

**Me-Dian Credit Union of Manitoba Limited**  
**Summary Financial Statements**  
*For the Year Ended December 31, 2019*

# Report of the Independent Auditor on the Summary Financial Statements

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To the Members of Me-Dian Credit Union of Manitoba Limited:

## Opinion

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

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

We expressed an unmodified audit opinion on the audited financial statements in our report dated April 21, 2020.

## Management's Responsibility for the Summary Financial Statements

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

Winnipeg, Manitoba

April 21, 2020

  
Chartered Professional Accountants

A copy of the complete financial statements including significant accounting policies and other explanatory information is available from the credit union.

# Me-Dian Credit Union of Manitoba Limited

## Summary Statement of Financial Position

*As at December 31, 2019*

	2019	2018
<b>Assets</b>		
Funds on hand and on deposit	7,495,855	2,185,095
Investments	6,763,498	5,991,727
Members' loans receivable	34,937,486	26,084,212
Income taxes recoverable	35,762	47,573
Other assets	38,817	76,806
Property, equipment and intangible assets	1,465,858	1,583,044
Asset held for sale	260,783	-
	<b>50,998,059</b>	35,968,457
<b>Liabilities</b>		
Members' savings and deposits	47,100,019	32,334,924
Accounts payable	240,802	324,908
Deferred tax liability	44,000	43,000
	<b>47,384,821</b>	32,702,832
<b>Members' equity</b>		
Retained surplus	3,229,466	2,864,290
Member shares	383,772	401,335
	<b>3,613,238</b>	3,265,625
	<b>50,998,059</b>	35,968,457

**Approved on behalf of the Board of Directors**

Signed "Tanis Wheeler"

Signed "Damon Johnston"

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**Me-Dian Credit Union of Manitoba Limited**  
**Summary Statement of Comprehensive Income (Loss)**  
*For the year ended December 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Financial income</b>		
Interest from members' loans	1,810,065	1,392,350
Investment income	641,384	281,337
	<b>2,451,449</b>	<b>1,673,687</b>
<b>Cost of funds</b>	<b>300,121</b>	<b>36,160</b>
<b>Financial margin</b>	<b>2,151,328</b>	<b>1,637,527</b>
<b>Operating expenses</b>		
Administration	1,043,253	948,318
Member security	45,000	23,250
Occupancy	415,393	409,226
Organizational	93,031	73,648
Personnel	1,620,477	1,575,879
<b>Gross operating expenses</b>	<b>3,217,154</b>	<b>3,030,321</b>
<b>Other revenue</b>	<b>(1,704,303)</b>	<b>(1,205,121)</b>
<b>Net operating expenses</b>	<b>1,512,851</b>	<b>1,825,200</b>
<b>Income (loss) from operations before provision for loan losses</b>	<b>638,477</b>	<b>(187,673)</b>
<b>Provision for loan losses</b>	<b>243,301</b>	<b>50,000</b>
<b>Income (loss) before provision for income taxes</b>	<b>395,176</b>	<b>(237,673)</b>
<b>Provision for (recovery of) income taxes</b>	<b>30,000</b>	<b>(26,000)</b>
<b>Income (loss) and comprehensive income (loss) for the year</b>	<b>365,176</b>	<b>(211,673)</b>

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**Me-Dian Credit Union of Manitoba Limited**  
**Summary Statement of Changes in Members' Equity**  
*For the year ended December 31, 2019*

	<i>Members' shares</i>	<i>Retained surplus</i>	<i>Total equity</i>
<b>Balance December 31, 2017</b>	<b>429,017</b>	<b>3,075,963</b>	<b>3,504,980</b>
Loss and comprehensive loss for the year	-	<b>(211,673)</b>	<b>(211,673)</b>
Issuance of members' shares	<b>1,980</b>	-	<b>1,980</b>
Redemption of members' shares	<b>(29,662)</b>	-	<b>(29,662)</b>
<b>Balance December 31, 2018</b>	<b>401,335</b>	<b>2,864,290</b>	<b>3,265,625</b>
Income and comprehensive income for the year	-	<b>365,176</b>	<b>365,176</b>
Issuance of members' shares	<b>2,435</b>	-	<b>2,435</b>
Redemption of members' shares	<b>(19,998)</b>	-	<b>(19,998)</b>
<b>Balance December 31, 2019</b>	<b>383,772</b>	<b>3,229,466</b>	<b>3,613,238</b>

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**Me-Dian Credit Union of Manitoba Limited**  
**Summary Statement of Cash Flows**  
*For the year ended December 31, 2019*

	2019	2018
<b>Operating activities</b>		
Interest received from members	1,765,198	1,334,411
Investment income	582,603	329,533
Income taxes paid	(17,189)	11,099
Interest paid to members	(227,040)	(28,371)
Operating expenses paid	(3,047,837)	(3,096,150)
Other income received	1,704,303	1,205,121
	<b>760,038</b>	<b>(244,357)</b>
<b>Financing activities</b>		
Net change in members' savings and deposits	14,692,014	1,466,049
Issuance of members' shares	2,435	1,980
Redemption of members' shares	(19,998)	(29,662)
	<b>14,674,451</b>	<b>1,438,367</b>
<b>Investing activities</b>		
Net change in members' loans receivable	(9,312,491)	(9,806,524)
Net change in investments	(712,990)	6,609,520
Purchases of property, equipment and intangible assets	(98,953)	(401,415)
Proceeds on disposal of property, equipment and intangible assets	705	-
	<b>(10,123,729)</b>	<b>(3,598,419)</b>
<b>Increase (decrease) in cash resources</b>	<b>5,310,760</b>	<b>(2,404,409)</b>
<b>Funds on hand and on deposit, beginning of year</b>	<b>2,185,095</b>	<b>4,589,504</b>
<b>Funds on hand and on deposit, end of year</b>	<b>7,495,855</b>	<b>2,185,095</b>

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**Me-Dian Credit Union of Manitoba Limited**  
**Note to the Summary Financial Statements**  
*For the year ended December 31, 2019*

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**1. Basis of presentation of the summary financial statements**

Management has prepared the summary financial statements from the December 31, 2019 audited financial statements of Me-Dian Credit Union of Manitoba Limited (the "Credit Union"), which can be obtained at the Credit Union. The detailed notes included in the audited financial statements are not included in these summary 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, 2019 established by the Regulations to The Credit Unions and Caisses Populaires Act of Manitoba.

Readers of the summary financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity, the reader must refer to the audited financial statements and notes for the year ended December 31, 2019, which contain the information detailing the calculation.

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