

**REPORT OF THE INDEPENDENT AUDITOR
SUMMARY FINANCIAL STATEMENTS**

To the Members of Lake View Credit Union

The accompanying summary financial statements, which comprise the summary statement of financial position as at December 31, 2016, the summary statement of comprehensive income and summary statement of changes in members' equity for the year then ended, are derived from the audited financial statements of Lake View Credit Union for the year ended December 31, 2016. We expressed an unmodified audit opinion on those financial statements in our report dated February 28, 2017.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Lake View Credit Union.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with Article 128 of the Financial Institutions Act of British Columbia.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary 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 financial statements derived from the audited financial statements of Lake View Credit Union for the year ended December 31, 2016 are a fair summary of those financial statements, in accordance with criteria described in Article 128 of the Financial Institutions Act of British Columbia.

Prince George, BC
February 28, 2017

Deloitte LLP
Chartered Professional Accountants

LAKE VIEW CREDIT UNION		
SUMMARY STATEMENT OF FINANCIAL POSITION		
as at December 31, 2016	2 0 1 6	2 0 1 5
ASSETS		
Cash and cash equivalents	\$ 12,366,458	\$ 7,983,888
Investments	54,890,193	89,959,444
Loans and advances to members	242,061,421	223,902,873
Property and equipment	4,122,658	3,718,179
Other intangible asset	437,239	70,393
Other assets	2,411,928	2,607,813
	\$ 316,289,897	\$ 328,242,590
LIABILITIES		
Deposits from members	\$ 295,241,517	\$ 302,930,691
Term loan	-	5,000,000
Other liabilities	1,865,631	1,451,980
Membership shares	131,222	133,936
	297,238,370	309,516,607
MEMBERS' EQUITY		
Membership shares	1,180,997	1,205,415
Retained earnings	17,675,786	17,123,721
Accumulated other comprehensive income	194,744	396,847
	19,051,527	18,725,983
	\$ 316,289,897	\$ 328,242,590

APPROVED BY THE BOARD

Director

Director

LAKE VIEW CREDIT UNION
SUMMARY STATEMENT OF COMPREHENSIVE INCOME
 year ended December 31, 2016

	2 0 1 6	2 0 1 5
Total interest income	\$ 10,069,758	\$ 10,128,642
Total interest expense	<u>2,670,774</u>	2,511,078
Net interest margin	7,398,984	7,617,564
Allowance for credit losses	<u>582,517</u>	738,098
Net interest income	6,816,467	6,879,466
Other operating income	<u>1,752,156</u>	2,099,216
Total operating income	8,568,623	8,978,682
Total operating expenses	7,871,616	7,684,152
Dividends on membership shares	<u>4,291</u>	6,000
Income before income taxes	692,716	1,288,530
Income tax expense	<u>108,476</u>	144,818
Net income	584,240	1,143,712
Other comprehensive loss, net of income taxes	<u>(202,103)</u>	(57,517)
Total comprehensive income	\$ 382,137	\$ 1,086,195

LAKE VIEW CREDIT UNION
SUMMARY STATEMENT OF CHANGES IN MEMBERS' EQUITY
 year ended December 31, 2016

	Total
As at December 31, 2015	\$ 18,725,983
Total comprehensive income	382,137
Dividends on membership shares	6,451
Membership shares issued (redeemed) - net	(65,757)
Transfers from membership shares - liability portion	<u>2,713</u>
As at December 31, 2016	\$ 19,051,527