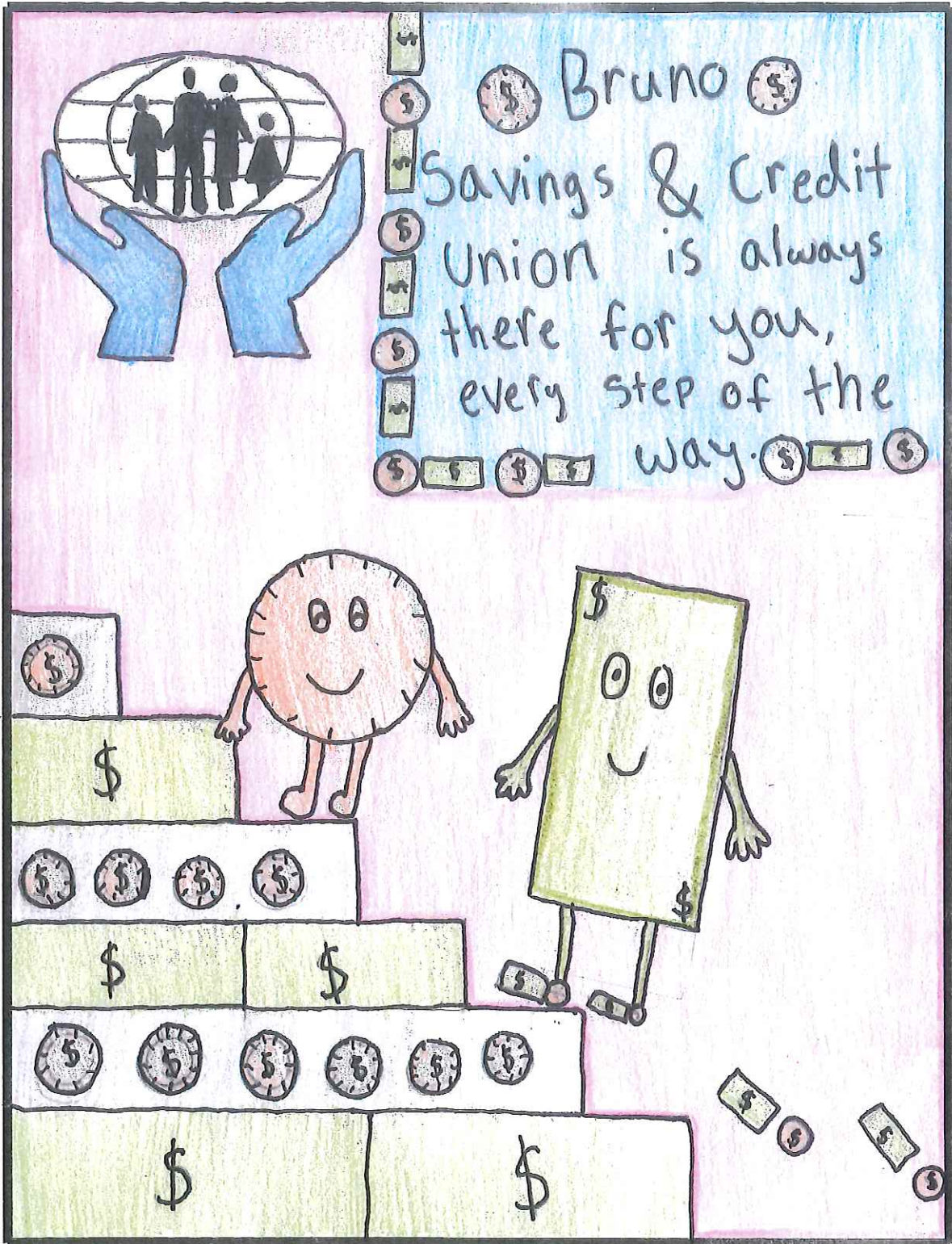


2021 ANNUAL REPORT BRUNO CREDIT UNION



BRUNO SAVINGS AND CREDIT UNION LIMITED

ANNUAL MEETING

AGENDA

Tuesday April 5th , 2022

Bruno Community Hall

6:30 Supper

7:30 Annual Meeting

- 1. Call to Order*
- 2. President's Opening Remarks*
- 3. Confirmation of Quorum*
- 4. Adoption of Agenda*
- 5. Minutes of the 83rd Annual Meeting*
- 6. Board of Directors' Report*
- 7. Auditor's Report*
- 8. Appointment of Auditors*
- 9. New or Unfinished Business*
- 10. Door Prizes*
- 11. Adjournment*
- 12. Guest Speaker - Jeff Burton*

BRUNO SAVINGS AND CREDIT UNION LIMITED
MINUTES OF THE ANNUAL MEMBERSHIP MEETING

March 30, 2021

Minutes of the 83rd Annual Meeting as held March 30th, 2021 by conference call. There were 22 members on the call. Chairman for the meeting was President Mark Kehrig. The meeting was called to order at 7:30.

The chairman confirmed that there were sufficient numbers in attendance to constitute a quorum.

Debora Kramer 2nd Andre Lafreniere that the agenda be adopted as presented.

Daniel Detillieux 2nd Joan Manderscheid that the minutes of the 82nd annual meeting held on June 25, 2020 be approved

Mark presented the Directors' Report.

Peter Krebs 2nd Kristina Weiman that the directors report be approved as presented.

Jeff Mark presented the financial statement as prepared by Meyers Norris Penny. The statement showed total assets of \$ 92,094,202 and a net income of \$ 571,340.

Wesley Sielski 2nd by Joan Manderscheid that the financial statement be approved as presented.

Elaine Urban \ Debora Kramer that the audit firm of MNP be re-appointed as auditors for 2021.

Other Business: none

Mark Kehrig adjourned the meeting at 7:48

(President)

(Secretary)



CREDIT UNION DEPOSIT GUARANTEE CORPORATION ANNUAL REPORT MESSAGE 2021

January 2022

Credit Union Deposit Guarantee Corporation (the Corporation) is the deposit guarantor for Saskatchewan credit unions. The corporation is also 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 responsibilities and its role in promoting the strength and stability of Saskatchewan PRFIs, consult the Corporation's web site at www.cudgc.sk.ca.



Saskatchewan
Credit Unions

Make it Real

Message from the Board

On behalf of the board and staff I would like to welcome you to our 84th Annual General Meeting.

Mark Kehrig , Chair
*On behalf of the
Board of Directors*



Bruno Savings and Credit Union Limited

Vision

To be a local, democratically controlled, responsible and viable financial institution that is responsive to the social and economic needs of current and potential members.

Mission

To provide quality financial services beneficial to our members, community and environment in a manner responsible and accountable to all.

Values

People are our strength

Our credit union fosters personal growth and development

Sound fiscal management practices

We manage revenue and expenses in order to maximize financial benefits to members.

A positive presence in the community

Our decisions have a significant impact on the strength of our community.

We take a leadership role in promoting social and economic community development

Careful investment in technology and innovation

Our credit union is committed to providing a broad range of affordable and competitively priced products and services with consideration for the value that may be realized in return for the investment.

Excellence in everything we do

We recognize the importance of protecting our reputation capital and strive to provide excellent service to those we serve.

Credit Union Market Code

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

- Complaint handling, which outlines the process for dealing with all complaints regarding the service, products, fees or charges of Bruno Savings and Credit Union Limited.
- Fair sales by outlining the roles and relationship of staff to all members and in accordance with the financial services agreement.
- Financial planning process to advise members on the risks and benefits associated with financial planning services.
- Privacy to protect the interests of those who do business with Bruno Savings and Credit Union Limited. Privacy is the practice to ensure all member information is kept confidential and used only for the purpose for which it was gathered.
- Professional standards to preserve a positive image of Bruno Savings and Credit Union Limited among our members and communities.
- Capital management to ensure our capital structure aligns with our risk philosophy.
- Financial reporting to adhere to business and industry standards.
- Governance practices to adhere to the intent and stipulation of our corporate bylaws, which are approved by the membership of Bruno Savings and Credit Union Limited.
- Risk management to ensure all risks are measured and managed in an acceptable fashion.

Management Discussion and Analysis

Introduction

Bruno Savings and Credit Union Limited is an independent Saskatchewan credit union owned by our members. Under the current credit union legislation, Bruno Savings and Credit Union Limited is able to provide financial services to members and non-members. As at December 31, 2021 we had 1105 members and 463 non-members. Non-members do not participate in the democratic processes of the credit union nor the patronage program.

Our credit union serves the communities of Bruno and Prud'homme and their surrounding areas through 2 branches, one located in Bruno and one in Prud'homme. In these communities we provide a broad range of financial services including deposit and lending services. The lending is done out of the Bruno office.

Strategy

The mission of Bruno Savings and Credit Union Limited is to provide quality financial services beneficial to our members and communities and environment in a manner responsible and accountable to all.

In order to meet this mission, some of our objectives are:

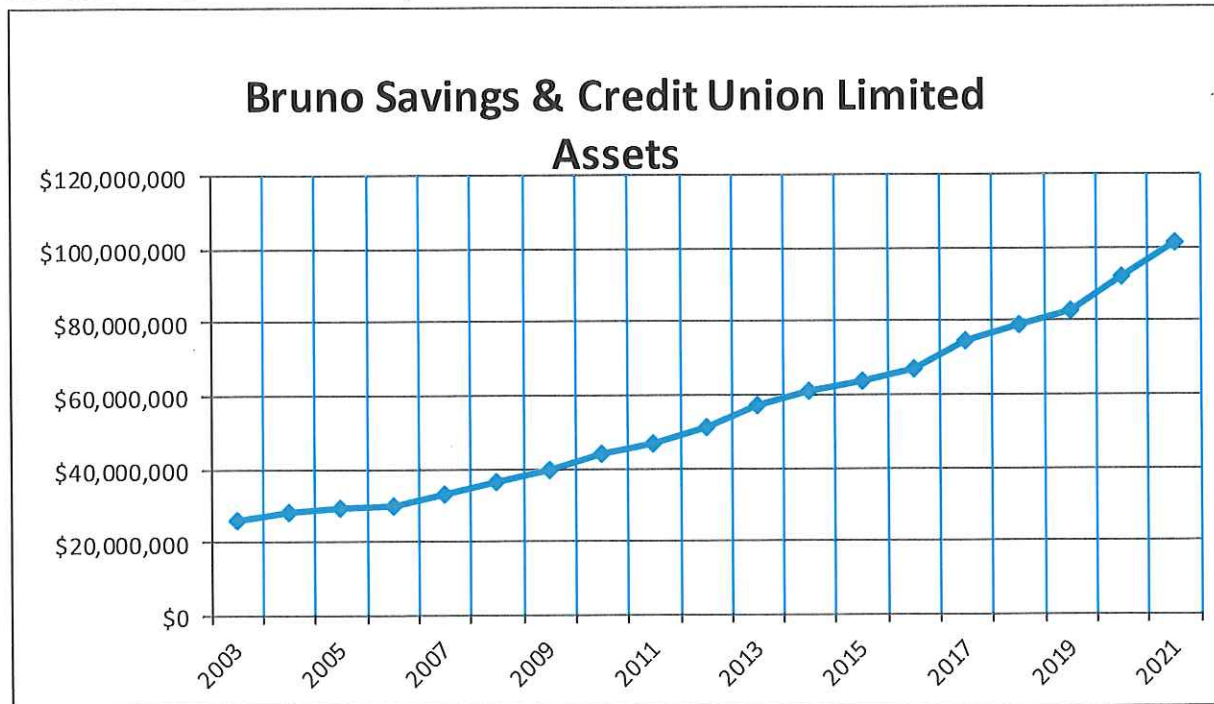
- to have professional, dedicated and motivated management, staff and board of directors that are contributing to the success of the community.
- to have strong governance, management and staff resources through effective succession planning, recruitment strategies and board/employee personal and professional development.
- to have a fully satisfied membership
- to provide access to a broad range of products and services that best meet members' needs
- to attract new members and businesses and to develop deeper relationships with our existing membership.
- to exceed member expectations
- to follow a balanced approach to ensure sustainability
- to be compliant with all legislation and regulatory requirements
- to make careful investments in technology to balance meeting member needs and credit union sustainability.

Results

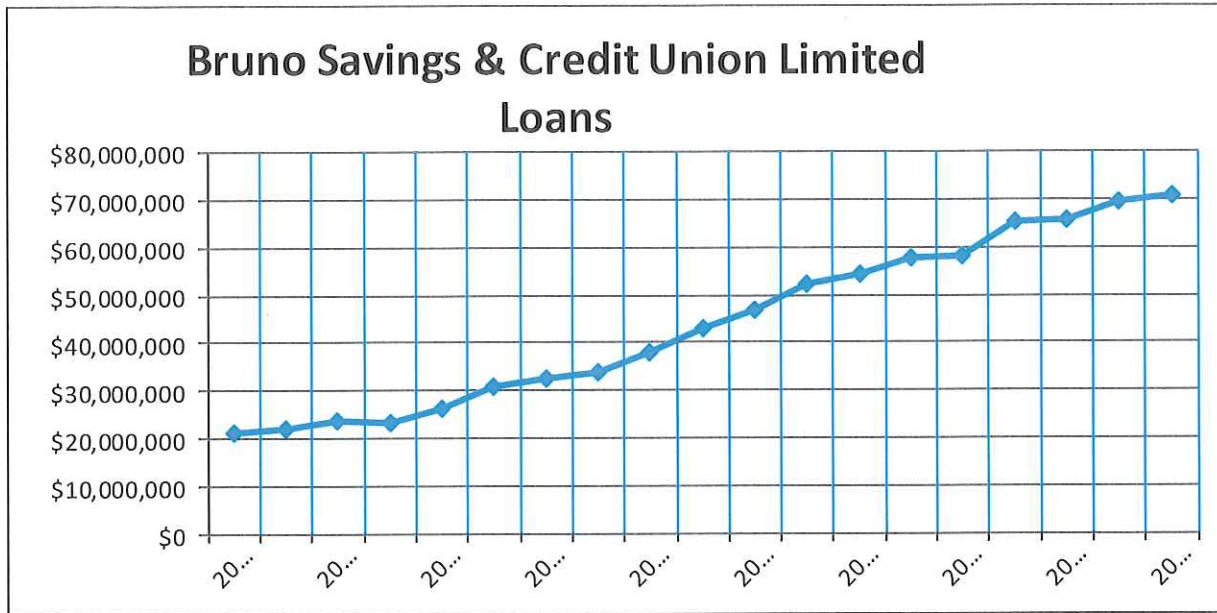
Financial Performance

Following this report is the audited financial statements which give much more detail. The following are some highlights.

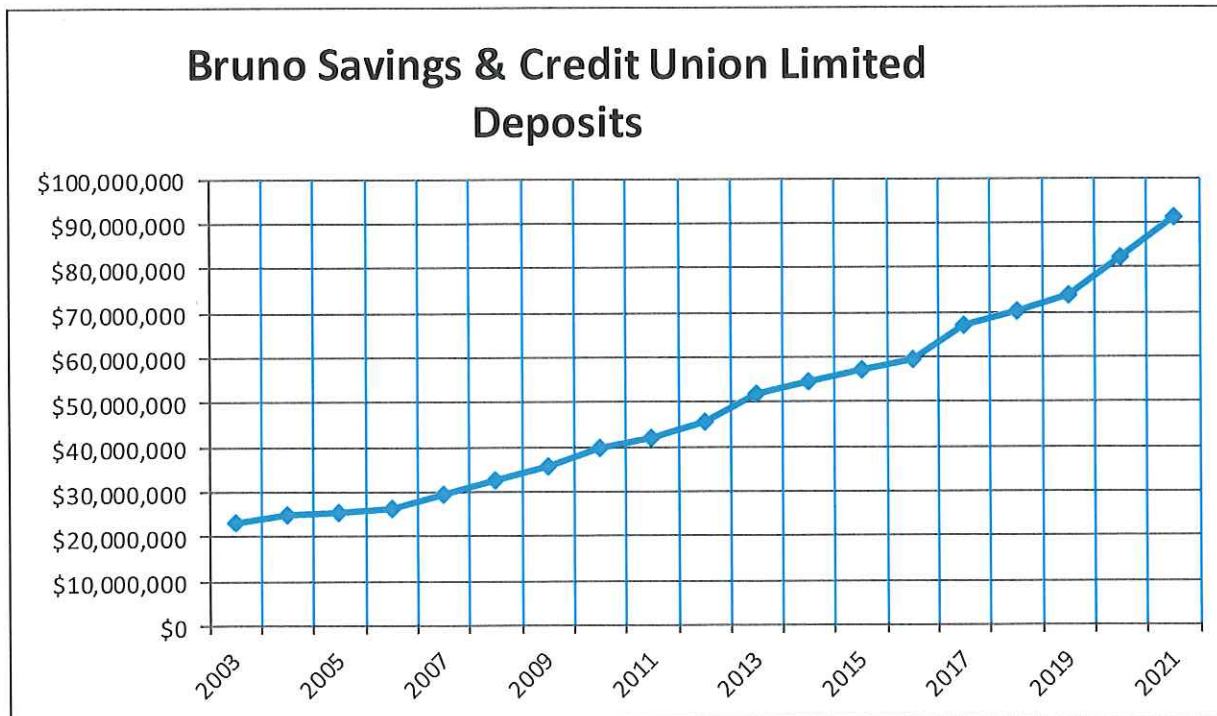
The first is growth: This year we had growth in assets of 10.3% or \$9,485,735.



Loans increased by \$1,633,708 or 2.36% and ended the year at 70% of assets (last year end loans totalled 75% of assets). This ratio is calculated on loans and leases and includes accrued interest on the loans outstanding to these members. The board has a target range of 70 to 85% for loans to assets. We are at the low end of our target.



We had high growth in member deposits again in 2021 with an increase of approximately 10.6% or \$8,778,791.



Credit Risk

Credit risk is the risk of loss arising from a borrower not fulfilling their contractual payment obligations.

The primary type of risk is associated with loans. \$90,258 of loans or lines of credit were written off in 2021. (\$3,044 in 2020) We have a specific allowance of \$18,650 and a general allowance of \$39,126 set up for possible further losses on loans. We ended the year with \$18,650 of impaired loans. (compared to \$134,567 last year). There were \$162,180 of loans that were in arrears over 90 days at Dec 31, 2021. (compared to \$371,230 the prior year end) Our lending staff work with all borrowers, with loan arrears, to make suitable arrangements for repayment. If suitable arrangements can't be made, legal action is taken to recover as much as possible.

Our lending portfolio contains \$19,816,912 for residential mortgages. \$2,343,174 or 11.82% of these are insured by CMHC; \$429,722 or 2.17% are Home Equity Lines of Credits (HELCOs) and the remaining \$17,044,016 or 86.01% are conventional mortgages. In the event of an economic downturn it is reasonable to assume that delinquency would increase and the value of houses could decline. We feel that any negative effect to this Credit Union of such an event would not be material. This assumption proved correct in 2020 and 2021 as the Covid 19 pandemic did not have a material effect on our mortgage portfolio.

Liquidity Risk

Liquidity is yet another factor which we monitor. Liquidity risk is the potential inability to meet obligations, such as liability maturities, deposit withdrawals, or funding loans without incurring unacceptable losses. Liquidity risk includes the inability to manage unplanned decreases or changes in funding sources. In 2017 your board contracted Sask Central to prepare a Liquidity Management Plan for us. This plan is reviewed and updated annually by the Risk Committee .

The purpose of the liquidity management plan (LMP) is to ensure the optimal level of liquidity is maintained to meet regulatory and operational needs. Holding inadequate liquidity may result in Bruno Credit Union (BCU) not being able to meet member loan demand or demands for withdrawal of their deposits. Holding surplus liquidity means BCU may not be generating sufficient returns on its funds to achieve an optimum return to its members or depositors.

The objective of the Liquidity Coverage Ratio (LCR) is to ensure that the Credit Union has an adequate stock of unencumbered high-quality liquid assets (HQLA) that:

- consist of cash or assets that can be converted into cash at little or no loss of value and
- meets liquidity needs for a 30 calendar day stress test scenario, by which time it is assumed corrective actions have been taken by the Credit Union.

The LCR is calculated as the value of the stock in HQLA in stressed conditions divided by the total net cash outflows over the next 30 calendar days.

The plan requires us to have a minimum liquidity coverage ratio (LCR) of 100% and we have set a target of 120 to 400% and a maximum of 500%.

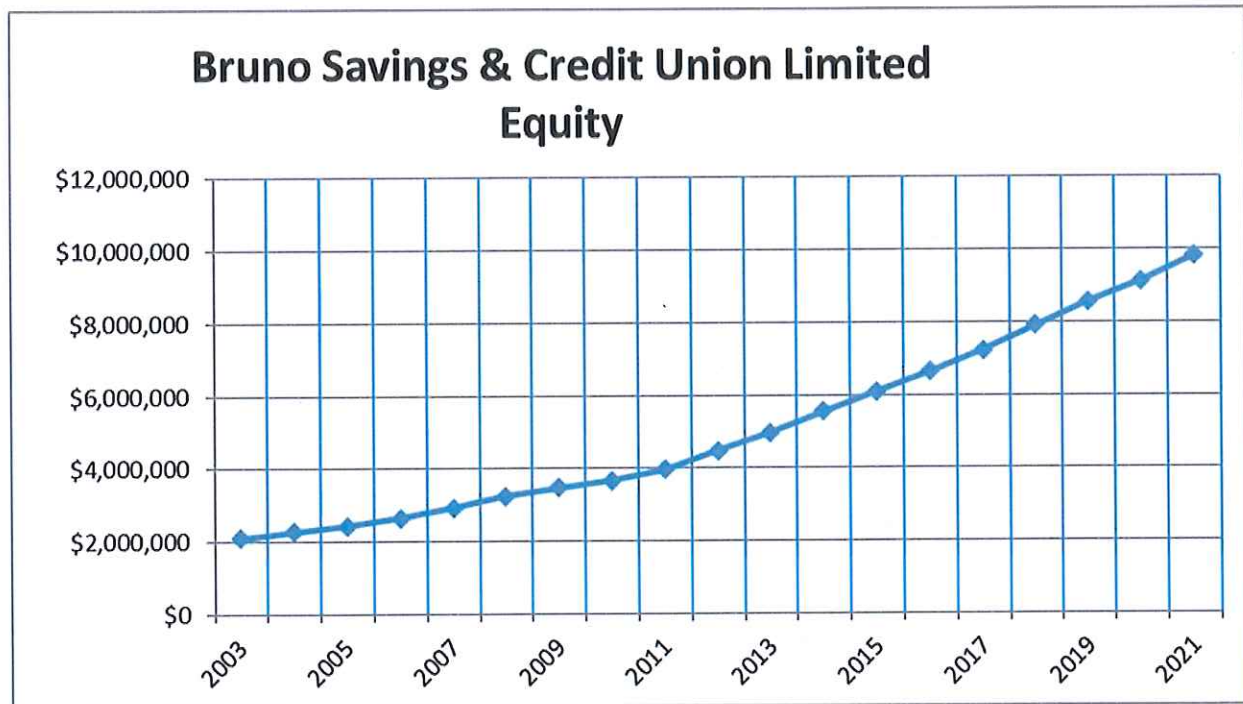
As at December 31, 2021 we had a LCR of 481% which was well above the minimum of 100% and slightly over our target range of 120 to 400%.

Management monitors liquidity on a daily basis and reports the LCR to the board on a quarterly basis.

Equity

Equity, the difference of assets and liabilities which is the measure of ownership, remained strong this year. Equity can be measured both as a percentage of assets or as a dollar amount. This year we completed the year with \$ 9,819,419 or 9.67% compared to \$9,130,299 or 9.91% last year. There is also an additional \$455,892 or 0.45% in member allocated equity accounts.

CUDGC sets standards for the Credit Unions to follow. Regulatory standards require that the Credit Union maintain a minimum leverage ratio of 5%. This ratio is calculated by dividing eligible capital by total assets less deductions from capital plus specified off-balance sheet exposures. Our leverage ratio is 10.00%. We also monitor our total eligible capital to risk-weighted assets. The minimum required amount is 10.50% and we have 14.80% . Another requirement is Tier 1 capital to risk weighted assets of 8.50%. At Dec 31, 2021 we had 14.08% of capital in this category.



A strong equity position comes from good profitability. This year our profitability was a bit higher than last year. Profit after tax was \$689,120 compared to \$571,340 last year.

Enterprise Risk Management

Each year our credit union spends significant resources measuring and assessing risks and ensuring we are adequately prepared to serve our communities now and in the future. This process is called **Enterprise Risk Management** or **ERM** for short, and is a requirement of credit unions in Saskatchewan as laid out by Credit Union Deposit Guarantee Corporation. The Board, Management, and Staff annually review and update a strategic plan and an Annual review of our ERM is completed.

Through this process, the following risks along with **Credit Risk** and **Liquidity Risk** previously listed in the Financial performance section have been identified risks according to their potential impact on the Bruno Savings and Credit Union Limited.

Strategic Risk

Strategic risk is the risk that adverse decisions, ineffective or inappropriate business plans or failure to respond to changes in the competitive environment, customer preferences, product obsolescence or resource allocation will impact our ability to meet our objectives. This risk is a function of the compatibility of an organization's strategic goals, the business strategies developed to achieve these goals, the resources deployed against these goals and the quality of implementation

Market Risk

Market risk is the exposure to potential loss from changes in market prices or rates. Losses can occur when values of assets and liabilities or revenues are adversely affected by changes in market conditions, such as interest rate or foreign exchange movement.

Legal and Regulatory Risk

Legal and regulatory risk is the risk arising from potential violation of, or nonconformance with laws, rules, regulations, prescribed practices, or ethical standards.

The main legal & regulatory risk identified by Bruno Savings and Credit Union Limited is:

- The risk of potential violations of, or non-conformance with applicable laws, rules, regulations, prescribed practices, or ethical standards.

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 are looked at by the board regularly throughout the year as they effect the day to day operations. They include risks such as:

- The risk of not being able to offer/ afford all the technology related solutions for internal and / or member needs.
- The risk of not being able to retain key positions in our Credit Union
- The risk of not being profitable
- The risk of not providing certain/ specialized products/ services that members might need and become dissatisfied enough to lose business.
- The risk of losing business because of referring to outside sources

Regulatory

Regulatory matters are an ongoing concern of the Bruno Savings and Credit Union Limited. Presently there are many Regulatory bodies in which the Bruno Savings and Credit Union Limited has to comply with. To mention a few of the more important would include: The Registrar of Credit Unions, The Credit Union Deposit Guarantee Corporation (CUDGC), Office of the Superintendent of Financial Institutions (OSFI), Financial Transactions & Reports Analysis Center of Canada (FINTRAC) and Canada Revenue Agency (CRA).

Corporate Structure and Governance

The governance of the Bruno Savings and Credit Union Limited is anchored in the co-operative principle of democratic member control.

Board Of Directors

Mandate and Responsibilities

The board is responsible for the strategic oversight, business direction and supervision of management of the Bruno Savings and Credit Union Limited. In acting in the best interests of the credit union and its members, the board's actions adhere to the standards set out in *The Credit Union Act 1998*, the *Standards of Sound Business Practice* and other applicable legislation.

Board Composition

The board is composed of 9 individuals elected on a regional basis. Terms are for 3 years. Nominations are made by district . Voting (if needed) is by paper ballot and election results are announced at the Bruno Savings and Credit Union Limited's annual general meeting. As you will note from the list of the Staff and Directors attached, Jodi Tremel, Jenny Glessman and Andre Lafreniere , have had their terms of office expire this year.

Nominations were held from Feb 17th to March 4th , 2022. At the time nominations ceased, there were two nominations for the Bruno District and one for the Prudhomme district. They were Jodi Tremel, Jenny Glessman and Andre Lafreniere . Since the number of nominations equalled the number of vacancies, elections did not need to take place, and by acclamation the following members were elected to the board of directors. Jodi Tremel, Jenny Glessman and Andre Lafreniere . A big thank for leaving your names stand .

Board Compensation

Bruno Savings and Credit Union Limited is fortunate to have competent guidance through the dedication of Management and the Board of Directors.

In the past year the Board of Directors was again very busy with regular and committee meetings throughout the year. 12 regular meetings were held as well as other meetings, consisting of a Strategic Planning meeting and a meeting to do the general manager's annual performance review. The audit committee met four times, the conduct review committee and the credit committee each met once in 2021. In addition to the regular board and committee meetings, directors take online and other training during the year. Due to the Covid 19 pandemic, many of these meetings, early in the year, took place electronically.

Directors and committee members are compensated with a per diem for meetings attended and training taken. Out of pocket expenses such as mileage and meal costs are also reimbursed to directors for expenses incurred while attending meetings and training.

Board Committees

The Board of Directors organizes itself into several committees to ensure that oversight of various aspects of our operations and governance can be dealt with most effectively. The committees of the board are as follows:

> **Executive Committee:** acts on behalf of the board of directors between regular or special board meetings on all board matters except those which the board may not, in compliance with legislative requirements, delegate. The 2021 members of the committee were: Mark Kehrig, President, Elaine Urban, Vice-president and Jeff Mark, General Manager.

The executive committee comprised of the president, vice president and the general manager.

> **Conduct Review Committee:** ensures related party transaction comply with legislation, Standards of Sound Business Practice and with credit union or committee policies and procedures. They also ensure that all proposed related party transactions are fair to the credit union and that the exercise of the best judgment of the credit union has not been compromised as a result of real or perceived conflict of interest. 2021 members of this committee were: Kristina Weiman, Jodi Tremel and Daniel Detillieux and alternates were Jenny Glessman and Wesley Sielski.

The conduct review committee is appointed annually at the re-organization meeting.

> **Nominating Committee:** oversees the nomination and election processes for the elections of credit union directors. 2021 members of this committee were Debora Kramer; Kristina Weiman and Wesley Sielski.

The nominating committee is appointed annually at the re-organization meeting.

> **Audit Committee:** ensures an independent review of the credit union's operation on areas deemed necessary to maintain the integrity of financial data, adequacy of internal controls and adherence to relevant legislation, regulations and standards. 2021 members of this committee were: Elaine Urban, Debora Kramer, Mark Kehrig and Andre Lafreniere.

The Audit committee is appointed annually at the re-organization meeting.

> **Risk Committee:** ensures the credit union's enterprise risk management framework and risk appetite statement are appropriate to optimize liquidity, market/ interest rate, credit/concentration, legal and regulatory, operational, strategic risk, and emerging/reputational risk for the protection and creation of shareholder value. The Risk Committee is comprised of the entire board.

> **Credit Committee:** To analyze and make decisions on credit applications within the provision of policy and legislation on any loans brought to them for approval. To review loans granted by management that are exceptions to loans policy and monitor if the exceptions are reasonable. 2021 members of this committee were: Jenny Glessman; Wesley Sielski , Jeff Mark and Joan Manderscheid. The credit committee is appointed annually at the re-organization meeting.

Andre Lafreniere remains as our representative for the Bruno Savings and Credit Union Limited to attend system meetings and vote on our behalf at Sask Central's annual meeting.

Executive Management

The Executive Management consist of the General Manager, Branch Supervisor , Office Supervisor and Loans officer. As you can see by the attached chart the Executive Management team have 98 years of combined Credit union experience. Constant updates and meetings keep the management busy, both attending and reporting back to directors and staff.

Staff\Employees

Megan Ollenberg has been on maternity leave since March 2021

Kaitlyn Doetzel was hired in Feb 2021 as a Member Service Rep at the Bruno office

Lisa Weiman resigned, but continues to work on a casual basis.

Tiffany Hill was hired in July 2021 to fill a part time, temporary, Member Services Rep position at the Bruno office.

We are fortunate to have employees who are committed to providing **excellent service to our members.**

Employees take required and optional training on an ongoing basis. Some of the training that is required on an annual basis is Anti-Money Laundering & Terrorist Financing as well as Privacy and Code of Conduct training.

WE WOULD NOT BE WHERE WE ARE TODAY WITHOUT OUR DEDICATED MANAGEMENT & STAFF.



SASKATCHWAN CREDIT UNION QUICK FACTS

(as of Dec 31, 2021 unless otherwise indicated)

- Today there are 35 credit unions in Saskatchewan serving 205 communities through 232 service outlets
- Credit Unions offer financial products and services to more than 490,000 members
- Saskatchewan credit union assets reached over \$27.4 billion with revenue of over \$1.03 billion
- Credit Union lending amounts to over \$20 billion
- Over 332 board members are locally elected by members of each credit union to provide strategic direction to their management teams.
- Credit unions are a major contributor to Saskatchewan's economy, employing over 3300 people.
- As independent financial institutions owned and controlled by their members, credit unions are shaped by community needs. Saskatchewan credit unions range in asset size from \$39.8 million to more than \$6.8 billion.
- Funds held on deposit in Saskatchewan Credit Unions are fully guaranteed through the Credit Union Deposit Guarantee Corporation. The full guarantee is made possible through a comprehensive deposit protection regime that is focused on prevention.

BRUNO SAVINGS AND CREDIT UNION LIMITED

INCORPORATED: April 7, 1938

OFFICERS:

PRESIDENT – MARK KEHRIG

VICE-PRESIDENT – ELAINE URBAN

SECRETARY-TREASURER – JEFF MARK

DIRECTORS

NAME	YEARS of SERVICE	OCCUPATION	ADDRESS	TERM EXPIRES	Reg Meeting Attendance Rate
Debora Kramer	5	Retired- Logistics Mgr	Bruno	2023	100%
Kristina Weiman	5	Business woman	Bruno	2023	100%
Wesley Sielski	5	Maintenance Scheduler	Prud'homme	2023	75%
Daniel Detillieux	4	Farmer	Bruno	2024	83%
Mark Kehrig	22	Farmer	Bruno	2024	92%
Elaine Urban	17	Farmer	Bruno	2024	100%
Jodi Tremel	3	Grain buyer	Bruno	2022	92%
Jenny Glessman	4	Business owner	Bruno	2022	100%
Andre Lafreniere	27	Farmer	Prud'homme	2022	83%

STAFF

NAME	POSITION	YEARS OF SERVICE
Jeff Mark	General Manager	41
Joan Manderscheid	Loans Officer	34
Cheryl Solar	Payroll/ admin support	16
Shannon Weiman	Loans Clerk	24
Brandy Moritz	Member Service Rep	23
Susan Corbett	Office Supervisor	13
Candice Regush	Branch Supervisor	10
Megan Ollenberg	Member Service Rep	5
Lisa Weiman	Member Service Rep	Casual
Larissa Reaser	Loans Officer Trainee	3
Michelle Grimard	Member Service Rep	2
Tara Cluney	Member Service Rep	1
Irene Cusson	Member Service Rep	Casual
Katlyn Doetzel	Member Service Rep	
Tiffany Hill	Member Service Rep	

EXECUTIVE COMMITTEE

*Mark Kehrig
Elaine Urban
Jeff Mark – Secretary*

AUDIT COMMITTEE

*Elaine Urban
Mark Kehrig
Andre Lafreniere
Debora Kramer
Jeff Mark – Secretary*

CREDIT COMMITTEE

*Jenny Glessman
Wesley Sielski
Jeff Mark
Joan Manderscheid*

CONDUCT REVIEW COMMITTEE

*Kristina Weiman Alternates:
Jodi Tremel
Daniel Detillieux Secretary:*

*Jenny Glessman
Wesley Sielski
Jeff Mark*

Corporate Social Responsibility (CSR)

- The Bruno Saving and Credit Union Limited has always contributed to the well-being of the communities that it serves above and beyond the financial and economic role that financial institutions play.

In 2021 over \$16,000 was spent on local sponsorships. Some of the groups and events that we provided support to were:

- Bruno Playschool
- Bruno School Grad Award
- Vonda School Awards Night
- Aberdeen School
- Bruno Fitness Centre
- Prudhomme Community Centre
- Prudhomme Ukrainian Dance Club
- Viscount 4 H Beef Club
- Bruno Cherry Sunday
- Town of Vonda (street dance)

Capital Management

Our Regulator, The Credit Union Deposit Guarantee Corporation has set out minimum Standards for Credit Unions to follow with regards to capital limits. Credit Unions are expected to hold Capital in excess of these minimums and therefore are required to develop an **internal capital adequacy assessment process (ICAAP)**.

The following compares CUDGC regulatory standards to our Credit Union's numbers at year end:

For total eligible capital to risk weighted assets the regulatory standard is 10.5% . Our board policy minimum is 11.50 and we were at 14.80%.

For tier 1 capital to risk-weighted assets the regulatory standard is 8.50%. Our board policy minimum is 9.00 and we were 14.08%.

For Common equity tier 1 capital to risk-weighted assets the regulatory standard is 7.00% , our board policy minimum is 7.50% and we were 14.08%.

The minimum leverage ratio is 5.00%, our board policy minimum is 6.50% and we were 10.00%.

Equity is a reflection of the past success of your credit union. It also serves as the financial cushion that allows your credit union to expand product lines and develop new services.

Capital management can be very complex and includes 6 areas. These areas are:

- ▶ **Board and Management oversight**
 - Policies are developed
 - i.e. desired capital levels, risk tolerance, capital expenditures
- ▶ **Sound capital assessment and planning**
 - Capital Plans are developed by management and board and reviewed ongoing
- ▶ **Comprehensive assessment of risks**
 - Risks to capital are assessed through processes such as Enterprise Risk Management (ERM)
 - i.e. where is the largest concentration of risk to capital (credit/loans)
- ▶ **Stress Testing**
 - On a quarterly basis capital levels are tested for possible erosion
 - Stress testing programs are used to test the ability of the credit union to absorb losses
 - i.e. How would rising interest rates effect our capital level or a large increase or decrease in deposits
- ▶ **Monitoring and Reporting**
 - Regular reports are prepared for the directors and Credit Union Deposit Guarantee Corporation.
- ▶ **Internal Control Review**
 - Ongoing internal controls and functions along with scheduled internal audits and CUDGC reviews

Bruno Savings and Credit Union Limited
Summary Financial Statements
December 31, 2021

Report of the Independent Auditor on the Summary Financial Statements



To the Members of Bruno Savings and Credit Union Limited:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2021, and the summary statements of comprehensive income, changes in members' equity and cash flows for the year then ended, are derived from the audited financial statements of Bruno Savings and Credit Union Limited (the "Credit Union") for the year ended December 31, 2021.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the basis described in Note 1.

Summary Financial Statements

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

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated February 17, 2022.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the basis described in Note 1.

Auditor's Responsibility

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

Humboldt, Saskatchewan

February 17, 2022

MNP **LLP**


Chartered Professional Accountants

Bruno Savings and Credit Union Limited
Summary Statement of Financial Position

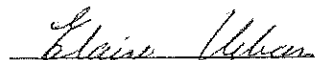
As at December 31, 2021

	<i>2021</i>	<i>2020</i>
Assets		
Cash and cash equivalents	9,137,441	11,076,389
Investments	21,377,617	11,556,230
Member loans receivable	70,991,480	69,357,772
Other assets	1,641	28,291
Property, plant and equipment	71,758	75,520
	101,579,937	92,094,202
Liabilities		
Member deposits	91,130,788	82,351,997
Other liabilities	168,313	130,196
Membership shares	5,525	5,695
Equity accounts	455,892	476,015
	91,760,518	82,963,903
Members' equity		
Retained earnings	9,819,419	9,130,299
	101,579,937	92,094,202

Approved on behalf of the Board



 Director



 Director

Bruno Savings and Credit Union Limited
Summary Statement of Comprehensive Income

For the year ended December 31, 2021

	2021	2020
Interest income		
Member loans	2,634,127	2,721,765
Investments	263,360	292,290
	2,897,487	3,014,055
Interest expense		
Member deposits	754,177	933,074
Borrowed money	209	1,124
	754,386	934,198
Net interest income	2,143,101	2,079,857
Provision for impaired loans	6,904	82,290
Net interest income after provision for impaired loans	2,136,197	1,997,567
Other income	151,970	120,838
Net interest and other income	2,288,167	2,118,405
Operating expenses		
Personnel	852,251	805,986
Member security	83,527	73,465
Organizational	31,250	28,201
Occupancy	37,587	40,725
General business	480,304	514,947
	1,484,919	1,463,324
Income before provision for income taxes	803,248	655,081
Provision for income taxes		
Current	114,128	83,741
Comprehensive income	689,120	571,340

Bruno Savings and Credit Union Limited
Summary Statement of Changes in Members' Equity
For the year ended December 31, 2021

	<i>Retained earnings</i>	<i>Total equity</i>
Balance December 31, 2019	8,558,959	8,558,959
Comprehensive income	571,340	571,340
Balance December 31, 2020	9,130,299	9,130,299
Comprehensive income	689,120	689,120
Balance December 31, 2021	9,819,419	9,819,419

Bruno Savings and Credit Union Limited
Summary Statement of Cash Flows
For the year ended December 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Interest received from member loans	2,720,774	2,683,448
Interest received from investments	254,193	289,803
Other income received	151,970	120,838
Interest paid on deposits	(861,643)	(958,534)
Cash paid to suppliers and employees	(1,467,543)	(1,389,729)
Interest paid on borrowed money	(209)	(1,124)
Income taxes paid	(58,000)	(90,000)
	739,542	654,702
Financing activities		
Net change in member deposits	8,886,260	8,653,165
Net change in membership shares	(170)	(160)
Net change in equity accounts	(20,123)	(17,365)
	8,865,967	8,635,640
Investing activities		
Net change in member loans receivable	(1,727,259)	(3,545,767)
Purchases of investments	(9,812,220)	(3,188,018)
Purchases of property, plant and equipment	(4,978)	(5,874)
	(11,544,457)	(6,739,659)
Increase (decrease) in cash and cash equivalents	(1,938,948)	2,550,683
Cash and cash equivalents, beginning of year	11,076,389	8,525,706
Cash and cash equivalents, end of year	9,137,441	11,076,389

Bruno Savings and Credit Union Limited
Note to the Financial Statements
For the year ended December 31, 2021

1. Basis of the Summary Financial Statements

Management has prepared the summary financial statements from the December 31, 2021 audited financial statements, which are prepared in conformity with International Financial Reporting Standards. A full set of audited financial statements is available from the Credit Union. The detailed notes included in the audited financial statements are not included in these summary financial statements.

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