

HOLYOKE CREDIT UNION
Statements of Financial Condition
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>Assets</u>		
Cash and cash equivalents		
Cash and non interest bearing deposits	\$ 3,355,096	\$ 2,591,011
Interest – bearing deposits in other institutions	<u>11,769,057</u>	<u>10,249,662</u>
Total cash and cash equivalents	<u>15,124,153</u>	<u>12,840,673</u>
Certificates of deposit	<u>7,200,000</u>	<u>11,436,000</u>
Securities		
Available for sale – at estimated fair value	10,951,416	7,675,727
Mortgage backed securities		
Available for sale – at estimated fair value	<u>14,051,180</u>	<u>13,042,211</u>
Total securities	<u>25,002,596</u>	<u>20,717,938</u>
Federal Home Loan Bank of Boston	1,836,300	1,834,100
Eastern Corporate Federal Credit Union	500,000	500,000
NCUA central liquidity deposit	283,467	272,171
MSIC Liquidity Reserve Fund	612,833	809,253
Loans available for sale – at estimated fair value	646,207	446,500
Loans receivable – net of allowance for loan losses	120,383,905	96,213,861
Accrued interest receivable	537,287	436,189
Property and equipment, net	4,938,565	3,534,322
Mortgage servicing rights	1,166,616	1,302,575
Prepaid expense and other assets	3,287,461	2,406,362
NCUSIF deposit	<u>1,183,690</u>	<u>992,106</u>
Total assets	<u>\$182,703,080</u>	<u>\$153,742,050</u>
<u>Liabilities and Members' Equity</u>		
Liabilities		
Members' shares and savings accounts	\$127,899,922	\$104,973,189
Federal Home Loan Bank of Boston advances	36,535,263	30,922,386
Accrued and other liabilities	<u>999,858</u>	<u>1,161,375</u>
Total liabilities	<u>165,435,043</u>	<u>137,056,950</u>
Members' equity		
Appropriated regular reserve	2,679,455	2,679,455
Unappropriated earnings	14,646,331	13,797,184
Accumulated other comprehensive income (loss)	<u>(57,749)</u>	<u>208,461</u>
Members' equity, substantially restricted	<u>17,268,037</u>	<u>16,685,100</u>
Total liabilities and members' equity, substantially restricted	<u>\$182,703,080</u>	<u>\$153,742,050</u>

The accompanying notes are an integral part of these financial statements.

HOLYOKE CREDIT UNION
 Statements of Income
 Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Interest income		
Loans receivable	\$4,907,305	\$4,356,225
Investment securities	<u>630,737</u>	<u>731,359</u>
Total interest income	<u>5,538,042</u>	<u>5,087,584</u>
Interest expense		
Interest on savings accounts	363,879	240,528
Borrowed funds	<u>599,206</u>	<u>592,083</u>
	<u>963,085</u>	<u>832,611</u>
Net interest income	4,574,957	4,254,973
Provision for loan losses	<u>175,300</u>	<u>119,420</u>
Net interest income after provision for loan losses	<u>4,399,657</u>	<u>4,135,553</u>
Non-interest income		
Fees for customer services	1,607,676	1,550,082
Mortgage banking income	697,721	714,379
Other operating income	694,784	637,155
Gain on sale of mortgages	103,983	69,534
Gain (loss) on disposition of investments	27,711	(173,095)
Gain of sale of property and equipment	<u>196,962</u>	
Total non-interest income	<u>3,328,837</u>	<u>2,798,055</u>
Non-interest expense		
Compensation and benefits	2,971,934	2,847,683
Occupancy expense	554,707	527,801
Office operations expense	1,164,868	1,077,674
Loan servicing expense	571,200	501,222
Professional and outside services	1,349,827	1,269,069
Other non - interest expense	<u>266,811</u>	<u>168,996</u>
Total non-interest expense	<u>6,879,347</u>	<u>6,392,445</u>
Net income	849,147	541,163
Other comprehensive income		
Increase (decrease) in unrealized gain (loss) on securities	<u>(266,210)</u>	<u>92,169</u>
Total comprehensive income	<u>\$ 582,937</u>	<u>\$ 633,332</u>

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