

Accent Credit Union
Summary Consolidated Financial Statements
December 31, 2019

Report of the Independent Auditor on the Summary Consolidated Financial Statements

To the Members of Accent Credit Union:

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2019, and the summary consolidated statements of comprehensive income, changes in members' equity and cash flows for the year then ended, are derived from the audited consolidated financial statements of Accent Credit Union (the "Credit Union") for the year ended December 31, 2019.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements, in accordance with the basis described in Note 1.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated February 27, 2020.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Humboldt, Saskatchewan

February 27, 2020

MNP LLP

Chartered Professional Accountants


Accent Credit Union
Summary Consolidated Statement of Financial Position

As at December 31, 2019

	2019	2018
Assets		
Cash and cash equivalents	9,480,602	11,264,330
Investments	31,929,944	27,160,275
Member loans receivable	184,855,631	174,053,860
Other assets	157,593	147,363
Deferred tax asset	177,077	146,858
Property, plant and equipment	1,363,284	1,324,385
Intangible assets	204,500	271,500
	228,168,631	214,368,571
Liabilities		
Line of credit	-	2,000,000
Member deposits	206,360,814	191,503,639
Other liabilities	521,837	1,058,302
Membership shares	51,032	52,160
	206,933,683	194,614,101
Members' equity		
Retained earnings	21,234,948	19,754,470
	228,168,631	214,368,571

Approved on behalf of the Board


 Director


 Director

Accent Credit Union
Summary Consolidated Statement of Comprehensive Income
For the year ended December 31, 2019

	2019	2018
Interest income		
Member loans	8,727,829	8,598,410
Investments	966,244	877,880
	9,694,073	9,476,290
Interest expense		
Member deposits	3,326,699	2,637,525
Borrowed money	12,131	42,810
	3,338,830	2,680,335
Net interest income	6,355,243	6,795,955
Provision for impaired loans	726,457	1,080,546
Net interest income before other income	5,628,786	5,715,409
Other income		
Other income	688,075	930,135
Insurance agency revenue	585,710	542,991
	1,273,785	1,473,126
Net interest and other income	6,902,571	7,188,535
Operating expenses		
Personnel	2,633,723	2,522,899
Member security	201,485	195,819
Organizational	119,264	178,718
Occupancy	181,619	187,442
General business	1,397,909	1,591,243
Insurance agency expenses	548,169	476,075
	5,082,169	5,152,196
Income before provision for (recovery of) income taxes	1,820,402	2,036,339
Provision for (recovery of) income taxes		
Current	370,143	488,315
Deferred	(30,219)	(42,171)
	339,924	446,144
Comprehensive income	1,480,478	1,590,195

Accent Credit Union
Summary Consolidated Statement of Changes in Members' Equity
For the year ended December 31, 2019

	<i>Retained earnings</i>	<i>Total equity</i>
Balance December 31, 2017	18,164,275	18,164,275
Comprehensive income	1,590,195	1,590,195
Balance December 31, 2018	19,754,470	19,754,470
Comprehensive income	1,480,478	1,480,478
Balance December 31, 2019	21,234,948	21,234,948

Accent Credit Union
Summary Consolidated Statement of Cash Flows
For the year ended December 31, 2019

	2019	2018
Cash provided by (used for) the following activities		
Operating activities		
Interest received from member loans	8,676,531	8,298,434
Interest received from investments	927,822	871,894
Other income received	1,269,356	1,477,786
Interest paid on deposits	(2,939,802)	(2,437,052)
Cash paid to suppliers and employees	(5,274,871)	(4,678,942)
Interest paid on borrowed money	(12,131)	(42,810)
Income taxes paid	(516,138)	(325,845)
	2,130,767	3,163,465
Financing activities		
Line of credit advances	-	2,000,000
Line of credit repayments	(2,000,000)	-
Net change in member deposits	14,470,278	11,541,748
Net change in membership shares	(1,128)	(1,205)
	12,469,150	13,540,543
Investing activities		
Net change in member loans receivable	(11,476,930)	(16,348,820)
Purchases of investments	(4,731,246)	-
Proceeds on disposal of investments	-	2,203,575
Purchases of property, plant and equipment	(175,469)	(100,593)
Proceeds from disposal of property, plant and equipment	-	4,000
	(16,383,645)	(14,241,838)
Increase (decrease) in cash and cash equivalents	(1,783,728)	2,462,170
Cash and cash equivalents, beginning of year	11,264,330	8,802,160
Cash and cash equivalents, end of year	9,480,602	11,264,330

Accent Credit Union
Notes to the Summary Consolidated Financial Statements

For the year ended December 31, 2019

1. Basis of the Summary Consolidated Financial Statements

Management has prepared the summary consolidated financial statements from the December 31, 2019 audited consolidated financial statements, which are prepared in conformity with International Financial Reporting Standards. A full set of audited consolidated financial statements is available from the Credit Union. The detailed notes included in the audited consolidated financial statements are not included in these summary consolidated financial statements.

The criteria developed by management for the preparation of the summary consolidated financial statements is as follows: that the information included in the summary consolidated financial statements is in agreement with the related information in the consolidated financial statements, and that the summary consolidated financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete consolidated financial statements, including the notes thereto, in all material respects.