

# Affinity grows and innovates

BY SCOTT LARSON, THE STARPHOENIX APRIL 3, 2014

While Affinity Credit Union reported strong growth in 2013 at its annual general meeting Wednesday, it was a banner year on a number of other fronts as well.

"The real achievement for us was trying to find a balance between continued development like Deposit Anywhere (allowing members to deposit cheques from any location using a smartphone) in a year where we were also very busy in partnership growth and organic growth," said Affinity CEO Mark Lane.

"We were still able to deliver something new and innovative and something that members were looking for."

Affinity's launch of Deposit Anywhere, and Interac Flash on MemberCards allowing members to pay for goods using the tap-and-go method have been well received, Lane said.

"We haven't done anything in three or four decades that has caused that kind of stir in the marketplace," he said of Deposit Anywhere.

"The reaction of members has been somewhat akin to the introduction of ATMs."

Financial On the financial side, Affinity has \$4.7 billion in managed assets, employs almost 1,000 people and is owned by more than 130,000 members.

The credit union saw overall assets increase 6.5 per cent, loan growth was a higher-than-expected 12.3 per cent, and deposits grew by 6.9 per cent.

"We continued to be an economic engine for Saskatchewan: 88 per cent of member deposits, representing \$3.2 billion, were provided directly to members in our communities in the form of loans for home mortgages, businesses, farmers and consumers," Lane said.

"We rated highly in member satisfaction and realized sufficient profitability to ensure continued stability for the future."

Affinity provided \$1.9 million or six per cent of pretax profits to community partners through donations, grants and scholarships to community projects, programs and facilities.

New partnerships Affinity brought in new members from Broadview, Colonsay and Muenster Credit Unions in January 2013 and Advantage and Spectra Credit Union members last July.

As well, Hudson Bay and Shaunavon Credit Unions members have voted in favour of a merger with Affinity starting in 2015.

Lane said the advantage of getting larger is saving from economies of scale as well as speed to

market of innovation.

But they must keep the personal service credit unions are known for, he added.

New in 2014 Lane said they have identified a need to simplify their product offerings so members have a better understanding and also so they will be able to fit it on a smartphone, making it easier to do business.

"We hope we are a leaner, simpler organization in the eyes of our members," he said. "We are going to have a new, simpler product suite offering for all members of Affinity."

Heritage In the fall, Affinity opened its new head office location in City Park. The building has received two Heritage Awards from the Municipal Heritage Advisory Committee and the City of Saskatoon for the work done to expand and re-purpose the former Wilsons School and First Nations University of Canada building.

Financial highlights:

Loan portfolio grew by 12.3 per cent to \$3.3 billion

Deposits increased by 6.9 per cent to \$3.6 billion

Asset growth increased by 6.5 per cent to \$4 billion

Return on equity of 8.3 per cent

Return on assets after tax was 0.69 per cent

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