participating in community initiatives and events we create something much bigger than ourselves.

Staff donated **4,091 hours of their own time to** various community events, projects and committees in 2019. **That's an average of 42** hours per person or **10.5** hours every day in 2019!





Choice Service is a journey to provide our members and fellow employees our very best at every interaction - to go beyond the transaction at hand and provide valuable advice that enhances your service experience and ensures you reach your financial goals.



Choice Service is about being authentic and reliable.

It shows our members that we care for them and it builds trust.

It's meeting people face to face, putting ourselves in their shoes

and seeing the world through their eyes. Choice Service is an experience,

it gets people talking about our personalized service;

it means empowering our members with options and knowledge. It gets members excited!

Choice Service elevates our organization above the competition and pushes us to continue learning

and to keep getting better. It shows diversity.

This is our service promise.

In 2019, we enhanced our service to members by bringing ClickSWITCH™ to our credit union. Switching financial institutions used to be a long and drawn out process for members and potential members. Now with ClickSWITCH, it only takes a few minutes to move automatic payments and direct deposits from another financial institution to a Diamond North Credit Union account. All members have to do is enter account information and ClickSWITCH handles the rest! It's a secure, convenient way for members to switch to Diamond North Credit Union.



Diamond North Credit Union is actively engaging our members & communities on five social media platforms:











Introduction

Presented herein is the discussion and analysis of the operational and financial position of Diamond North Credit Union (DNCU) as at December 31, 2019, represented in Canadian dollars and prepared in accordance with International Financial Reporting Standards (IFRS). The commentary is tied to, and should be viewed in combination with, the DNCU Consolidated Financial Statements and their accompanying notes. This report will also make note of key areas and items pertaining to DNCU business. Management's Discussion and Analysis is presented to enable readers to make assessments regarding material changes in the financial condition and operating results of DNCU.

Readers of the Consolidated Financial Statements need to keep in mind that the 2019 figures represent the results of the combined entity of DNCU and Debden Credit Union. Numbers expressed for 2018 represent DNCU only. The MD&A shows values for the combined entity in all comparative years.

Operational Overview

Diamond North Credit Union is an independent regional credit union owned by our members. As of December 31, 2019 DNCU provided financial services to 12,319 members and 3,475 non-members.

Effective January 1, 2019 Debden Credit Union, with branches in Debden and Big River, joined DNCU. DNCU now delivers deposit, lending and wealth services in ten communities in Northern Saskatchewan - Albertville, Arborfield, Big River, Carrot River, Choiceland, Debden, Nipawin, Prince Albert, White Fox, and Zenon Park. With the exception of Prince Albert, DNCU serves a district that is mainly rural, however quite diverse. The agricultural sector is comprised of grain and oilseed producers along with honey, beef, exotic livestock and forage producers. Commercial enterprises range from small, local businesses to large manufacturing and processing operations in the agricultural, lumber and natural resource industries. Healthcare and education are other major employers and industries in the area creating a diversified membership for the Credit Union. This allows the Credit Union's risk exposure to be spread over many market segments.

DNCU experienced Asset Growth of 4.17% in 2019. This is the largest growth the Credit Union has experienced in the recent past. Assets at the end of the year totaled \$547.5M. Profit after taxes for the 2019 year was \$1.85M. Although the year was profitable for DNCU it was less than budgeted. Shrinking margins due to market competition, a sluggish economy reducing loan demand and larger than normal loan allowances all contributed to the reduced profit.

Strategy

Through their annual planning and strategic review process, Board and Management agreed the success of the Credit Union is dependent on building on our two Key Success Factors and continuing to be focused on and developing our Core Competencies.

Key Success Factors

- Service Delivery
- Member / Owner Relationships

Core Competencies

- We Are All Leaders
- Environment of Innovation
- Co-operative Principles

Key Performance Drivers

In order to evaluate the performance of an organization, consideration must be given to: the regulatory nature of the business; the economic environment that it resides in; future objectives of the organization; as well as, current organizational position. With these in mind, targets are set to meet the organization's short and long term objectives for financial, regulatory, and cultural health.

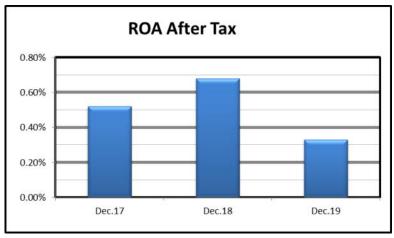
The corporate targets are reviewed yearly and are set with a mind as to the key focus the organization should have in the coming year. The targets are evaluated regularly to ensure that the required goals are being met and that the organization is performing as desired. The methodology that DNCU employs for these targets is the Balanced Scorecard. The targets identified below are defined as "Acceptable" in the Balanced Scorecard.

Results

Balanced Scorecard	2019 Targets	Results			
Financial Perspective					
Profitability before tax (as % of assets)	≥0 .73%	0.41%			
Total Tier 1 Capital	≥ 9.50%	12.88%			
Eligible Capital (RWC)	≥ 11.60%	13.11%			
Deliquency	≤ 2.00%	1.32%			
Business Process Perspective	2				
Organizational Efficiency (net of loan writeoffs)	< 77.00%	74.28%			
% Lent Out	79.00% - 79.99%	80.11%			
Asset Growth	3.00% - 3.99%	4.14%			

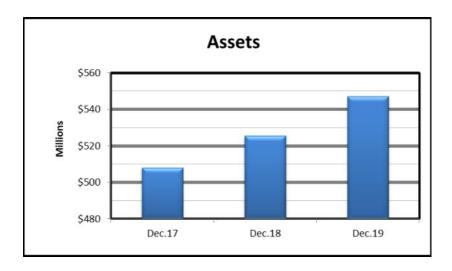
Profitability

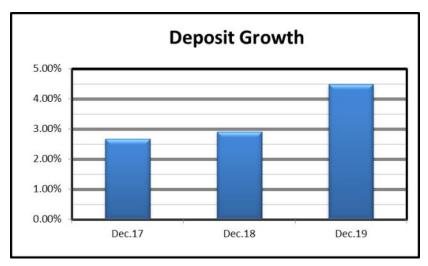
The annualized return on assets before tax and allocations for 2019 was 0.33%. This is a decrease of just over 50% from the previous year (2018 = 0.68%) and as mentioned earlier there were a number of contributing factors, provision for impaired loans being the most significant.



Growth

Total asset growth on the combined assets of DNCU and Debden Credit Union was 4.17%. Total assets as of December 31, 2019 were \$547.5M. The largest driver in asset growth is the increase in value of our Member Loans Receivable. Investment in capital assets and other investments also contributed to Asset Growth, but to a lesser extent. Investment in these assets is financed through the funds members hold on deposit at the Credit Union in their chequing, savings and investment accounts.

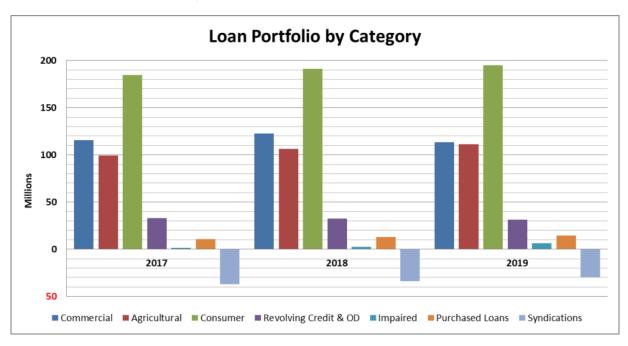






Loan Portfolio

Total outstanding loan principal balances as of December 31, 2019 was \$441.9M. The combined balance of DNCU and Debden Credit Union loan portfolios as of December 31, 2018 was \$433.9M. The growth of \$8.0M, or 1.84%, is lower than the three year average of 3.74%, however is indicative of the economic environment we experienced in 2019.



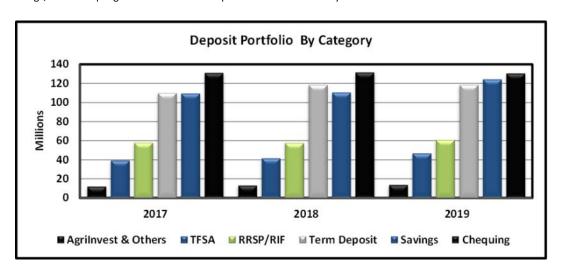
DNCU's residential mortgage portfolio totaled \$158.9M at the end of 2019. Mortgages that are insured through companies such as CMHC or Genworth represent 17.0% of the total. In 2019 the average Loan to Value (LTV) ratio on new conventional (uninsured) mortgages was 0.68%. The legislated maximum LTV on conventional mortgages is 0.80% compared to 0.95% on insured mortgages. The larger down payment required for conventional mortgages helps protect the Credit Union in the event of an economic downturn that negatively affects real estate prices.

Remaining Amortization as of December 31, 2019 Residential Mortgages

	Insured	Uninsured		
Amortization Period	\$ (thousands)	%	\$ (thousands)	%
< 5 yrs	419	1.5%	5,566	4.2%
5-10 yrs	888	3.2%	9,076	6.9%
10-15 yrs	2,345	8.5%	17,328	13.2%
15 - 20 yrs	7,181	25.9%	31,312	23.9%
20 - 25 yrs	16,890	60.9%	67,923	51.8%
Total	27,723	100%	131,205	100%

Deposit/Wealth Portfolio

Balances in member deposit accounts grew \$21.2M from \$472.7M to \$493.9M, or 4.49%. Growth occurred in registered investments and variable rate savings, while chequing accounts and term deposits remained relatively flat.



Not reflected in the above numbers are our off-book deposits. Member investments held with our in-branch Credential Asset Management (CAM) reps and our Credential Financial Strategies (CFS) office totaled \$110.2M. These investments along with \$2.2M of RESP investments held with Concentra bring the total off-book deposits to \$112.4M at the end of 2019, an increase of 13.8% from the previous year. The increase is due to a combination of investor activity and market value increases. Although DNCU cannot use these particular funds to finance member loan demand, they do provide non-interest revenue and support our profitability.

Being able to offer investments that provide guaranteed rates of return, such as term deposits and savings accounts, and also market investments, that provide the opportunity for greater and non-interest returns, DNCU is able to provide the appropriate investment vehicle for any type of investor.

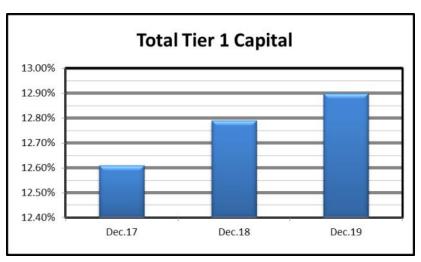
Capital Management

All financial institutions have regulatory oversight. The highest industry regulator for Saskatchewan credit unions is the Credit Union Deposit Guarantee Corporation (CUDGC). CUDGC provides the guiding principles that we must operate within to be regulatory compliant. The two key indicators for capital adequacy are Total Tier 1 Capital and Total Eligible Capital. These measure the financial strength of an organization. The required ratios in these areas are Total Tier 1 Capital of 8.50% and Total Eligible Capital of 10.50%.



This organization manages capital requirements by annually developing a Capital Plan that outlines the capital requirements the organization must achieve to remain financially healthy and compliant with regulations. This plan developed within the regulatory framework (*Standards of Sound Business Practice*) is provided to the Board of Directors and is reviewed regularly by management. The plan is developed to ensure that the organization meets and exceeds capital requirements. As such, DNCU policy dictates that our capital levels should exceed regulatory minimums and meet the capital requirements identified through the organization's Internal Capital Adequacy Assessment Process (ICAAP). The long term goal is to reach capital levels that exceed ICAAP requirements by 2%. Having a strong capital base allows for unexpected losses and the protection of member deposits, as well as the implementation of long term strategic plans and the ability to grow our assets. The Eligible Capital Ratio as of December 31, 2019 was 13.11%. This number exceeded the organization's ICAAP requirements by 0.51%

Also included in the capital management category is the management of capital assets and facilities. As of December 31, 2019 Diamond North had ten branches, and owns the facilities where the branches are located.



Credit Quality

Credit quality is a key facet of risk management and requires diligence. The health of an organization's loan portfolio is determined by how well the credit of the loan portfolio is performing. This is measured by the delinquency of the portfolio. DNCU's Greater than 90 Days Delinquency Ratio at the 2019 yearend was 1.32%. A rate of this amount is the historical average for DNCU and is considered "Moderate" in the Balanced Scorecard. Delinquency and credit quality are carefully monitored and reviewed by the Credit Management Committee regularly to assess loans that are or may become impaired. Part of this review encompasses assessing the necessity to establish an allowance on a loan if the expectations are that it may not be entirely repaid. The Credit Management Committee is made up of the CEO, VP of Retail, Manager of Lending Services and the Credit Risk Manager. As mentioned earlier, DNCU made the decision to set up allowances on a number of loans where repayment has not been made as agreed and the value of security has declined due to varying factors.

Patronage

When preparing the budget for 2019, patronage was allocated at 10% of Return on Assets (ROA) before tax and allocations, provided the ROA is greater than or equal to 0.75%, as per Board Policy. DNCU's ROA for the year did not meet this requirement and therefore no patronage will be paid for the 2019 year. Members' Economic Participation is a Cooperative Value that our Board and Management fully support and the Board has approved a new approach to member rewards that will be introduced by early 2021. Diamond North Credit Union shares profits with members and the communities it serves through multiple avenues – sponsorships, donations, scholarships, etc.

Other

- Net Interest Margin measures the total interest revenue less the total interest expense. This is a crucial measurement as the majority of a credit union's profitability is generated by interest margins. DNCU's net interest margin for 2019 was 2.87%. The net interest margin prior to patronage allocations was 3.1% in 2018. Initially interest rates were expected to increase through 2019 which would have allowed for similar margins to the previous year. Rates held steady throughout the year and the market place became more competitive in both deposit and lending rates reducing interest margins.
- Other Income included in this category is fixed asset revenue, service charges, and commissions. Other income for 2019 was \$3.5M, down from the previous year's total of \$4.1M.
- Operating Expenses includes various operating expenses such as personnel costs, member security, organizational costs, occupancy, and general business. These costs were down \$401K from the previous year.

Outlook

The loan growth that was experienced in 2019 came later in the year and was seen in our agricultural and residential mortgage portfolios. It is anticipated that this will continue into 2020 as our agriculture producers are cautiously optimistic as they were able to complete their 2019 harvest and see that global trade disruptions are starting to stabilize. The decreases in Prime Rate that have been experienced in early 2020 due to the COVID-19 pandemic will put increased pressure on interest margins, however will provide some relief to consumers and business owners that may experience reduced income. We are budgeting for Asset Growth of 4.4% and an average Lent-Out Ratio of 81.5% that will provide us a Net Interest Margin of 2.78%. The low interest rate environment and increased market competition are the main contributing factors to the reduced margin. Profitability before Taxes and Allocations is projected to be 0.68%. Decreased margins and increased investment in technology for the Credit Union and its members has caused us to reduce our ROA expectations, however, this is what is required to conduct business in our current environment.

Asset Growth 4.40% Net Interest Margin 2.78% Profitability 0.68%

Enterprise Risk Management

As with all financial institutions, Diamond North Credit Union is exposed to a variety of risks. Each year our credit union invests a significant amount of resources to measure and assess risks to ensure that we are adequately prepared to serve our communities now and in the future. This process is called Enterprise Risk Management (ERM), and is a requirement of credit unions in Saskatchewan as laid out by Credit Union Deposit Guarantee Corporation.

The risk tolerance for DNCU is set out by policy as defined by the Board of Directors and guidelines of the Credit Union Deposit Guarantee Corporation. The Board approved Risk Framework and Risk Appetite Statement sets the organizations boundaries for risk. Management is responsible for overseeing that business decisions are made within these boundaries. On a quarterly basis the Risk Committee, which consists of the executive management team, reviews the identified risks and provides reporting through the Risk Dashboard and Inventory Listing to the Board as to the status of each risk along with any mitigating actions. The committee is responsible to identify any new risks. These controls are aimed at minimizing uncertainty and maximizing opportunity (mitigating identified risks) while managing the enterprise for growth and stakeholder value.

Following are the risk categories that comprise DNCU's ERM philosophy:

Credit Risk

Credit Risk is present with direct lending activities and purchase of syndicated loans (credit products purchased by, but not administered by DNCU). It is the risk to earnings or capital arising from a member's failure to meet the terms of any contract with the credit union or otherwise fail to perform as agreed. Credit risk is found in all activities where success depends on counter party, issuer, or borrower performance. Some key individual credit risks are default risk, portfolio concentration risk, inadequate allowance risk, and policy exceptions risk. DNCU's Board of Directors has established defined limits regarding loan portfolio concentration limits for both direct lending and purchased loans. In addition, management has determined concentration limits for individual industries. Regular reporting is provided to the Risk Management Committee to insure policy compliance and to identify and solve potential risk areas. The Credit Management Committee meets quarterly to review delinquent loans and loans that have been identified as higher risk. One of the inherent risk mitigating characteristics of DNCU is its large and varied trading area. DNCU's borrowers consist of private individuals whose income is provided by businesses that are located both inside and outside of the immediate trading area and operate in a wide variety of industries. Small business members provide goods and services locally, provincially, nationally and internationally. All of these factors aid in reducing credit risk. When appropriate, DNCU will purchase loans from other credit unions. Purchasing loans is a means to diversify geographical risk and concentration risk. It is also used to generate profit when organic loan demand is lagging. As these loans are not directly administered by the Credit Union, a strong and mutually respectful relationship is required between the partners. The credit union's credit portfolio and lending practices undergo regular and ongoing independent review through external audit, internal audit and regulato

Market Risk

Market Risk is the risk inherent to dealing within a market place that has exposure to the fluctuations in market price and/or rates. There is the risk of potential losses if pricing or rates change, thereby adversely affecting the value of assets and liabilities. In our case, DNCU would mainly be affected by increases/decreases in interest rates. Regulator guidelines, board policy and management procedures define how management will monitor and mitigate risks arising from changes in interest rates. Further to this we implement various scenario testing tools and dynamic modeling tools to create simulated situations that may apply to our organization. The Asset and Liability Committee (ALCO) meet on a regular basis to review and discuss balance sheet management, pricing and to implement risk mitigating actions are required.

Liquidity Risk

Liquidity Risk is the risk to earnings or capital arising from a credit union's inability to meet its obligations when they come due. Liquidity risk includes the inability to manage unplanned decreases or changes in funding sources. Inefficient use of excess funds to provide a financial return is also considered a liquidity risk.

DNCU's liquidity management framework consists of guidelines and principles as outlined in the Standards of Sound Business Practices and Liquidity Risk Management Principles prepared by CUDGC. Further to these, the Board then defines liquidity management parameters in their Executive Limitation Policies they provide to management. In addition to policy, the Board provides direction to liquidity management through the Risk Appetite Statement. Management is then responsible to establish operational policies and procedures that are in compliance with the above. Annually, management will prepare and approve a Liquidity Plan that is presented to the Board for review and discussion. The Liquidity Plan defines measurements and tolerances used to monitor liquidity. The plan also identifies liquidity crisis mitigating actions that will be taken should the need arise.

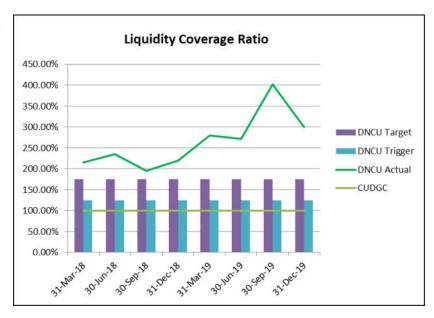
Management monitors liquidity on a daily basis and makes decisions regarding the investment of funds in a manner that balances the needs to maximize returns as well as meet operating needs. SaskCentral is our main service provider for our investment needs. Our investments consist of demand and fixed term investments. Management provides liquidity reporting to the Asset and Liability Committee (ALCO), the Board and CUDGC on a quarterly basis.

ALCO is charged with the responsibility of managing the Credit Union's balance sheet to insure that investment in the various asset categories are kept within defined limits and that both assets and liabilities are managed in such a fashion to reduce the risk of a liquidity shortfall. ALCO is also responsible for the approval of products and services that support the objectives of the Credit Union.

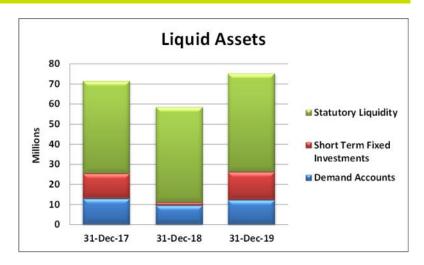
Credit unions are required to have a minimum Liquidity Coverage Ratio (LCR) of 100%. The objective of the LCR is to ensure that a credit union has an adequate stock of unencumbered high quality liquid assets that:

- · consist of cash or assets that can be converted into cash at little or no loss of value; and
- meet its liquidity needs for a 30 calendar day stress scenario, by which time it is assumed corrective actions have been taken by the credit union and/or the Credit Union Deposit Guarantee Corporation.

DNCU has stated in its Liquidity Plan that it will strive to maintain an LCR ratio in excess of 175% and that remedial action will take place should the ratio fall below 125%. The following chart shows DNCU's historical LCR.



Credit unions are required to maintain 10% of member deposits invested in Statutory Liquidity Investments with SaskCentral. These investments provide a rate of return that contributes to the overall profitability of the credit union. These funds are invested in varying levels of government investments, insured and conventional mortgages and corporate debt securities. SaskCentral provides regular reporting as to the structure of the investments. In addition to Statutory Liquidity Investments, DNCU will invest surplus cash with SaskCentral, Concentra Bank, Credential Financial Securities and venture capital partners. Investments are made with a focus on providing both rates return and necessary liquidity. The following chart illustrates the breakdown of DNCU's liquid investments.



Used the following for MD & A r	eporting						
Liquidity Stress Testing Repo	rt - Decemb	er 31, 20	19				
			Tir	ne Horizon	1		
	5 days	30 days	60 days	90 days	120 days	150 days	180 days
Operating Liquidity							
(10% draw on chequing, 2% draw	w on register	ed, 5% dra	w on every	thing else	, 20% draw	on LOC, 1	00%
drawn on approved but not adv	anced)						
Coverage w/ SC Temp Liquidity	202%	209%	218%	218%	223%	223%	223%
100/ Draw an all dancett-							
10% Draw on all deposits	2250/	2200/	2200/	2200/	2440/	2440/	24404
Coverage w/ SC Temp Liquidity	225%	229%	239%	239%	244%	244%	244%
30% Draw on non registered say	ings						
Coverage w/ SC Temp Liquidity	305%	310%	324%	324%	331%	331%	331%
50% Draw on Approved but Una	dvanced Rev	olving Cre	dit				
Coverage w/ SC Temp Liquidity	332%	338%	353%	353%	361%	361%	361%
Multiple Event (20% draw on chequing, 15% dra approved but not advanced terr		g savings,	20% draw o	on unadvar	nced revolv	ving credit,	. 100%
Coverage w/ SC Temp Liquidity	194%	198%	207%	207%	211%	211%	211%
A	≤175%						
Acceptable	51/5%						
Acceptable with Caution	125%-174%						

In addition to the stress testing accomplished through the LCR, the Credit Union completes liquidity stress testing using its Internal Capital Adequacy Assessment Program (ICAAP), simulations provided by Concentra Bank, and a number of scenarios developed by Management. The following chart illustrates the coverage ratios DNCU had for the various stress scenarios as of December 31, 2019. The tests assume liquidity is provided using available cash and investments, use of the operating line of credit and temporary liquidity funding provided by SaskCentral.

Legal and Regulatory Risk

Legal and regulatory risk is the risk to earnings or capital arising from violations of, or nonconformance with, laws, rules, regulations, prescribed practices, or ethical standards. The financial institution industry is highly regulated therefore DNCU is also closely regulated. Policies and procedures, as well as the structure of the organization assist us with complying with regulatory demands. There are prescribed processes that allow us to review and report on compliance matters regularly. In addition to this we also undergo regular internal, external, and regulatory audits.

Strategic Risk

Strategic risk is the risk that the organization will be unable to meet objectives due to adverse business decisions, ineffective business plans, or failure to respond to changes in the competitive environment. DNCU has a formal strategic planning process that involves the Board of Directors and senior management. This process is facilitated through an annual planning session to develop objectives, measures, and key initiatives. Annually, senior management develops a business plan consisting of tactics that support the direction of the strategic plan. Comprehensive reporting to the Board on performance to the strategic plan is presented by management quarterly. All strategies are reviewed regularly, and if necessary, are adapted to meet the changing financial and economic landscape.

Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or external events. Exposures to this risk arise from deficiencies in internal controls, technology failures, human error, employee integrity, or natural disasters. Operational risks could be identified as operational situations that were not planned for. DNCU manages operational risk through its policies along with controls and procedures that are monitored regularly. Operational risk is mitigated with the implementation of business continuity and disaster recovery planning, appropriate and robust insurance coverage, proper structure and staff training. Internal Audit provides an independent review of operational processes and disaster recovery plans.

Technical Risk

Technical risk is the threat to our credit union business data, critical systems and business processes resulting in the loss of earnings, capital, or image. A technical failure has the potential to disrupt our business, resulting in a legal liability in the event of data theft, causing reputation and compliance issues. Exposure to this risk arises from deficiencies in internal controls, employee training, and reliance on third party service partners.

Technical risk is top of mind for our credit union and to minimize this risk we have developed a Cybersecurity Framework with underlying policies, procedures and plans, to prevent and recover in the event of a Cybersecurity incident. Through our staff training and testing process we have created a culture of strong awareness of acceptable Cybersecurity practices. DNCU uses a combination of in-house and third party service partner expertise to continually monitor and update systems. Contracts negotiated with third party service partners undergo a comprehensive review and risk analysis process. In addition to regular reviews of policies, procedures and practices by internal audit, DNCU will contract independent firms to test system security.

Report of the Independent Auditor on the Summary Consolidated Financial Statements

To the Members of Diamond North Credit Union:

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2019, and the summary consolidated statements of comprehensive income, changes in members' equity and cash flows for the year then ended, are derived from the audited consolidated financial statements of Diamond North Credit Union (the "Credit Union") for the year ended December 31, 2019.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements, in accordance with the basis described in the Note.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and Our Reports Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated February 24, 2020.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the basis described in the Note.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

MNPLLA

Chartered Professional Accountants

Summary Consolidated Financial Statements

Summar	Diamond North Credit Union ummary Consolidated Statement of Financial Position			
As at December 31	(In th	2019 nousands)	(2018 In thousands)
Assets			3391	200 0000
Cash and cash equivalents	\$	37,828	\$	20,103
Investments		58,293		48,824
Member loans receivable		440,710		385,345
Other assets		1,007		796
Property, plant and equipment		9,621		9,571
	\$	547,459	\$	464,639
Liabilities				
Member deposits	\$	496,791	\$	419,681
Other liabilities		3,290		3,878
Membership shares		61		50
Hart 42000000000* 0.004000000.00		500,142		423,609
Members' equity				
Retained earnings		42,876		41,030
Contributed surplus		4,441	9	-
		47,317	1	41,030
	\$	547,459	\$	464,639

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

Approved on behalf of the Doard

Land a L. Effector Selle Mero & Director

Summary Conso		mond No ent of Comp		
Year Ended December 31	(In ti	2019 housands)	(li	2018 n thousands)
Interest income	\$	22,384	\$	18,972
Interest expense		6,656		4,804
Patronage		-		461
Gross financial margin		15,728		13,707
Other income		3,508		3,406
Operating expenses		14,177	12,2	
Provision for impaired loans		2,849		863
Income before provision for income taxes		2,210		4,024
Provision for income taxes		364		684
Comprehensive income		1,846		3,340

Summary Consolidated Financial Statements

Diamond North Credit Union Summary Consolidated Statement of Changes in Members' Equity

		(In thousands)
Contributed Surplus	Retained Earnings	Total
-	37,962	37,962
-	(272)	(272)
-	3,340	3,340
-	41,030	41,030
-	1,846	1,846
		4,441
	Surplus - -	Surplus Earnings - 37,962 - (272) - 3,340 - 41,030 - 1,846

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

Diamond North Credit Union Summary Consolidated Statement of Cash Flows

Year Ended December 31	(In ti	2019 housands)	2018 (In thousands)	
Cash flows provided by (used for) the following activities:				
Operating activities	\$	5,504	\$	5,248
Financing activities Investing activities		20,339 (8,118)		13,549 (22,108)
Increase (decrease) in cash and cash equivalents		17,725		(3,311)
Cash and cash equivalents, beginning of year		20,103		23,414
Cash and cash equivalents, end of year	\$	37,828	\$	20,103

Note to the Summary Consolidated Financial Statements

For the Year Ended December 31, 2019

Basis of the summary consolidated financial statements:

Management has prepared the summary consolidated financial statements from the December 31, 2019 audited consolidated financial statements, which are prepared in conformity with International Financial Reporting Standards (IFRS). The audited consolidated financial statements can be obtained at the Diamond North Credit Union branches. The detailed notes included in the audited consolidated financial statements are not included in these summary consolidated financial statements.

The criteria developed by management for the preparation of the summary consolidated financial statements is as follows: that the information included in the summary consolidated financial statements is in agreement with the related information in the complete consolidated financial statements, and that the summary consolidated financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete consolidated financial statements, including the notes thereto, in all material respects.

Canadian credit unions make an impact in their local communities



In 2018, an average of **4.2 per cent** of credit union pre-tax income was reinvested back into communities, compared to an average of **less than one per cent** for the big five banks.

In the same year, credit unions contributed \$57.8 million through:



\$27.9M

DONATIONS



\$3.7M

DONATIONS -IN-KIND



\$18.1M

SPONSORSHIPS



\$2.2M

1,237 CREDIT UNION SCHOLARSHIPS & BURSARIES



\$2.3M

CREDIT UNION CHARITABLE FOUNDATIONS



221,612

VOLUNTEER HOURS



34,637

CANADIANS REACHED THROUGH FINANCIAL LITERACY PROGRAMS



\$3.6M

DISCOUNTED FINANCIAL SERVICES TO 26,156 COMMUNITY ORGANIZATIONS



CREDIT UNION DEPOSIT GUARANTEE CORPORATION

ANNUAL REPORT MESSAGE 2019

January 2020

Deposits Fully Guaranteed

Credit Union Deposit Guarantee Corporation (the Corporation) is the deposit guarantor for Saskatchewan credit unions, and the primary regulator for credit unions and Credit Union Central of Saskatchewan (SaskCentral). Together, these entities are considered Provincially Regulated Financial Institutions or "PRFIs". The Corporation is mandated through provincial legislation, *The Credit Union Act, 1998* and *The Credit Union Central of Saskatchewan Act, 2016* in performing its duties. Provincial legislation also assigns responsibility for oversight of the Corporation to the Registrar of Credit Unions at the Financial and Consumer Affairs Authority of Saskatchewan.

The Corporation was the first deposit guarantor in Canada and has successfully guaranteed deposits since it was established in 1953. By promoting responsible governance and prudent management of capital, liquidity and guaranteeing deposits, the Corporation contributes to confidence in Saskatchewan PRFIs.

For more information about the Corporation's regulatory and deposit protection responsibilities and its role in promoting the strength and stability of Saskatchewan PRFIs, consult the Corporation's web site at www.cudgc.sk.ca.

Notes	

Notes		



ALBERTVILLE

Box 99, 1 Unity Street Albertville, SK SOJ 0A0 P 306.929.4714

CHOICELAND

Box 39, 100 Railway Ave Choiceland, SK SOJ 0M0 P 306.428.2152

ARBORFIELD

Box 265, 108 Main St Arborfield, SK S0E 0A0 P 306.769.8581

DEBDEN

Box 100, 324 Main St Debden, SK SOJ 0S0 P 306.724.8370 (effective January 1, 2019)

WHITE FOX

Box 310, 125 Railway Ave White Fox, SK SOJ 3B0 P 306.276.2142

BIG RIVER

Box 147, 1010 4th Ave Big River, SK SOJ 0E0 P 306.469.4944 (effective January 1, 2019)

NIPAWIN

Box 2074, 100 1st Ave W Nipawin, SK S0E 1E0 P 306.862.4651

ZENON PARK

Box 160, 735 Main St Zenon Park, SK SOE 1W0 P 306.767.2434

CARROT RIVER

Box 639, 10 Main St Carrot River, SK S0E 0L0 P 306.768.2703

PRINCE ALBERT

200 28th St W Prince Albert, SK S6V 4S9 P 306.922.8252

www.diamondnorthcu.com

Helping People and Communities Succeed