



# ANNUAL REPORT 2025





# About us

Stoughton Credit Union is more than just a place to bank—we are a locally owned financial cooperative dedicated to serving our members and our communities. From everyday banking to loans, and investments we offer the full range of services you expect from a financial institution.

But unlike traditional banks, we operate on a cooperative model. That means we're owned by our members, run by principles, and guided by the idea that profits should benefit the people who entrust us with their money—not outside shareholders. We put profits back into your pockets, through competitive rates, low fees, and programs that support our local community.

We follow the seven Cooperative Principles, which ensure we remain open, democratic, and committed to education, community, and collaboration. Every decision we make is guided by a desire to help our members achieve financial well-being and to strengthen the local economy.

At Stoughton Credit Union, you're not just a customer—you're a member. And we are here to help you succeed, every step of the way.

## Purpose

We will positively impact our community and make our members dreams come true.

## Vision

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

1726  
Members

Where *Local* Matters and You *Belong*



# The Co-operative Principles

## Voluntary and Open Membership

Co-operatives are voluntary organizations, open to all persons able to use their 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, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

## Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

## Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

## Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, employees so they can contribute effectively to the development of their co-operatives. They inform the public – particularly young people and opinion leaders – about the nature and benefits of co-operation.

## Co-operation among Cooperatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structure.

## Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.



## CREDIT UNION DEPOSIT GUARANTEE CORPORATION ANNUAL REPORT MESSAGE

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Credit Union Deposit Guarantee Corporation (the Corporation) functions as the deposit guarantor for Saskatchewan's provincially regulated credit unions (Saskatchewan Credit Unions) and serves as the primary regulator for Saskatchewan Credit Unions and Credit Union Central of Saskatchewan (SaskCentral). Collectively, these entities are referred to as Provincially Regulated Financial Institutions or "PRFIs". The Corporation operates under provincial legislation, namely, *The Credit Union Act, 1998* and *The Credit Union Central of Saskatchewan Act, 2016*. The responsibility for overseeing the Corporation is assigned to the Registrar of Credit Unions with the Financial and Consumer Affairs Authority of Saskatchewan as specified by provincial legislation.

Established in 1953, the Corporation holds the distinction of being the first deposit guarantor in Canada, ensuring the safety of deposits against credit union failure. Through the promoting of responsible governance, risk management, and prudent management of capital, liquidity, along with guaranteeing deposits, the Corporation plays a crucial role in fostering 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 website at [www.cudgc.sk.ca](http://www.cudgc.sk.ca).

# Credit Union Market Code

Stoughton 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 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 Stoughton Credit Union.
- **Fair sales** by outlining the roles and relationship of staff to all member/clients and in accordance with the financial services agreement.
- **Financial planning process** to advise member/clients on the risks and benefits associated with financial planning services.
- **Privacy** to protect the interests of those who do business with Stoughton Credit Union. Privacy is the practice to ensure all member/client information is kept confidential and used only for the purpose for which it was gathered.
- **Professional standards** to preserve a positive image of Stoughton Credit Union among our members, clients, 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 Stoughton Credit Union.
- **Risk management** to ensure all risks are measured and managed in an acceptable fashion.

## Code of Conduct

All credit union directors and employees adhere to the principles of ethical conduct and responsible business behavior as reflected in the credit union Code of Conduct.

Any situation that requires clarification will be escalated to senior management, the Conduct Review Committee or legal counsel.

Adherence to the Code of Conduct is mandatory for all employees and directors.

## Privacy Code

Stoughton Credit Union has an established privacy compliance program based on the ten principles of the Credit Union Code for the Protection of Personal Information.

The credit union adheres to the principles regarding privacy as reflected in the Market Code that is based on the Code for the Protection of Personal Information.



# Agenda

1. Registration
2. Opening Remarks
3. Supper 5:00 pm
4. Call to Order 6:00 pm
5. Introduction of Guests
6. Adoption of Proposed Agenda
7. Confirmation of Meeting Notice and Quorum
8. Appointment of Chairman
9. Appointment of Recording Secretary
10. Approval of Minutes of April 16, 2025 Annual Meeting
11. Business Arising from the Minutes
12. Board of Director and General Meeting Report
13. Auditor's Report and Financial Statements
14. Adoption of the Reports
15. Appointment of an Auditor for 2026
16. New Business:
  - a. Results of Direction Elections
17. Service Awards Presentation
18. Other Business



# General Manager & Board President Report



## Annual General Meeting - 2025

On behalf of the Board of Directors and Management, we are pleased to present the joint report for the past fiscal year. It was another strong and successful year for our credit union, marked by continued financial growth, meaningful community involvement, and important strategic progress.

## Board Governance & Strategic Direction

The Board met regularly throughout the year, providing oversight, guidance, and support to ensure the credit union continues to operate with integrity, long-term vision, and a commitment to member service.

In November, the Board completed a comprehensive strategic planning session to set the direction for the next 3–5 years. This planning process reaffirmed our focus on financial sustainability, exceptional member experience, digital innovation, and strong community presence. We believe this roadmap positions us well for continued success in a changing financial landscape.

## Financial Performance

We are pleased to report another great year of growth.

- Total assets increased by \$12 million, reflecting strong member confidence and continued lending activity.
- Net income after taxes and allocations was \$1.5 million, providing a solid foundation for reinvestment, capital strength, and member returns.

This strong performance ensures we can continue to offer competitive products, invest in technology, and support the communities we serve.

# General Manager & Board President Report

## Member Returns

As part of our ongoing commitment to sharing success, the credit union will once again be providing meaningful returns to our members:

- [\\$50 payment](#) to all members in good standing
- [2% patronage rebate](#) on interest paid on loans

We are proud to reward members for their loyalty and continued support of our cooperative financial model.

## Community Involvement

Supporting the communities we service remains at the heart of our mission. Throughout the year, we contributed to many organizations, events, and local initiatives.

A highlight of our community engagement was hosting [two successful community BBQs in Kisbey and Stoughton](#), where we matched donations up to [\\$1,500](#) for each event's designated community group. These gatherings not only raised valuable funds but brought our members and communities together. In December we hosted our [Annual Envelopes of Cheer](#) and were able to donate [\\$6,500 to over 30 local organizations](#).

In addition to these events, we were pleased to provide [\\$25,000 to the Stoughton/Tecumseh Fire & Rescue](#) to help purchase their new Rescue Truck. The [Stoughton Golf Course clubhouse expansion](#), supported by our previously announced [\\$75,000 donation](#), is nearing completion and will soon provide an enhanced space for golfers, events, and community gatherings. We also provided support to numerous community groups, helping to strengthen programs, services, and opportunities for people across our region.

## Looking Ahead

As we move forward, the Board and Management remain committed to responsible growth, strong financial stewardship, and delivering value to our members. We look forward to implementing our new strategic plan and continuing to enhance the products, services, and experiences we provide.

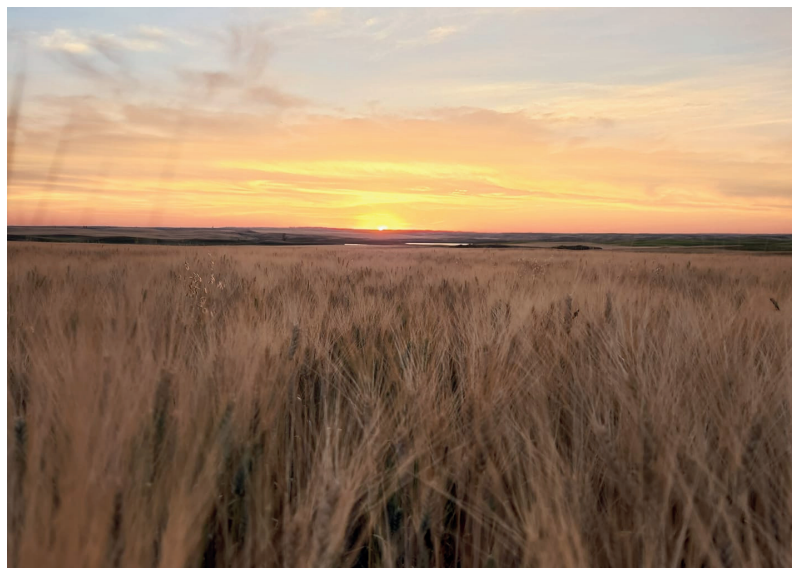
We extend our thanks to our members for their trust and loyalty, to our staff for their dedication, and to our communities for their ongoing partnership. Together, we will continue to build a strong and vibrant future for our credit union.



Greg Goudy



Christine  
Corscadden



# Management Discussion & Analysis

The Management Discussion and Analysis (MD&A) is presented to enable readers to assess material changes in the financial condition and operating results of the Stoughton Credit Union (the Credit Union) for the year ending December 31, 2025 compared to prior years. This MD&A is prepared in conjunction with the financial statements and related notes should be read together with that document. The MD&A is prepared by management and explains the why behind the financial changes stated in the financial statement, discusses future plans and outlines how the credit union actively manages risk. The MD&A may contain future-looking statements concerning Stoughton Credit Union's future strategies. These statements involve uncertainties in relation to prevailing economic, legislative and regulatory conditions at the time of writing. Therefore, actual results may differ from the future-looking statements contained in this discussion.

## Corporate Profile

Stoughton Credit Union is an independent Saskatchewan credit union owned by our members. Under the current credit union legislation, Stoughton Credit Union is able to provide financial services to members and non-members. As of December 31, 2025 Stoughton Credit Union had 1726 members.

Our Credit Union serves the communities of Kisbey, Stoughton and surrounding areas through two branches. In these communities, we provide a range of financial services including agricultural, commercial, personal loans and lines of credit, retail and commercial deposit services, card products, electronic banking and mobile banking.

The Credit Union Act, 1998 and The Credit Union Regulations, 1999, regulate the credit union. The credit union must comply with the Credit Union Deposit Guarantee Corporation's (CUDGC) Standards of Sound Business Practices and with Credit Union articles, bylaws and policies. Other provincial and federal regulations and common law create additional legal rights and obligations.

## Strategy

The vision of Stoughton Credit Union is to be a local, democratically controlled, responsible, viable cooperative financial institution, that is responsive to the economic and social needs of current and potential members. To monitor specific objectives throughout the year that support this vision, a Strategic Plan Document has been developed that outlines the four quadrants that build into our vision statement. The four quadrants, people, organization, technology, and financial strength have objectives in each of them. These objectives are formed into tactical plans for the year. The board of directors is kept current with progress to date by the quarterly manager's report.

### Our key strategic objectives in 2025 were;

#### People

- We will have well trained directors and staff.
- Develop and maintain a Succession Plan for staff and directors.

#### Organization

- We will meet or exceed compliance requirements.
- Implement organizational changes to ensure an efficient organization.

#### Technology

- Ensure we have the technology required to provide the best service to our members.

#### Financial/Growth

- Ensure viability and profitability



# Corporate Structure and Governance

The governance of Stoughton Credit Union 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 Stoughton Credit Union. 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 The Credit Union Act 1998, the Standards of Sound Business Practice and other applicable legislation.

The board of directors is accountable to the members of the credit union for directing the affairs of the credit union and maintaining policies that are responsive to their needs and the needs of the credit union for sound operations.

### Board Composition

The board is composed of nine directors elected on an at-large basis. Directors are elected by the membership to 3-year terms. The Nominating Committee has oversight responsibility for director nominations and the election of directors is in accordance with bylaws and policies. Nominations are made by advertising for nominations.

The election is held during the voting period prior to the Annual General Meeting. Voting is by paper ballot and election results are announced at Stoughton Credit Union's Annual General Meeting.

### Committees

The responsibilities of the board of a modern financial services organization involve an ever-growing list of duties. Stoughton Credit Union maintains a number of committees.

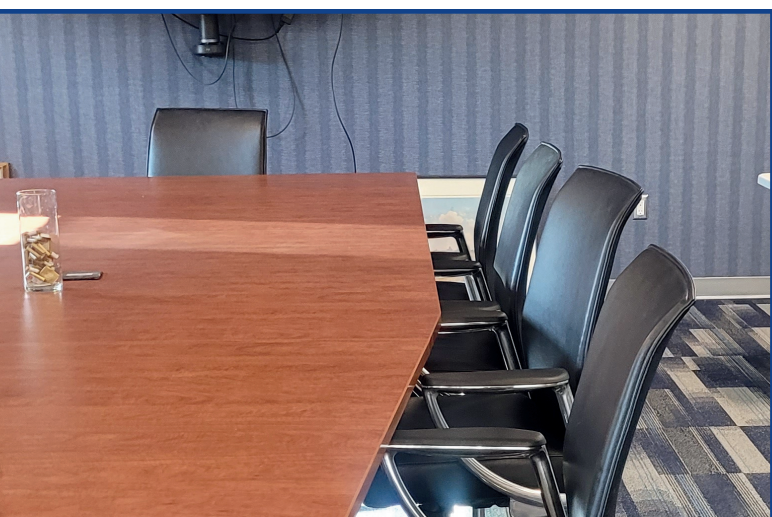


Board Committee	Executive Committee	Conduct Review Committee
<b>Responsibilities</b>	Comprised of the President, two directors and the General Manager (voting ex-officio) and act as the official representatives of the Board of Directors between regular of special meetings on most board matters.	Ensures that Stoughton 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.
<b>Members</b>	Greg Goudy Brad Gervais Deric Reaney Christine Corscadeen	Darwin Fenn Danielle Hoffman Zandra Slater Deric Reaney

Board Committee	Audit and Risk Committee	Public Relations Committee	Facilities Committee
<b>Responsibilities</b>	Oversees risk management and ensures the integrity of financial reporting, reviews financial statements, liaises with internal and external auditors and regulators, and reviews internal control procedures.	Oversees the member relations and marketing programs for Stoughton Credit Union.	Oversees the maintenance and repair of the properties of the credit Union.
<b>Members</b>	Committee consists of all the Directors. Zandra Slater is Chair	Dwight Shiels Danielle Hoffman Harold Johnston Roger Wyatt	Harold Johnston Brad Gervais Roger Wyatt

### Meetings and Attendance

The board holds regularly scheduled board meetings. In addition to regular board meetings, directors attend special board meetings, the annual general meeting and serve on one or more of the board committees. There is an expectation that directors attend all board meetings and meetings of committee to which they have been appointed.



### Board Compensation

Board members are volunteers and are compensated for expenses and time. Director compensation for 2025 totaled \$35,735 (2024-\$29,215) and includes:

- A per diem for each board member and committee meeting attended.
- A per diem for activities attended as a representative of the Stoughton Credit Union board.
- Travel costs, where applicable, to cover time and mileage to attend meetings.
- Directors Insurance
- Directors Training

### Director Training

Directors continued to participate in professional development during 2025.

We would also like to thank Greg Goudy for 30 years and Brad Gervais for 10 years of service on our Board of Directors.

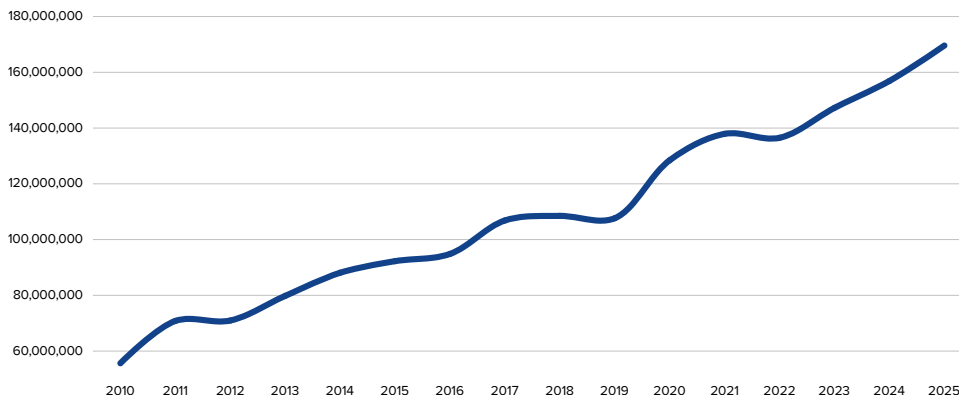
	<b>Years of service</b>	<b>Term End</b>	<b>Regular Meetings</b>	<b>Special Meetings</b>
<b>Greg Goudy</b>	30	2026	11/11	4/4
<b>Darwin Fenn</b>	12	2026	10/11	3/4
<b>Brad Gervais</b>	10	2028	6/11	2/4
<b>Harold Johnston</b>	23	2027	7/11	3/4
<b>Deric Reaney</b>	17	2027	10/11	3/4
<b>Zandra Slater</b>	17	2027	5/11	4/4
<b>Roger Wyatt</b>	11	2028	11/11	3/4
<b>Danielle Hoffman</b>	6	2026	7/11	3/4
<b>Dwight Shiels</b>	1	2028	6/7	1/2
<b>Alysson Slater</b>	3	2025	3/3	1/1

# Financial Position Review

The Financial Position Review provides an analysis of the major balance sheet categories and a review of the deposits, loans, liquidity and capital position of Stoughton Credit Union.

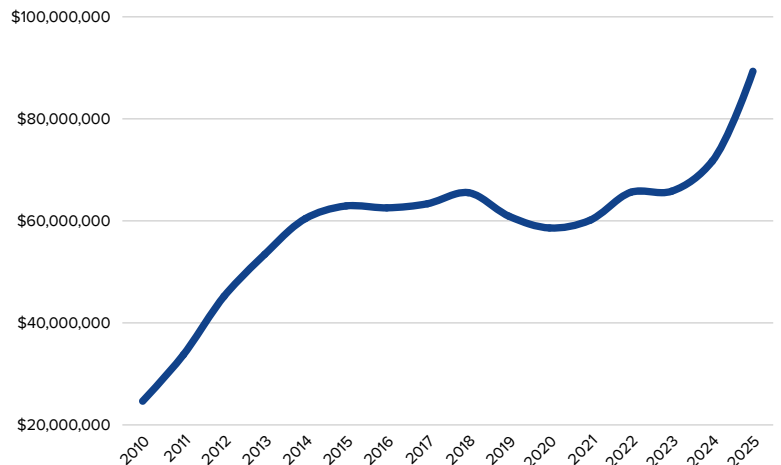
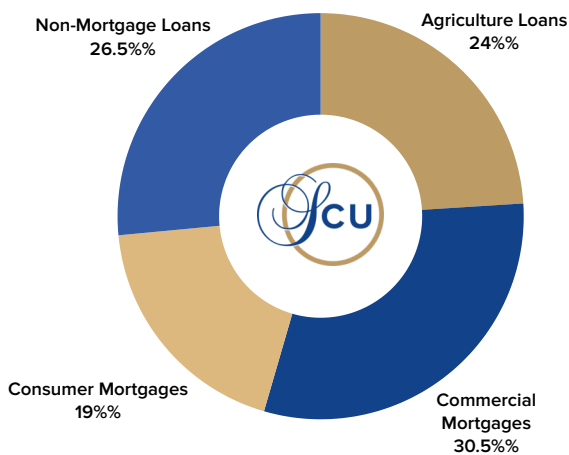
## Assets

Stoughton Credit Union ended December 31, 2025 with total assets of \$169 million up from \$156 million in 2024. This represents a 8% growth in Assets.

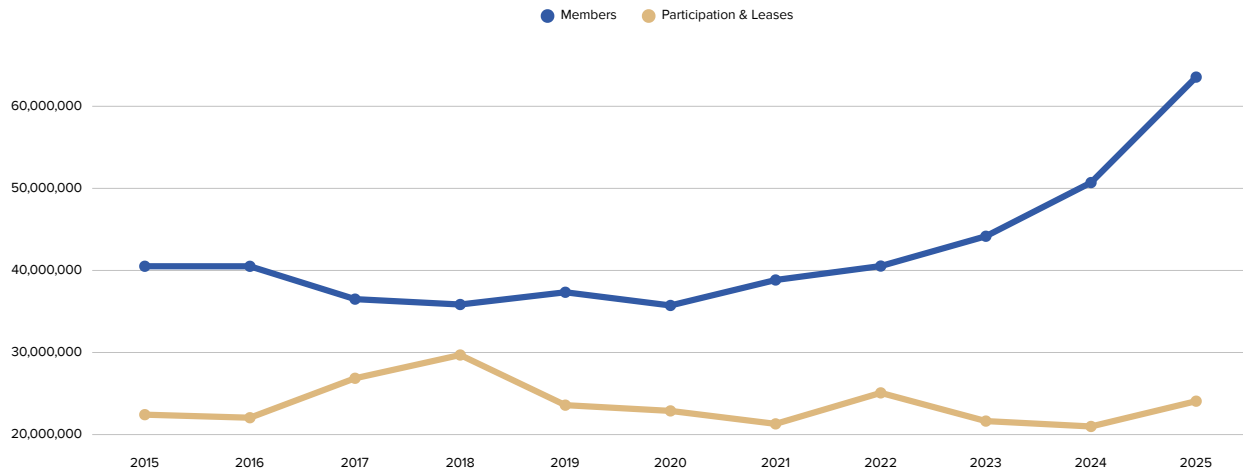


## Loans

Loans made up 53% of total assets and totaled \$89 million. This is an increase of 7% over 2024 which totaled \$71.6 million. The Lending team worked hard this year to grow our loan portfolio.



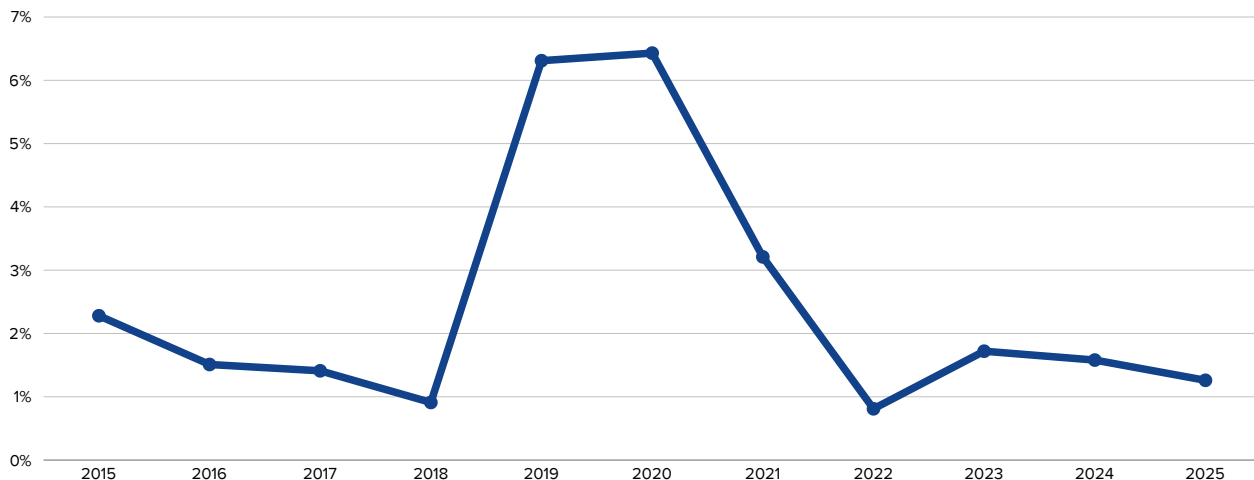
Participation loans pay a big part in our overall loan portfolio. By purchasing loans from other neighboring credit unions it allows us to diversify our portfolio and achieve growth. Over the past 7 years we have been focusing on growing our member originated loans rather than relying on purchased loans. In 2025 our participation loans made up 26% of our total loan portfolio.



## Credit Quality

Loans are considered past due when a borrower is contractually in arrears but where payment is fully expected. Loan delinquency greater than 90 days was 1.26%. Our target is to keep our loan delinquency under 4%. The Credit Union had no foreclosed properties at year end.

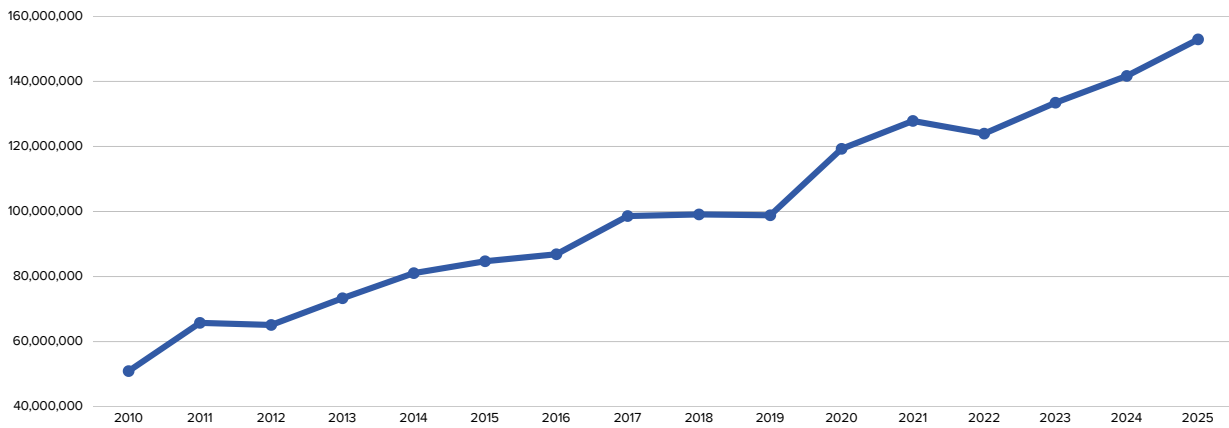
The Credit Union monitors its exposure to potential credit losses and maintains specific loan allowances. The quality of the credit portfolio is confirmed by both internal and external audit processes conducted annually.



## Deposits

The Credit Unions liabilities consist mainly of member deposits from both personal and commercial members. These deposits are 100% guaranteed by the Credit Union Deposit Guarantee Corporations (CUDGC) in the event the credit union were to fail. CUDGC is the regulator of Saskatchewan Credit Unions.

At December 31, 2025, deposits were \$153 million, a 9% increase from the previous years balance of \$142 million.

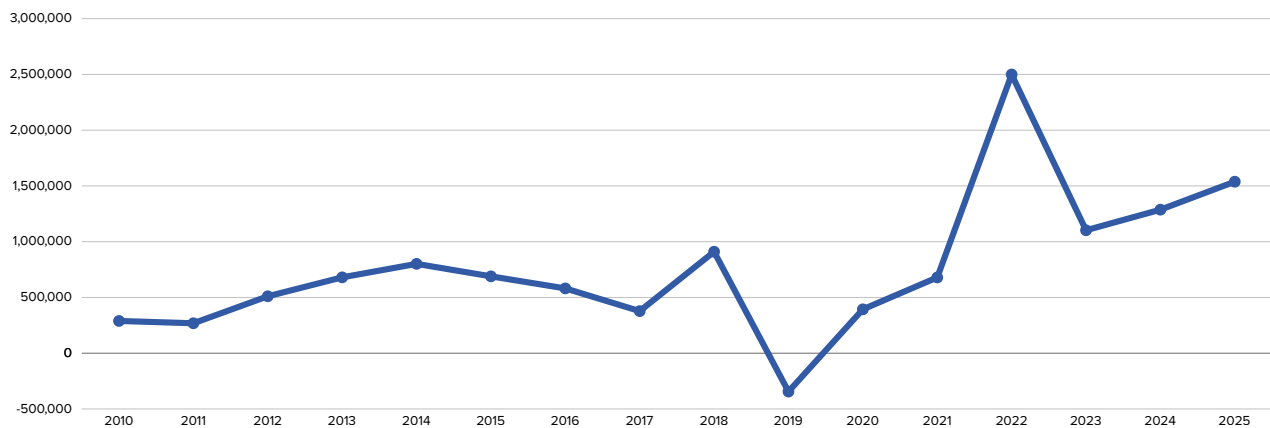


# Financial Performance Review

The financial performance review provides an analysis of the statement of comprehensive income for the Stoughton Credit Union for the year ending December 31, 2025

## Profitability

Total interest revenue decreased slightly in 2025 by \$115,000. Loan interest revenue increased by \$524 thousand while investment revenue decreased by \$639 thousand. We are well positioned to have another increase in loan interest revenue in 2026 as most of our loan growth happening in the second half of the year. Overall, net interest income was up \$200 thousand from 2024. Operating expenses increased slightly, resulting in a before tax income of \$2 million up from \$1.6 million in 2024. Total profit after tax was \$1,538,000 in 2025.



Loan provisions are established when there is potential for delinquency issues and security shortfalls. If these issues do not materialize, we are able to recover the original provision. In 2025 our provision was negative as the provision we made in 2024 was more than what we needed.

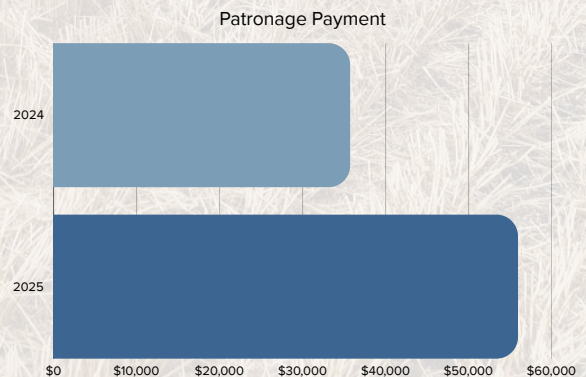
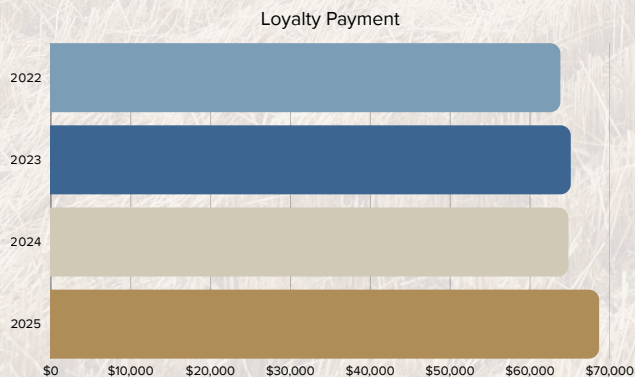
Other income includes revenue from sources like commissions and charges, service fees, loan application and administration fees, fixed asset income, foreign exchange revenue, and gains/losses on fixed assets.

Total operating expenses (non-interest expenses) include expenses such as general business, occupancy, organizational, personnel and security. Operating in an efficient and cost effective manner is a key priority. Operating expenses increased slightly in 2025 up \$70 thousand over the previous year.

2025 was another great year for Stoughton Credit Union and the board has made the decision to pay a Loyalty payment of \$50 per active member and 2% of interest paid back to the membership. [This will be approximately \\$133 thousand returned to our membership in May of 2026.](#) Stoughton Credit Union has been returning a portion of our profits back to our membership since 2021. Some conditions must be met to qualify for either the loyalty payment or our Patronage refund. Those conditions can be found on our website.

*Loyalty*  
over  
**\$262,000**  
*since 2022*

*Patronage*  
over  
**\$91,000**  
*since 2024*



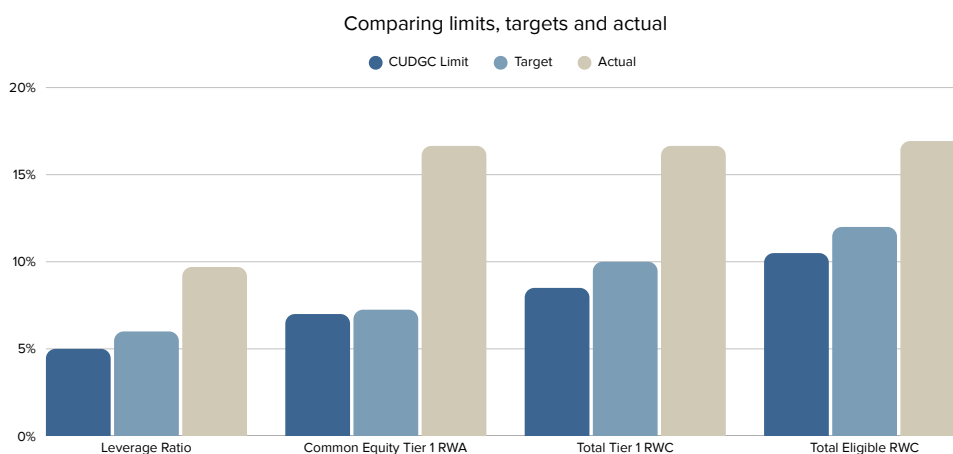
## Capital Management

One of the main measures of financial strength of any financial institution is its capital levels. The credit union's capital consists of equity accounts and retained earnings. Each year the credit union retains a portion of its annual earnings in order to build and maintain capital. The regulator of Saskatchewan credit unions, CUDGC, prescribes capital adequacy measures and minimum capital requirements. Capital adequacy finds a balance between optimizing capital productivity and ensuring a sufficient level of capital is held for potential risk exposures.

Credit unions are required to use four measures to determine capital adequacy. The measure includes these ratios: common equity tier 1 capital to risk weighted assets, total tier 1 capital to risk weighted asset, total eligible capital to risk weighted assets and a leverage ratio. CUDGC requires credit unions to maintain minimums for each ration but has strongly emphasized the need for credit unions to establish stricter-than-regulatory limits in policy, consistent with the notion of operating within a prudential model. CUDGC expects credit unions to set internal targets for each of these measures. This will help to ensure that Saskatchewan credit unions remain strong.

The following table compares CUDGC regulatory standards to the Credit unions' policy tolerances and targets for 2025.

	CUDGC Limit	Target	Actual
<b>Leverage Ratio</b>	5%	6%	9.70%
<b>Common Equity Tier 1 RWA</b>	7%	7.25%	16.65%
<b>Total Tier 1 RWC</b>	8.50%	10%	16.65%
<b>Total Eligible RWC</b>	10.50%	12%-14%	16.93%



## Liquidity

A primary objective of Stoughton Credit Union is to prudently manage liquidity to ensure that the Credit Union is able to generate or to obtain sufficient cash equivalents in a timely manner and at a reasonable price, and to meet commitments as they come due. The Credit Union has an established policy with respect to liquidity, as well as processes and practices with respect to the management of funding requirements. The Credit Union maintains liquid assets and regularly measures and monitors its available liquidity. The Credit Union also maintains external borrowing facilities to complement its liquidity management process.

SaskCentral is the statutory liquidity manager for the Saskatchewan credit union system. Credit unions are required to hold 8.65% of member deposits in statutory liquidity funds and adjust those figures on a quarterly basis.

### Liquidity Coverage Ratio

CUDGC prescribes liquidity adequacy measures and minimum liquidity coverage ratio (LCR) requirements. The LCR measures the stock of HQLA in relation to the net cash outflows (obligation over a 30-day calendar stress scenario)

Effective January 1, 2019, Saskatchewan credit unions were required to maintain a liquidity coverage ratio of 100% credit unions with liquidity ratio levels below these expectations will be subject to increased regulatory monitoring by CUDGC.

As of December 31, 2025 Stoughton Credit Union's liquidity coverage ratio was 393.78% our target is 125%. Well above the regulatory minimum. All investments made in 2025 were in line with the Credit Union's investment policy.



# Executive Management

The management team is charged with carrying out the operations of Stoughton Credit Union, according to the overall strategic direction outlined by the Board of Directors. SCU operates under the following management structure:

Christine Corscadden	General Manager
Derek Baumgartner	Manager of Lending

## Our Staff

The staff of Stoughton Credit Union provides high quality service to our members in our communities. Staff continue to enroll in training courses to improve their skills. Stoughton Credit Union employs 14 staff which support their communities with pride. Our staff commits many hours of their own time on service clubs, sports teams, municipal and churches.

### Stoughton

Christine Corscadden	General Manager
Derek Baumgartner	Manager of Lending
Jolene Martin	Business Account Manager
Barb Corbin	Loan Clerk
Sarah Forsyth	Lending Services Representative
Sherry Ksenych	Manager of Member Service
Veronica Griffin	Senior MSR
Anna Savchenko	MSR
Erin Richaud	Accounting Support Clerk
Holly Fraser	MSR- Casual Part-time
Donna Adams	MSR- Casual Part-time
Shelby Vogel	MSR - Summer Student/Casual
Karla Gervais	Marketing/Project Management

### Kisbey

Crystal Cutler	Branch Manager Kisbey
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**Congratulations to Jolene Martin and Donna Adams who both celebrated 15 years of service in 2025.**



# Corporate Social Responsibility (CSR)

Stoughton Credit Union is committed to being a strong corporate citizen within our trading area. The Credit Union provides funds to projects that add improvement to quality of life, improve public facilities or host events that enrich the community. The Credit Union believes that corporate responsibility and social responsibility go hand in hand – there is a responsibility to be a good corporate citizen by giving back to the communities in which we live and do business.

## *Where Local Matters: Our Impact in 2025*

### Donations/Sponsorships

At Stoughton Credit Union, community is at the heart of everything we do. Because we are locally owned, the success of our communities is also our success. In 2025, we proudly contributed more than \$47,000 through cash donations, sponsorships, and gifts-in-kind to organizations across our trading area.

Our annual Spring BBQ fundraisers once again brought neighbours together while raising funds for important local causes. The events generated \$2,755 for the Stoughton & District Playschool and \$3,168 for the Kisbey Fire Department, supporting organizations that play an important role in our communities.

The spirit of giving continued through our 12 Days of Holiday Cheer, with staff hosting community events including soup lunches in both Stoughton and Kisbey. Our Annual Envelopes of Cheer Giveaway on December 19 shared \$6,500 among 30 local community groups. Our largest donation in 2025 was \$25,000 toward the Stoughton-Tecumseh Fire & Rescue rescue truck.

Altogether in 2025, we supported more than 45 local organizations and fundraisers. These partnerships reflect what it means to be a credit union—working together to strengthen the places we live, work, and call home.



## Staff Donations

In line with our policies, employees at Stoughton Credit Union have the opportunity to 'dress down' on Fridays. Each employee contributes \$50 annually, and the Stoughton Credit Union matches this contribution, allowing staff to donate to a charity or organization of their choice.

In 2025, our team directed \$1,200 in donations. Some of the organizations our staff chose to support include:

- Stoughton Volunteer Ambulance
- Stoughton Central School
- Stoughton Library
- STARS Ambulance

## Scholarships

At Stoughton Credit Union, we support the bright futures of our youth by encouraging their educational dreams. Each year, we offer up to three \$500 scholarships to graduating students ready to start their post-secondary education. These scholarships acknowledge students who are dedicated to their studies, actively engage in their communities, and are committed to shaping their own successful futures.

## The Credit Union Difference

When your credit union does well, our members and communities share in that success. Through loyalty and patronage payments, donations, and sponsorships, we reinvest in the people and places that make our credit union strong.



Where *Local* Matters and you *Belong*

2025 Meals in the Fields



Volunteering at Stoughton Daycamp



Kisbey Fraud Presentation



**STOUGHTON CREDIT UNION LIMITED**

**STOUGHTON, SASKATCHEWAN**

**INDEPENDENT AUDITORS' REPORT AND  
FINANCIAL STATEMENTS**

**DECEMBER 31, 2025**

## MANAGEMENT'S RESPONSIBILITY COMMUNICATION

To the Members,  
Stoughton Credit Union Limited


Management has responsibility for preparing the accompanying financial statements and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and making objective judgements and estimates in accordance with International Financial Reporting Standards.

In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records are maintained.

Ultimate responsibility for financial statements to members lies with the Board of Directors. An Audit Committee of Directors is appointed by the Board to review financial statements in detail with management and to report to the Board of Directors prior to their approval of the financial statements for publication.

Independent auditors appointed by the members audit the financial statements and meet separately with both the Audit Committee and management to review their findings. The independent auditors report directly to the members and their report follows. The independent auditors have full and free access to the Audit Committee to discuss their audit and their findings as to the integrity of the Credit Union's financial reporting and the adequacy of the system of internal controls.

  
Chair, Audit Committee

  
General Manager



## INDEPENDENT AUDITORS' REPORT

**To the Members,  
Stoughton Credit Union Limited**

### *Opinion*

We have audited the financial statements of **Stoughton Credit Union Limited**, which comprise the statement of financial position as at December 31, 2025, and the statements of members equity, comprehensive income, and cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as at December 31, 2025, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Credit Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Saskatchewan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Information Other than the Financial Statements and Auditors' Report Thereon*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Credit Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Credit Union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Credit Union's financial reporting process.

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## INDEPENDENT AUDITORS' REPORT continued

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

February 19, 2026  
Regina, Saskatchewan

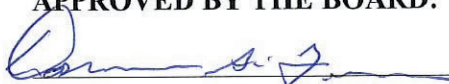
VIRTUS GROUP LLP

Chartered Professional Accountants

**STOUGHTON CREDIT UNION LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2025**  
**(with comparative figures for 2024)**

ASSETS	<u>2025</u>	<u>2024</u>
Cash and cash equivalents (Note 4)	\$ 9,421,940	\$ 13,036,930
Investments (Note 5)	68,277,318	69,537,940
Loans receivable (Note 6)	89,316,789	71,694,610
Other assets (Note 7)	104,741	78,544
Property and equipment (Note 8)	2,466,036	2,547,960
	<u>\$ 169,586,824</u>	<u>\$ 156,895,984</u>
<b>LIABILITIES</b>		
Deposits (Note 9)	\$ 152,918,973	\$ 141,682,462
Other liabilities (Note 11)	441,655	525,516
Shares (Note 12)	8,630	8,470
	153,369,258	142,216,448
<b>MEMBERS' EQUITY</b>		
Retained earnings	16,217,566	14,679,536
Accumulated other comprehensive income	-	-
	<u>\$ 169,586,824</u>	<u>\$ 156,895,984</u>

**APPROVED BY THE BOARD:**

 Director

 Director

*"See Accompanying Notes"*

**STOUGHTON CREDIT UNION LIMITED**  
**STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

	<u>2025</u>	<u>2024</u>
<b>RETAINED EARNINGS</b>		
Retained earnings - beginning of year	\$ 14,679,536	\$ 13,392,476
Net income	<u>1,538,030</u>	<u>1,287,060</u>
Retained earnings - end of year	<u>\$ 16,217,566</u>	<u>\$ 14,679,536</u>
<b>ACCUMULATED OTHER COMPREHENSIVE INCOME</b>		
Accumulated other comprehensive income - beginning of year	\$ -	\$ -
Other comprehensive income	<u>-</u>	<u>-</u>
Accumulated other comprehensive income - end of year	<u>\$ -</u>	<u>\$ -</u>
<b>TOTAL EQUITY</b>	<u><u>\$ 16,217,566</u></u>	<u><u>\$ 14,679,536</u></u>

*"See Accompanying Notes"*

**STOUGHTON CREDIT UNION LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

	<u>2025</u>	<u>2024</u>
<b>Interest revenue</b>		
Loan	\$ 4,212,035	\$ 3,688,304
Investment	2,938,958	3,577,414
	7,150,993	7,265,718
<b>Interest expense</b>		
Member deposits	3,014,433	3,370,234
Patronage allocation	133,128	84,849
	3,147,561	3,455,083
<b>Net interest</b>	4,003,432	3,810,635
<b>Provision for credit losses (recoveries)</b>	(29,821)	168,362
<b>Net interest after provision for credit losses (recoveries)</b>	4,033,253	3,642,273
<b>Other income</b>	336,774	308,625
<b>Operating expenses</b>		
General business	836,339	811,014
Occupancy	159,718	152,770
Organizational	60,806	48,840
Personnel	1,174,147	1,155,174
Security	139,067	131,806
	2,370,077	2,299,604
<b>Income before income taxes</b>	1,999,950	1,651,294
<b>Income taxes (Note 17)</b>		
Current	453,320	400,234
Deferred (recovery)	8,600	(36,000)
	461,920	364,234
<b>Net income before other comprehensive income</b>	1,538,030	1,287,060
<b>Other comprehensive income</b>	-	-
<b>Comprehensive income</b>	\$ 1,538,030	\$ 1,287,060

*"See Accompanying Notes"*

**STOUGHTON CREDIT UNION LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

	<u>2025</u>	<u>2024</u>
<b>Cash provided by (used in) operating activities:</b>		
Comprehensive income	\$ 1,538,030	\$ 1,287,060
Items not involving cash:		
- Amortization	128,908	115,342
- Provision for credit losses (recoveries)	(29,821)	168,362
Net change in other assets and other liabilities	(110,059)	56,882
	<u>1,527,058</u>	<u>1,627,646</u>
<b>Cash provided by (used in) investing activities:</b>		
Investments	1,260,622	(9,255,424)
Loans receivable	(17,592,358)	(6,052,605)
Property and equipment	(46,984)	(61,399)
	<u>(16,378,720)</u>	<u>(15,369,428)</u>
<b>Cash provided by (used in) financing activities:</b>		
Deposits	11,236,512	8,230,696
Shares	160	165
	<u>11,236,672</u>	<u>8,230,861</u>
<b>Decrease in cash</b>	(3,614,990)	(5,510,921)
<b>Cash position - beginning of year</b>	<u>13,036,930</u>	<u>18,547,851</u>
<b>Cash position - end of year</b>	<u>\$ 9,421,940</u>	<u>\$ 13,036,930</u>

*"See Accompanying Notes"*