

# Annual Report

FOR THE FISCAL YEAR ENDING 2025



**1<sup>st</sup>**  
**Choice Savings<sup>®</sup>**  
and Credit Union Ltd.

## Table of Contents

---

Annual General Meeting Agenda.....	3
Minutes of the Annual General Meeting.....	4
A Message from your Board.....	7
Board of Directors.....	10
A Message from your President & Chief Executive Officer .....	11
Report of the Audit & Risk Committee .....	15
Report of the Finance Committee.....	16
Report of the Governance Committee .....	17
Credit Committee Report.....	18
Management Discussion and Analysis.....	19
Summarized Financial Statements .....	24

## Annual General Meeting Agenda

---

- 1) Call Order
- 2) Confirmation of Quorum
- 3) Introduction of Guests
- 4) Acceptance of Agenda
- 5) Minutes of the February 11, 2025 Annual General Meeting
- 6) Board Chair Report
- 7) President & CEO Report
- 8) Auditors Report
- 9) Audit & Risk Committee Report
- 10) Finance Committee Report
- 11) Governance Committee Report
- 12) Credit Committee Report
- 13) Resolutions
- 14) New Business
- 15) Adjournment

# Minutes of the Annual General Meeting

---

Date: February 11, 2025

Time: 5:30 P.M.

Location: Zoom Conference Call

**1. Call to Order**

The meeting was called to order at 5:36 P.M.

Don Aos recognized Eileen Graham as the recording secretary.

**2. Confirmation of Quorum**

There were over 100 members and several guests in attendance. Don Aos declared a quorum.

**3. Introduction of Special Guests**

Don Aos advised that we are honoured to have a number of guests with us from Alberta Central and the Credit Union Deposit Guarantee Corporation. Don Aos acknowledged their attendance and sincerely thanked them for attending.

**4. Approval of Guests**

It was moved to approve the guests in attendance.

**Robert Gardiner & Nancy Graham; Carried**

**5. Acceptance of Agenda**

It was moved to accept the agenda.

**Darrel Koskewich & Cindy Koskewich; Carried**

**6. Minutes**

It was moved that the minutes of the February 13, 2024 Annual General Meeting be adopted as circulated.

**Leslie Vaala & Sean Kjos; Carried**

**7. Board Report to the Membership.**

Don Aos presented the Board report to the Membership.

**8. CEO Report to the Membership**

Jason Sentes provided a report to the Membership, including a summary of the financial statements.

**9. Auditors Reports**

Derek Taylor of KPMG provided a summary of the Independent Auditors Report. It was moved to accept the Auditor's report as presented.

**Sean Kjos & Cindy Koskewich; Carried**

**10. Audit & Risk Committee Report**

David Gurr presented the report on behalf of Audit and Risk Committee.

**11. Finance Committee Report**

Wendy Kallen presented the report on behalf of the Finance Committee.

**12. Governance Committee Report**

Karl Kloepper presented the report as Chair of the nominations. It was moved to destroy the ballots from the election.

**Karl Kloepper & Nancy Graham; Carried**

**13. Credit Committee Report**

Jason Kroetsch presented the Credit Committee Report.

**14. New Business**

There is no new business.

**15. Adjournment**

Don Aos called for a motion to adjourn, moved to adjourn at 6:09 P.M.

**Darrel Koskewich; Carried**

  
\_\_\_\_\_  
Don Aos, Board Chair

  
\_\_\_\_\_  
Karla Mather-Cocks, Secretary

## A Message from your Board

---

The past year has been one of resilience, accomplishment, and an unwavering commitment towards strengthening our credit union for future success. During a year of significant change and uncertainty in the world around us, we at 1<sup>st</sup> Choice Savings and Credit Union have continued to prioritize the financial well-being of our members, and have remained steadfastly focused on our mission, core values, and the cooperative principles that define our credit union system.

### FINANCIAL HIGHLIGHTS

While profitability levels were below expectations this past year, we continued to slowly recover from the heightened interest-rate volatility experienced over the past few years. As we emerge from that challenge, we expect that our Net Interest Income will continue to be a key focus for our credit union going forward. Net Interest Income refers to the difference between interest earned on our assets (primarily member loans and mortgages) and the interest paid on our liabilities (primarily member deposits). A record number of residential mortgages that were locked-in during the low-interest rate environment of the pandemic are now beginning to come due for renewal, as are the higher rate term deposits from more recent years. We anticipate that this re-pricing of our balance sheet should provide added stability and a more consistent earnings level moving forward for our credit union.

Despite the lower-than-expected profitability, we are pleased to report that we were able to declare investment and common share dividends to our members in the amount of \$325,000 this past year. Along with those dividends, our credit union continues to show significant growth in many key areas including assets, loans, and membership. Over the past year we experienced asset growth of 13%, loan growth of 17% and membership growth of 3%.

### FOCUS ON COMMUNITY

At the foundation of every credit union is a strong commitment to serving and empowering the communities in which we operate. At 1<sup>st</sup> Choice Savings and Credit Union we take that commitment to heart. We are very proud and excited to announce that a new branch will be

opening in Coaldale in late 2026. A groundbreaking ceremony was held last October along with local leaders from the community, and construction has begun and is now well underway. We encourage you to watch the progress, share in the excitement, and we very much look forward to becoming a part of the Coaldale community for many years to come. This past year also saw the successful completion of the upgrades to our Fairmont Branch. Many of you may have noticed a slightly different look to the building, as we have completed significant renovations that will not only enhance our staff experience, but will provide expanded room for training and education for our employees and potentially for our member community as well.

We continue to be actively engaged with Lethbridge Polytechnic as a major donor to their Agriculture Sciences degree and diploma programs, as well as providing financial support to their Your Partner in Stem initiative that helps introduce K-12 students to career possibilities in the trades. We also continued our relationship with the Building Industry and Land Development (BILD) Lethbridge Region, including participation in the Parade of Homes as well as being a primary sponsor of the Southern Alberta Home, Garden and Leisure Show.

## **FINANCIAL LITERACY**

Over the past year, our Board and Management have identified the financial literacy of our members as one of our top priorities. As part of that commitment, we have recently collaborated with a large well-known local business in our community to offer financial wellness sessions to their employees in a pilot program which has seen tremendous success. Going forward, we hope to expand the success of this initiative with similar strategic partnerships with other credit union member businesses. We also continue to seek ways to educate our members in areas such as investing, budgeting, fraud prevention, and cyber security through our digital platforms as well as through social media. Our website features a content section called Insights which provides a wealth of valuable knowledge on many of these topics. We further encourage our members to reach out anytime to our skilled and knowledgeable staff for assistance in meeting your personal, business, agricultural, or wealth management needs.

## **DIGITAL BANKING EXPERIENCE**

During the past year we remained focused on our commitment to grow and deliver an enhanced digital banking experience to all of our members. We continue to make changes and improvements to our website, online banking, and mobile apps to meet the digital banking needs of our members. All of this is done with the utmost priority and focus on member privacy and data security. Behind the scenes, we continue with upgrades to our network and banking platforms ensuring compliance, data integrity, and improved decision-making capabilities for our employees. We will continue to innovate to make banking easier and more convenient for all our members.

## **WORKING TOGETHER**

Our strength and growth as a credit union can only happen with the continued support from our employees, our local communities, and our members. Our employees are the ones who bring our vision to life and continue to guide the culture of our organization. We greatly appreciate your commitment to providing high quality, knowledgeable, and professional service. To our members, we thank you for placing your trust in our advice, service, and expertise. Your success is our success, and we are dedicated to providing the solutions you need to navigate your financial journey. Lastly, I would like to extend an additional thank you to my fellow Board members for their commitment, dedication, and vision.

Sincerely on behalf of the Board of Directors,

Don Aos

Chair of the Board

## Board of Directors

---

The Board of Directors provide strategic leadership and governance to ensure the long-term strength, stability, and integrity of our credit union. As elected representatives of our members, the Board is committed to acting in the best interests of the membership while upholding cooperative values and sound financial stewardship.

Throughout the year, Directors work closely with management to set strategic direction, oversee risk, and ensure compliance with regulatory and governance standards. Their collective experience, diverse perspectives, and dedication help guide decisions that support sustainable growth, member service excellence, and community impact.

We are grateful for the Board's commitment of time, expertise, and leadership in service of our members and our cooperative.



Don Aos  
*Chair*



Karl Kloepper  
*Vice Chair*



Chris Yauck  
*Secretary*



David Gurr



Wendy Kallen



Karla Mather-  
Cocks



Adam Zanoni

## A Message from your President & Chief Executive Officer

---

It is my pleasure to provide my report to our members on the accomplishments of 1<sup>st</sup> Choice Savings for the 2025 fiscal year.

As we reflect on the year ended October 31, 2025, it is clear that many of the global and economic forces present in 2024 continue to shape our world today. Multiple areas of geopolitical conflict persist, severe weather events have become a regular part of daily life, and the rapid evolution of artificial intelligence continues to disrupt traditional ways of working and doing business. At the same time, political uncertainty, the introduction and expansion of tariffs, and broader disruptions to the global economic order remain top of mind for individuals, businesses, and financial institutions alike.

In summary, there is as much - if not more - uncertainty today than there was last year. Uncertainty fuels volatility in global relations, economies, and financial markets, creating a challenging environment for both businesses and individuals. It is easy to become consumed by the constant negative “noise” that surrounds us and lose sight of the positive momentum that exists beneath the surface.

An important anchor for 1<sup>st</sup> Choice Savings, one that helps us see clearly through that noise is our purpose: *To Enrich the Financial Well-Being of Members.*

This seemingly simple statement guides your Board of Directors, management, and staff in everything we do. Our enduring commitment to this purpose is what made 2025 another successful and exciting year for our credit union.

### FINANCIAL PERFORMANCE HIGHLIGHTS

Despite ongoing economic and market uncertainty, 1<sup>st</sup> Choice Savings delivered strong financial results, driven by disciplined growth, prudent risk management, and a continued focus on member value.

- Loans grew from \$701 million to \$820 million, reflecting continued demand for personal, mortgage, and commercial lending solutions.
- Deposits increased from \$753 million to \$807 million, demonstrating members' trust in the strength and stability of their credit union.
- Total Assets grew from \$831 million to \$940 million, a significant milestone that underscores the sustained growth of our organization.
- Net interest margin increased from \$11.6 million to \$15.4 million, driven by strong loan growth and the effective repricing of both deposit and loan portfolios in a changing interest rate environment.
- Income before tax improved from \$601 thousand to \$1.2 million, reflecting improved margins, sound expense management, and a resilient core business.
- Our wealth management services also experienced strong momentum with the mutual fund portfolio growing from \$211 million to \$249 million.
- Total assets under administration increased from \$1.039 billion to \$1.188 billion.

These results reflect growing member engagement with our advisory services and reinforce the importance of offering holistic financial solutions that support members at every stage of life.

### **MEMBERSHIP GROWTH**

Membership increased by 3% over the previous year, a clear indicator that more individuals and families are choosing 1<sup>st</sup> Choice Savings as their trusted financial partner. Growth in membership not only strengthens our credit union but also expands our ability to reinvest in products, services, technology, and our community.

### **ECONOMIC ENVIRONMENT AND IMPACT**

The economic environment throughout the year remained complex. Elevated interest rates, persistent inflationary pressures, and slower economic growth continued to impact household budgets and business planning. While these conditions created challenges, they also reinforced the importance of sound financial advice, flexible lending solutions, and strong member relationships.

For 1<sup>st</sup> Choice Savings, this environment underscored the value of our cooperative model. By focusing on long term member wellbeing rather than short term gains, we were able to support members through prudent lending, competitive deposit offerings, and personalized financial guidance.

### **IMPACT OF U.S. TARIFFS**

The introduction and expansion of U.S. tariffs added another layer of uncertainty to the economic landscape. Tariffs can increase costs for businesses, disrupt supply chains, and place upward pressure on prices - impacts that ultimately affect consumers and local economies. While the direct impact varies by industry, these measures reinforced the need for careful financial planning and adaptability. We remained focused on helping our members navigate cost pressures and cash flow challenges through tailored lending solutions and proactive financial advice.

### **TECHNOLOGY, SECURITY, AND GOVERNANCE**

Throughout the year, we continued to invest in strengthening our technology infrastructure, with a particular focus on cybersecurity and data governance. Enhancing security measures and safeguarding member information remain top priorities, especially in an era of increasing digital threats. These investments ensure that members can bank with confidence, knowing their information and assets are well protected.

### **COMMUNITY INVOLVEMENT**

Community involvement remains a cornerstone of who we are as a credit union. Over the past year, 1st Choice Savings proudly supported our community through a wide range of initiatives, including:

- Delivering numerous financial education sessions to promote financial literacy and empower individuals to make informed financial decisions.
- Donating funds to a variety of local organizations and community groups.
- Actively participating in community events and initiatives, strengthening our presence and connections across the region.

- Supporting Lethbridge Polytechnic, including student awards, Coulee Fest, and youth-focused initiatives that help build skills, confidence, and opportunity for the next generation.

## **LOOKING AHEAD**

As we move forward, uncertainty will undoubtedly remain a defining feature of the global and economic environment. However, I am confident in the strength of 1<sup>st</sup> Choice Savings, the dedication of our people, and the guidance of your Board of Directors.

By staying true to our purpose - to enrich the financial well-being of members - we will continue to navigate challenges, seize opportunities, and build a strong, sustainable credit union for today and for the future.

On behalf of the Board, management, and staff, thank you for your continued trust and support.

Jason Sentes

President & Chief Executive Officer

## Report of the Audit & Risk Committee

---

The Audit & Risk Committee, which is comprised of no less than three independent directors appointed by the Board, ensures that appropriate due diligence has been directed towards the internal control, accountability, and financial reporting functions of 1<sup>st</sup> Choice Savings and Credit Union Ltd.

The main functions of the Audit & Risk Committee include:

- 1) Monitoring the overall risk framework and risk policy, review management reports, and obtain reasonable assurance that the Credit Union has effective risk management processes in place and that management policies are being adhered to.
- 2) Report to the Board of Directors on the key risks to which the Credit Union is exposed.
- 3) Make recommendations to the full Board of Directors about appropriate levels of risk and effectiveness of the risk management strategies.
- 4) Review material corporate policies with a relationship to risk management.
- 5) Act as the liaison between the Board of Directors and the internal Enterprise Risk Management Committee.
- 6) Recommend to the Board of Directors the appointment of both the internal and external auditors.
- 7) Responsible to direct the internal and external audit plans.
- 8) Review the annual auditor's report and audited financial statements and recommend approval of the financial statements to the Board.

During the year ending October 31, 2025, the Committee met on different occasions to:

- Review the Internal Audit reports received from our internal auditors.
- Approve the scope and timeframe of future internal audits.
- Review the Management Letter of 1<sup>st</sup> Choice Savings and Credit Union Ltd. as completed by our external auditor for the year ending October 31, 2024.
- Review and recommend approval of the Audited Financial Statements to the Board for the year ending October 31, 2024.
- Review the minutes of the internal Enterprise Risk Management Committee.
- Review all Financial & Statistical reports as submitted to our regulator.
- Review and recommend the risk appetite statement to the Board.
- Review and recommend the Internal Capital Adequacy Assessment Process to the Board.

Respectfully submitted,

Dave Gurr

Audit & Risk Committee Chair

## Report of the Finance Committee

---

The Finance Committee, which is comprised of not less than three independent directors appointed by the Board, ensures that appropriate due diligence has been directed towards the financial reporting functions of 1st Choice Savings and Credit Union Ltd.

The main functions of the Finance Committee include:

- 1) Monitor management practices and the Credit Union's performance in all the financial components of the credit union operations.
- 2) Review and recommend the annual budgets to the Board.
- 3) Recommend policy amendments relevant to financial risk.
- 4) Monitoring of the credit union operations in areas relevant to the management of financial risk of the Credit Union, including capital, asset/liability management, liquidity, and investments.

During the year ending October 31, 2025, the Committee met on different occasions to:

- Review the minutes of the Asset/Liability Committee.
- Review and assess management's analysis and recommendations relative to the distribution of earnings and make recommendations to the Board regarding the declaration of dividends.
- Recommend policy amendments relevant to the management of all components of financial risk.
- Monitor management practices and the credit union performance in all the financial components of the Credit Union's operations.

Respectfully submitted,

Wendy Kallen

Finance Committee Chair

## Report of the Governance Committee

---

In accordance with the By-Laws the Governance Committee administered the nomination and election process.

Nominations for Directors were called due to the expiring terms of three directors. Nominations were received from the three incumbents as well as additional nominations.

An election was held for the three positions.

We are pleased to announce that the following Directors have been elected for a three year term:

- Karl Kloepper
- Karla Mather-Cocks
- John Willms

We congratulate those elected and thank all the candidates for expressing interest in serving on our Board of Directors.

We would like to take this opportunity to recognize Wendy Kallen for her service and contributions to the credit union.

Chris Yauck  
Nomination Chair

## Credit Committee Report

---

The Board of Directors appoints the Chief Executive Officer, and upon the recommendation of the Chief Executive Officer, sufficient other management, which is comprised of no less than three individuals to the Credit Committee. There are no elected officials or any other non-employee members who are a part of the Credit Committee.

The Credit Committee will meet as required and is responsible to analyze and decision credit applications within the provisions of legislation and policy.

The Credit Committee may approve, decline, or defer applications as submitted and may propose different terms, conditions, or amounts in response to any application on any basis in which the Committee considers prudent.

The Credit Committee may only approve loans within the limits assigned to 1<sup>st</sup> Choice Savings by the Credit Union Deposit Guarantee Corporation. The loans exceeding the authorized limit are submitted to the Credit Union Deposit Guarantee Corporation for consideration.

During 2025, 2,034 applications were approved for a total of \$314 million. The loan portfolio increased 17% or \$119 million from the year prior.

The loan mix of the portfolio is well diversified and consists of the following:

- Consumer loans – 10%
- Residential Mortgages – 66%
- Commercial Loans – 19%
- Agricultural – 5%

The loan delinquency at October 31, 2025 was 0.26% of the total lending portfolio, which is well below acceptable industry standards.

Jason Kroetsch  
Credit Committee Chair

## Management Discussion and Analysis

---

### ABOUT 1<sup>ST</sup> CHOICE SAVINGS AND CREDIT UNION

1<sup>st</sup> Choice Savings and Credit Union is Southern Alberta's full-service credit union with five branches located throughout the region. We have a branch in Cardston, Taber, and three branches in Lethbridge. With over 18,000 memberships and \$1.1 billion in assets under administration, 1<sup>st</sup> Choice Savings provides a wide range of banking services, investments, loan products, insurance, and wealth management services.

This management discussion and analysis section is presented to provide an overview of the credit union's financial and operating performance. It is prepared in conjunction with the audited consolidated financial statements.

1<sup>st</sup> Choice Savings continued to have a solid financial performance in 2025, with 14% growth in assets under administration. We continued to pay a share of profits to members and invest in our communities through various sponsorships, scholarships and donation programs.

### SUMMARY

In 2025, the Bank of Canada shifted from a restrictive monetary stance toward gradual easing, reducing its policy rate by a total of 1% over the year. By the end of the year, the prime rate stood at 4.45%, reflecting four rate cuts interspersed with periods of stability.

As inflation showed signs of moderating and economic growth slowed, there was two .25% reductions early in the year.

During the spring and summer, the Bank of Canada held rates steady, citing persistent uncertainty in global trade and domestic demand.

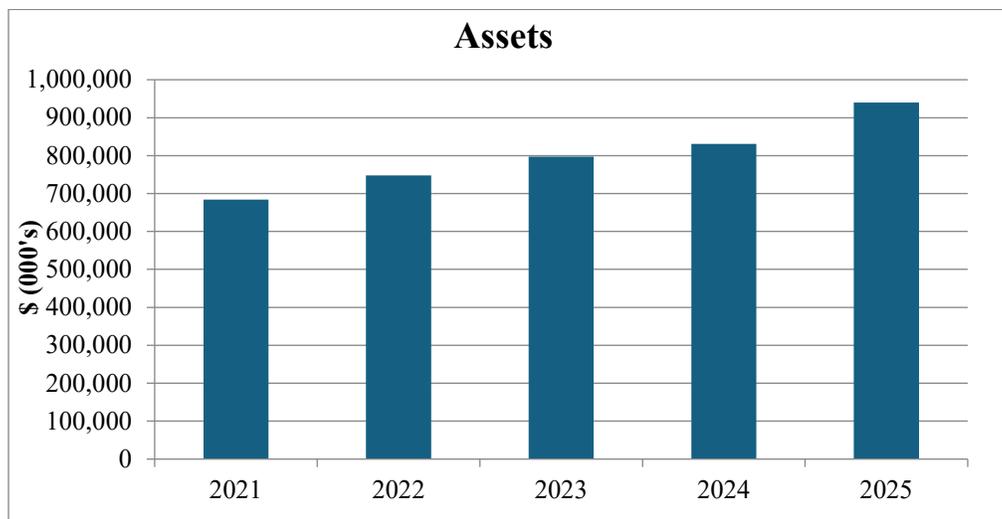
During the fall, there was two additional cuts in response to softer GDP growth and easing inflation pressures.

At the end of the year, the Bank of Canada concluded with no changes, as they assessed the cumulative impact of the prior adjustments.

The rate trajectory reflected a balancing act between supporting growth and maintaining price stability. Inflation, while trending downward from its post-pandemic highs, remained above the 2% target early in the year. Slowing consumer spending, weaker housing activity, and global trade headwinds, particularly with the U.S. tariff measures contributed to a cautious outlook. Labour markets softened slightly, and GDP growth moderated. The Bank of Canada adopted to an accommodative stance to sustain economic momentum without reigniting inflationary pressures.

### FINANCIAL PERFORMANCE

Consolidated total assets of 1<sup>st</sup> Choice Savings reside at \$940 million at October 31, 2025, increasing \$109 million or 13% from the prior year.



Loans accounted for 87% of total assets. Loan balances include both loan interest receivable and the allowance for expected credit losses, the latter of which reduces the overall loan portfolio. The allowance for credit losses remained stable in 2025 and the loan delinquency ratio remains well below the industry standards.

Consolidated earnings from operations during the year totalled \$1.2 million, compared to \$601 thousand in the prior year. The low profitability level can be attributed to the changes in the interest rates from the previous year. The financial margin decreased in 2024; during 2025 the financial margin improved.

### **FINANCIAL MARGIN**

Financial margin is the difference between interest and investment income earned on assets and interest expensed on deposits and other liabilities, including borrowings. In 2025, our financial margin was \$15.4 million compared to \$11.6 million in 2024. The financial margin was positively impacted by the interest rates on member loans, positively impacted by the interest rates on member deposits, and negatively impacted by the derivative instrument.

Financial margin is expected to remain challenging in 2026, given the strong competitive interest rate environment and the anticipation of mortgage renewals from historical low rates during the pandemic year.

### **OTHER INCOME**

Other income consists of loan fees, service charges, commissions related to insurance and wealth management services, foreign exchange and other miscellaneous revenues that are not interest related. Overall, other income remained stable year over year.

### **OPERATING EXPENSES**

The operating expenses increased from the previous year by \$2.4 million.

### **DISTRIBUTIONS TO MEMBERS**

We have had a long-standing tradition of sharing our profits with our members. For 2025, we are sharing \$325 thousand which includes the dividends on the common shares and investment shares. All distributions are approved annually by the Board of Directors. Since 2002, members have received \$7 million in the form of dividend distributions.

## LOANS

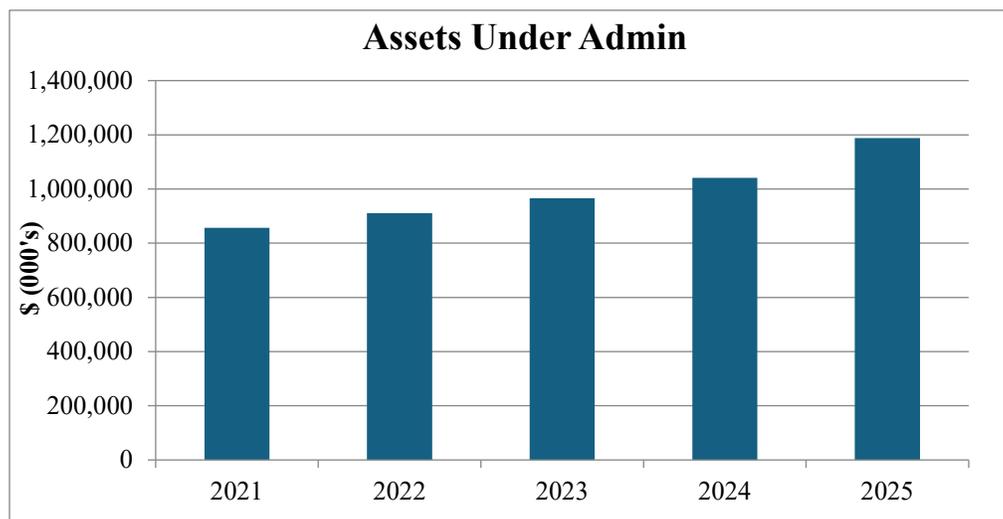
Member loans, net of allowance and accrued interest, increased by \$119 million in 2025. As a proportion of loans at year-end, there is a good loan mix with the commercial loans representing 19% of the portfolio, agricultural loans represent 5%, consumer loans represent 10%, and the residential mortgages represents 66% of the portfolio.

The allowance for credit losses remained stable in 2025. The loan provision for 2025 was \$1.5 million compared to \$380 thousand in 2024.

## DEPOSITS

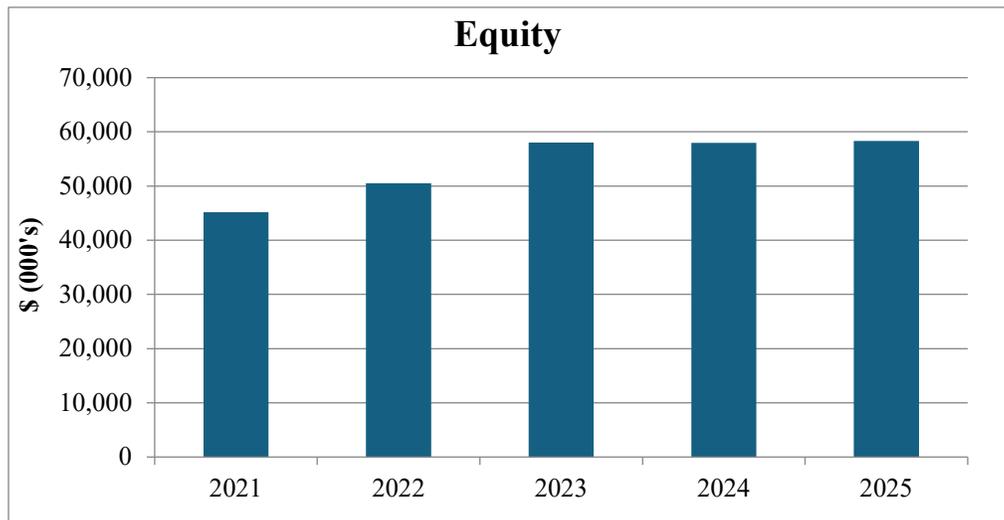
Total member deposits at the end of 2025 were \$53 million higher than 2024. The popularity of the tax-free savings accounts has continued, with a steady increase into these products.

In addition to our deposit products, we offer our members investment products of third-party suppliers, such as mutual funds, for which we receive income from. In 2025, the funds under administration exceeded \$248 million, for an increase of 18% from the prior year.



**MEMBERS’ EQUITY AND CAPITAL**

Members’ equity remained stable for 2025 at \$58 million, of which \$50 million was retained earnings. We are committed to a strong capital position, which builds long-term membership value and enables us to invest for the future. Our regulators, the Credit Union Deposit Guarantee Corporation, monitor our capital, which under current requirements for regulator capital must be maintained at a minimum of 10.5% of risk weighted assets, for 2025 this threshold was adhered to. Management regularly monitors the capital position.



1<sup>st</sup> Choice Savings has documented an Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP is a vital component of a strong risk management program. The Board has approved the ICAAP which takes a long-term perspective of capital requirements using various scenarios.

**RISK MANAGEMENT**

As a financial institution, we are subject to a variety of risks. Our risk governance framework begins with the Board of Directors and its Committees, which provide overall strategic direction, oversight of risk management, and a set of risk tolerance levels. Management is responsible for implementing strategies and policies for developing processes that identify, measure, monitor, and mitigate risks. To support our risk management, we have internal and external audit functions that are independent of management and report to the Audit & Risk Committee.

The Board has established a risk appetite framework and management has established an enterprise risk management framework to adequately monitor and manage risks.

## Summarized Financial Statements

### Statement of Financial Position

(Unaudited)

October 31, 2025, with comparative information for 2024

	2025	2024
<b>Assets</b>		
Cash and cash equivalents	\$ 61,130,632	\$ 78,784,569
Financial investments	36,073,241	28,822,286
Loans to members	820,433,957	701,403,322
Premises and equipment	17,367,931	15,886,404
Prepaid expenses and accounts receivable	3,748,314	2,318,198
Deferred tax assets	500,000	420,000
Income taxes receivable	122,845	2,187,483
Derivative instruments	475,289	1,140,057
	\$ 939,852,209	\$ 830,962,319
<b>Liabilities</b>		
Deposit accounts and accrued interest	\$ 806,651,896	\$ 753,247,237
Accounts payable and liabilities accrued	5,876,354	5,226,740
Other liabilities	2,136,913	2,209,270
Deferred lease incentive	462,138	514,938
Derivative instruments	6,166,305	4,260,245
Borrowings	30,008,507	-
Secured borrowings	30,476,540	7,513,903
	881,778,653	772,972,333
<b>Members' Equity</b>		
Allocations distributable	325,000	463,000
Common shares	3,089,092	3,085,640
Investment shares	4,560,491	4,950,325
Retained earnings	50,098,973	49,491,021
	58,073,556	57,989,986
	\$ 939,852,209	\$ 830,962,319

## Summarized Financial Statements

### Statement of Income and Comprehensive Income

(Unaudited)

Year ended October 31, 2025, with comparative information for 2024

	2025	2024
Financial income:		
Interest on members' loans	\$ 34,421,348	\$ 29,962,908
Investment income	2,202,131	3,517,017
	36,623,479	33,479,925
Net income (expense) on derivative instruments	(816,498)	1,793,553
Net loss on derivative instruments	(1,488,026)	(3,743,421)
	34,318,955	31,530,057
Financial expenses:		
Interest on deposit accounts	17,939,775	19,639,097
Interest on financing	994,727	267,644
	18,934,502	19,906,741
Financial margin	15,384,453	11,623,316
Net provision for credit losses	(1,460,499)	(379,848)
Net provision for investment losses	2,000	(2,000)
Service charges and other income	4,368,798	4,102,036
Total operating income	18,294,752	15,343,504
Operating expenses	17,110,229	14,742,768
Net income from operations before income tax expense	1,184,523	600,736
Income taxes expense	251,571	5,736
Net income and comprehensive income	\$ 932,952	\$ 595,000



## Get In Touch:

---

 403.320.4600

 [www.1stchoicesavings.ca](http://www.1stchoicesavings.ca)

 [info@1stchoicesavings.ca](mailto:info@1stchoicesavings.ca)

 45 Fairmont Blvd S  
Lethbridge, AB T1K 1T1