

Bow Valley Credit Union

2021 Q1 Financials



Bow Valley Credit Union Ltd.

Balance Sheet (unaudited)

	January 31, 2021	October 31, 2020
Assets		
Cash	\$ 8,998,527	\$ 11,530,815
Investments and accrued interest	58,370,235	40,771,527
Loans to members and accrued interest	311,746,657	320,032,553
Derivative financial assets	60,392	36,340
Other assets	855,914	619,240
Income taxes receivable	-	202,046
Deferred income tax asset	-	-
Property and equipment	11,261,576	11,437,546
Intangible assets	26,718	31,884
	<hr/>	<hr/>
	\$ 391,320,019	\$ 384,661,951
Liabilities		
Member deposits and accrued interest	\$ 359,427,724	\$ 352,565,757
Loans payable	-	-
Accounts payable and accrued liabilities	3,911,841	4,290,316
Derivative financial liabilities	60,392	36,340
Income taxes payable	-	-
Deferred income tax liability	221,000	221,000
	<hr/>	<hr/>
	\$ 363,620,957	\$ 357,113,413
Capital and Retained Earnings		
Allocation Distributable	\$ -	\$ 229,587
Common Shares	3,268,247	3,219,126
Investment Shares	6,083,178	6,065,913
Retained Earnings	18,347,637	18,033,912
Accumulated Other Comprehensive Income	-	-
	<hr/>	<hr/>
	27,699,062	27,548,538
	<hr/>	<hr/>
	\$ 391,320,019	\$ 384,661,951

Bow Valley Credit Union Ltd.

Statement of Comprehensive Income (unaudited)

	Three Months Ended January 31, 2021	Three Months Ended January 31, 2020
Financial Income		
Interest On Member Loans	\$ 2,654,286	\$ 3,004,719
Investment	16,730	108,329
	<u>2,671,016</u>	<u>3,113,048</u>
Financial Expense		
Interest on member deposits	837,084	1,172,043
Interest on borrowings	24,258	20,069
	<u>861,342</u>	<u>1,192,112</u>
Financial margin before profit share	<u>1,809,674</u>	<u>1,920,936</u>
Profit Share	0	0
Financial margin	<u>1,809,674</u>	<u>1,920,936</u>
Charge for loan impairment	21,526	108,161
Financial margin after charge for loan impairment	<u>1,788,148</u>	<u>1,812,775</u>
Other Income	424,908	397,637
Gross Margin	<u>2,213,056</u>	<u>2,210,412</u>
Operating Expenses	1,876,424	1,797,001
Income before income taxes	<u>336,632</u>	<u>413,411</u>
Provision for income taxes		
Current	22,907	137,441
Net income and comprehensive income	<u>\$ 313,725</u>	<u>\$ 275,970</u>

Bow Valley Credit Union Ltd.

Statement of Retained Earnings (unaudited)

	Three Months Ended January 31, 2021	Three Months Ended January 31, 2020
Retained Earnings, beginning of period	\$ 18,033,912	\$ 17,606,061
Add: Net Income	313,725	275,970
Deduct: Prior year end adjustments	-	-
Retained earnings, end of period	\$ 18,347,637	\$ 17,882,031

Bow Valley Credit Union Ltd.

Statement of Accumulated Other Comprehensive Income (unaudited)

	Three Months Ended January 31, 2021	Three Months Ended January 31, 2020
Accumulated Other Comprehensive Income, beginning of period	\$ -	\$ -
Add: Unrealized Gains/(Losses) Investments	-	-
Accumulated Other Comprehensive Income, end of period	\$ -	\$ -

Bow Valley Credit Union Ltd.

Statement of Cash Flows (unaudited)

	Three Months Ended January 31, 2021	Three Months Ended January 31, 2020
Cash flows from operating activities:		
Net income	\$ 313,725	\$ 275,970
Adjustments for:		
Change in non-cash items:		
Net interest income	(1,809,674)	(1,920,936)
Provisions for impaired loans	21,526	108,161
Provisions for deferred income taxes	0	0
Depreciation	190,428	77,868
Loss on disposition of property and equipment	0	0
	<u>(1,283,995)</u>	<u>(1,458,937)</u>
Changes in other assets:		
Changes in other assets	(236,674)	(1,795,337)
Changes in accounts payable and accrued liabilities	(378,475)	1,272,259
Changes in income taxes payable and receivable	202,046	0
	<u>(413,103)</u>	<u>(523,078)</u>
Changes in member activities (net):		
Changes in member loans	8,604,309	(9,856,861)
Changes in member deposits	6,861,967	(1,118,419)
	<u>15,466,276</u>	<u>(10,975,280)</u>
Cash flows related to interest:		
Interest received on member loans	2,614,652	2,870,939
Interest received on investments	81,899	164,613
Interest paid on deposits	(837,084)	(1,172,043)
Interest paid on borrowings	(24,258)	(20,069)
	<u>1,835,209</u>	<u>1,843,440</u>
Cash flows from financing activities:		
Issuance of common and investment shares	9,914	5,240
Redemption of common and investment shares	(473,420)	(345,426)
Tax recovery on investment share dividends	0	0
Repayment of loan payable	0	0
	<u>(463,506)</u>	<u>(340,186)</u>
Cash flows from investing activities:		
Proceeds from sale of investments	271,123	3,434,528
Purchase of investments	(17,935,000)	1,340,900
Additions to intangible assets	0	(22,258)
Additions to property and equipment	(9,292)	21,390
	<u>(17,673,169)</u>	<u>4,774,560</u>
Net increase (decrease) in cash	(2,532,288)	(6,679,481)
Cash, beginning of period	11,530,815	10,001,561
Cash, end of period	\$ 8,998,527	\$ 3,322,080

Bow Valley Credit Union Ltd.

Notes to the Financial Statements

For the Three Months Ended January 31, 2021

1) Basis of Presentation

The interim financial statements of Bow Valley Credit Union Ltd. ("the Credit Union") have been prepared by management in accordance with International Financial Reporting Standards accepted in Canada. The interim financial statements have been prepared following the same accounting policies and methods of computation as the financial statements for the fiscal year ended October 31, 2020. The disclosures provided below are incremental to those included with the annual financial statements. Certain information and note disclosure normally included in year-end financial statements prepared in accordance with International Financial Reporting Standards are not included. The interim financial statements should be read in conjunction with the financial statements and the notes in the Credit Union's annual report for the year ended October 31, 2020.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements.

Airdrie Cooper's Town

201 401 Cooper's Blvd
403.948.6737

Airdrie Kingsview

1600 Market Street SE
403.948.2109

Banff

216 Banff Ave
403.762.3368

Calgary

121 Sage Valley Common NW
403.232.4500

Canmore

810 8th St
403.678.5549

Cochrane

212 5th Ave W
403.932.3277

bowvalleycu.com

