

Report of the Independent Auditor on the Summarized Financial Statements

To the Members of Compensation Employees Credit Union:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2023, and the summary statements of comprehensive income and changes in members' equity and cash flows for the year then ended are derived from the audited financial statements of Compensation Employees Credit Union (the "Credit Union") for the year ended December 31, 2023.

In our opinion, the accompanying summary financial statements are a fair summary of the audited 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

We expressed an unmodified audit opinion on the audited financial statements in our report dated February 20, 2024.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements.

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.

Abbotsford, BC
February 27, 2024

MNP LLP

Chartered Professional Accountants

Compensation Employees Credit Union Summarized Statement of Financial Position December 31, 2023

	2023	2022
Assets		
Cash and cash equivalents	476,775	2,197,922
Investments	2,955,554	2,180,283
Member loans receivable	28,856,273	28,876,879
Income taxes receivable	2,190	3,872
Prepaid expenses and deposits	59,302	70,027
Intangible assets	146,389	127,982
	32,496,483	33,456,965
Liabilities		
Member deposits	30,000,685	30,948,025
Accounts payable and accrued liabilities	20,254	34,462
Deferred tax liabilities	12,000	11,000
	30,032,939	30,993,487
Members' equity		
Equity shares	553,198	573,173
Retained earnings	1,937,289	1,950,472
Accumulated other comprehensive loss	(26,943)	(60,167)
	2,463,544	2,463,478
	32,496,483	33,456,965

Approved on behalf of the Board of Directors

"Breanna Graham"

Director

"Ashleigh Zhang"

Director

MNP
LLP

Compensation Employees Credit Union
Summarized Statements of Comprehensive Income and Changes in Members' Equity
December 31, 2023

	2023	2022
Interest income	1,176,412	975,335
Interest expense	520,664	278,012
Financial margin	655,748	697,323
Other income	41,055	26,310
Financial margin and other income	696,803	723,633
Operating expenses	606,484	602,178
Income before provision for impaired loans	90,319	121,455
Provision for impaired loans	76,768	46,451
Income before income tax expense	13,551	75,004
Income tax expense (recovery)	(296)	2,564
Net income	13,847	72,440
Other comprehensive income (loss) – net of tax	33,224	(60,167)
Comprehensive Income	47,071	12,273
Members' equity, beginning of year	2,463,478	2,518,315
Equity share dividends	(27,030)	(28,496)
Net redemption of equity shares	(19,975)	(38,614)
Members' equity, end of year	2,463,544	2,463,478

Compensation Employees Credit Union
Summarized Statement of Cash Flows
December 31, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating activities	191,131	192,337
Financing activities	(1,083,435)	(3,813,728)
Investing activities	(828,843)	(5,932,185)
Decrease in cash and cash equivalents	(1,721,147)	(9,553,576)
Cash and cash equivalents, beginning of year	2,197,922	11,751,498
Cash and cash equivalents, end of year	476,775	2,197,922

Note: Readers are cautioned that these summarized financial statements do not include all the disclosures required for complete and fair presentation. Management has prepared the summarized financial statements from the Credit Union's December 31, 2023 audited financial statements which can be obtained at the Credit Union.