

34th Annual Report – 1979

**Vancouver City Savings
Credit Union**



Directors and Officers



Standing (left to right): Chief Executive Officer Geoffrey J. Hook, D. G. (Don) Campbell, Bert Gladu, Vice-President Sandra Sutherland, Stan Parsons. Seated (left to right): J. C. (John) Neave, President Mike Betts, Catherine Robertson, Ian Strang. (Not shown, Doreen Coen).

**Vancouver City Savings
Credit Union**

"Owned by the People it Serves"



Legal

Davis & Company

Auditors

Campbell Sharp

Chartered Accountants

Head Office

515 West 10th Avenue,
Vancouver, B.C. V5Z 4A8
Telephone (604) 873-0341

Report of the Board of Directors

The Seventies

As we leave the Seventies it is appropriate to put our progress into perspective by briefly reviewing the years 1970 to 1979. While your Directors are well aware that it is the future which commands attention, they also recognize that we can gain some useful insights from past experience.

As a community owned organization we should look at membership growth as one indication of our progress.

This steady growth in the number of people from the Greater Vancouver area who are joining VanCity encourages confidence in our future. It also offers visible proof that the financial services and operating policies developed and provided by VanCity are well accepted.

Another way of looking at the success of our organization lies in examining the growth of assets during the 1970's. Not only did total financial assets increase dramatically over this period, but the average assets placed with us by each member also grew substantially.

Having reviewed the overall development of VanCity in this ten-year period, it is also useful to record our many achievements, some of which were unique at the time of their introduction.

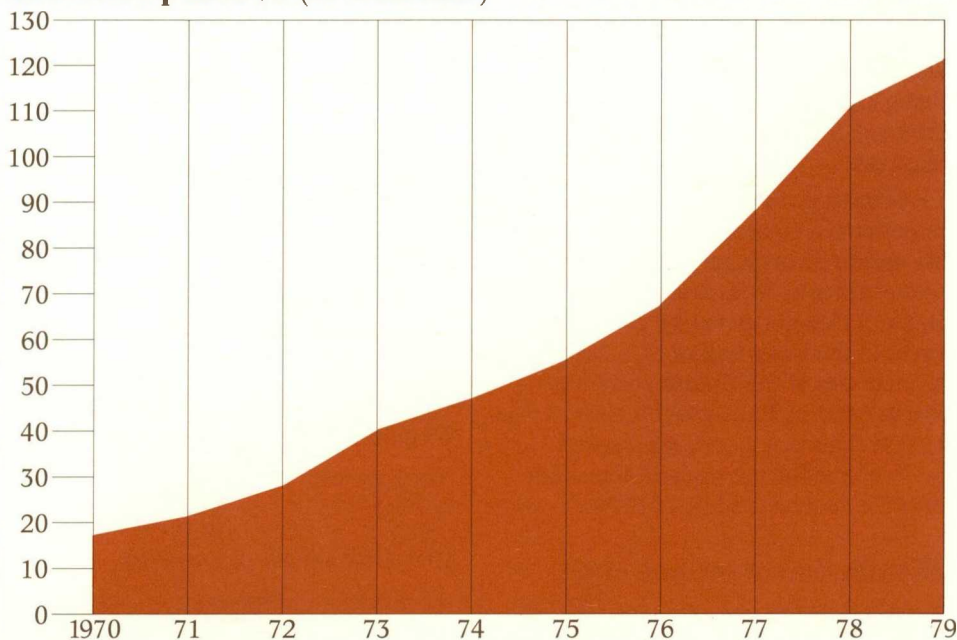
Achievements

- Becoming Canada's largest credit union
- Pioneering 'Open' mortgage and consumer loans
- Opening nine branches
- Introducing Canada's first on-line fully computerized banking system
- Providing universal access to the branch system for all members
- Introducing Plan 24 (daily interest)
- Commencing six-day service at eight branches
- Establishing District Meetings to provide members with useful information on Wills, Estates, Taxes, and Financial Services
- Initiating no-charge, personal Financial Counselling

To Sum Up

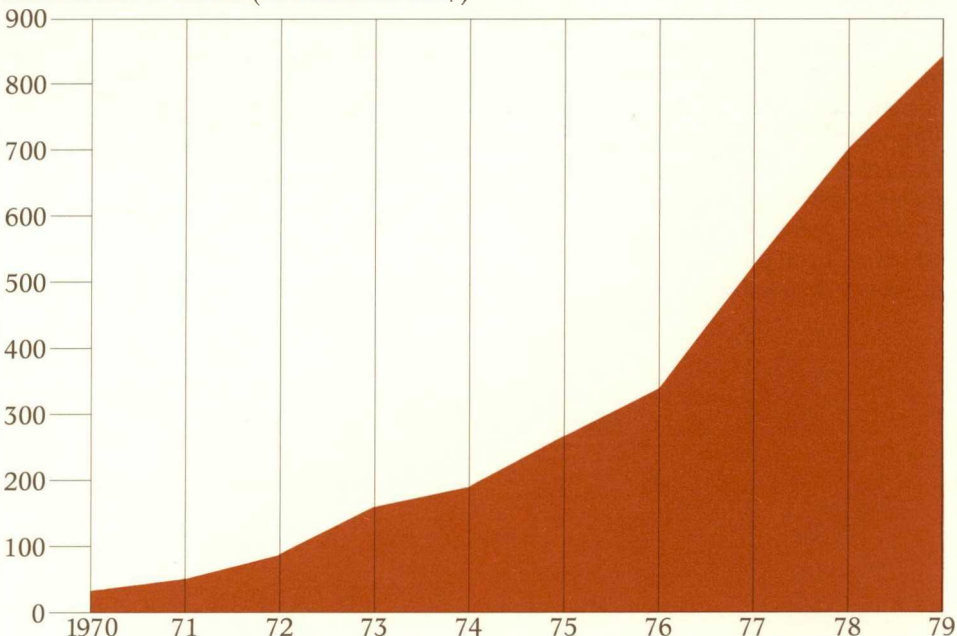
On the whole, the Seventies were prosperous times. Provincially, the B.C. economy grew and expanded signifi-

Membership 1970-79 (in thousands)



VanCity membership was 121,681 at December 31, 1979.

Assets 1970-1979 (in millions of \$)



Assets were \$842,782,680 at December 31, 1979. Average assets per member amounted to \$1,827 in 1970 and increased to \$6,926 in 1979.

cantly. VanCity shared in this growth and established its credibility as a sound, innovative financial organization – one that has its roots set deep in the community it serves.

But it was also a period plagued with inflation, with signs of increasing volatility and turbulence, that are now being experienced around the

world, particularly in the financial market place.

Despite these problems, the Seventies proved to be a decade of considerable satisfaction to your Directors, since VanCity enjoyed significant progress in bringing credit union financial services to the community of Greater Vancouver.

Financial and Operating Report

Continuing worldwide high rates of inflation, coupled with rapidly rising energy costs and political uncertainty in many countries, have had an unsettling effect on international financial markets.

These factors, among others, gave impetus to a continuing interest rate escalation throughout most of the western world, including Canada. The Bank of Canada increased rates five times in the latter half of 1979, leading to increases in the Chartered Banks' Prime Lending Rate, which rose by 3.5% to 15%. This was an unprecedented 3.5% above the previous all time high of 11.5% reached in July of 1974.

During 1979, a steady pattern of growth was maintained. Assets grew by some \$135.3 million, or 19.1%, and membership had a net increase of 11,289. Savings grew by \$137.6 million, or

21.0%, while loans increased by \$105.4 million, or 18.2%. Net Earnings for the year were \$901,454 after paying members a 7% share dividend totalling \$959,815, and providing for income taxes of \$298,325.

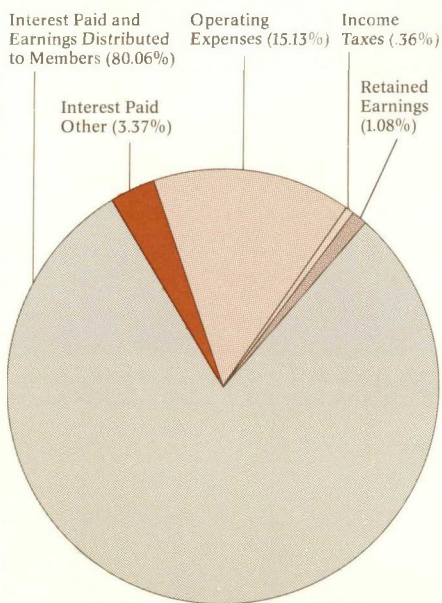
Comparison of Operating Results (in percentages)

	1979	1978	1977	1976	1975
Total Interest & Other Income	100.00	100.00	100.00	100.00	100.00
Interest Paid & Earnings Dist. to Members	80.06	70.75	69.23	72.26	71.37
Interest Paid Other	3.37	3.70	2.62	3.65	5.23
Net Margin	16.57	25.55	28.15	24.09	23.40
Operating Expenses	15.13	17.63	17.96	16.90	17.09
Income Taxes	.36	2.14	2.85	2.23	1.72
Net Earnings	1.08	5.78	7.34	4.96	4.59

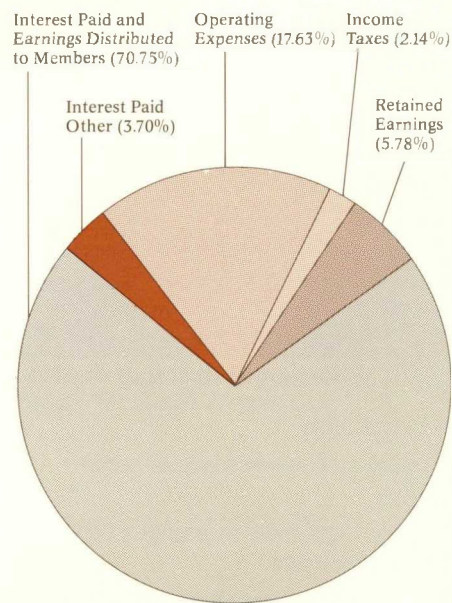
Distribution of Income—1979

Total Interest Income for 1979 was \$81.5 million, an increase of \$19.0 million over last year, out of which \$65.9 million was paid to members as deposit interest, together with approximately \$1 million as a 7% share dividend. Operating Expenses were 15.13% of total income, showing a marked percentage decrease over the previous year. This was the result of continuing efforts to control costs, without sacrificing member services, combined with improved levels of loan delinquencies which reduced the need to make further provision for possible losses.

1979 Distribution of Earnings



1978 Distribution of Earnings



NOTE: Percentages shown as percentage of Total Interest Income plus other income.

Financial Management

Operating Margins will continue to tighten as a result of the rapid rise in deposit interest rates during 1979 and into 1980. These increases in the cost of deposits have not been matched by similar ones in lending rates. We can expect this trend of reduced operating margins to continue for a further period, with a return to more normal operating margins in the latter part of 1980.

Fortunately, financial management policies which were adopted in prior years—in anticipation of difficulties of this nature—have placed your credit union in a strong position as we enter the 1980's. Retained earnings or reserves that have been built over the years from past operations are in excess of \$15 million—well above the minimum requirements of the Credit Unions Act.

Liquidity was increased again in 1979 and represented 16% of Total Deposits at year end. This is substantially above the level required by government regulation and in accordance with our policy of maintaining a sound liquidity position.

Savings and Deposits

Deposit activity for the year was generally in line with expectations, with growth in shares and deposits of \$137.6 million or 21.0%. Term Deposits and Registered Savings were the fastest growing deposits recording annual increases of 24.5% and 28.9% respectively.

Lending Activity

During the year, 21,927 loans amounting to \$242.7 million were approved. Of this total, 3,945 were mortgage loans, a decrease of 1,807 from the previous year. Personal loan approvals for automobiles, recreational vehicles, installment purchases of registered savings plans and other personal needs were up 1,533 over 1978, reflecting good growth arising from the competitive personal loan terms available to our members.

The percentage of loans written off remains stable in relation to loans outstanding at year end. It can continue to be regarded as generally low when compared with the experience of others. We expect a similar level of write offs in 1980.

Retained Earnings in Relation to Loans and Assets

	RETAINED EARNINGS	% LOANS	% ASSETS
1979	\$ 15,420,864	2.26	1.83
1978	14,519,410	2.51	2.05
1977	10,837,893	2.54	2.08
1976	7,480,666	2.70	2.19
1975	5,841,494	2.64	2.16

Ratio of Liquid Assets to Total Deposits* (in millions of \$)

	LIQUID ASSETS**	% DEPOSITS
1979	\$ 132.9	16.19
1978	106.0	15.42
1977	77.7	15.43
1976	54.5	16.49
1975	41.4	15.99

* Includes Share Savings

** Liquid Assets include cash & term deposits, government securities, N.H.A. mortgage investments, shares in B.C. Central Credit Union.

Deposits (in millions of \$)

	1979	1978	1977	1976	1975
Demand	\$ 160.5	\$ 158.6	\$ 131.1	\$ 73.1	\$ 57.0
Term & Other	424.5	341.1	251.6	234.7	181.6
Registered Savings Plans	206.1	159.9	95.3	—	—
Shares	16.3	16.8	16.5	15.4	14.2
Accrued Interest & Provision for Dividends	13.6	10.8	9.1	7.4	6.1
Total	\$ 821.0	\$ 687.2	\$ 503.6	\$ 330.6	\$ 258.9

Loans

	LOANS OUTSTANDING	LOANS WRITTEN OFF	%
1979	\$ 684,008,049	\$ 483,067	.07
1978	578,618,430	426,590	.07
1977	427,843,877	199,689	.05
1976	277,832,646	115,629	.04
1975	220,051,715	37,956	.02

Branch Services

In 1979 we opened our Main Branch in the Head Office building at 10th Avenue and Cambie, Vancouver.

Extending good quality and convenient service to all our members is at the heart of branch service policy. During the year, all branches received attention designed to ensure that physical facilities are maintained at a high standard. Several branches had their layout and fixtures upgraded and expanded. A number of branches had their teller services improved by adding to the existing units.

A vital part of member service at the branch level is the on-line computer banking system. In 1978 we commenced installation of a totally new system which, by mid 1979, started to show considerable improvement over the old computer system. In the latter half of 1979 there was a minimum of service disruption. This high level of service continues to be of real benefit to both staff and members.



Opening Day, 10th & Cambie, February 1979.

The 14 branches (including the new branch opened in January of 1980) are as follows:

BRANCH	MEMBERSHIP	1979%
Broadway & Oak	18,154	14.9
Victoria & 40th	14,120	11.6
Hastings & Kamloops	12,699	10.4
Broadway & Waterloo	13,252	10.9
Marine & 15th	7,901	6.5
Hastings & Madison	13,037	10.7
Fraser & 47th	8,816	7.3
Cambie & 10th	3,575	2.9
Main & 26th	6,432	5.3
Pender & Hornby	5,478	4.5
Broadway & Arbutus	6,698	5.5
Commercial & Kitchener	3,381	2.8
Kingsway & Joyce	8,138	6.7
Granville & 66th	—	—
	121,681	100.0%



VanCity Head Office.



Opening Day, Marpole Branch, January 1980.

Member Relations

In order to develop and maintain a high standard of member contact and communication, activities to serve members were increased somewhat during 1979.

In addition to the Annual Meeting, thirteen other meetings were held to present topics of interest to members. Discussions this year included dialogue on new legislation, The Family Relations Act, and various Tax Deferral Plans. Approximately 1,500 persons attended these meetings.

Four issues of the newsletter "Working Dollars" were published, and more than 1,000 members took advantage of the no-charge private financial counselling service during the year.

The new procedures installed in 1979 to permit members to vote in the branches to elect their Board of Directors got off to a good start. We are most encouraged by the substantial increase in members voting compared to the old method.

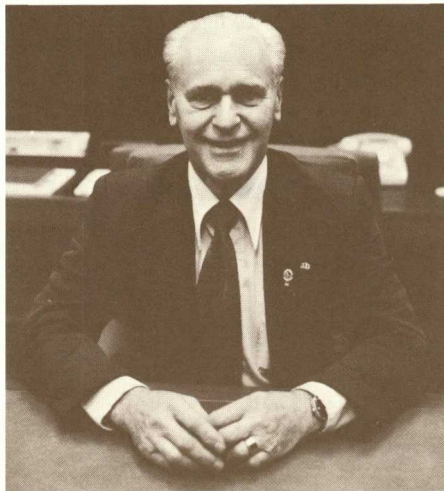


VanCity Insurance Services Ltd.

This agency was established with the object of providing members with the best insurance coverage at a fair price.

The wholly owned subsidiary now has more than 8,600 policy holders, an increase of some 2,100 during the year, and its business continues to increase. We are pleased to report that it again showed satisfactory progress during the year and is essentially performing to plan.

The agency provides insurance counselling to members for all lines of insurance including Autoplan, general insurance, and group and individual life. Service is available from three locations, with others to be added at appropriate future dates.



Bert Gladu, Director

This year, Bert Gladu will retire as a Director of Vancouver City Savings Credit Union. Mr. Gladu was the 95th member to join VanCity after it was chartered in October 1946; and over the course of 33 years has served VanCity in virtually every voluntary capacity. It has been estimated that by 1961, after 13 years on the Credit Committee, Mr. Gladu had already signed over 20,000 loan approvals. Mr. Gladu has been a member of the Board of Directors continuously since 1952 and served as President in the years 1963-1964 and 1970-1972. On innumerable occasions he has been VanCity's representative at provincial and regional credit union conventions and other functions. On the occasion of his retirement, the Board of Directors would like to pay special tribute to Mr. Gladu, for the outstanding contribution to his fellow members over so many years.



VanCity computer service installation.

The Future

In closing this Directors' Report we would like to turn attention to the next ten years, the Eighties. Every indication from both political and economic sources tells the same story: we are entering a period of continuing political unrest and volatile financial markets, perhaps to a degree unknown in the past.

We are fortunate to live in so blessed a country as Canada. Our major problems appear to be centred around the difficulty of learning to live within our own means.

There are some interesting and exciting challenges confronting VanCity in this decade. We plan on gradually expanding branch services to all our members in the Greater Vancouver Region. In addition, these will be supplemented by seven-day service Automated Teller Machines, hopefully commencing in 1981.

At the forefront of all our deliberations and planning is the philosophy of service to our community - to the more than 120,000 individuals who collectively own VanCity.

To Conclude

Finally, a well deserved vote of appreciation to all employees, management and staff, for their substantial contribution.

May we thank all members for their continuing support and understanding during 1979, and we look forward to serving you in 1980.

*Respectfully submitted,
Board of Directors.*

Vancouver City Savings Credit Union

Consolidated
as at Decem

ASSETS

	1979	1978
CASH AND TERM DEPOSITS (Note 3)	\$ 88,616,925	\$ 75,454,458
LOANS TO MEMBERS (Note 4)	<u>683,148,682</u>	<u>577,318,857</u>
INVESTMENTS		
Government securities (market value \$17,271,791; 1978 - \$7,518,437), at cost	19,071,489	7,695,418
Mortgage investments, at amortized cost	19,960,898	20,105,030
Shares in B.C. Central Credit Union, at cost	10,000,000	7,335,100
Debentures of Credit Union Reserve Board, at cost	<u>6,768,654</u>	<u>4,595,088</u>
	55,801,041	39,730,636
LAND, PREMISES AND EQUIPMENT (Note 5)	<u>13,526,492</u>	<u>13,870,711</u>
OTHER ASSETS (Note 6)	<u>1,689,540</u>	<u>1,132,560</u>
	<u>\$ 842,782,680</u>	<u>\$ 707,507,222</u>

Approved by the Directors

M. Betts, *Director*

S. Sutherland, *Director*

Balance Sheet

December 31, 1979

LIABILITIES AND MEMBERS' ACCOUNTS

	1979	1978
DEPOSITS OF MEMBERS		
Deposits withdrawable on demand	\$ 160,522,508	\$ 158,641,946
Term deposits (Note 7)	397,637,632	310,317,419
Registered savings plans (Note 8)	205,977,046	159,941,756
Accrued interest on deposits	12,656,765	9,788,715
SHARES OF MEMBERS		
Shares	16,292,695	16,745,260
Provision for dividends	958,956	999,494
Total members' accounts	794,045,602	656,434,590
DEPOSITS OF NON-MEMBERS	27,040,064	30,817,992
MORTGAGES PAYABLE (Note 9)	2,777,882	2,804,007
CURRENT LIABILITIES		
Accounts payable	838,268	602,680
Current income taxes	—	256,543
DEFERRED INCOME TAXES	2,660,000	2,072,000
RETAINED EARNINGS	15,420,864	14,519,410
	<u>\$ 842,782,680</u>	<u>\$ 707,507,222</u>

Vancouver City Savings Credit Union

Consolidated Statement of Earnings and Retained Earnings

for the year ended December 31, 1979

	1979	1978
INTEREST EARNED		
Interest on loans	\$ 67,563,612	\$ 53,129,117
Interest on investments	13,930,284	9,358,430
	<u>81,493,896</u>	<u>62,487,547</u>
INTEREST EXPENSE		
Interest on members' deposits	65,909,377	43,938,205
Interest on non-members' deposits	1,953,484	1,506,689
Interest on borrowed money	862,312	841,139
	<u>68,725,173</u>	<u>46,286,033</u>
OPERATING MARGIN	12,768,723	16,201,514
OTHER INCOME	2,028,545	945,869
	<u>14,797,268</u>	<u>17,147,383</u>
OPERATING EXPENSES		
Salaries and employee benefits	7,454,183	5,455,404
Occupancy and equipment expense	1,297,192	1,456,606
Computer system expense	920,204	772,942
General operating expense	2,966,095	2,520,954
Provision for losses on loans	-	906,348
	<u>12,637,674</u>	<u>11,112,254</u>
EARNINGS FROM OPERATIONS	2,159,594	6,035,129
DIVIDENDS ON SHARES OF MEMBERS	959,815	1,004,112
EARNINGS BEFORE INCOME TAXES	<u>1,199,779</u>	<u>5,031,017</u>
INCOME TAXES		
Current (recovery)	(289,675)	827,000
Deferred	588,000	531,660
	<u>298,325</u>	<u>1,358,660</u>
NET EARNINGS FOR THE YEAR	901,454	3,672,357
RETAINED EARNINGS, BEGINNING OF YEAR	14,519,410	10,847,053
RETAINED EARNINGS, END OF YEAR	<u>\$ 15,420,864</u>	<u>\$ 14,519,410</u>

Vancouver City Savings Credit Union

Consolidated Statement of Changes in Financial Position

for the year ended December 31, 1979

SOURCE OF FUNDS

	1979	1978
INCREASE IN MEMBERS' SAVINGS		
Deposits withdrawable on demand	\$ 1,880,562	\$ 27,558,567
Term deposits	87,320,213	77,253,124
Registered savings plans	46,035,290	64,609,811
Accrued interest	2,868,050	1,622,049
Shares, including dividends	(493,053)	255,092
Total increase in members' savings	<u>137,611,062</u>	<u>171,298,643</u>
INCREASE (DECREASE) IN DEPOSITS OF NON-MEMBERS	<u>(3,777,928)</u>	<u>12,352,931</u>
OPERATIONS		
Net earnings for the year	901,454	3,672,357
add: items not affecting funds	1,561,765	1,936,109
Total from operations	<u>2,463,219</u>	<u>5,608,466</u>
OTHER	<u>(587,765)</u>	<u>283,857</u>
	<u>\$ 135,708,588</u>	<u>\$ 189,543,897</u>

APPLICATION OF FUNDS

INCREASE IN CASH AND TERM DEPOSITS	\$ 13,162,467	\$ 18,434,258
INCREASE IN LOANS TO MEMBERS	105,829,825	150,774,553
INCREASE IN INVESTMENTS	16,070,405	16,014,275
INCREASE IN LAND, PREMISES AND EQUIPMENT	619,766	1,882,159
DECREASE IN SECURED LOANS	26,125	2,438,652
	<u>\$ 135,708,588</u>	<u>\$ 189,543,897</u>

Vancouver City Savings Credit Union

Notes to the Consolidated Financial Statements

December 31, 1979

1. Significant Accounting Policies

a) Principles of Consolidation

The consolidated statements include the assets, liabilities, and operating results of the credit union and its wholly owned subsidiaries:

VanCity Insurance Services Ltd.
V.C.S. Housing Developments Ltd.
V.C.S. Condominium Developments Ltd.

The subsidiary companies' principal objects include providing of insurance services to credit union members, the ownership of rental housing, and the development of housing for resale.

Certain projects of property ownership and development have been undertaken in partnership with others. In respect of these projects the consolidated financial statements include the net assets representing the credit union's share of the projects.

b) Allowance for Doubtful Loans

The allowance for doubtful loans is computed on the basis of specific loans which, in management's opinion, may not be fully collectible. Loans considered uncollectible are written off.

c) Members' Shares and Dividends Payable

Members' shares are in practice withdrawable on demand and may be redeemed by the credit union.

Dividends on shares are charged to earnings for the year in respect of which they are calculated.

d) Income Taxes

The credit union claims reserves for income tax purposes which are permitted in respect of loans and certain other assets. This claim for income tax purposes exceeds the related provisions recorded in the accounts and results in a reduction of income taxes currently payable. This reduction in taxes may become payable in certain circumstances and accordingly the credit union has provided for this liability as Deferred Income Taxes.

e) Depreciation

Buildings are depreciated on a declining balance method at a rate of five percent per year.

Equipment is depreciated on a straight line method over the useful life of the asset. The useful life of various assets is estimated to range from three to ten years.

Leasehold improvements are amortized over ten years.

f) Comparative Figures

The comparative figures for 1978 have been reclassified to conform with the financial statement presentation adopted for 1979.

2. Credit Unions Act

The credit union is incorporated under the Credit Unions Act of British Columbia. Among other things, the Act prescribes an amount of retained earnings to be maintained before the payment of dividends for the year. As a result, share dividends and other distributions of earnings may be restricted.

Retained earnings consists of:	1979	1978
Minimum required statutory retained earnings	\$ 12,412,421	\$ 8,965,881
Balance which has been appropriated by the Directors as additional reserves	3,008,443	5,553,529
	<u>\$ 15,420,864</u>	<u>\$ 14,519,410</u>

4. Loans to Members

Loans to members consist of:	1979	1978
Loan balances	\$ 679,489,798	\$ 574,316,941
Accrued interest	4,518,251	4,301,489
	684,008,049	578,618,430
less: allowance for doubtful loans	859,367	1,299,573
	<u>\$ 683,148,682</u>	<u>\$ 577,318,857</u>

3. Cash and Term Deposits

	1979	1978
Cash on hand, deposits with banks and B.C. Central Credit Union, and cheques and other items in transit, net	\$ 6,153,063	\$ 3,868,231
Demand and term deposits with B.C. Central Credit Union		
- due within one year	63,175,000	54,050,000
- due beyond one year	4,000,000	-
Cashable term deposits with chartered banks		
- due within one year	9,000,000	5,803,515
- due beyond one year	5,000,000	11,000,000
Accrued interest on deposits	1,288,862	732,712
	<u>\$ 88,616,925</u>	<u>\$ 75,454,458</u>

Changes in the allowance for doubtful loans during the year are as follows:

	1979	1978
Balance, beginning of year	\$ 1,299,573	\$ 770,427
Collections on loans previously written off	42,861	49,388
	1,342,434	819,815
Uncollectible loans written off	483,067	426,590
	859,367	393,225
Expense for the year	-	906,348
Balance, at end of year	<u>\$ 859,367</u>	<u>\$ 1,299,573</u>

Notes to the Consolidated Financial Statements (continued)

December 31, 1979

5. Land, Premises and Equipment

	Cost	Accumulated Depreciation	1979 Net	1978 Net
Land	\$ 2,547,908	\$ —	\$ 2,547,908	\$ 2,547,908
Buildings	10,336,256	1,373,434	8,962,822	9,166,304
Leasehold improvements	396,522	184,035	212,487	241,873
Construction in progress	10,414	—	10,414	132,512
Office furniture and equipment	3,601,787	1,808,926	1,792,861	1,782,114
Land, premises and equipment	\$ 16,892,887	\$ 3,366,395	\$ 13,526,492	\$ 13,870,711

Total depreciation during the year amounted to \$970,981 (1978—\$875,303).

6. Other Assets

	1979	1978
Property acquired in settlement of loans, at lower of cost and net realizable value	\$ 379,279	\$ 577,819
Property acquired for development and resale as member housing, at lower of cost and net realizable value	228,987	225,375
Income tax recoverable	371,562	—
Other	709,712	329,366
	\$ 1,689,540	\$ 1,132,560

7. Term Deposits

Term deposits of members mature in the following years:

	1979	1978
On demand and within 1 year	\$ 314,888,661	\$ 209,089,329
1–2 years	26,603,407	28,013,007
2–3 years	27,092,350	23,131,217
3–4 years	17,554,179	24,846,614
4–5 years	5,423,299	17,833,535
5–10 years	369,808	219,176
Beyond 10 years	5,705,928	7,184,541
	\$ 397,637,632	\$ 310,317,419

8. Registered Savings Plans

Deposits received from Trustees for the following plans:

	1979	1978
VanCity Savings Retirement Plan	\$ 175,188,401	\$ 133,669,210
VanCity Savings Registered Retirement Income Fund	179,915	64,185
VanCity Savings Home Ownership Savings Plan	24,358,240	21,987,713
VanCity Savings Deferred Profit Sharing Plan	2,076,639	1,022,673
	201,803,195	156,743,781
Other		
Income Averaging Annuity Contracts	4,173,851	3,197,975
Total Registered Savings Plans	\$ 205,977,046	\$ 159,941,756

9. Secured Loans

	1979	1978
Mortgages Payable		
Mortgage, secured by a first charge on certain land and building, repayable monthly over a term of twenty years	\$ 2,613,403	\$ 2,624,817
Mortgages on residential rental property	164,479	179,190
	\$ 2,777,882	\$ 2,804,007

Line of Credit

The credit union has an operating line of credit with B.C. Central Credit Union, secured by a debenture which provides a floating charge on all its insured mortgage loans. As at December 31, 1979, no amount is owing under this line of credit.

10. Lease Commitments

Certain branch premises are leased for varying terms to 1990. Annual rentals under these leases for 1980, will amount to \$363,394.

11. Statutory Information

Regulations to the Credit Unions Act require disclosure of the following information:

- At December 31, 1979 outstanding loans to directors, officers and employees amounted to \$3,706,945 (1978—\$3,106,760).
- The total aggregate remuneration paid to directors, all of which is paid to the President, was \$3,000 in 1979 and \$3,000 in 1978.
- Compensation of credit union employees includes the benefit of loans granted at reduced rates. The loans, which are included in the amount shown in (a) above, were granted at the following rates of interest: 8%—\$1,165,854; 6%—\$82,105; Nil%—\$115,011.

Auditors' Report

To the Members of
Vancouver City Savings Credit Union.

We have examined the consolidated balance sheet of Vancouver City Savings Credit Union as at December 31, 1979 and the consolidated statements of earnings and retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the credit union as at December 31, 1979 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

In accordance with Section 78 of the Credit Unions Act we further report that we consider the procedures adopted by the credit union are adequate for the safety of its creditors and members, and the credit union is in sound financial condition.

Vancouver, Canada.
February 4, 1980.

CAMPBELL SHARP
Chartered Accountants

Vancouver City Savings Credit Union

Full Range of Financial Services for Members

Share-Savings Membership Account – annual dividends.

Plan 24 Passbook Savings – daily interest account.

Special Savings – interest on minimum monthly balance.

Convenience Account – chequing/line of credit combined.

Term Deposits – terms for 30 days to 5 years, on deposits of \$500 or more.

Monthly Income Term Deposits – \$4,000 minimum, terms from 2 to 5 years.

Compound Interest Term Deposits – \$100 minimum, terms from 2 to 10 years.

Gold Card Club – no-charge services for members age 55 and better.

Registered Retirement Savings Plans (RRSP's); Variable Rate or Fixed Term – 2 or 3 year terms.

Registered Home Ownership Savings Plans (RHOSP's)

Registered Retirement Income Funds (RIF's)

Income Averaging Annuities

Deferred Profit Sharing Plans

Solicitors Trust Accounts

Personal Loans – for any worthwhile purpose.

Open and Fixed Residential First Mortgages – Conventional, NHA/MICC. Terms of from 1 to 3 years.

Second Mortgages

Commercial Mortgages

Universal Access – interbranch deposits, withdrawals and loan payments.

Night Depository Service

Safety Deposit Boxes

Quick Depository

Travellers' Cheques (American Express, Thomas Cook)

Money Orders and Drafts

Canada Savings Bonds

Purchase and Sale of Securities.

Utility Payments – Collection of B.C. Hydro and B.C. Telephone bills.

Property Tax Payments Accepted – City of Vancouver, Municipality of Burnaby, District of Coquitlam, Corp. of the Township of Langley, Municipality of Delta.

No-charge Financial Counselling – by appointment.

No-charge Law Information Service.

National and Western Lottery Tickets.

VanCity Insurance Services Ltd. –

Autoplan, Life Insurance, Fire and Casualty.

Branches

VANCOUVER:

- ① 1030 West Broadway V6H 1E6
G. R. Newman, *Manager*
- ② 5590 Victoria Drive V5P 3W1
S. L. Grindeland, *Manager*
- ③ 2510 East Hastings Street V5K 1Z3
R. W. Joncas, *Manager*
- ④ 3395 West Broadway V6R 2B1
C. P. M. Heijke, *Manager*

WEST VANCOUVER:

- ⑤ 1548 Marine Drive V7V 1H8
S. K. Fehr, *Manager*

NORTH BURNABY:

- ⑥ 4302 Hastings Street V5C 2J9
E. I. Manaiyre, *Manager*

VANCOUVER:

- ⑦ 6330 Fraser Street V5W 3A4
M. A. McDonald, *Manager*
- ⑧ 519 West 10th Avenue V5Z 1K9
J. H. Iseli, *Manager*
- ⑨ 4205 Main Street V5V 3P8
A. M. Ismail, *Manager*
- ⑩ 898 West Pender Street V6C 1J8
D. W. Parkinson, *Manager*
- ⑪ 2106 West Broadway V6K 4L1
A. J. Campbell, *Manager*
- ⑫ 1380 Commercial Drive V5L 3X6
D. E. Zulke, *Manager*
- ⑬ 3305 Kingsway V5R 5K6
R. Baumbusch, *Manager*
- ⑭ 8289 Granville Street V6P 4Z6
V. Freed, *Manager*
- ⑮ 2380 West 41st Avenue V6M 2A4
K. Maaker, *Manager*
(Opening Summer, 1980)

BURNABY:

- ⑯ 3977 North Road V3J 1S2
(Opening Summer, 1980)

VanCity Insurance Services Ltd.

515 West 10th Avenue
R. J. Evelle, *Manager*
#205–2112 West Broadway
D. Roberts, *District Representative*
#309–6330 Fraser Street
W. Garbe, *District Representative*

HEAD OFFICE

515 West 10th Avenue
Vancouver, B.C.

G. J. Hook,
Chief Executive Officer
& *General Manager*

ADMINISTRATION DIVISION

B. A. F. Higgs,
Divisional Manager
M. Dukes,
Accounting Manager
J. P. Smith,
Computer Services Manager
G. F. N. Langdon,
Internal Auditor

R. Kelly,
Investments Manager

V. F. Blamey,
Systems & Procedures Manager

HUMAN RESOURCES DIVISION

W. E. McKay,
Divisional Manager

L. Wald,
Personnel Manager

J. M. Chapman,
Employee Relations Officer

D. B. Salvador,
Training & Development Manager

MARKETING DIVISION

E. R. Hayne
Divisional Manager

B. D. Oliver,
Member Relations Manager

K. W. Isbister,
Special Projects Coordinator

F. J. Fox,
Research Development Officer

G. Scott,
Service Development Manager

OPERATIONS DIVISION

C. F. Coffey,
Divisional Manager

G. E. Smith,
Branch Operations Manager

W. J. Thame,
Credit Manager

D. C. Turnbull,
Security & Premises Manager

R. A. Frampton,
Registered Savings Plans Manager

VanCity Objectives

- To build, maintain and encourage membership in a financially sound credit union serving the people of Greater Vancouver.
- To contribute to the welfare and expansion of the credit union movement in Canada and abroad.
- To provide to members the best savings service with the highest possible return and the best credit service at the lowest possible cost, and the best ancillary services at the lowest possible cost, consistent with sound operating principles.
- To assist people in the management of money and to provide financial information, counselling and similar services in their best interests.
- To maintain effective membership control of the credit union through membership meetings, democratic elections and participation on committees.
- To create working conditions and employment opportunities in which staff members may find satisfaction and encouragement to grow and develop with the credit union.
- To maintain a worthy position in the financial field, the general field of business and the community.

