

**EAST KOOTENAY COMMUNITY
CREDIT UNION**

Condensed Consolidated Financial Statements

Year Ended December 31, 2020



REPORT OF THE INDEPENDENT AUDITOR ON THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Members of East Kootenay Community Credit Union

The accompanying condensed consolidated financial statements, which comprise the condensed consolidated statement of financial position as at December 31, 2020 and December 31, 2019, and the condensed consolidated statements of comprehensive income and retained earnings and cash flow for the years then ended, are derived from the audited consolidated financial statements of East Kootenay Community Credit Union and its subsidiaries for the year ended December 31, 2020. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated February 12, 2021. The condensed consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the condensed consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of East Kootenay Community Credit Union.

Management's Responsibility for the Condensed Consolidated Financial Statements

Management is responsible for the preparation of the condensed consolidated financial statements in accordance with International Financial Reporting Standards.

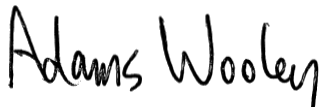
Auditor's Responsibility

Our responsibility is to express an opinion on the condensed consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the condensed consolidated financial statements derived from the audited consolidated financial statements of East Kootenay Community Credit Union and its subsidiaries for the year ended December 31, 2020 are a fair summary of those financial statements in accordance with International Financial Reporting Standards.

Cranbrook, BC
February 12, 2021


Adams Wooley
Chartered Professional Accountants

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David M.W. Adams, BSc, CPA, CGA, CFP*
James R. Wooley, BPE, CPA, CGA*
Brian F. Adams, FCPA, FCGA* (Associate)

** Denotes Professional Corporation*

East Kootenay Community Credit Union
Condensed Consolidated Statement of Financial Position
December 31, 2020

	2020	2019
Assets		
Cash and term deposits	\$ 122,499,136	\$ 78,929,320
Investments	5,275,874	5,187,854
Inventory	580,341	559,915
Derivative assets	241,743	217,767
Members' loans	323,687,215	313,769,870
Property, plant and equipment	5,492,189	5,593,680
Intangible assets	7,112	53,200
Other	<u>683,688</u>	<u>1,212,001</u>
	<u>\$ 458,467,298</u>	<u>\$ 405,523,607</u>
Liabilities and members' equity		
Accounts payable and accrued liabilities	\$ 3,612,199	\$ 1,461,406
Members' deposits and non-equity shares	407,386,200	350,778,890
Deferred income taxes	916,083	618,879
Loans payable	20,151,418	28,143,855
Deferred income	41,091	-
Lease liability	<u>288,413</u>	<u>321,347</u>
	<u>432,395,404</u>	<u>381,324,377</u>
Members' equity shares	2,672,443	2,668,254
Accumulated other comprehensive income	767,584	123,428
Retained earnings	<u>22,631,867</u>	<u>21,407,548</u>
	<u>26,071,894</u>	<u>24,199,230</u>
	<u>\$ 458,467,298</u>	<u>\$ 405,523,607</u>

On behalf of the board:

DocuSigned by:

Jean-Anne Debreceni Director

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DocuSigned by:

George Kreitag Director

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Members may obtain a copy of the full audited consolidated financial statements at
any branch of the credit union or online at EKCCU.com

East Kootenay Community Credit Union
Condensed Consolidated Statement of Comprehensive Income and Retained Earnings
For the Year Ended December 31, 2020

	2020	2019
Interest income	\$ 14,081,312	\$ 13,951,032
Interest expenses	<u>(5,388,331)</u>	<u>(5,485,802)</u>
Net interest income after impairment charges	8,692,981	8,465,230
Non-interest income (expenses)	1,712,698	1,933,076
Non-financial expenses	<u>(8,634,967)</u>	<u>(8,587,293)</u>
Income from operations	1,770,712	1,811,013
Other income (expenses)	<u>(4,529)</u>	<u>15,643</u>
Income before income taxes and donations and rewards to members	1,766,183	1,826,656
Income taxes	<u>(229,291)</u>	<u>(393,353)</u>
Income before donations and rewards to members	1,536,892	1,433,303
Donations and rewards to members	<u>(292,922)</u>	<u>(269,535)</u>
Net income	1,243,970	1,163,768
Changes in comprehensive income	<u>636,466</u>	<u>(265,583)</u>
Comprehensive income for the year	\$ 1,880,436	\$ 898,185
Retained earnings - beginning of year		
As previously reported	\$ 21,407,548	\$ 20,292,780
Prior period adjustments	<u>-</u>	<u>(49,000)</u>
As restated	21,407,548	20,243,780
Deferred tax on equity	(19,651)	-
Net income	<u>1,243,970</u>	<u>1,163,768</u>
Retained earnings - end of year	\$ 22,631,867	\$ 21,407,548

Condensed Consolidated Statement of Cash Flow
For the Year Ended December 31, 2020

	2020	2019
Cash flow from (used by) operating activities	\$ 5,285,906	\$ 259,649
Cash flow used by investing activities	(10,302,218)	(6,325,268)
Cash flow from financing activities	<u>48,586,127</u>	<u>30,419,155</u>
Increase (Decrease) in cash flow	43,569,815	24,353,536
Cash – beginning of year	<u>78,929,320</u>	<u>54,575,784</u>
Cash – end of year	\$ 122,499,135	\$ 78,929,320

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