

Understanding SaskCentral's Financial Statements

In 2018, SaskCentral has again prepared two sets of financial statements, separate and consolidated, to offer two different views of SaskCentral's operations and results.



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Changes to SaskCentral's Financial Statements

Prior to 2017, SaskCentral prepared only consolidated financial statements, which accounted for Concentra Bank using the equity method of accounting. Due to Concentra Bank's continuance under the *Bank Act (Canada)* and its new bylaws, SaskCentral had the ability to control Concentra Bank for accounting purposes and was required to consolidate Concentra Bank as a subsidiary in its financial statements effective January 1, 2017.

Consolidated earnings represent the total earnings of SaskCentral, taking into consideration the elimination of all inter-entity transactions (i.e. revenues and expenses between SaskCentral and its subsidiaries and dividends paid by SaskCentral's investees to SaskCentral).

SaskCentral's Separate Financial Statements

In order to enhance transparency of its operations and to support accountability, SaskCentral has again prepared separate financial statements. The purpose of the separate statements is to isolate SaskCentral's earnings, assets, liabilities and cash flows from those of its subsidiaries. The separate financial statements do not consolidate its subsidiaries, Concentra Bank and CUVentures LP. Instead, these statements account for all SaskCentral's downstream investees using the equity method of accounting.

SaskCentral's Consolidated Financial Statements

These statements illustrate SaskCentral's results consolidated with results of its subsidiary corporations. The financial statements are prepared in accordance with International Financial Reporting Standards and include:

- Financial results of subsidiaries (Concentra Bank and CUVentures LP)
- Financial results of SaskCentral's investments in associates using the equity method of accounting (Celero Solutions, CU CUMIS Wealth Holdings LP, Saskatchewan Entrepreneurial Fund Joint Venture)
- The proportionate financial results of SaskCentral's joint operation Credit Union Payment Services