

Amaranth Credit Union Limited
Summary Financial Statements
December 31, 2022

Independent Auditor's Report

To the Members of Amaranth Credit Union Limited:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2022, and the summary income statement, summary statements of changes in members' equity and cash flows, are derived from the audited financial statements of Amaranth Credit Union Limited (the "Credit Union") for the year ended December 31, 2022.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements of Amaranth Credit Union Limited for the year ended December 31, 2022.

Summary 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 and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated 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 23, 2023.

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.

Brandon, Manitoba

March 24, 2023



Chartered Professional Accountants

Amaranth Credit Union Limited
Summary Statement of Financial Position

As at December 31, 2022

	<i>2022</i>	<i>2021</i>
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Assets		
Cash and cash equivalents	1,390,172	1,684,774
Investments and accrued interest	5,831,963	8,431,901
Members' loans receivable and accrued interest	8,348,556	7,924,573
Property and equipment	27,249	31,260
Prepaid expenses	94,131	90,526
Deferred tax	153,000	53,000
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	15,845,071	18,216,034
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Liabilities		
Member deposits and accrued interest	12,618,507	15,280,163
Accounts payable	440,092	177,149
Current tax payable	102,030	6,576
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	13,160,629	15,463,888
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Members' equity		
Member shares	5,955	6,180
Retained earnings	2,678,487	2,745,966
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	2,684,442	2,752,146
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	15,845,071	18,216,034
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Approved on behalf of the Board		
Signed "Curt Letkeman" <hr style="width: 100%;"/>	Signed "Kevin Beresford" <hr style="width: 100%;"/>	
Director	Director	

Amaranth Credit Union Limited
Summary Income Statement
For the year ended December 31, 2022

	2022	2021
Interest income		
Member loans	796,875	772,759
Investments	183,008	34,381
	979,883	807,140
Interest expense		
Deposits	99,280	85,601
Interest on borrowed money	1,925	1,763
	101,205	87,364
Gross financial margin	878,678	719,776
Operating Expenses		
Administration	193,172	261,072
Amortization	8,951	6,959
Member security	25,628	24,353
Occupancy	172,787	161,327
Organizational	187,752	90,868
Personnel	856,434	470,386
	1,444,724	1,014,965
Net operating expenses	(566,046)	(295,189)
Other Income	555,703	531,408
Income (loss) before provision for impaired loans and income taxes	(10,343)	236,219
Provision for impaired loans	38,606	27,917
Income (loss) before income taxes	(48,949)	208,302
Income taxes		
Current	118,530	18,076
Deferred	(100,000)	(3,000)
	18,530	15,076
Net income (loss)	(67,479)	193,226

Amaranth Credit Union Limited
Summary Statement of Changes in Members' Equity
For the year ended December 31, 2022

	<i>Member shares</i>	<i>Retained earnings</i>	<i>Total equity</i>
Balance December 31, 2020	6,335	2,552,740	2,559,075
Net income	-	193,226	193,226
Issuance of member shares	220	-	220
Redemption of member shares	(375)	-	(375)
Balance December 31, 2021	6,180	2,745,966	2,752,146
Net income	-	(67,479)	(67,479)
Issuance of member shares	255	-	255
Redemption of member shares	(480)	-	(480)
Balance December 31, 2022	5,955	2,678,487	2,684,442

Amaranth Credit Union Limited
Summary Statement of Cash Flows
For the year ended December 31, 2022

	<i>2022</i>	<i>2021</i>
Cash provided by (used for) the following activities		
Operating activities		
Interest received from members' loans	794,065	773,443
Interest and dividends received from investments	160,196	31,546
Other income received	555,703	531,408
Cash paid to suppliers and employees	(1,176,433)	(975,418)
Interest paid on deposits	(91,640)	(86,882)
Interest paid on borrowed money	(1,925)	(1,763)
Income taxes paid	(23,076)	(4,251)
	216,890	268,083
Financing activities		
Net change in member deposits	(2,669,296)	1,781,681
Issuance of member shares	255	220
Redemption of member shares	(480)	(375)
	(2,669,521)	1,781,526
Investing activities		
Net change in members' loans receivable	(459,781)	(42,392)
Purchases of investments	-	(1,051,385)
Proceeds on disposal investments	2,622,750	-
Purchases of property and equipment	(4,940)	(12,615)
	2,158,029	(1,106,392)
Increase (decrease) in cash and cash equivalents	(294,602)	943,217
Cash and cash equivalents, beginning of year	1,684,774	741,557
Cash and cash equivalents, end of year	1,390,172	1,684,774

Amaranth Credit Union Limited

Notes to the Financial Statements

For the year ended December 31, 2022

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

Management has prepared the summary consolidated financial statements from the Credit Union's December 31, 2022 audited consolidated financial statements which can be obtained at the Credit Union. The detailed notes included in the audited consolidated financial statements are not included in these summary consolidated financial statements

2. **Statement of compliance**

The Credit Union is in compliance with the capital and liquidity reserve requirements at December 31, 2022 established by the Standards of Sound Business Practice Regulation to The Credit Unions and Caisses Populaires Act of Manitoba.

Readers of the summary consolidated financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity, the reader must refer to the audited consolidated financial statements and notes for the year ended December 31, 2022, which contain the information detailing the calculation.