



**REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS**

**SPRUCE CREDIT UNION**

To the Members of Spruce Credit Union

The accompanying summary financial statements, which comprise the summary statement of financial position as at December 31, 2014, and the summary statement of comprehensive income and members' equity and summary statement of cash flows for the year then ended, are derived from the audited financial statements of Spruce Credit Union ended December 31, 2014. We expressed an unmodified audit opinion on those financial statements in our report dated March 13, 2015.

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

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the summary 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 financial statements derived from the audited financial statements of Spruce Credit Union for the year ended December 31, 2014 are a fair summary of those financial statements, in accordance with criteria described in Article 128 of the Financial Institutions Act of British Columbia.

Prince George, BC  
March 13, 2015

*Deloitte LLP*  
Chartered Accountants

**SPRUCE CREDIT UNION  
SUMMARY STATEMENT OF FINANCIAL POSITION  
as at December 31, 2014**

	2014	2013
<b>Assets</b>		
Cash and cash equivalents	\$ 11,863,538	\$ 5,458,820
Investments	15,677,476	22,753,425
Loans to members	100,108,453	98,573,287
Income taxes recoverable	11,081	-
Property and equipment	1,645,665	1,747,214
Intangible assets	225,101	278,461
Deferred income taxes	40,000	-
Other assets	-	4,318
	<u>\$ 129,571,314</u>	<u>\$ 128,815,525</u>
<b>Liabilities</b>		
Deposits from members	\$ 119,536,146	\$ 119,455,116
Accounts payable and accrued liabilities	509,246	423,850
Membership shares	1,651,518	1,481,997
	<u>121,696,910</u>	<u>121,360,963</u>
<b>Members' equity</b>		
Retained earnings	7,874,404	7,454,562
	<u>\$ 129,571,314</u>	<u>\$ 128,815,525</u>

Approved By The Board:

  
Director

  
Director

**SPRUCE CREDIT UNION****SUMMARY STATEMENT OF COMPREHENSIVE INCOME AND MEMBERS' EQUITY**

for the year ended December 31, 2014

	2 0 1 4	2 0 1 3
Total interest and investment income	\$ 4,879,423	\$ 4,865,099
Total interest and other interest expense	<u>1,845,484</u>	<u>1,883,397</u>
Net interest income	3,033,939	2,981,702
Allowance for credit losses	<u>204,000</u>	<u>95,000</u>
Net interest margin	2,829,939	2,886,702
Other operating income	<u>1,087,274</u>	<u>974,503</u>
Total operating income	3,917,213	3,861,205
Total operating expenses	<u>3,484,508</u>	<u>3,460,624</u>
Income before income taxes	432,705	400,581
Income tax expense	<u>12,863</u>	<u>88,684</u>
Net income and total comprehensive income	419,842	311,897
Retained earnings, beginning of year	<u>7,454,562</u>	<u>7,142,665</u>
Retained earnings, end of year	<u>\$ 7,874,404</u>	<u>\$ 7,454,562</u>

**SPRUCE CREDIT UNION****SUMMARY STATEMENT OF CASH FLOWS**

year ended December 31, 2014

	2 0 1 4	2 0 1 3
<b>Cash generated (used) from</b>		
Operating activities	\$ (771,136)	\$ (3,902,499)
Investing activities	7,006,333	(3,627,541)
Financing activities	<u>169,521</u>	<u>276,196</u>
Net change in cash and cash equivalents	6,404,718	(7,253,844)
Cash and cash equivalents, beginning of year	<u>5,458,820</u>	<u>12,712,664</u>
Cash and cash equivalents, end of year	<u>\$ 11,863,538</u>	<u>\$ 5,458,820</u>

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