

Annual Report

2019



COASTAL COMMUNITY
CREDIT UNION

TOGETHER, LET'S DO GREAT THINGS

Our Vision

We will be the leaders in building relationships that improve financial health, enrich people's lives and build healthier communities.

Our Values

**Accountability | Co-operation | Excellence
Innovation | Integrity | Responsiveness
Social Responsibility**

Our Purpose

Member and Client Experience

We will be the leaders in building strong relationships by being more helpful and caring, and improving financial health.

Community Experience

We will be the leaders in making a visible and meaningful difference in building healthier communities. Our communities are our home.

Employee Experience

We will be the leaders in creating an environment where we say great things, do great things, and where we want to stay.



COASTAL COMMUNITY
CREDIT UNION



COASTAL COMMUNITY
INSURANCE SERVICES



COASTAL COMMUNITY
FINANCIAL MANAGEMENT INC

References to "Coastal Community" in this Annual Report mean "Coastal Community Credit Union."
References to "insurance" in this Annual Report refer to the insurance services provided through Coastal Community Insurance Services (2007) Ltd.
References to "wealth management," "financial planning" and "investments" in this Annual Report refer to the financial planning and investment services provided through Coastal Community Private Wealth Group, a division of Coastal Community Financial Management Inc.

BOARD CHAIR REPORT

It's been another notable year, and we have much to recognize and celebrate within the 2019 Annual Report. Before we get into the details, I'd like to thank you, our members and clients. Choosing to do business with us and sharing your experience with others continues to have a tremendous impact on Coastal Community—your Credit Union. We appreciate your ongoing support.

The velocity of change is increasing in every sector and reshaping every industry. The companies that flourish in the face of change are the ones that are open to learning while embracing new opportunities. I'm pleased to report that we continue to do just that, and all while keeping our members, clients and communities at the forefront.

You've probably noticed that our website, cccu.ca, has undergone its own changes. Its reinvention was a significant project for us, with most of the preparations taking place in 2019. This year's Annual Report draws inspiration from our redesigned website. Let us know what you think of it, and please continue to tell us how we're doing in our service delivery to you and in our work of building healthier communities. Your feedback goes a long way in guiding our decision-making.

From launching innovations that are making your life easier (which means more time for your financial health), to deepening our skillsets so that we can provide even better guidance and expertise, we're helping to meet the needs brought on by a changing world. Our employees are the ones driving these efforts, so I'd especially like to thank them.

I would also like to recognize my fellow Directors. Each one is 100% committed to carrying out their Board duties with good judgement and skill. Both the Board and our employees draw on their leadership to bring Coastal Community's values to life. It's very rewarding to see our efforts contribute to stronger financial health for you and healthier communities for us all.

Last year's successes, delivered in a very competitive and ever-changing external environment, show that we remain on the right track. On behalf of the Board of Directors, thank you again for your trust, support and feedback. We're looking forward to building on 2019's momentum, inspired by your vote of confidence.

Evelyn Clark
*Chair, Board of Directors,
Coastal Community Credit Union*



2019 KEY ACCOMPLISHMENTS

IMPROVING FINANCIAL HEALTH

- Launched a Business Unlimited account & our Round Up savings feature
- Reconfigured several branches to better support financial advisory services
- Created our very own definition of financial health with help from members and employees

DIGITAL & TECHNOLOGICAL ENHANCEMENTS

- Tested the redesign of our website with members, clients and employees, and developed all new content and visuals
- Prepared for the launch of our 2020 insurance system conversion, which will enable us to deliver a better client experience
- Introduced intuitive Personal Financial Management tools in online banking

DEEPENING OUR LEADERSHIP

- Held Spark Summit, our all-employee learning event
- Implemented various internal leadership initiatives
- Adopted Agile methodologies, including hackathons

MESSAGE FROM THE PRESIDENT AND CEO

2019 was another very strong year for your Credit Union. From all of us, thank you for the continued opportunity to serve you. Our team of experts worked hard to make sure your needs were anticipated and taken care of so that you're better prepared for what comes next. That's what good financial health is all about, and that's at the heart of our business.

I'm sure you've seen for yourself how today's financial landscape is one of constant change. With a fast-moving world also comes the opportunity to grow, evolve and lead. We acted on these opportunities and are proud of what resulted this past year and most importantly, what it all means for you—enhanced services, better product offerings and a stronger credit union.

Your needs are also changing, and we care a lot about that. By really listening to what you need (through formal surveys, informal chats, and everything in between) we're getting a better sense of what's important and are taking our cue from these insights.

As we work to improve your financial health and give you an even better Coastal Community experience, we're mindful of how important collaboration is to the process. Partnering with the right industry leaders and engaging with like-minded organizations mean even more opportunities to add to our strengths. Our insurance collaboration between Coastal Community Insurance Services and Interior Savings Insurance Services, finalized in 2019, is a great example. We've solidified a partnership that will provide many benefits to our members and clients.

We also continued to invest in personal leadership, another important focus of ours. In 2019 this resulted in our special learning summit, the Spark Summit, held for all Coastal Community employees. The engaging and inspiring event was focused on the pervasiveness, speed and necessity of change. Created by our employees, it was a conference-style day of learning complete with breakout sessions, subject matter experts and a special keynote speaker.

Our learning summit began with TEDx speaker Dr. Nadya Zhexembayeva, who delivered an insightful speech on why we need to "make change our friend." She shared that change doesn't need to be seen as

an aggressive disruptor, but rather an opportunity to evolve and transform for the better. I'd like to thank our team in advance for the related work we have already begun and will continue into 2020 and beyond. As we create new and innovative products, and deepen our services and advice, all our efforts remain focused on improving the financial and holistic health of our members and clients.

Finally, I'd like to recognize each one of our employees for their ongoing hard work and their leadership. Whether they were helping our members and clients plan for the future or donating their leadership and expertise to something they care about, our Coastal team helped make 2019 such a great year. I want to take this opportunity to thank them for the passion, collaboration and professionalism they bring in caring for each other and our members and clients.

Thank you once again for your support. We look forward to the future and to helping you live a financially stronger life.

Adrian Legin
*President and CEO,
Coastal Community Credit Union*



Enhancing your experience with us

OUR MEMBER AND CLIENT EXPERIENCE

© Donald Jacquest, Nodales Channel

At Coastal Community, we never stop looking for ways to improve your experience with us. Your best interests are important to us, because when you win, we all win. Here's a look back at how we put that strategy into action and created value for you last year.

GROWING AND ENHANCING OUR PRODUCTS AND SERVICE DELIVERY

As the world environment changes, we continue to adapt. Here are some of the enhancements we introduced to better serve you in 2019:

- Launched Account Round Up, which rounds up every purchase with your Coastal Community debit card and lets you save the difference
- Introduced Personal Financial Management tools to help you manage your money
- Expanded e-Sign to help you do business when and where you want
- Opened an integrated Private Wealth And Business Centre in Parksville to expand our service offering

- Launched the new Unlimited Business Account, offering one flat rate monthly fee and unlimited transactions to help your business grow



“**CCCU's commitment to local is so in line with mine. Sharing values with the people I do business with is something that I treasure. My experience with CCCU has been fabulous beginning-to-now. It feels so right to be working with an Island credit union that employs such lovely people.**”

- Michele Murphy, Coastal Community member

LISTENING TO YOU

We're here because of the trust you place in us. We appreciate it when you let us know how we're doing, whether it's online, in person, through the Relationship Centre or through a survey. Last year, 91% of our survey respondents said they feel we help with what they need, and the majority enjoyed our service experience.* That's great to hear! We share your feedback with employees throughout the organization so we can continue to understand and meet your challenges and goals.

*Results from our 2019 Voice of Member survey
Percentage of members rating us 4 or 5 on a 5-point scale

STRENGTHENING COLLABORATION

On April 1st, 2019, we joined with Interior Savings Credit Union to launch a unique collaboration involving both organizations' insurance subsidiaries. While each subsidiary will still operate as a separate legal entity with local focus and branding, we are pooling our insurance efforts to provide a better member and client experience. This partnership with Interior Savings will allow us to better meet your current and future needs through diversifying risk, offering niche products and giving you easier access to your insurance information. This was a foundational year for this collaboration, and we look forward to introducing a new insurance platform offering an enhanced client experience and more digital capabilities.

Last year we also:

- Laid the groundwork to improve your digital experience by working with internal and external partners to reimagine our website, cccu.ca
- Continued to offer great information through the Everything Retirement website that Coastal Community Private Wealth Group (CCPWG) created with Interior Savings and First Ontario Credit Union
- Continued to grow CCPWG's unique partnership with Concentra Trust, which offers members and clients access to personalized estate and trust services

KEEPING YOUR INFORMATION SAFE

Safeguarding your personal and financial information is always a top priority for us. Here are some of the ways we enhanced your privacy protection in 2019:

- Upgraded to a more complex digital banking access code to ensure your information is secure
- Increased our communications and resources, including updating our Privacy Policy and providing information on setting alerts to help prevent fraud

© Heather Bray, Piper's Lagoon, Nanaimo



Together, let's do great things

© Daniel Hillert, Weynton Passage

At Coastal Community, improving your financial health is at the centre of everything we do. When you give us feedback, your insights help fuel innovation so we can continue to stay ahead of the curve with the right advice, products and services to suit your goals, dreams and challenges. Your voice energizes us to continue our journey of reinvention to enhance your banking experience with us. Here are a few of the comments* you shared with us last year:

“Very open and honest about options and what’s best for you.”

“Great advice on portfolio. Good communication with advisor.”

“Prompt action when I had a claim, very understanding.”

“Friendly and personal and helpful with our mortgage and rates.”

“I like the personal service, making sure I am happy with the products.”

“Quick service and helpful advice for saving money.”

*Quotes taken verbatim from Coastal Community’s 2019 Member and Client Experience Q1 to Q4 surveys.

SPOTLIGHT

Our employees are the face and the heart of Coastal Community, and they bring our values to life every day. We’d like to put the spotlight on one of our own who inspires everyone with his energy and commitment to improving the financial health of our members and clients.

Taurean Seib has been contributing to Coastal Community since he proudly opened his first account at five years old. Currently the Regional Manager for Comox Valley, the married father of three has been building an expert team with a proactive approach to understanding and meeting members’ and clients’ current and future financial needs.

We were not surprised when Taurean’s leadership skills were recognized with a National Credit Union Young Leaders Award in 2019. We were even prouder to learn he received the top \$10,000 prize for further education, which he’s putting to good use by taking an MBA in Executive Management with a specialization in Leadership.

“ I am so grateful to work for an organization that invests in the development of our employees. My current success is only one example of how leadership is fostered - and celebrated! - at Coastal Community.”

- Taurean Seib



© Ronald Coutts, Comox Valley

Learn how we're helping close to home

OUR COMMUNITY EXPERIENCE

© Mike Lane, Fisgard Lighthouse

Making a meaningful difference in the places we serve is a core part of who we are and what we do at Coastal Community. We focus our efforts on building strong and vibrant communities because the benefits are far-reaching—it helps lead to stronger local economies, better quality of life for Islanders, and contributes to the overall prosperity of Vancouver Island and the Gulf Islands. In addition to giving many hours of leadership and expertise, in 2019 we invested over half a million dollars towards initiatives that impacted the social and economic well-being of our communities. Thank you to our members and clients for continuing to support our efforts.

ACTIVATING LOCAL ECONOMIC DEVELOPMENT

One of the ways we show we care about our island communities is by supporting a variety of local economic development initiatives. Examples in 2019 include:

- The Vancouver Island Economic Alliance annual summit
- The South Island Prosperity Partnership's annual *Prosperity Index*
- The State of the Island Economic Report
- Chambers of Commerce events and business awards

“Coastal Community Credit Union’s generous sponsorship of the South Island Prosperity Index enables local governments, First Nations, businesses, and stakeholders across the south island to define and track how we measure prosperity in the region. Knowing where we stand on key measures of prosperity helps us plan for the future and inspires us to do better.”

- Bruce Williams, Interim CEO, South Island Prosperity Partnership

SPOTLIGHT

Small businesses are the lifeblood of our local economies. Last year Coastal Community partnered with Community Futures Central Island to bring the LEAP! program to the Oceanside area to strengthen local economic development. This initiative provides new entrepreneurs with guidance and tools to help evaluate and develop business ideas. Whether LEAP! participants are converting their skills into a brand new business or scaling up a home-based enterprise, they learn valuable skills in a supportive environment. In 2019, our LEAP! partnership resulted in:

- 100% of participants completing the program
- 12 new business ideas that were examined and tested
 - From these 12 ideas, 7 new business ventures launched in the Oceanside area
 - 1 start-up expanded from a home-based business to a commercial storefront

“It takes a community to foster entrepreneurship and without contributions from Coastal Community Credit Union, both financial and in kind, LEAP! Oceanside in Spring 2019 would not have been possible...We value partnerships that make programs like this become a reality...”

- Jolynn Green, Executive Director, Community Futures Central Island

COMMUNITY HIGHLIGHTS

Over **\$500,000** given to over 500 community organizations including:

\$44,200 awarded to community betterment projects through our **Building Healthier Communities Fund**.

\$30,000 given in **corporate sponsorships** to benefit communities throughout Vancouver Island and the Gulf Islands.

Over **5,800** employee **volunteer hours** given to over **270** organizations.

1,000 elementary school students in **44** Island classrooms participated in our **Young Entrepreneurs** program

Over **\$200,000** given to support **scholarship** and **leadership** programs for island youth.

IMPROVING FINANCIAL HEALTH

Last year we continued our important work on improving financial health across our island communities. Through education, program delivery and financial support, our aim is to help individuals make more informed and effective decisions with all of their financial resources.

In 2019, some initiatives that helped support our focus included:

- Our free outdoor *Sunset Cinema* series, hosted to help raise funds for our **Young Entrepreneurs** program, which teaches elementary school students important financial education skills.
- **Each One, Teach One** workshops that we offered in community settings to empower people to understand and manage their personal finances.
- More than \$30,000 to support island students, from post-secondary education scholarships to leadership opportunities at **The Youth Excellence Society’s** Summer Camp.

Our culture of leadership & innovation

EMPLOYEE EXPERIENCE



Spark Summit, September 2019

Meeting the needs of an evolving world starts with ensuring our employees have the necessary skillsets. Leaning into change positions us well for our fast-moving environment. Throughout 2019, Coastal Community employees had the opportunity to grow their expertise, participate in learning and development opportunities, and strengthen their leadership. These initiatives allowed our team to embrace both opportunities and challenges, all while keeping our members, clients, and communities at the forefront.

KEY HIGHLIGHTS

Our employees are our greatest strength, and we thank them for their ongoing commitment and hard work. Here are some of the achievements they contributed to in 2019:

- Coastal Community's Great Place to Work® certification
- Over 26,000 hours of training logged
- 5,817 hours of time, leadership and expertise volunteered by our employees to causes they care about
- 548 employees attended our Spark Summit – our best turnout for an employee event
- The launch of our internal program, ChangeMakers, which is helping foster and support change, resilience and agility
- Growth in our Coastal Young Leaders Network, which now has over 100 employees
- Seven leadership-inspired conference sessions provided through our Spark Summit
- Implemented Agile methodology, including hackathons



SPOTLIGHT

In 2019, Coastal Community was proud to receive Great Place to Work® certification. The recognition comes from the Great Place to Work Institute Canada® after its independent analysis of feedback from our employees through an anonymous survey.

- Achieved our target of certification in the first year of surveying
- 82% of employees surveyed say that Coastal Community is a great place to work
- Survey demonstrated that one of our primary relative strengths is that we are a caring and supportive work environment

“ Our Great Place to Work certification means a lot to us for so many reasons. In our line of work, when recruiting new employees we go to great lengths to communicate all the benefits of working for Coastal Community. The certification encompasses all the values we provide to candidates. Sharing our certification ensures we’re attracting great talent, and candidates know they’re applying to an excellent employer.”

- Ashley Nichols, HR Advisor, Talent Management

SPOTLIGHT

In September, we brought our entire workforce together to develop leadership skills, discover new insights and connect in-person with one another. A conference-style day of learning, it was an employee event like no other.

- Opening keynote by renowned TEDx speaker, Dr. Nadya Zhexembayeva
- Conference-style breakout sessions facilitated through our conference mobile app
- Plus opportunities for networking and team building events like improv and yoga

“ My biggest takeaway is how much our executive team cares about us and our success. Getting us all together like that and having such an incredible speaker deliver such an impactful message, really took my breath away. I still have goose bumps.”

- Post-Spark feedback from a Coastal Community employee

We remain a strong, agile and growing organization

OUR CORPORATE PERFORMANCE

Chelsea Gretchen, Nanaimo Area

We're pleased to share that in a competitive economic landscape dominated by international trade tensions and a softened BC forestry sector, Coastal Community ended the decade with another year of strong growth. As an agile organization, we leaned into 2019's opportunities and challenges, remaining the largest financial services organization based on Vancouver Island and the Gulf Islands. We're also proud to be the third largest BC credit union by membership.

What drives this solid performance? Our vision for continued growth is simple: building relationships with you so we can make a meaningful difference to your financial well-being. When you succeed, we succeed. This focus allowed us to end 2019 with \$2.7 billion in Credit Union on-book assets and over \$3.5 billion in total assets under management. Thank you for giving us the privilege of serving you.

HOW WE DID

\$2.7 Billion
in on-book assets

\$3.5 Billion
in total assets under management

0.50%
Return on Average Assets

Coastal Community Credit Union had another strong year, ending with \$2.7 billion in on-book assets. The number increases to over \$3.5 billion in total assets under management when we include off-book assets managed through our wealth management subsidiary, Coastal Community Financial Management Inc. (CCFMI). Our loan portfolio, comprising business,

personal and commercial lending products, grew by a healthy \$59 million, while our member deposits grew by a strong \$112 million. Net Financial Margin, which is the difference between the interest income earned on investments and loans, and the interest expense paid on member deposits and borrowings, increased by almost \$0.4 million to \$59.2 million.

We're pleased to say CCFMI and its division, Coastal Community Private Wealth Group (CCPWG), enjoyed solid growth in 2019, ending the year with \$770 million in assets under management. CCFMI continues to add diversified income to our bottom line and is considered a leader in Canada for the way the team provides a fully integrated holistic approach that includes investment management as well as trust and estate services.*

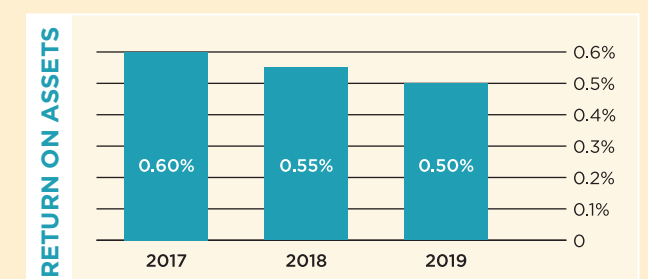
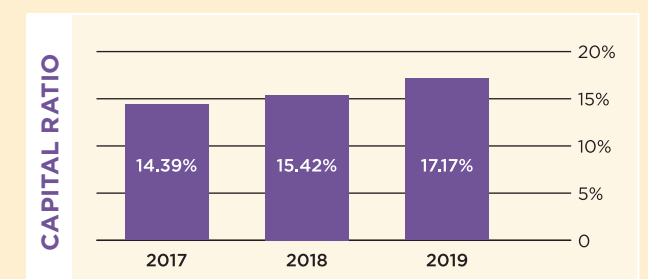
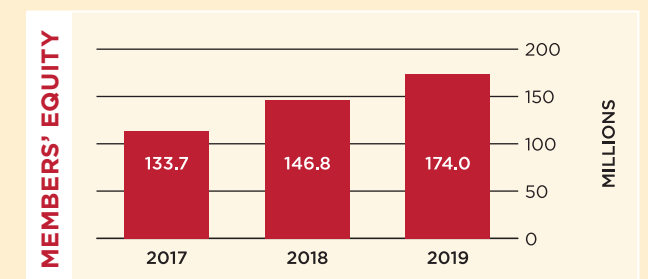
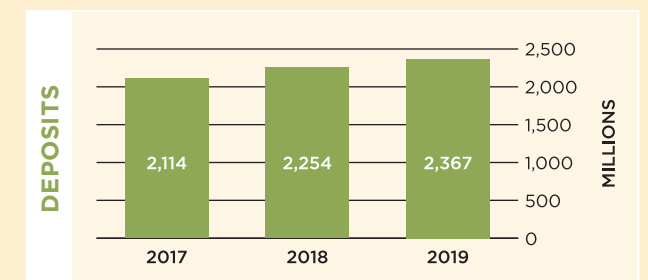
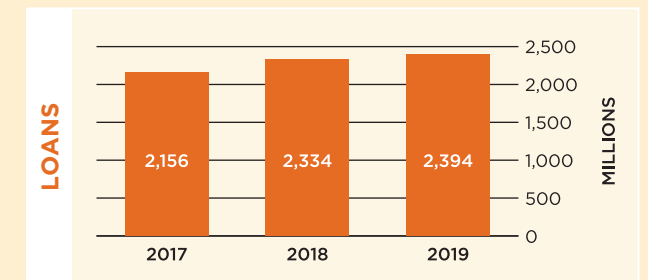
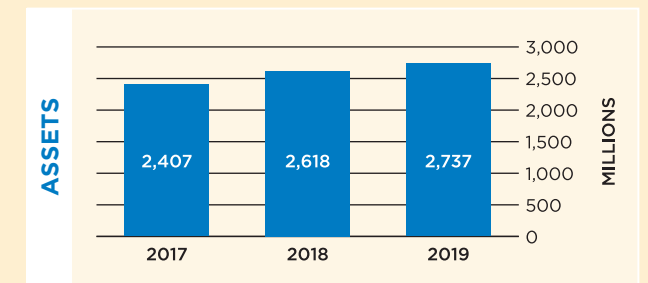
We have some exciting news about Coastal Community Insurance Services (2007) Ltd. We've solidified a partnership that will provide many benefits to our members and clients. As of April 1st, 2019, Coastal Community Credit Union and Interior Savings Credit Union formed a jointly-owned company, 1200089 B.C. Ltd., which in turn fully owns Coastal Community Insurance Services (2007) Ltd. and Interior Savings Insurance Services. Under this new ownership structure, the two insurance subsidiaries will operate as separate legal entities, with each keeping its local focus and separate branding.

Last year, our Return on Average Assets, a common marker of financial performance in the credit union industry, was 0.50%. Members' equity, or what we like to call Coastal Community's savings account, grew by \$27 million to end the year at \$174.0 million. This increase led to an excellent capital adequacy ratio of 17.17%.

ENHANCING SERVICES WHILE BUILDING RESERVES

In a year of strong financial performance, we retain profits in our business so we have the capacity when needed for member service enhancements, capital expansion or other growth opportunities, as well as to build up strong reserves to protect us from potential economic downturns. In 2019, Coastal Community Credit Union took advantage of our robust performance to enhance our products, services and locations to better meet your needs, from opening the Parksville Private Wealth and Business Centre to launching an insurance collaboration with Interior Savings Credit Union. We've been able to achieve a strong balance sheet and solid earnings year after year by remaining true to our long-term strategy: providing advice and expertise to help you improve your financial health. Thank you again for the trust you place in us to help you succeed in reaching your financial goals.

*Trust and estate services provided through Concentra Trust, a wholly-owned subsidiary of Concentra Bank



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The 2019 Annual Report, including the summarized consolidated financial statements, is the responsibility of the management of Coastal Community Credit Union (the Credit Union).

These summarized consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and include, where appropriate, estimates based on the best judgment of management.

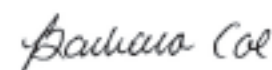
As part of its responsibilities, the Credit Union maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that the Credit Union's assets are appropriately accounted for and adequately safeguarded.

The Board of the Credit Union carries out its responsibilities with regard to the consolidated financial statements mainly through its Audit and Risk Committee (the Committee). The Committee reviews the annual consolidated financial statements and recommends them to the Board for approval. The Committee meets periodically with management, internal auditors and the external auditors. Following these meetings, the Committee meets privately with the auditors to ensure free and open discussion of any subject the Committee or the auditors wish to pursue. The Committee also recommends the engagement or reappointment of the external auditors, reviews the scope of the audit and approves the fees of the external auditors for audit and non-audit services.

These summarized consolidated financial statements, audited by KPMG LLP, have been approved by the Board, on the recommendation of the Audit and Risk Committee.



Adrian Legin, MBA, ICD.D
President and
Chief Executive Officer



Barbara Coe, CPA, CGA
Chief Financial and
Risk Officer

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

Opinion

The summarized consolidated financial statements of Coastal Community Credit Union ("the Credit Union"), which comprise:

- the summarized consolidated statement of financial position as at December 31, 2019
- the summarized consolidated statement of income and retained earnings for the year then ended
- and related note

are derived from the audited consolidated financial statements of Coastal Community Credit Union as at and for the year ended December 31, 2019.

In our opinion, the accompanying summarized consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the criteria disclosed in Note 1 in the summarized consolidated financial statements.

Summarized Consolidated Financial Statements

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

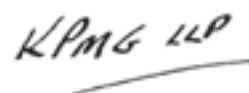
The summarized consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

Management's Responsibility for the Summarized Consolidated Financial Statements

Management is responsible for the preparation of the summarized consolidated financial statements in accordance with the criteria disclosed in Note 1 in the summarized consolidated financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summarized consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, based on our procedures, which were conducted in accordance with Canadian Auditing Standard 810, *Engagements to Report on Summary Financial Statements*.



Chartered Professional Accountants
March 25, 2020
Vancouver, Canada

SUMMARIZED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2019, with comparative figures for 2018

	2019 (\$'000)	2018 (\$'000)
Assets		
Cash and cash equivalents	\$ 69,957	\$ 45,147
Investments	206,339	201,132
Investment in joint venture	29,681	-
Loans to members	2,393,527	2,334,264
Premises and equipment	25,717	15,082
Intangible assets	1,434	9,387
Derivative financial instruments	-	1,572
Deferred income tax asset	1,405	1,210
Income taxes receivable	707	308
Other assets	8,158	9,832
	\$ 2,736,925	\$ 2,617,934
Liabilities and Members' Equity		
Member deposits	\$ 2,366,519	\$ 2,254,158
Borrowings	157,595	187,588
Other liabilities	34,371	25,509
Derivative financial instruments	744	-
Members' shares	3,733	3,925
	2,562,962	2,471,180
Members' equity		
Retained earnings	174,574	146,807
Accumulated other comprehensive loss	(611)	(53)
	173,963	146,754
	\$ 2,736,925	\$ 2,617,934

SUMMARIZED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended December 31, 2019, with comparative figures for 2018

	2019 (\$'000)	2018 (\$'000)
Interest income	\$ 90,844	\$ 82,763
Interest expense	31,625	23,920
Net interest income	59,219	58,843
Loan impairment recovery	(42)	(42)
Other income	19,955	18,242
Operating expenses	65,726	63,311
Income from operations	13,490	13,816
Provision for income taxes	2,486	2,550
Net income from continuing operations	11,004	11,266
Discontinued operations, net of tax		
Earnings from discontinued operations	16,763	2,307
Net income for the year	27,767	13,573
Other comprehensive loss, net of tax	(558)	(481)
Total comprehensive income	\$ 27,209	\$ 13,092

Certain comparative figures have been reclassified to conform to the current year's financial statement presentation of discontinued operations.

SUMMARIZED CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' EQUITY

Year ended December 31, 2019, with comparative figures for 2018

(\$'000)	Available for sale investments	Cash flow hedges	Total accumulated other comprehensive income (loss)	Retained earnings	Total
Balance at December 31, 2017	\$ 1,464	\$ 428	\$ 1,892	\$ 131,770	\$ 133,662
Adjustment as at January 1, 2018, IFRS 9 adoption	(1,464)	-	(1,464)	1,464	-
Net income	-	-	-	13,573	13,573
Other comprehensive loss	-	(481)	(481)	-	(481)
Balance at December 31, 2018	-	(53)	(53)	146,807	146,754
Net income	-	-	-	24,767	27,767
Other comprehensive loss	-	(558)	(558)	-	(558)
Balance at December 31, 2019	\$ -	\$ (611)	\$ (611)	\$ 174,574	\$ 173,963

NOTE 1 - BASIS OF PRESENTATION:

These summarized consolidated financial statements have been prepared in accordance with Section 128(4) of the Financial Institutions Act and are derived from the audited consolidated financial statements, prepared in accordance with International Financial Reporting Standards, as at and for the year ended December 31, 2019. Those audited consolidated financial statements were approved by the Credit Union's Board of Directors on March 25, 2020 and can be obtained at any of our branches.

Approved on behalf of the Board:

Evelyn Clark
Chair, Board of Directors

John Newall
Chair, Audit and Risk Committee

In addition to this 2019 Annual Report, the following 2019 annual reporting documents are available to members and clients at cccu.ca:

- Complete audited Consolidated Financial Statements
- Corporate Governance Report
- Management Discussion and Analysis



Used with permission of Children's Health Foundation

At Coastal Community, giving back to Island communities is part of our DNA. One of the ways we made a meaningful difference last year was donating \$10,704 to the Children's Health Foundation of Vancouver Island.

The money was raised through a speaking event with "Reinvention Guru" Dr. Zhexembayeva, as well as Coastal Community's Fundraising Friday program. Investing in the future of our children is one way we bring our organization's values to life.

"Helping close to home goes to the heart of who we are. We're so proud to support the Children's Health Foundation's incredible work in helping families in need across the islands."

- Allyson Prescesky, Senior Manager, Community and Communications for Coastal Community



“ We are so grateful to Coastal Community Credit Union and its team for this generous donation! This amount will go such a long way in supporting the health care of Island kids, youth, and their families in areas where they need it most. We feel tremendously inspired when we see local teams like this come together to raise money and give back locally. It warms our hearts and makes a great impact!”

- Veronica Carroll, CEO at Children's Health Foundation of Vancouver Island

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📷 Front and back cover photo:
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**COASTAL COMMUNITY
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TOGETHER, LET'S DO GREAT THINGS