



*"Intelligence is the ability
to adapt to change."*

~ Stephen Hawking



2021 Annual
REPORT

Why Community Credit Union?

Community Credit Union of Cumberland Colchester Limited isn't just a bank. We're proud to offer exceptional financial products backed by an informed and supportive staff but we offer far more than just an outstanding catalogue of everyday banking needs. We offer our members the opportunity to make a difference. Our clients are not just a number but members – partners with us as we work in tandem to ensure that their financial plans are suited to their needs and that the goals we make together are soon met. By banking locally, our members help us to contribute back into our communities – their communities - where we can all be proud of the support offered in watching our neighbouring businesses, charities, families, and friends flourish year after year. This togetherness allows each of us to make financial decisions that seek fairness, trust, equality, and independence brought to life in real and meaningful ways, from the operation of our business to how we treat our employees and members every single day.



For over 80 years, we have been committed to keeping funds working locally by employing people from within the community and by providing Personal and Commercial loans to members and their small businesses. Our profits stay in our communities, reinvested into our local economies. Putting members first is our credit union's number one priority. That means that instead of looking for ways to maximize profits for shareholders, Community Credit Union is always looking for ways to help our members make the most of their finances.



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REPORT FROM THE CHAIR OF THE BOARD



On behalf of your Board of Directors, I am pleased to present to you this report for the 2021 year of operation of Community Credit Union of Cumberland Colchester Ltd. It is hard to believe another year has come and gone with COVID-19 very much affecting all that we do. This last year was without a doubt, unprecedented.

Despite the many challenges the world has faced, Community Credit Union has continued to grow substantially. Our advancement goals were not focused solely on positive financial numbers but on our members and products, customer service, digital transformation as well as community social responsibility. I would like to encourage you to read ahead through the CEO's report and financial statements for further details on your credit union's success.

A definite highlight for Community Credit Union was the grand opening of our Digital Innovation Centre (DIC) in the Colchester area, which further solidifies our footprint in the digital market. It was a memorable moment for Community Credit Union, and we are excited to further expand our member reach with this state-of-the-art facility. In a forever changing environment, we all must learn to shift our traditional ways to a more digitized lifestyle but recognize online banking is still an intimidating


territory for many of our members, especially our seniors. The Digital Innovation Centre has been developed for not just our members, but for every individual who is unfamiliar with online banking or financial planning. While we are pleased of our results thus far, we promise for many exciting new initiatives in the future. If you have not had a chance to visit us at our Prince Street location, I highly encourage you to do so – you will find it quite different than your average banking institution.

150,805,686
ASSETS
Increase:
18.6%



As always, giving back to our communities is paramount to us and we continued to validate our support through various community engagements through 2021. A few of the proudest include sponsoring the Truro & Colchester Chamber of Commerce Business Excellence Award, participating in the Christmas for Kids and Elves for Elders programs, as well as supporting the United Way "Think Outside the Box" initiative.

LOANS AND MORTGAGES
150,805,686
Increase: **29.8%**



REPORT FROM THE CHAIR OF THE BOARD


Regardless of the unique challenges, 2021 has been a fruitful year for Community Credit Union. I wish to acknowledge the continued hard work of the Board, Staff and Management team. These incredible results would not have been possible without their hard work and commitment. "Thank you" does not suffice and I cannot begin to express my gratitude for their efforts that go above and beyond of what is asked or expected. Each day, I am inspired and motivated by this dedicated group and equally proud of the work performed to stir our credit union back on a path of growth and financial sustainability. Please know the ongoing support of you - our members - is vital to our success.

In the years to come, your Board will continue to be very engaged in the economic affairs of the credit union and will continue to work hard to improve our financial strength. We will maintain our ongoing engagement with other credit unions and will strive to develop meaningful and beneficial business relationships for all.

Respectfully,



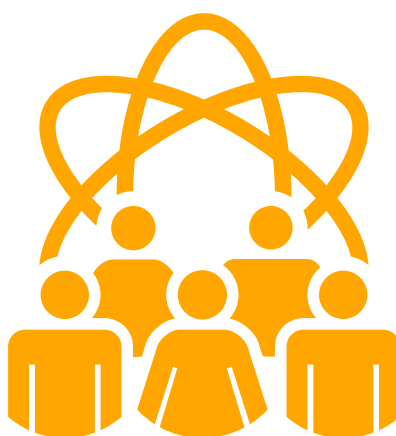
Rod Gilroy,
Chair of the Board

 **MEMBERSHIP**
Growth from **6,519** to **6,767**
Increase: **248** (3.8%) new members.

BOARD OF DIRECTORS

2021 - 2022 Board Meeting Attendance and Committee Participation

Director	Board Meetings	AGM	Strategic Planning Session	Governance, Ethics and Human Resources	Audit and Operational Risk	Credit and Market Risk	Nominating
Rod Gilroy, Chair	6/9	1/1	1/1	2/2	-	-	-
Andre Myette, Vice-Chair	7/9	1/1	1/1	2/2	-	-	2/2
Jeff Yuill, Secretary	7/9	1/1	1/1	2/2	3/3	-	1/2
George Baker	5/9	1/1	1/1	-	-	2/4	-
Carolyn Allen	9/9	1/1	1/1	-	3/3	-	-
Michael Hunter	6/9	1/1	1/1	-	2/3	-	2/2
Susan Costin	9/9	1/1	1/1	2/2	-	2/2	-
Daniel Roper	6/6	1/1	1/1	-	-	2/2	-
Ralph Wark	6/9	1/1	1/1	-	-	4/4	-
Florence Fortune	9/9	1/1	1/1	-	-	4/4	2/2
Christopher Tucker	7/7	1/1	1/1	-	2/2	-	-



REPORT FROM THE CHIEF EXECUTIVE OFFICER



Two years have passed since the beginning of the COVID-19 pandemic and our world has faced a tsunami of suffering: many lives have been lost, our economies have been upended and societies have been left reeling. The COVID 19 pandemic created a challenging environment for many people and especially for many businesses in Canada, who were forced to shut their doors to the public. Needless to say, the most vulnerable have suffered the most. The extraordinary financial support provided by the Government over the past year makes it difficult to draw definitive conclusions about the underlying financial health of the Canadian businesses, individuals, and families.

Community Credit Union has successfully kept operation running almost uninterrupted these past years. We did so by working with our staff and members to ensure we are providing a safe working environment. When the COVID-19 pandemic limited face-to-face interactions in 2020 and last year, we had to reimagine what member experience would look like. In person traffic had noticeably reduced in all our branches which pushed us even further to ensure our members are receiving the same excellent customer experience they deserve, especially when communicating remotely.

Amidst the pandemic turmoil, our aim was to foster a welcoming environment for people to get professional financial advice on investments, credit cards or loans. Furthermore, we wanted to help them find the much-needed support if they were troubled by their monthly mortgage/loan payments. Our Credit Union came up with very innovative programs as we navigated through their financial hardships together. Without a doubt, all our efforts were worthwhile, and we truly made a difference for our struggling members. We are committed to ensure this incredible amount of trust we have gained will remain for the years to come.

Within the financial services industry, credit card and mobile payments are being fundamentally transformed through technology, regulatory and competitive change. Our online banking will continue to be enhanced with new features such as the online password reset which is designed to provide our members with secure and uninterrupted access to their banking platform. In 2021, we adopted a digital banking solution for account opening and lending; the program is currently operated in-branch by our knowledgeable staff and is accessible online to you - our members - from our Community Credit Union website. Regardless of your preferred method of choice to access our products and services, we promise an improved and seamless experience. In such unpredictable times, we must learn to adapt our banking habits to a constantly changing environment. We understand that sometimes digital transformation does not come easy to everyone, but that is why Community Credit Union is here for.

\$142,887,392
DEPOSITS
Increase: **18.4%**

REPORT FROM THE CHIEF EXECUTIVE OFFICER

From a financial standpoint, I am pleased to report that we experienced positive asset growth as a result of new member relationships we created throughout these past years. Our assets increased by 18.6% as we just surpassed the \$150Mil mark while our loans and mortgages skyrocketed to \$129Mil. At the same time, 248 new members joined our credit union family in the last year boosting our total membership to 6,767. Our long-time goal is to continue to seek growth by increasing the use of credit union products, building meaningful relationships with our existing members and by positioning ourselves as a provider of choice for new members.

In 2021, your credit union injected over \$85,000 in your local communities and supported over thirty-five organizations in various sectors. Truro & Colchester Chamber of Commerce, United Way of Colchester, Amherst Golf Club, the Royal Canadian Legion are just a few of the many who received financial assistance from Community Credit Union. As we look ahead, we will continue to be a pillar in our communities and demonstrate our strong commitment through diverse initiatives.

In closing, I would like to thank our staff for their tireless efforts to overcome all the challenges we faced in 2021 and our Board of Directors for their support and commitment to our vision. Also, a big “thank you” to our Community Credit Union members. It is with your support that your credit union continues to grow and strengthen.

Respectfully,



Georg Oberprieler,
Chief Executive Officer



SERVICE AWARDS

“Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results.”

– Andrew Carnegie

15 YEARS

Nancy Corey



20 YEARS

Pam Richard



20 YEARS

Bonnie Sellars



25 YEARS

Trish Wright



OUR WORK IN THE COMMUNITY

Community is not just the name of our Credit Union but where we live, work and play. Helping our local businesses, charities, neighbours and friends has always been a top priority and we're grateful to not only be in a position to give back to these communities we're a part of but are actively looking for new ways to make an even bigger impact moving forward.

From agriculture, youth hockey and school lunch programs to homeless outreach, hospital foundations and supporting our local elders, we had a busy 2021 in Cumberland Colchester. We strive to be a building block in supporting the growth and excellence all around us, continuously motivated by the hard work, dedication and community support that are so alive in central and northern Nova Scotia. Our involvement in assisting programs and families in need right to athletics and light, fun initiatives with the local community leave us both fulfilled and with a drive for more, this carrying us to look ahead to how we'll be able to solidify even stronger bonds with the inspiring people here at home in the many years to come.

Community Credit Union of Cumberland Colchester Ltd is proud to have given over \$85,000 back into our communities in 2021 and we look forward to building even stronger bonds with our local partners in 2022.



COMMUNITY CREDIT UNION OF COLCHESTER LIMITED.

Summary Financial Statements

December 31, 2021

To the of Members of Community Credit Union of Cumberland Colchester Limited:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2021, and the summary statements of comprehensive income, members' equity and cash flows for the year then ended, are derived from the audited financial statements of Community Credit Union of Cumberland Colchester Limited (the "Credit Union") for the year ended December 31, 2021.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the basis described in the Note.

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 March 17, 2022.

Management's Responsibility for the Summary Financial Statements

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

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.

Dartmouth, Nova Scotia

March 17, 2022



Chartered Professional Accountants

Community Credit Union of Colchester Limited

Statement of Financial Position

As at December 31, 2021

	2021	2020
Assets		
Cash resources	12,596,151	19,449,467
Members' loans	129,392,314	99,680,184
Income taxes receivable	-	2,847
Other assets	210,259	324,888
Investments	4,932,803	3,942,830
Property and equipment	3,160,176	3,097,369
Right-of-use assets	349,483	261,332
Intangible asset	-	350,854
Deferred taxes	164,500	54,000
	150,805,686	127,163,771
Liabilities		
Member deposits	142,887,392	120,668,228
Payables and accruals	293,661	249,747
Income taxes payable	230,146	-
Lease liabilities	491,356	429,371
Members' shares	146,979	31,656
	144,049,534	121,379,002
Members' Equity		
Surplus shares	1,094,734	1,102,520
Retained earnings	5,661,418	4,682,249
	6,756,152	5,784,769
	150,805,686	127,163,771

Approved on behalf of the Board
Director



Director



A full set of audited financial statements is available from the credit union.

Community Credit Union of Colchester Limited

Statement of Comprehensive Income

For the year ended December 31, 2021

	2021	2020
Income		
Loan interest	4,382,391	3,488,437
Investment income	128,721	327,735
	4,511,112	3,816,172
Interest and loan related expenses		
Interest on member deposits	500,676	703,379
Interest on lease liabilities	24,723	41,884
Patronage dividend to members	37,178	22,381
Provision for loan impairment losses	62,622	62,583
	625,199	830,227
Financial margin	3,885,913	2,985,945
Other income	1,544,156	1,214,592
Income before operating expenses	5,430,069	4,200,537
Operating expenses		
Salaries and benefits	1,880,035	1,620,784
Administrative expenses	1,699,578	1,732,496
Occupancy	275,663	283,097
CUDIC assessment	175,193	147,457
Depreciation of property and equipment	311,514	334,956
Amortization of intangible assets	-	69,171
Gain on modifications of leases	-	(97,206)
Gain on disposal of intangible asset	(16,834)	-
	4,325,149	4,090,755
Income before other items and provision for income taxes	1,104,920	109,782
Impairment loss on other assets	-	(62,378)
Income before provision for income taxes	1,104,920	47,404
Provision for income taxes		
Current	230,251	6,000
Deferred (recovery)	(104,500)	218
	125,751	6,218
Net comprehensive income	979,169	41,186

A full set of audited financial statements is available from the credit union.

Community Credit Union of Colchester Limited
Statement of Changes in Members' Equity
For the year ended December 31, 2021

	<i>Surplus shares</i>	<i>Retained earnings</i>	<i>Total equity</i>
Balance January 1, 2020	716,835	4,651,759	5,368,594
Net comprehensive income for the year	-	41,185	41,185
Surplus shares issued	415,255	-	415,255
Surplus shares redeemed	(29,570)	-	(29,570)
Dividends	-	(10,695)	(10,695)
Balance December 31, 2020	1,102,520	4,682,249	5,784,769
Net comprehensive income for the year	-	979,169	979,169
Surplus shares issued	31,484	-	31,484
Surplus shares redeemed	(39,270)	-	(39,270)
Balance December 31, 2021	1,094,734	5,661,418	6,756,152

A full set of audited financial statements is available from the credit union.

Community Credit Union of Colchester Limited

Statement of Cash Flows

For the year ended December 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Net comprehensive income	979,169	41,186
Depreciation of property and equipment	311,514	335,095
Amortization of intangible assets	-	69,171
Loss on sale of foreclosed property	-	62,378
Gain on modifications of lease	-	(97,206)
Interest on lease liabilities	24,723	41,884
Provision for loan impairment losses	62,622	62,583
Provision for foreclosed properties	-	(132,807)
Deferred taxes	(110,500)	6,000
Gain on disposal of intangible asset	(16,834)	-
	1,250,694	388,284
Changes in working capital accounts		
Income taxes payable (receivable)	232,993	(2,847)
Other assets	114,629	(49,223)
Payables and accruals	29,115	348,888
Patronage interest payable	14,797	22,381
Accrued interest payable	(86,833)	45,726
Accrued interest receivable	(40,293)	(12,265)
	1,515,102	740,944
Financing activities		
Net change in members' deposits	22,305,997	23,392,164
Payments for lease liabilities	(107,786)	(92,486)
Net increase in membership shares	107,537	386,553
	22,305,748	23,686,231
Investing activities		
Net decrease in other assets - Concentra mortgage pool receivable	-	1,110,202
Net increase in bank indebtedness	-	(310,064)
Net increase in investments	(622,285)	(2,113,347)
Net increase in members' loans	(29,734,459)	(15,356,409)
Proceeds on sale of foreclosed properties	-	70,425
Purchases of property and equipment	(317,422)	(451,480)
	(30,674,166)	(17,050,673)
(Decrease) increase in cash resources	(6,853,316)	7,376,502
Cash resources, beginning of year	19,449,467	12,072,965
Cash resources, end of year	12,596,151	19,449,467

A full set of audited financial statements is available from the credit union.

Community Credit Union of Colchester Limited

Notes to the Financial Statements

For the year ended December 31, 2021

Basis of preparation of the summary financial statements

Management has prepared the summary financial statements from the December 31, 2021 audited financial statements, which are prepared in conformity with International Financial Reporting Standards (IFRS). The audited financial statements can be obtained at the Credit Union's branches. The detailed notes included in the audited financial statements are not included in these summary financial statements.

The criteria developed by management for the preparation of the summary financial statements is as follows:

That the information included in the summary financial statements is in agreement with the related information in the complete financial statements, and that the summary financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete financial statements, including the notes thereto, in all material respects.

A full set of audited financial statements is available from the credit union.



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