



Annual Report 2012

Together, we enrich lives.



Sunshine Coast
CREDIT UNION

Notice of Annual General Meeting

The 72nd Annual General Meeting of Sunshine Coast Credit Union will be held Wednesday, April 24th, 2013, 7:30 p.m. Sechelt Seniors' Activity Centre 5604 Trail Avenue, Sechelt, B.C.

AGENDA

1. Call to Order
2. Introduction of Officers
3. Adoption of Agenda
4. Appointment of Recording Secretary
5. Adoption of Minutes of the 71st AGM, held April 25, 2012
6. Business Arising Out of the Minutes
7. Directors', CEO and Financial Report
8. Auditors' Report
9. Adoption of Reports
10. Report on Attendance
11. Directors' Election Results
12. New Business
13. Appointment of Auditors
14. Motion to Authorize the Directors to Set the Audit Free
15. Good and Welfare
16. Adjournment

Integrity

Report from the CEO and the Board of Directors

Ripple – a series of waves.

We live in an extraordinary community, made up of dedicated individuals who are generous with their time. As a locally-owned, cooperative financial institution, we continue to be inspired by the power of the ripple effect on the Sunshine Coast, from catalyst to crescendo and all the momentum in-between.

This past year, we came together as an organization and talked about what the ripple effect means to us. We discussed what this looks like as colleagues, how we could create additional value for our members and the role we wish to play in our community.

Enrich – to make rich or richer especially by the addition or increase of some desirable quality, attribute, or ingredient.

Our new Vision, Mission, Values were created based on these discussions. Our Vision, *Together, we enrich lives and community on the Sunshine Coast*, describes our ideal future as an organization.

We aspire to possess the qualities and attributes that will enrich our members' lives as well as the community in which we live. We know that this level of engagement requires conversations, synergies and collaboration and we are committed to connecting with our stakeholders in this way.

It is through the support of our members that we were able to put over \$690,000 dollars right back into our local communities in the form of patronage & dividends and community investment. With the intention of delivering a premium member experience, we continued to invest in our Organization:

- Developed a balanced scorecard, aligned with our new Vision, placing emphasis on both financial and non financial goals.
- Restructured lending administration and commercial departments, including a new mobile offering through the commercial team.
- Contracted with best-in-class information technology and marketing vendors to accommodate the growing scale of our organization.



Shelley McDade
CEO, Sunshine Coast Credit Union

John Wiseman
Chairperson, Board of Directors

ROCKWOOD

FESTIVAL OF THE WRITTEN ARTS

Celebrating thirty years of contributing to cultural life on the Coast, the Festival presents writers of diverse genres, attracting hundreds of locals & visitors annually.



Sponsor for over 25 years.
Facilitating donations to
the Festival through



Report from the CEO and the Board of Directors *continued*

- Enhanced security with launch of a new Signature Capture/ID Scanning technology and the transition to the CHIP MemberCard®.
- Implemented Changelit®, technology that supports automatic and recurring donations, available to all local CRA-Registered charities free of charge.
- Delivered *Money Skills* Financial Literacy Program to over 100 residents, made possible only through the dedication of our employee volunteer facilitator team.

Investment in our Board of Directors also remained a priority including implementation of a Board/Self Assessment and corresponding action plan as well as the recruitment of three directors-in-training to fulfill future board position vacancies.

Although the economy did not see signs of recovery as previously anticipated, the support of our membership combined with prudent financial management resulted in a solid year for your Credit Union. We continue to be very strong with

a capital base of \$31,753,243 and capital adequacy ratio of 21.64% which is well above the regulatory requirement of 8%. Deposit growth continued at a modest pace of 1.82% which is to be expected with the current global and local economic conditions. Growth in loans of 7.95%, however, surpassed expectations. Overall, our activities generated net operating earnings of \$2,750,710, exceeding our target for the year.

We remain in the top quartile of British Columbia credit unions in terms of operating income, and continue to be highly regarded by our peers. In addition to being grateful to our members for choosing us, we would like to thank our employees who are the cornerstone of the Organization's success and our Directors for their guidance and service.

John Wiseman
Chairperson, Board of Directors

Shelley McDade
CEO, Sunshine Coast Credit Union

We aspire to possess
the **qualities and
attributes**
that will *enrich*
our members' lives
as well as the
community in which
we live.

ST. MARY'S HOSPITAL FOUNDATION

Raising funds to enhance patient care on the Coast, the Hospital's expansion will feature the latest technology and infection-prevention methods in a total of 44 single patient rooms.



**Supporter of Phase II Renovation:
Ambulatory Care Unit. Facilitating
donations to the Foundation through**



Pictured: Maureen Clayton, Chair & Peter Clayden, Treasurer

Locally

Board of Directors

Sunshine Coast Credit Union is a member-owned financial institution, governed by an elected Board of Directors.

The role and responsibility of the Board of Directors is complex and varied involving governance, performance monitoring and oversight of strategic direction. Most importantly, elected Directors represent membership at the Board table, protecting and enhancing the value of the Credit Union in the interest of all members.

In addition to the mandatory eight-course program all directors must complete when accepting the role, Sunshine Coast Credit Union's entire Board is committed to continuous education and training in preparation for industry challenges and market opportunities as they arise.

2012 Board of Directors

John Wiseman, Chairperson
 Bob Miller, 1st Vice Chairperson
 Glen Bonderud, 2nd Vice Chairperson
 Tim Anderson
 Harris Cole
 Mark Giltrow
 Elfie Hofmann*
 Lori Pickering*
 Richard Wilson*

* Terms expire at the 2013 Annual General Meeting.

OUR MISSION

We create value for members through strong financial performance, engaged, remarkable employees, collaborative and co-operative principles, & unparalleled connection and support to community.

OUR VALUES

***Integrity** – authentic, fair, honest, accountable & respectful*

***Passion** – dedicated to creating value for our stakeholders*

***Locally-driven** – our actions always reflect the community in which we live*

-driven

*Pictured: Garden guests
with Paddy Wales, President*

SUNSHINE COAST BOTANICAL GARDEN

With over 4,000 visitors last year, the Garden engages people of all ages in nature education & activities, in addition to donating 550 kg of fresh organic produce to the Food Bank.



**Sponsor of the Rainforest Garden
& extended operating hours.
Facilitating donations
to the Garden through**





SPROCKIDS

In addition to being the driving force behind the Sprockids Mountain Bike Park, the Club has introduced hundreds of families to a healthy lifestyle, teaching the skills, values and strategies to succeed in life.



Sponsor of bikes & gear to ensure youth can participate, regardless of financial situation.

Report of the independent auditor on the summary consolidated financial statements

To the members of Sunshine Coast Credit Union

The accompanying summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2012, and the summary consolidated statements of earnings and comprehensive income, changes in members' equity, and cash flows for the year then ended, are derived from the audited consolidated financial statements of Sunshine Coast Credit Union as at December 31, 2012. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated February 20, 2013. Those consolidated financial statements, and the summary consolidated financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those 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, therefore, is not a substitute for reading the audited consolidated financial statements of Sunshine Coast Credit Union.

Management's responsibility for the summary consolidated financial statements

Management is responsible for the preparation of a summary of the audited consolidated financial statements in accordance with Article 128 of the Financial Institutions Act of B.C.

Auditor's responsibility

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

Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Sunshine Coast Credit Union for the year ended December 31, 2012, are a fair summary of those consolidated financial statements, in accordance with Article 128 of the Financial Institutions Act of B.C.

Vancouver, Canada
February 20, 2013

GRANT THORNTON LLP
Chartered Accountants

Summary consolidated statement of financial position

December 31	2012	2011
Assets		
Cash and cash equivalents	\$ 12,454,115	\$ 18,727,739
Loans	326,423,589	302,386,780
Investments and other	24,753,899	34,793,258
Premises, equipment, and intangibles	6,050,949	6,393,320
	\$ 369,682,552	\$ 362,301,097
Liabilities and members' equity		
Deposits	\$ 339,596,581	\$ 333,516,637
Payables and accruals	1,085,849	1,246,463
Equity shares	4,019,594	4,168,952
Retained earnings	24,996,764	23,342,898
Accumulated other comprehensive (loss) income	(16,236)	26,147
	\$ 369,682,552	\$ 362,301,097

On behalf of the board



John Wiseman, Chairperson



Richard Wilson, Director

Summary consolidated statement of earnings and comprehensive income

December 31	2012	2011
Financial income	\$ 14,867,216	\$ 15,212,293
Financial expense	4,396,722	4,892,355
Financial margin	10,470,494	10,319,938
Provision (recovery) on loans	185,746	(403)
Other income	2,535,143	2,472,017
Operating margin	12,819,891	12,792,358
Operating expenses	10,069,181	10,097,993
Earnings from operations	2,750,710	2,694,365
Distributions to members	455,640	734,319
Earnings before income taxes	2,295,070	1,960,046
Income taxes	535,223	430,584
Net earnings	1,759,847	1,529,462
Other comprehensive income (loss), net of tax	(42,383)	18,866
Comprehensive income	\$ 1,717,464	\$ 1,548,328

A complete set of financial statements is available from the Credit Union.

Summary consolidated statement of changes in members' equity

Year ended December 31, 2012

	Members' shares	Retained earnings	Accumulated other comprehensive income	Total
Balance on December 31, 2011	\$ 4,168,952	\$ 23,342,898	\$ 26,147	\$ 27,537,997
Net income	-	1,759,847	-	1,759,847
Other changes	(149,358)	(105,981)	(42,383)	(297,722)
Balance on December 31, 2012	\$ 4,019,594	\$24,996,764	\$ (16,236)	\$ 29,000,122

Summary consolidated statement of cash flows

Year ended December 31, 2012

	2012	2011
Cash flows provided by (used in)		
Operating activities	\$ 2,112,767	\$ 2,401,873
Investing activities	(8,131,052)	(7,411,944)
Financing activities	(255,339)	(264,333)
Net decrease in cash resources	(6,273,624)	(5,274,404)
Cash resources, beginning of year	18,727,739	24,002,143
Cash resources, end of year	\$ 12,454,115	\$ 18,727,739



SPECIAL OLYMPICS SUNSHINE COAST

Events such as basketball tournaments provide opportunities for people with developmental disabilities to enrich their lives through sporting experiences, while at the same time engaging & creating diversity awareness within the community.



Sponsor of the 2013 Annual Basketball Tournament enabling local athletes, who may not be able to travel, to participate.

Pictured: Bruce Stuart, Athlete & SCCU Employee

MONEY SKILLS FINANCIAL LITERACY PROGRAM

Developed in collaboration with Community Resource Centre, Sunshine Coast Community Services Society and Greater Vancouver Family Services, Money Skills provides all residents with the opportunity to gain the skills and knowledge to make confident financial decisions.



**Supporting 21 SCCU employees
who volunteer their time
to deliver Money Skills
in their community.**

*Pictured: Janice Webb, Sandy McBride
& Tammie Brown, Facilitators & SCCU Employees*



Organizations *supported* in 2012

We were pleased to have been able to support over 65 local organizations this year in their worthwhile community causes. We also offered all local CRA-registered charities a complimentary technology called Changelt, a new way to facilitate automatic, recurring donations for their organization.



All members are eligible to activate their MemberCard® online to round up purchases and dedicate their change to their favorite local charities. Find out more at: www.changeitcanada.com.

- Roberts Creek Student Whistler Experience • Nature Conservancy Canada • Youth Mountain Bike Film Competition • Celebration of Excellence • Bike to Work • PH Golf Club
- Sprockids • Community Justice Program • April Tools • Sechelt Seniors' Activity Centre • Highway 101 Country & Rock Music Festival • PH Blues Festival • SC Community Services
- Sea Cavalcade • CCBA Home & Cottage Show • Synchronicity Festival • SC Early Years Fair • SC Festival of the Performing Arts • Sechelt Arts Festival • Learn to Sail Program • Banana Peppers Soccer team • Gibsons Landing Jazz Festival • Hike for Hospice • Coast Longboarding • Sechelt Night Market • Gibsons Volunteer Fire Dept • SC Music Society • Ride to Conquer Cancer • Dempster Family Foundation Golf Tournament • SC Festival of the Written Arts • Sunshine Coast Marine Rescue Society • PH Aquatic and Fitness Centre
- PH Music Society • Showcase of the Performing Arts • PH Jazz Festival • Driftwood Players • Creek Daze • Summer Hockey Program • PH Garlic and Music Festival • VOICE • Funtastics • Cops for Cancer-Ladies Red Serge Gala • Roberts Creek Mandala Project
- Sunshine Coast Arts Crawl • Sunshine Coast Film Society • Gibsons & District Volunteer Fire Dept • Coast Community Productions • SC Roller Girls • SC Minor Hockey Association
- Banff Mountain Film Festival • A Helping Paw Animal Welfare • SC Special Olympics
- Kindness Rocks Anti-Bullying Event • Marylou Lymer Memorial Hockey Tournament • Elphinstone Senior Girls Volleyball • Sunshine Coast Film Society • Rotary Club of Pender Harbour • Royal Canadian Legion Branch 109 • SC Army Cadets • PH Chamber Music Festival • Arts Building • Coast TV – Out Loud! • Gibsons Pipe Band • Royal Canadian Air Cadets • Sunshine Coast Botanical Garden Society • Money Skills Financial Literacy Program

Community

Sunshine Coast Credit Union

Gibsons Branch

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Fax 604-886-4831
Toll-free 1-800-734-6204
gibsonsbranch@sunshineccu.net

Pender Harbour Branch

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Fax 604-883-9475
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penderbranch@sunshineccu.net

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Fax 604-885-3278
Toll-free 1-800-320-4588
secheltbranch@sunshineccu.net

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Sunshine Coast
CREDIT UNION

Together, we enrich lives.



SunCu Financial
SERVICES INC.

A subsidiary of Sunshine Coast Credit Union

www.sunshineccu.com

Photographs

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