



ACCESS CREDIT UNION

Summary Consolidated Financial Statements

For the Year Ended December 31, 2023

Report of the Independent Auditor on the Summary Consolidated Financial Statements

To the Members of Access Credit Union Limited:

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2023, 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, 2023.

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 March 15, 2024.

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

March 15, 2024

MNP LLP
Chartered Professional Accountants

Access Credit Union Limited

Summary Consolidated Statement of Financial Position

As at December 31, 2023

	2023	2022
Assets		
Funds on hand and on deposit	376,758,088	273,304,544
Investments	869,812,364	868,627,116
Income taxes recoverable	6,552,924	4,089,200
Members' loans	10,946,657,786	9,445,850,032
Other assets	36,430,539	36,108,701
Property and equipment	79,761,483	64,053,140
Investment property	12,831,286	13,469,650
Intangible assets	28,615,358	27,994,375
Investment in associates	2,683,799	2,691,410
Deferred tax assets	8,879,066	10,744,000
Goodwill	13,039,489	13,039,489
	12,382,022,182	10,759,971,657
Liabilities		
Loan payable	15,000,000	-
Members' savings and deposits	10,771,534,609	9,473,717,124
Other liabilities	39,906,500	33,658,700
Securitized borrowing	820,921,786	621,730,744
Lease liability	2,903,159	1,955,181
	11,650,266,054	10,131,061,749
Members' equity		
Members' shares	44,657,820	49,194,537
Retained surplus	301,522,813	253,429,057
Contributed surplus	385,575,495	326,286,314
	731,756,128	628,909,908
	12,382,022,182	10,759,971,657

Approved on behalf of the Board of Directors

<<signed Curt Letkeman>>
_____, Director

<<signed Marlene Michno>>
_____, Director

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

Access Credit Union Limited
Summary Consolidated Statement of Comprehensive Income
For the Year Ended December 31, 2023

	2023	2022
Financial income		
Interest on loans to members	431,835,740	244,540,394
Investment income		
Profit from associates	999,723	875,690
Liquidity deposits	72,016,315	26,860,146
Shares and debentures	8,558,757	3,427,419
	513,410,535	275,703,649
Cost of funds	334,667,948	156,927,466
Financial margin	178,742,587	118,776,183
Operating expenses		
Personnel	78,969,855	55,878,458
Administration	36,184,286	23,810,562
Occupancy	23,322,208	12,612,371
Member security	9,423,211	6,865,177
Organizational	4,480,469	2,976,949
Gross operating expenses	152,380,029	102,143,517
Other income	(48,123,562)	(32,946,862)
Income from operations before provision for impaired loans, patronage refund and income taxes	74,486,120	49,579,528
Provision for impaired loans	2,220,968	2,824,624
Income before patronage refund and provision for income taxes	72,265,152	46,754,904
Patronage refund	(6,000,000)	(6,000,000)
Income before income taxes	66,265,152	40,754,904
Provision for (recovery of) income taxes		
Current	13,256,000	11,400,000
Deferred	3,697,000	(196,745)
	16,953,000	11,203,255
Income and comprehensive income for the year	49,312,152	29,551,649

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Access Credit Union Limited
Summary Consolidated Statement of Changes in Members' Equity
For the Year Ended December 31, 2023

	<i>Members' shares</i>	<i>Retained surplus</i>	<i>Contributed surplus</i>	<i>Total equity</i>
Balance December 31, 2021	14,646,220	224,520,400	177,902,513	417,069,133
Income and comprehensive income for the year	-	29,551,649	-	29,551,649
Issuance of members' shares	2,926,324	-	-	2,926,324
Redemption of members' shares	(11,545,575)	-	-	(11,545,575)
Provision for issuance of surplus shares, net of tax savings of \$209,783	-	(642,992)	-	(642,992)
Business combination	43,167,568	-	148,383,801	191,551,369
Balance December 31, 2022	49,194,537	253,429,057	326,286,314	628,909,908
Income and comprehensive income for the year	-	49,312,152	-	49,312,152
Issuance of members' shares	2,315,865	-	-	2,315,865
Redemption of members' shares	(11,194,727)	-	-	(11,194,727)
Provision for issuance of surplus shares, net of tax savings of \$450,639	-	(1,218,396)	-	(1,218,396)
Business combination	4,342,145	-	59,289,181	63,631,326
Balance December 31, 2023	44,657,820	301,522,813	385,575,495	731,756,128

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Access Credit Union Limited

Summary Consolidated Statement of Cash Flows

For the Year Ended December 31, 2023

	2023	2022
Operating activities		
Income and comprehensive income for the year	49,312,152	29,551,649
Adjustments for items not effecting cash:		
Interest and investment revenue	(513,410,535)	(275,703,649)
Profit from associates	(999,723)	(875,690)
Hedging loss	690,033	-
Cost of funds	334,667,948	156,927,466
Depreciation and amortization	8,516,406	6,399,575
Provision for impaired loans	2,220,968	2,824,624
Loss on disposal of property and equipment, and intangible assets and investment property	874,848	264,584
Deferred taxes	3,697,000	(196,745)
	(114,430,903)	(80,808,186)
Change in income taxes recoverable	(2,128,950)	(5,777,639)
Change in other assets and liabilities	8,153,569	(29,078,782)
Change in members' loans	(637,737,827)	(1,094,155,517)
Change in members' savings and deposits	258,862,918	390,187,850
Interest received on members' loans	424,945,367	234,279,783
Dividends received on investments in associates	1,007,334	1,077,955
Interest paid on members' savings and deposits	(293,432,479)	(130,532,559)
Interest received on investments	78,914,568	26,721,694
	(275,846,403)	(688,085,401)
Financing activities		
Advances of loan payable	15,000,000	-
Issuance of securitized borrowings (net)	174,564,428	364,219,728
Net redemption of members' shares	(8,878,862)	(8,619,251)
	180,685,566	355,600,477
Investing activities		
Redemption of (purchase of) investments	135,659,373	(335,723,894)
Purchases of property and equipment	(8,995,136)	(3,612,657)
Proceeds from disposal of property and equipment	-	1,610,535
Proceeds from disposal of investment property	301,531	-
Purchase of intangibles	(10,125)	(687,594)
Net repayment of lease liability	(460,412)	(213,658)
	126,495,231	(338,627,268)
Funds on hand and on deposit acquired in business combination	72,119,150	187,645,494
Increase (decrease) in cash resources	103,453,544	(483,466,698)
Cash resources, beginning of year	273,304,544	756,771,242
Cash resources, end of year	376,758,088	273,304,544

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Access Credit Union Limited

Notes to the Summary Consolidated Financial Statements

For the Year Ended December 31, 2023

1. Basis of the summary consolidated financial statements

Management has prepared the summary consolidated financial statements from the Credit Union's December 31, 2023 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, 2023 established by the Deposit Guarantee Corporation of Manitoba in its standards of Sound Business Practice.

Readers of the summary consolidated financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity compliance, the reader must refer to the audited consolidated financial statements and notes for the year ended December 31, 2023, which contain the information detailing the calculation.