

2020 ANNUAL
REPORT





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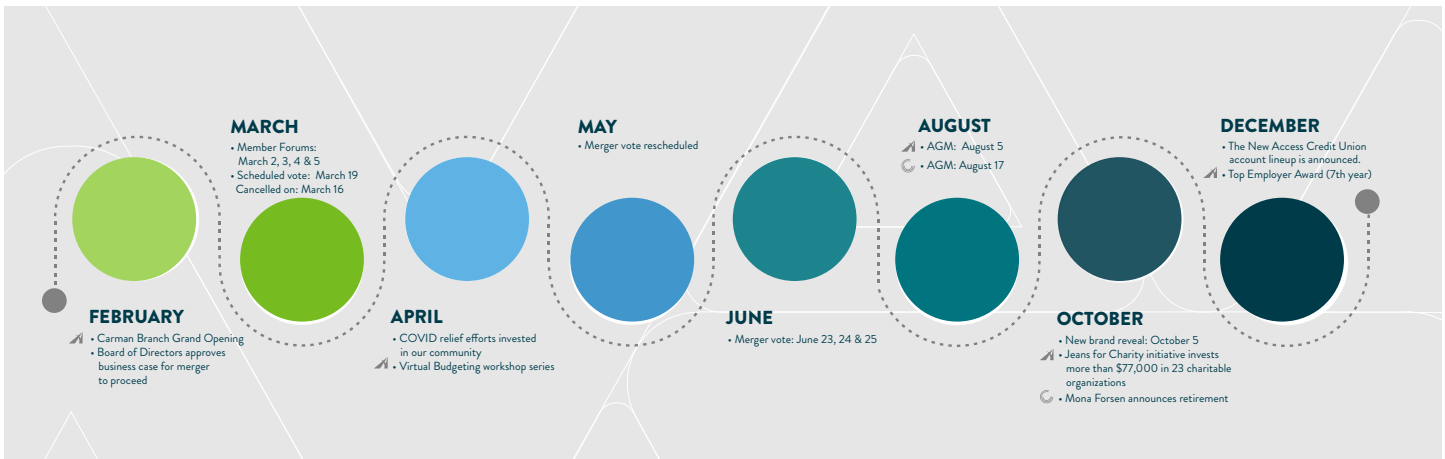


The 2021 merger of equals between Access Credit Union and Crosstown Civic Credit Union started as a good match on paper, and our work goes far beyond finance—we're in the business of helping people live their lives.

We've learned that's what truly brought our two credit unions together: a calling to take care of our members and keep them at the centre of everything we do. And that's not all we have in common.

We envision a credit union that knows and understands each member's story; where every member feels connected to and taken care of by us—the people who help them live their lives.

A Year In Review



Financial Highlights

LEGACY ACCESS CREDIT UNION



NET INCOME **\$11,967,070**

LEGACY CROSSTOWN CIVIC CREDIT UNION

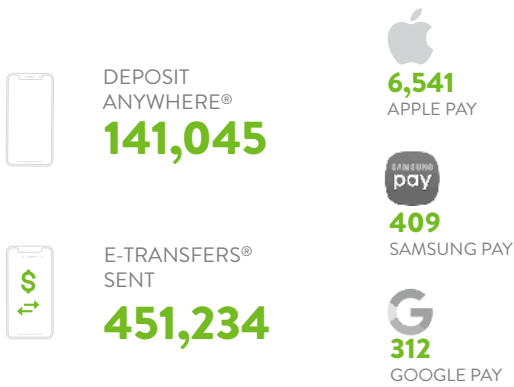


NET INCOME **\$8,736,217**

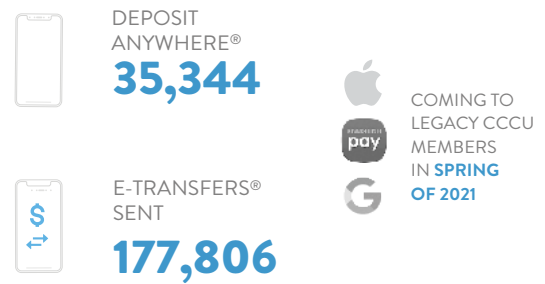


Member Highlights

 LEGACY ACCESS CREDIT UNION



 LEGACY CROSSTOWN CIVIC CREDIT UNION



9,892

NEW ACCOUNTS

2,348

NEW MEMBERS

109
OPENED ONLINE AT JOIN.ACCESSCU.CA

214
OPENED ONLINE AT JOIN.ACCESSCU.CA



8,068

NEW ACCOUNTS

985

NEW MEMBERS






In Our Communities

Access Credit Union is committed to strengthening our community by supporting organizations, charities, and events that reflect the values of our members, our employees, and our communities. We like to select donation and sponsorship opportunities where there is a need in the community; to promote health and well-being; to support life-long learning.

LEGACY ACCESS CREDIT UNION

	ARTS & CULTURE \$38,365.00
	ECONOMIC DEVELOPMENT \$177,513.73
	EDUCATION \$66,976.00
	ENVIRONMENT \$12,000.00
	HEALTH & WELLNESS \$143,408.64
	SPORTS & RECREATION \$112,486.00
	YOUTH & SENIOR \$115,861.35

INVESTED IN OUR COMMUNITIES!
\$666,610.72

385 DONATION RECIPIENTS

LEGACY CROSSTOWN CIVIC CREDIT UNION

	ARTS & CULTURE \$10,955.00
	ECONOMIC DEVELOPMENT \$28,750.00
	EDUCATION \$11,100.00
	ENVIRONMENT \$5,500.00
	HEALTH & WELLNESS \$45,579.00
	SPORTS & RECREATION \$9,356.00
	YOUTH & SENIOR \$7,450.00

INVESTED IN OUR COMMUNITIES!
\$118,690.00

45 DONATION RECIPIENTS

Wearing Jeans For Our Communities

Access staff who chose to participate in the Jeans for Charity initiative donated a minimum of \$3 every Friday to wear jeans. The proceeds were matched by Access Credit Union and donated to worthwhile community organizations. The employees at each branch decide on the charity organization(s) to benefit from the donations. In 2020, Access Credit Union raised more than \$77,000.

Supporting the United Way

Each year, Crosstown Civic employees contribute personal donations—which are then matched by corporate office—to the United Way. In 2020, that number nearly exceeded \$27,000.

Employee Highlights



COMBINED LONG SERVICE AWARD YEARS **820**

180 COMBINED LONG SERVICE AWARD YEARS

We celebrated a total of **1000 years** of service in 2020!



COMBINED LEARNING



DEGREES/
CERTIFICATES EARNED

7



CUSOURCE
COURSES COMPLETED

53



TLC E-LEARNING
COURSES

5247



POST SECONDARY
SPONSORED COURSES

82



ACCREDITATION
THROUGH CUIC

13



CUSOURCE
WEBINARS

91



CUSOURCE
eLEARNING

381



TLC
EXAMS

4523



Looking Forward



\$5.877B

IN BALANCE SHEET ASSETS

84,800

MEMBERS AND GROWING

400+

EMPLOYEES

Introducing a new digital banking experience in 2021!

In keeping with our promise to deliver members enhanced digital technology, Access Credit Union is launching a new digital banking platform in summer of 2021. Some of the key features and benefits of this comprehensive new tool include:

- **easy navigation and better user experience**
- **account customization:**
 - assign a friendly name
 - mark an account as the main account for selected transactions
 - hide an account from account selection lists
 - change the display order in account selections lists

- **self-serve features & options:**

- reset your own password
- create your own member to member transfer
- create additional chequing and savings
- accounts for immediate use
- transfer funds between US and Canadian accounts
- edit your own contact information
- **“favourite” frequent accounts and transactions**

And much more! Watch our website, social media accounts, and your inbox for details and how to prepare for this new experience.

Message From The CEO



Larry Davey
PRESIDENT & CEO

The Access Credit Union management team is proud to present our 2020 Annual Report celebrating the successful amalgamation of both legacy Crosstown Civic Credit Union and legacy Access Credit Union.

At the end of 2019, we jointly announced our pursuit of a merger between our two great Credit Unions. As we started 2020, both organizations were focused on the development of a business case to show the benefits of amalgamation, and with the successful completion of the business case, the preparation for a merger vote in March. Unfortunately, the COVID-19 pandemic saw many of these efforts temporarily postponed.

The ongoing impact of the pandemic made itself clear as the year progressed and much of our operational focus shifted to keeping our members and staff safe and healthy during this difficult time. As the situation evolved, we saw the introduction of Plexiglass shields, limited numbers in branch, temporary closures and mandatory masks. While these measures were no doubt inconvenient for many, they allowed us to maintain our ongoing operations and to provide support to our members when they needed it most. The organization quickly transitioned to more remote workers, invested in technologies to keep staff highly engaged and effective in their roles, and increased our capacity to work with our members outside of our traditional branch network. Our historical investments in technology and our staff's change management strengths paid dividends during the pandemic as our culture was highly adaptable to this new working environment. A rapid rollout of virtual work infrastructure was readily accepted by staff with little disruption and continues to this day as we continue to recruit the best talent in Manitoba, able to support our organization from wherever they live.

These investments continue as we recognize the environmental shift that demands more and better technology to meet the needs of our members today and tomorrow. Many of the technologies that we leveraged throughout the pandemic also became critical to the success of our merger activities. The connections built between the two organizations as we led up to our successful merger vote in the summer were as a result of the experience gained working as a remote team, building relationships without proximity, and being more proactive in our communication approaches. As a combined organization, we can now bring our technology strengths together, and create a brand new member experience that individually we may not have been able to accomplish.

This includes a new online and mobile banking experience which we are looking forward to bringing to members this summer. It also means the integration of our two separate banking systems to create one seamless experience for members and staff regardless of which branch they visit. As a combined entity, our new scale brings significant savings to our members who would have had to bear these costs individually had we remained separate. While we anticipate a few bumps along the way as we work through these integrations, we anticipate that members, employees, and communities will continue to benefit from these improvements, and we look forward to bringing more as the new Access Credit Union.

Respectfully submitted,
Larry Davey
President and CEO, Access Credit Union

Message From The Board



Ingrid Loewen
BOARD CHAIR

On behalf of the Board of Directors for Access Credit Union, I respectfully submit my first report as Chair for this great new organization.

In assuming this role, I also pay my respects to both the legacy Crosstown Civic Credit Union and legacy Access Credit Union that came before, the respective Boards that made the strategic decision to bring our two Credit Unions together, and the hard work and diligence of the staff at both organizations that brought us to today, including the former CEO of Crosstown Civic, Mona Forsen. We hope she enjoys her well-deserved retirement. And it is with a heavy heart that we also mourn last year's passing of John Zacharias, a Legacy Crosstown Civic Board Member, before he could see our two organizations come together.

As we enter 2021, we can reflect with clarity on the year past. I would be remiss in not commenting on the impact of COVID-19, a global pandemic that will have lasting repercussions on every facet of our lives. It has challenged all of us, whether that means the loss of loved ones, the emotional toll of lockdowns, the financial strains placed on small, local retailers who had their businesses disrupted several times, or the uncertainty and anxiety found within the threat of illness. And yet, as of this report, we see an end to our troubles, a hope that we have begun our recovery, and that we will find ourselves working and playing shoulder-to-shoulder again.

Against the threat of COVID-19 in 2020, we also found resiliency, innovation, and a desire to move forward no matter the challenges. Partnering two organization whose strengths complemented each other now seems fortuitous timing, allowing our expanded team to implement new technologies to assist members, to support each other in building out new capabilities, and building a transformational credit union dedicated to continuing high standards of member service and delivering on our brand promise to be "Where you need us to be."

The financial strength of both organizations allowed us to not only weather the disruption of 2020, but to begin the fulfillment of many of the commitments made to members of both legacy Credit Unions as we built out the business case for our amalgamation. This includes a new and improved product and service lineup, a new brand for all 26 of our branches, the ability for members to bank in any of those locations, and a healthy patronage program that shares our success with you, our owners. We will continue to build on these strengths and bring our considerable efforts forward to meet and exceed your expectations, for service delivery, for the long-term sustainability of your Credit Union, and for the benefit of the communities in which we all live, work and play.

From the Board of Directors, I offer our thanks to each Access Credit Union employee for the pursuit of excellence demonstrated each day. Whether that is working with our members or throughout our many support departments, you each play a vital role in our success. And finally, to our members, we cannot thank you enough for the trust you continue to place in Access Credit Union, and your vote of support that allowed us to begin this journey together.

Ingrid Loewen
Board Chair, Access Credit Union

2021 Board Members



Curt LETKEMAN
VICE CHAIR



Scott BEATTIE



Ken BRAUN



Catherine BURNS



Jim NEUFELD



Randy SCHATNER



Donovan TOEWS



Phil UNRUH



Sherry WOODS

Governance Report

Director	Member Of	No. of Meetings
 Ingrid Loewen	Board Chair, Executive Committee, Governance and Human Resources Committee	24 of 24 meetings
 Randy Schartner	Vice Chair, Executive Committee, Governance and Human Resources Committee, Credit and Market Risk Committee	22 of 23 meetings
 Catherine Burns	Executive Committee, Governance and Human Resources Committee, Audit and Operational Risk Committee	23 of 23 meetings
 Ken Braun	Audit and Operational Risk Committee, Nominations Committee	16 of 16 meetings
 Donovan Toews	Credit and Market Risk Committee	15 of 16 meetings
Henry Dyck	Credit and Market Risk Committee, Nominations Committee	15 of 16 meetings
Deborah Harri	Audit and Operational Risk Committee, Credit and Market Risk Committee	20 of 20 meetings
Ellie Krahn	Executive Committee, Governance and Human Resources Committee, Nominations Committee	19 of 19 meetings
John Zacharias	Audit and Operational Risk Committee, Nominations Committee	13 of 13 meetings (passed away November 2020)
 Curt Letkeman	Board Chair, Executive Committee	15 of 15 meetings
 Jim Neufeld	Vice Chair, Governance Committee, Community Investment Committee, Executive Committee	13 of 13 meetings
 Phil Unruh	Governance Committee, Nominations Committee	11 of 11 meetings
 Scott Beattie	Audit and Operational Risk Committee	15 of 15 meetings
 Sherry Woods	Audit and Operational Risk Committee, Executive Committee	13 of 15 meetings
David Bueckert	Audit and Operational Risk Committee, Community Investment Committee	13 of 16 meetings
Alvin Elias	Governance Committee	11 of 11 meetings
Cheryl Dueck	Executive Committee, Governance Committee, Nominations Committee	11 of 11 meetings
Carla Unger	Audit and Operational Risk Committee	15 of 15 meetings
Jake Janzen	Governance Committee	4 of 5 meetings (retired in May 2020)

 Current Access Credit Union Board Members

Access Credit Union Limited
Summary Consolidated Financial Statements
For the Year Ended December 31, 2020

Report of the Independent Auditor on the Summary Consolidated Financial Statements

To the Members of Access Credit Union Limited:

Opinion

The summary financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2020, and the summary consolidated statements of comprehensive income, changes in members' equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Access Credit Union Limited (the "Credit Union") for the year ended December 31, 2020.

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

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 17, 2021.

Management's Responsibility for the Summary Consolidated Financial Statements

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

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.

Winnipeg, Manitoba

February 17, 2021

MNP LLP
Chartered Professional Accountants

Access Credit Union Limited

Summary Consolidated Statement of Financial Position

As at December 31, 2020

	2020	2019
Assets		
Funds on hand and on deposit	160,160,042	18,457,458
Investments	431,499,608	409,619,205
Members' loans	2,571,687,815	2,403,011,012
Other assets	6,460,908	4,170,402
Property and equipment	15,901,419	16,270,631
Investment property	1,881,483	1,934,521
Intangible assets	2,441,673	2,037,140
Investment in associates	2,738,104	2,718,698
Deferred tax assets	2,008,000	355,000
	3,194,779,052	2,858,574,067
Liabilities		
Members' savings and deposits	2,857,134,008	2,574,682,193
Other liabilities	12,066,725	4,912,103
Income taxes payable	125,545	584,553
Securitized borrowing	124,026,254	88,920,221
Lease liability	145,324	162,036
	2,993,497,856	2,669,261,106
Members' equity		
Members' shares	265,695	264,530
Retained surplus	201,015,501	189,048,431
	201,281,196	189,312,961
	3,194,779,052	2,858,574,067

Approved on behalf of the Board of Directors

Signed "Curt Letkeman", Director

Signed "Sherry Woods", Director

Access Credit Union Limited
Summary Consolidated Statement of Comprehensive Income
For the Year Ended December 31, 2020

	2020	2019
Financial income		
Interest on loans to members	84,144,727	88,256,474
Investment income		
Profit from associates	976,559	821,400
Liquidity deposits	7,923,337	9,833,569
Shares and debentures	1,243,107	1,185,672
	94,287,730	100,097,115
Cost of funds	47,429,010	57,525,215
Financial margin	46,858,720	42,571,900
Operating expenses		
Personnel	19,448,784	18,867,251
Administration	9,846,392	8,107,417
Occupancy	4,090,239	3,904,848
Member security	2,406,865	2,246,660
Organizational	1,509,734	1,162,570
Gross operating expenses	37,302,014	34,288,746
Other income	(10,841,927)	(9,717,629)
Income from operations before provision for impaired loans, patronage refund and income taxes	20,398,633	18,000,783
Provision for impaired loans	2,974,321	361,808
Income before patronage refund and provision for income taxes	17,424,312	17,638,975
Patronage refund	(3,200,000)	-
Income before income taxes	14,224,312	17,638,975
Provision for (recovery of) income taxes		
Current	3,910,242	3,022,493
Deferred	(1,653,000)	(142,000)
	2,257,242	2,880,493
Income and comprehensive income for the year	11,967,070	14,758,482

A full set of audited consolidated financial statements is available from the Credit Union

Access Credit Union Limited
Summary Consolidated Statement of Changes in Members' Equity

For the Year Ended December 31, 2020

	<i>Members' shares</i>	<i>Retained surplus</i>	<i>Total equity</i>
Balance, December 31, 2018	262,170	174,289,949	174,552,119
Income and comprehensive income for the year	-	14,758,482	14,758,482
Issuance of members' shares	14,055	-	14,055
Redemption of members' shares	(11,695)	-	(11,695)
Balance, December 31, 2019	264,530	189,048,431	189,312,961
Income and comprehensive income for the year	-	11,967,070	11,967,070
Issuance of members' shares	20,260	-	20,260
Redemption of members' shares	(19,095)	-	(19,095)
Balance, December 31, 2020	265,695	201,015,501	201,281,196

A full set of audited consolidated financial statements is available from the Credit Union

Access Credit Union Limited

Summary Consolidated Statement of Cash Flows

For the Year Ended December 31, 2020

	2020	2019
Operating activities		
Income for the year	11,967,070	14,758,482
Interest and investment revenue	(94,287,730)	(100,097,115)
Interest expense	47,429,010	57,525,215
Depreciation	1,716,418	1,557,959
Provision for impaired loans	2,974,321	361,808
Loss (gain) on disposal of property and equipment	(6,493)	88,701
Deferred taxes	(1,653,000)	(142,000)
Gain on disposition of shares in investment in associate	(202,637)	-
	(32,063,041)	(25,946,950)
Change in income taxes payable	(459,008)	630,147
Change in other assets and liabilities	4,864,116	(349,288)
Change in members' loans	(171,346,591)	(127,608,973)
Change in members' savings and deposits	280,991,606	180,218,297
Interest received on members' loans	83,840,194	88,277,311
Dividends received on investments in associates	844,790	1,029,000
Interest paid on members' savings and deposits	(45,968,801)	(54,862,128)
Interest received on investments	10,048,148	10,414,922
	130,751,413	71,802,338
Financing activities		
Issuance of securitized borrowings (net)	35,106,033	25,211,602
Net issue of members' shares	1,165	2,360
	35,107,198	25,213,962
Investing activities		
Redemption of investments	624,213	886,467
Purchases of property and equipment	(1,018,687)	(1,886,483)
Proceeds from disposal of property and equipment	65,000	-
Purchases of intangibles	(738,521)	(1,530,457)
Purchases of investments	(3,631,770)	(9,712,370)
Proceeds on disposition of shares in investment in associate	315,000	-
Net repayment of lease liability	(16,712)	(16,372)
	(4,401,477)	(12,259,215)
Increase in cash resources	161,457,134	84,757,085
Cash resources, beginning of year	387,316,158	302,559,073
Cash resources, end of year	548,773,292	387,316,158
Cash resources are composed of:		
Funds on hand and on deposit	160,160,042	18,457,458
Credit Union Central of Manitoba term deposits	388,613,250	368,858,700
	548,773,292	387,316,158

A full set of audited consolidated financial statements is available from the Credit Union

Access Credit Union Limited

Notes to the Summary Consolidated Financial Statements

For the Year Ended December 31, 2020

1. Basis of the summary consolidated financial statements

Management has prepared the summary consolidated financial statements from the Credit Union's December 31, 2020 audited consolidated financial statements which can be obtained at the Credit Union. The detailed notes included in the audited consolidated financial statements are not included in these summary consolidated financial statements.

2. Compliance with minimum capital and liquidity requirements

The Credit Union is in compliance with the capital and liquidity reserve requirements at December 31, 2020 established by the Regulations to The Credit Unions and Caisses Populaires Act of Manitoba.

Readers of the summary consolidated financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity, the reader must refer to the audited consolidated financial statements and notes for the year ended December 31, 2020, which contain the information detailing the calculation.

3. Subsequent event

During the year the members of the Credit Union voted in favour of the Credit Union merging with Crosstown Civic Credit Union Limited. The merger is effective January 1, 2021. The amalgamated Credit Union will operate as Access Credit Union Limited.

Crosstown Civic Credit Union Limited
Summary Financial Statements
For the Year Ended December 31, 2020

Report of the Independent Auditor on the Summary Financial Statements

To the Members of Crosstown Civic Credit Union Limited:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2020, and the summary statement of comprehensive income for the year then ended, are derived from the audited financial statements of Crosstown Civic Credit Union Limited (the "Credit Union") for the year ended December 31, 2020.

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

Summary Financial Statements

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

The Audited Financial Statements and Our Report Thereon

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Management's Responsibility for the Summary Financial Statements

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Auditor's Responsibility

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

Winnipeg, Manitoba

February 17, 2021


Chartered Professional Accountants

A full set of audited financial statements is available from the Credit Union

Crosstown Civic Credit Union Limited

Summary Statement of Financial Position

As at December 31, 2020

	2020	2019
Assets		
Funds on hand and on deposit	448,856,424	92,149,942
Investments	197,979,238	424,521,999
Members' loans receivable	2,014,661,426	2,052,184,669
Property, equipment and intangible assets	15,339,658	15,896,959
Other assets	4,695,895	1,968,130
Deferred taxes	475,000	78,000
	2,682,007,641	2,586,799,699
Liabilities		
Members' savings and deposits	2,489,508,464	2,402,684,066
Accounts payable	10,670,375	10,188,884
Income taxes payable	423,037	874
Lease liability	826,220	940,412
	2,501,428,096	2,413,814,236
Members' equity		
Members' shares	17,282,683	18,679,354
Provision for issue of Surplus shares	2,800,943	2,546,407
Retained surplus	160,495,919	151,759,702
	180,579,545	172,985,463
	2,682,007,641	2,586,799,699

Approved on behalf of the Board

Signed "Ingrid Loewen", Director

Signed "Catherine Burns", Director

A full set of audited financial statements is available from the Credit Union



Crosstown Civic Credit Union Limited

Summary Statement of Comprehensive Income

For the Year Ended December 31, 2020

	2020	2019
Interest income		
Interest from members' loans	67,380,642	73,739,480
Investment income	7,774,934	11,930,613
	75,155,576	85,670,093
Cost of funds	44,232,539	54,229,642
Financial margin	30,923,037	31,440,451
Operating expenses		
Administration	4,233,037	4,338,480
Member security	2,261,434	2,175,985
Occupancy	1,799,623	1,668,874
Organizational	956,249	1,115,877
Personnel	11,289,325	12,269,121
Gross operating expenses	20,539,668	21,568,337
Other income	(4,742,852)	(5,334,675)
Net operating expenses	15,796,816	16,233,662
Income from operations before provision for loan losses, Member Equity Plan distribution and income taxes	15,126,221	15,206,789
Provision for loan losses	1,577,004	549,989
Income from operations before Member Equity Plan distribution and income taxes	13,549,217	14,656,800
Member Equity Plan distribution	2,800,000	2,544,000
Income before provision for income taxes	10,749,217	12,112,800
Provision for income taxes	2,013,000	2,119,000
Income and comprehensive income for the year	8,736,217	9,993,800

A full set of audited financial statements is available from the Credit Union



Crosstown Civic Credit Union Limited

Notes to the Summary Financial Statements

For the Year Ended December 31, 2020

1. Basis of the summary financial statements

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3. Subsequent event

During the year the members of the Credit Union voted in favour of the Credit Union merging with Access Credit Union Limited. The merger is effective January 1, 2021. The amalgamated Credit Union will operate as Access Credit Union Limited.



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