

ANNUAL REPORT 2012

Our bottom line is
ENRICHING LIVES



COASTAL COMMUNITY
CREDIT UNION

TOGETHER, LET'S DO
GREAT THINGS



COASTAL
COMMUNITY

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 **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.

Our **VALUES**

Accountability Co-operation Excellence
Innovation Integrity Responsiveness Social Responsibility

Together, we achieved
GREAT THINGS

Our 2012 Annual Report Highlights

- Our vision, purpose and values that are firmly focused on improving financial health, enriching people's lives and building healthier communities continued to help us do great things.
- Based on survey feedback, a large majority of members rated their overall satisfaction with Coastal Community as high, and said they really trust Coastal Community.
- We introduced several key innovations for members including a mobile app, Interac® e-Transfers and the *myCoastal* Retirement Plan.
- Coastal Community jumped to 15th spot on Aon Hewitt's Annual Best Employers in Canada list and was the highest ranked credit union on the list.
- 94% of members scored us highly on the statement, "They are a good corporate citizen that operates fairly and ethically."
- Coastal Community received very high marks for our level of community support, with 90% of members scoring us highly.
- Solid financial performances by Coastal Community Credit Union, Coastal Community Insurance Services (2007) Ltd., and Coastal Community Financial Management Inc. helped to maintain our overall strength and stability.
- Members' equity increased significantly by \$8.0 million to end the year at \$91.1 million, representing an increase of 9.6%.
- We maintained our position as the largest credit union based on Vancouver Island and the Gulf Islands, and the 17th largest in Canada.



We invest in
LEADERSHIP

Coastal Community is positioned well for the future

thanks to another strong year. An enduring focus on our vision and purpose, our commitment to strengthening relationships, progressive changes in the organization, and responsible governance have all contributed to a solid 2012. Add to that our ongoing delivery of caring, helpful and knowledgeable service that helps our members and clients realize their treasured dreams and manage their financial needs, and you can't help but have a recipe for success.

Guided by our passion to improve financial health, enrich people's lives, and help build healthier communities, our strong regional focus allowed us to strengthen our solid financial position—our mainstay for the past 67 years. During a year that still saw local and global economic uncertainty, our Credit Union, Insurance, and Wealth Management business lines grew and strengthened.

To ensure we stay our proven course, the Board of Directors has been focused on providing clear governance and leadership, while ensuring the interests of our members and other stakeholders are fully considered in everything we do. As Board members, our responsibilities become especially evident during challenging economic times. I commend our Directors for the time, effort and expertise they gave tirelessly

throughout the year. Their leadership has undoubtedly made Coastal Community stronger.

A key element contributing to our success continues to be the leadership of our employees.

On behalf of the Board, I'd like to thank our employees for the great things they've done throughout 2012. Whether it was helping to improve our members' and clients' financial health, enriching their lives, or making a real difference in our communities, our employees' enthusiasm and dedication have left their mark on this rewarding year. At the end of the year Aon Hewitt once again recognized Coastal Community as one of the Top 50 Best Employers in Canada. Not only that, we saw a bump from the 20th spot to the 15th. This jump is not only indicative of the inspiring and enriching work environment our employees have helped create—it also sets us up for future success by allowing us to attract and retain the best talent there is to work here.

Our commitment to our vision, purpose and values will continue to ensure our success as the leading financial institution based on Vancouver Island and the Gulf Islands. Going forward, we will keep exploring innovations that will enhance our member and client experience while remaining flexible in these uncertain economic times. To our members and clients—thank you for your ongoing trust and support. We look forward to a future that is full of many more opportunities to help improve your financial health—and ultimately enrich your life.

Sincerely on behalf of the Board of Directors,



Susanne Jakobsen
Chair, Board of Directors
Coastal Community Credit Union



We forecast a
FUTURE WITHOUT LIMITS

As always, Coastal Community stayed true to our values and vision and continued to demonstrate exceptional leadership, making 2012 another strong year.

True leadership from all parts of the organization allowed us to be flexible and adaptable this past year, as we continued to deal with the uncertain economic environment that has established itself as the “new normal.” These complexities require us to push ourselves even harder to find personalized solutions for everyone we serve—ensuring long-term financial stability for both them and us. I’m proud to say we handled these opportunities and challenges extremely well—being innovative while becoming more effective and efficient. The best benchmark of all: continuing to see our efforts matched with very high member and client satisfaction ratings.

A focus on building ever-stronger relationships with our members and clients to improve their financial health continued to be our compass.

We seek to understand your dreams, goals and circumstances so that we can anticipate your needs and set you up for enduring success. We work very hard to maintain your strong trust in us, because we know that Coastal Community could only be successful with your trust intact. Thank you to our members and clients for having confidence in us and giving us the welcomed opportunity to serve you.

None of our achievements would be possible without the ingenuity, dedication and hard work of our employees. By helping our members and clients achieve better financial health and by working tirelessly to build healthier communities, they have once again proven that they’re Coastal Community’s greatest strength. What a shining achievement it was for us all to jump to 15th place on Aon Hewitt’s list of Canada’s Top 50 Best Employers, making us the highest ranked credit union. Thank you to our employees for the valued contributions they made throughout the year.

Three years ago Coastal Community launched a new vision and purpose to position us for a world that was changing substantially since the global economic shocks of 2008. Changes have continued of course, even accelerated in some areas (with no sign of slowing down!). It’s important for us to keep being flexible, adaptable and proactive to ensure our continuing strength for the benefit of the people and communities we serve. Looking to the future, we’re confident that our vision that’s focused on improving financial health, enriching people’s lives and building healthier communities will allow us to successfully meet the opportunities and challenges that come with these changes.

Coastal Community exists for you—our valued members and clients. Our reason for being is to help you realize your goals and dreams by understanding your financial needs, including the ones you may not know you have. This opportunity to enrich your life is one we value deeply.

Sincerely,



Adrian Legin
President and CEO,
Coastal Community Credit Union



We create real value for our
MEMBERS AND CLIENTS

At Coastal Community, we're in the business of helping you improve your financial health and enrich your life. Each day, our employees provide caring service and helpful advice in personal banking, business banking, insurance, and wealth management services to help our members and clients with their financial goals and life dreams. Our commitment and actions towards helping enrich your life are what set us apart from others.

The initiatives we launched in 2012 that were focused on our members and clients were significant. They were designed with your best interests in mind to improve your experience with us, and involved increased convenience, improved security, and more choices. The following are some of the key innovations we introduced this past year:

- **Coastal Community's Mobile App**—an innovative app that provides instant access to account information and allows members to conduct their banking transactions anytime, anywhere via iPhone and iOS devices.
- **Interac® e-Transfers**—a user-friendly feature that enables members to securely send money to anyone in Canada through online banking.
- **Chip Card Technology**—a transition to chip-enabled Member Card® debit cards means improved security and better fraud protection.
- **The myCoastal Retirement Plan**—powered by Manulife, The myCoastal Retirement Plan gives members and clients an easy and convenient way to build retirement savings. Recognizing that the myCoastal Retirement Plan was unique among other industry retirement solutions, Central 1 Credit Union, our trade association, awarded it with a Product Innovation award.

We continued to challenge ourselves to provide even more caring and helpful expertise, valuable financial products, and personalized advice. As always, we looked to you to see how we were doing. The feedback you pass along through surveys, one-on-one conversations, and other means is much

appreciated and goes a long way in further improving our service to you.

One of the key tools we use in measuring our service is our annual comprehensive member survey. We are once again very honoured to receive high ratings from you in some critical areas. Here are some of the 2012 survey highlights:

- 87% of members rated their overall satisfaction with Coastal Community as high (members rating us 4 or 5 on a 5-point scale, where 5 is "totally satisfied").
- 85% of members said they really trust Coastal Community (rating us 4 or 5 on a 5-point scale, where 5 is "strongly agree").

In virtually all areas explored, members gave Coastal Community very high ratings, including:

- Overall branch service.
- Employees listen to me and understand my needs.
- Customer service is their top priority.
- Coastal Community is a trusted source of financial information, education and advice.
- Contact channels, including our website, ATMs, online banking and mobile banking.
- A wide range of product and service characteristics, including reliability, quality of advice, communication and employee knowledge.
- The Board of Directors sets the strategic direction of the organization using the highest level of stewardship.

Once again, Coastal Community Financial Management Inc., our wealth management company, and Coastal Community Insurance Services (2007) Ltd., our insurance company, conducted their own electronic surveys of their clients. The resulting feedback was also very positive.

Client satisfaction with our wealth management service is very high. The areas listed below stood out as receiving especially high marks:

- Overall service satisfaction.
- Overall quality of advice.
- Knowledgeable employees who have my best interests in mind.
- Employees understand my specific needs.

Client satisfaction with our insurance services is also high. The areas listed below received particularly high marks:

- Overall service satisfaction.
- Clients are likely to recommend Coastal Community Insurance Services.

- Satisfaction with community support.
- Our clients believe we are trustworthy, helpful and provide good personalized attention.

It takes time and effort to let us know how we're doing, so thank you to our members and clients for taking on an active role in our research. We're very pleased to see that your trust in us continues to grow stronger.

Each day at Coastal Community, we connect with members and clients facing a variety of financial situations, and who have diverse goals and dreams—eliminating debt, protecting loved ones and cherished assets, living a comfortable retirement, and owning a dream home are just some examples. No matter what the life goal or situation, we're here to help—complexities and all. The goal we share with you is improving your financial health and enriching your life. Thank you for letting us be a part of that.



We make meaningful contributions to
OUR COMMUNITIES

Making a visible and meaningful difference in our communities is a big part of who we are and what we do—it goes hand in hand with our core value of social responsibility. Together with the leadership, passion and dedication of our employees and along with the support of our members and clients, we're able to keep making a positive impact in the places we call home.

In 2012 we shared hundreds of thousands of dollars with community partners across Vancouver Island and the Gulf Islands through a combination of sponsorships, employee giving programs, fundraising efforts, donation programs and public donations.

Over and above this were the vast amount of community hours given by employees who donated their time, leadership and expertise in support of local community groups and initiatives that they're passionate about. No matter what form our contributions took on, we were happy to be building healthier communities for us all.

We know you care about the place you live and work. We care too, which is why we strive to make local funding decisions based on the unique needs of the communities we're a part of. To do so, we engage our members, clients and employees in our efforts. For example, our largest community funding programs, the Coastal Spirit Fund and Quadra Legacy Fund, rely on members who volunteer their time on one of eight councils. These councils then help determine how our community funds are distributed regionally. It's through such insight that we're able to make a meaningful and lasting difference in our communities.

Here are more ways we helped build healthier communities:

- 114 groups received a total of over \$37,000 through our Branch Investment Program, where employees are empowered to make local funding decisions for the communities they call home.
- Hundreds of local elementary school students from 30 island classrooms learned business and financial skills through the Young Entrepreneur Program, which we helped fund.

- 17 local students got our help with their education through the scholarships and bursaries we awarded, totaling over \$21,500.
- 11 island youth received sponsorships to attend a youth leadership program called the YES Camp.
- Over \$20,000 was donated to United Way's Success by 6, a program in support of healthy early childhood development. Our Sunset Cinema outdoor movie series also helped raise over \$9,000 for local Success by 6 chapters.
- Employees gave over \$25,000 in personal donations through our Payroll Giving Programs.
- Employees also helped remove thousands of pieces of discarded litter and debris from Vancouver Island beaches during a volunteer shoreline cleanup initiative.

Here's what our members had to say through our annual survey:

- Coastal Community received very high marks for our level of community support, with 90% of members scoring us highly (those scoring us a 4 or 5, with 5 being "totally satisfied").
- 94% of our members scored us highly on the statement, "They are a good corporate citizen that operates fairly and ethically."
- Also receiving very high ratings by our members were specific areas such as our environmental responsibility, volunteerism, as well as support for financial literacy and economic development.

With great appreciation we thank all those who shared in our passion of helping to build healthier communities. Our efforts would not have been as successful had it not been for your ongoing support!

Our greatest strength is
OUR PEOPLE

Coastal Community employees continued to shine in their efforts toward making a real difference. Whether it was making a positive impact on people's financial lives, helping in the well-being of our island communities, or inspiring one another to do great things, their achievements were felt throughout the year.

Over 600 people are gainfully employed at Coastal Community locations and offices throughout Vancouver Island and the Gulf Islands. Every day these employees are encouraged to let their talents shine in building relationships, enriching lives and building healthier communities—and are given the means to do so.

We keep a strong focus on creating an environment where “we say great things, do great things and where we want to stay” because simply put, our employees are our greatest strength. In recognition of their valued contributions, an all-employee gala was held in early 2012. Our employees from across the islands came to celebrate with one another the incredible achievements they accomplished together.

Peer recognition was a huge part of the celebrations—“encourages and empowers the team to arrive at solutions that help the member and Coastal Community” or “always keen to jump in where needed to volunteer her expertise in support of our vision,” are just some of the testimonials employees shared about their fellow co-workers as part of the event.

We involve our employees and listen to them. From organization-wide conference calls to online pulse check surveys, from daily branch team meetings to an internal online space where any employee may post a message—all employees are encouraged to share their ideas and feedback. Their valuable insights help us learn from one another and shape our actions.

Employees participated in a range of development and leadership opportunities, including:

- Over 5,000 courses taken, including leadership, technical, and member and client service training.

- Over 10 employee committees, such as IDEAS into Action, Employee Community Mobilization, Culture, Engagement, and Young Leaders.

To ensure our corporate culture remains strong and vibrant, we regularly measure employee engagement through an independent survey facilitated by Aon Hewitt. For the third straight year, Coastal Community employee engagement has increased—an accomplishment that all of us are extremely proud of.

Highlights from the 2012 research include:

- Coastal Community jumped to 15th on Aon Hewitt's Annual Best Employers in Canada list and was the highest ranked credit union.
- Our employees strongly agree that our organization is fair, respectful and honest with our members and clients.
- Our employees believe this is a socially and environmentally responsible organization.
- Our employees feel that our organization plays an active role in the community.

In an industry where trust and quality service are the keys to success, we know that it's through the commitment, passion and engagement of our employees that we do great things. Of course, we will continue to empower and support our employees in their passion to improve financial health, enrich people's lives and build healthier communities.



Our financial strength makes
GREAT THINGS HAPPEN

Coastal Community's financial performance is an important indicator of our success, and is one of the ways we demonstrate our accountability to members. We firmly believe that by doing great things for—and together with—our members, clients, communities, and employees, we will continue to maintain a strong financial position. Achieving strong financial performance, in turn, allows us to do more great things for everyone, making us sustainable for the long term.

As the largest financial institution based on Vancouver Island and the Gulf Islands, Coastal Community once again achieved solid financial performance in 2012, in the midst of a “new normal” of mixed global and local economic conditions.

After another year of global issues such as sovereign debt challenges in Europe and threats of the United States falling off the fiscal cliff, the global economy as a whole managed to advance cautiously and was more stable than headlines would have us believe. Most countries and regions managed to see some economic growth, although Europe as a whole ended the year in recession, albeit with signs that a weak recovery was coming. Most global equity markets ended the year in positive territory, with both Canadian and US markets following this trend. Interest rates across the world held low and steady, reflecting uncertain times. Both the US and Canadian economies grew at a slower pace than the previous year, and forecasts suggest that 2013 will be similar.

Closer to home, our Islands' economy generally followed conditions faced by BC as a whole: slower economic growth than the previous year, continued low tourist traffic, stable retail sales, and the slowest housing market since early 2009. Employment trends showed some signs of improvement over the challenges of the previous year, with the unemployment rate declining slightly. Continuing the previous year's declining trend, housing activity was weaker by 5%-6% in 2012 relative to 2011 in both Victoria and the rest of Vancouver Island, with average prices declining about 3%. Business incorporations and building permits were both lower compared with the previous year. On the brighter side, most industry sectors experienced some growth in 2012.

Looking ahead to 2013, Central 1 Credit Union's Economic Department forecasts overall moderate growth in 2013, with higher growth prospects in 2014 and through to 2017. Sectors that are expected to see faster growth than the overall economy include mining, forestry, wood-products manufacturing and construction, while expected laggards include public administration, pulp and paper, and accommodation and food services.

Financial services organizations faced an environment of ongoing economic uncertainty, low interest rates that continue to place pressure on financial margin, slow housing activity, along with increasing competition among financial services providers—from credit unions and traditional banks to online brokerages, from auto companies to general retailers.

Despite these external conditions, Coastal Community enjoyed another solid year in 2012. Through continued focus on our strategy of providing more helpful and caring service that's integrated across all our business lines, careful financial management, and our strong regional focus, our companies performed well in this environment.

The financial performance of each of our business lines contributed to strong overall performance. Coastal Community Credit Union, comprising personal, business and commercial banking, achieved an increase in both member deposits and loans, for a combined increase of 2.0% to end the year at over \$3.1 billion aggregated. Net Interest Income, which is the difference between the interest we receive and the interest we pay out, declined slightly in this ongoing low interest rate environment to \$45.4 million (compared to \$46.3 million in 2011).

Coastal Community Insurance Services (2007) Ltd., which offers a full range of insurance services including private and ICBC auto, commercial lines, and home, tenant and travel insurance, increased revenue by 2.2% over 2011. Our Wealth Management company, Coastal Community Financial Management Inc., which manages client assets of over \$400 million, had 6.5% lower revenue compared to 2011, reflecting cautious investor sentiment felt in the industry as a whole.

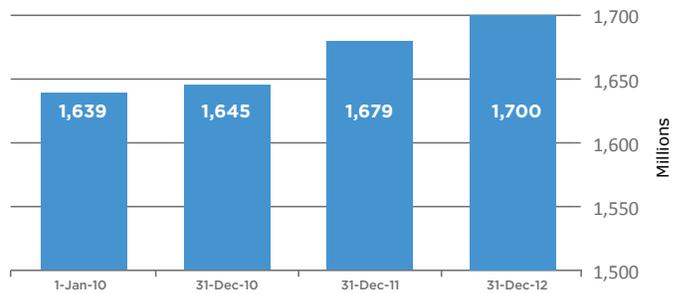
Together, the solid financial performances of all our business lines resulted in Net Income of \$7.0 million, a slight decline from \$7.3 million recorded in 2011. When compared with the previous year, this Net Income reflected a lower Financial Margin (2.0%), higher Other Income (2.9%), and lower Operating Expenses (0.5%). Total Comprehensive Income, which includes both Net Income and Other Comprehensive Income, increased to \$8.2 million, from \$5.5 million in 2011. Our performance in 2012 resulted in a 0.47% Return on Average Assets, a performance ratio that is commonly used in the credit union industry.

Finally, our performance during the year resulted in the addition of a significant \$8.0 million in members' equity (or the Credit Union's "savings account") to end the year at \$91.1 million, representing an increase of 9.6%. As a result, we ended the year with a strong and stable capital adequacy ratio of 12.47%.

Overall, our solid performance in 2012 maintained our organization's strength and stability.

Coastal Community is the largest credit union based on Vancouver Island and the Gulf Islands, and maintained its position as the 8th largest in BC and the 17th largest in Canada, by asset size. Our deliberate focus on providing more helpful and caring service that is integrated across all our business lines contributed to these key financial achievements. Going forward, we will continue to build on our strong financial performance of 2012, as we remain committed to improving financial health, enriching people's lives and building healthier communities.

ASSETS



LOANS



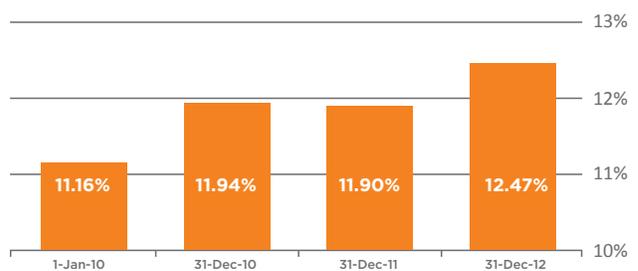
DEPOSITS



MEMBERS' EQUITY



CAPITAL RATIO



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The 2012 Annual Report, including the summary consolidated financial statements, is the responsibility of the management of Coastal Community Credit Union (the "Credit Union").

The financial statements have been prepared in accordance with International Financial Reporting Standards and include, where appropriate, estimates based on the best judgment of management. Financial and operating data in the annual report is consistent with that contained in the accompanying financial statements.

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 financial statements mainly through its Audit and Risk Committee (the "Committee").

The Committee reviews the annual 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 re-appointment of the external auditors, reviews the scope of the audit and approves the fees of the external auditors for audit and non-audit services.

The financial statements, audited by BDO Canada LLP, have been approved by the Board, on the recommendation of the Audit and Risk Committee.



Adrian Legin
President and
Chief Executive Officer



Barbara Coe, CGA
Chief Financial and
Risk Officer

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Members of Coastal Community Credit Union

The accompanying summary financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2012 and the summary consolidated statements of comprehensive income and cash flows for the year ended December 31, 2012 are derived from the audited consolidated financial statements of Coastal Community Credit Union for the year ended December 31, 2012. We expressed an unmodified audit opinion on those financial statements in our report dated March 27, 2013. Those consolidated financial statements, and the summary consolidated financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those 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, therefore, is not a substitute for reading the audited consolidated financial statements of Coastal Community Credit Union.

Management's Responsibility for the Summary Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Coastal Community Credit Union for the year ended December 31, 2012 are a fair summary of those financial statements.



Chartered Accountants
Nanaimo, British Columbia
March 27, 2013

COASTAL COMMUNITY CREDIT UNION

Summary Consolidated Statement of Financial Position December 31, 2012, with comparative figures for 2011

	2012 (\$'000)	2011 (\$'000)
Assets		
Cash and cash equivalents	\$ 14,843	\$ 49,475
Investments	128,950	114,914
Loans to members	1,518,911	1,473,743
Premises and equipment, net	14,929	16,095
Intangible assets, net	17,228	19,083
Income taxes receivable	-	605
Other assets	4,897	5,337
	\$ 1,699,758	\$ 1,679,252
Liabilities		
Member deposits	\$ 1,587,636	\$ 1,571,722
Income taxes payable	393	-
Derivative financial instruments	1,060	2,556
Other liabilities	13,560	15,212
Deferred income tax liability	1,627	1,990
Members' shares	4,366	4,664
	1,608,642	1,596,144
Members' equity		
Members' shares	1,209	1,399
Retained earnings	90,672	83,728
Accumulated other comprehensive loss	(765)	(2,019)
	91,116	83,108
	\$ 1,699,758	\$ 1,679,252

Summary Consolidated Statement of Comprehensive Income

For the year ended December 31, 2012, with comparative figures for 2011

	2012 (\$'000)	2011 (\$'000)
Interest revenue	\$ 66,766	\$ 69,217
Interest expense	21,364	22,910
Net interest income	45,402	46,307
Loan impairment expense	1,483	763
Other income	28,674	27,862
Operating expenses	64,438	64,781
Net operating income	8,155	8,625
Gain on dispositions	32	-
Income before income taxes	8,187	8,625
Provision for income taxes	1,229	1,293
Net income for the year	6,958	7,332
Other comprehensive income (loss), net of tax	1,254	(1,791)
Total comprehensive income	\$ 8,212	\$ 5,541

COASTAL COMMUNITY CREDIT UNION

Summary Consolidated Statement of Cash Flows

For the year ended **December 31, 2012**, with comparative figures for 2011

	2012 (\$'000)	2011 (\$'000)
Operating activities		
Receipts	\$ 95,250	\$ 97,334
Disbursements	(84,066)	(85,341)
Net increase in loans to members	(46,030)	(30,267)
Net increase in member deposits	16,609	53,414
Cash (outflows) inflows from operating activities	(18,237)	35,140
Investing activities		
Net increase in investments	(14,115)	(11,962)
Net increase in premises and equipment	(1,057)	(1,369)
Net increase in intangible assets	(218)	(151)
Cash outflows from investing activities	(15,390)	(13,482)
Financing activities		
Net decrease in membership shares	(488)	(366)
Net decrease in short term borrowings	-	(25,000)
Net decrease in finance lease obligations	(517)	(486)
Cash outflows from financing activities	(1,005)	(25,852)
Net decrease in cash and cash equivalents	(34,632)	(4,194)
Cash and cash equivalents, beginning of year	49,475	53,669
Cash and cash equivalents, end of year	\$ 14,843	\$ 49,475

On behalf of the Board:



Susanne Jakobsen
Chair, Board of Directors



Lynne Fraser
Chair, Audit and Risk Committee

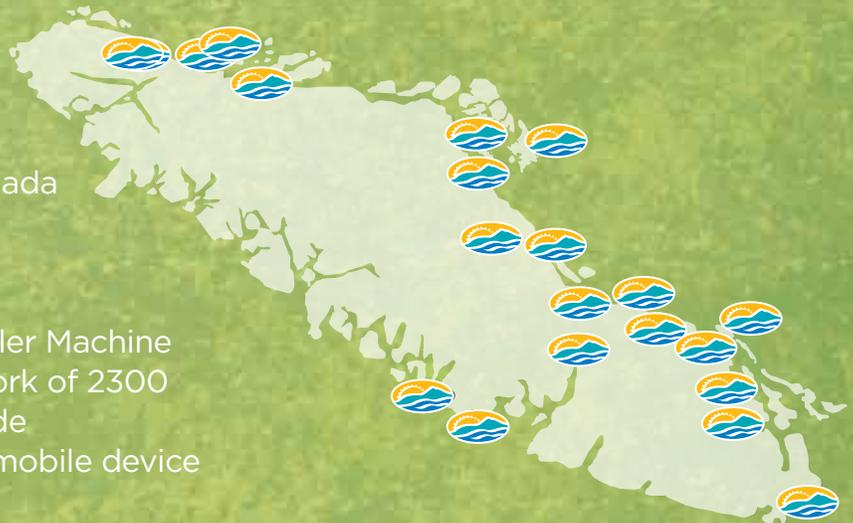
The complete audited consolidated financial statements are available to members and clients at our locations or online at **cccu.ca**.

About COASTAL COMMUNITY

For over 60 years, the satisfaction and happiness of our members and clients have been our bottom line. That's why we've grown to be the largest financial services organization based on Vancouver Island and the Gulf Islands. We're passionate about building stronger relationships to improve financial health, enrich people's lives and build healthier communities. We offer caring and helpful service integrated across our business lines to meet all your financial and protection needs.

Coastal Community

- Named one of Aon Hewitt's Best Employers in Canada three years in a row
- 17th largest credit union in Canada
- 24 Credit Union Branches
- 15 Insurance Offices
- 3 Business Service Centres
- The Island's first Interactive Teller Machine
- Access to the Exchange Network of 2300 surcharge-free ATMs nationwide
- Account access through your mobile device and online at cccu.ca



A Complete Range of Expertise and Solutions

- Personal Banking
- Business Banking
- Personal and commercial insurance* services
- Wealth Management**



COASTAL COMMUNITY
CREDIT UNION



COASTAL COMMUNITY
INSURANCE SERVICES



COASTAL COMMUNITY
FINANCIAL MANAGEMENT INC

*Insurance services provided through Coastal Community Insurance Services (2007) Ltd.

**Financial planning and investment services provided through Coastal Community Financial Management Inc.

HEAD OFFICE

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Visit us online at cccu.ca

GENERAL INQUIRIES

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service@cccu.ca

For an online version of our
2012 Annual Report, please visit cccu.ca.

Cover photo credit: Karen Miller, Willow Point Branch
Page 5 photo credit: Darryl King, Human Resources



COASTAL COMMUNITY
CREDIT UNION

TOGETHER, LET'S DO
GREAT THINGS