

**70**  
YEARS  
GROWING  
TOGETHER



# WHAT WE BELIEVE

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## MISSION

Through lasting relationships and competitive, value-added financial solutions, we help our members realize their goals and dreams while enhancing the communities we serve.

## VISION

To be a neighbourly, people-focused, and financially successful Credit Union.

## VALUES

**People First:** our employees, our members, our communities.

**Leadership:** lead by example in everything we do.

**Integrity and Trust:** strong professionalism and confidentiality.

**Financial Success:** yours and ours.

# BOARD & CEO REPORT

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The year 2018 saw continued growth for Niverville Credit Union. Assets grew 8%, loan growth was 12.83%, and deposit growth was 9.3% when compared to 2017.

Our Steinbach location at 15 Penfeld Drive has continued to provide improved service to Steinbach area members as well as generating interest and business from area residents that are new to Niverville Credit Union. The Niverville and Landmark locations continue to see growth as well, reflecting the opportunities made possible by a robust South Eastern Manitoba economy.

A common and surplus share dividend of 4.25% was declared, reflecting our continued profitability and commitment to paying our members a steady, competitive dividend.

To enhance member services, we entered into a new credit card agreement with Col-labria which now offers our members both Mastercard and Visa options.

NCU Alerts were also introduced this past year. Members can set up their accounts to receive alerts via text message or email on account activities, which allows members to identify fraudulent activity as soon as it happens.

We continue to collaborate with other credit unions to explore opportunities for cost savings and improving service deliveries and will see the fruits of collaboration in 2019 when we release ASAAP, and online account opening program.

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**Ken Rempel**  
CEO



**Alexander Wallace**  
Chair



**Libby Hanna**  
1st Vice Chair



**John Schmitke**  
2nd Vice Chair



# BOARD & CEO REPORT (CONTINUED)

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Strategic planning, attendance at system meetings, and individualized training courses are some of the activities that directors participated in this past year.

Directors also received additional training in Cybersecurity and IT risk as well as increased reporting from management on IT activities and compliance.

We would also like to thank Cal Schellenberg for his many years of service as a director and wish him well in his future endeavors.

In the event you have any concerns or compliments please do not hesitate to share them with our staff and directors. We can assure you that they will all be dealt with in confidence.

In closing we want to thank our staff for their contributions this year and you, our members for your continued support.

*-Ken Rempel, CEO*



Stan Doerksen  
Director



Marlene Stott  
Director



Don Doerksen  
Director



Gordon Kroeker  
Director



# OUR STAFF

Names listed from left to right

## NIVERVILLE BRANCH



### BACK ROW

Lisa Doerksen  
Richard Pearse  
Ken Rempel  
Darryl Rempel  
Ty Wood  
Nancy Penner  
Ron Ashcroft  
Brigitte Simard

### MIDDLE ROW

Carroll Dyck  
Bryanne Tottle  
Carmen Giesbrecht  
Cecile Gerardy  
Christina Abolade  
Sam Gagne  
Jackie Rasetti  
Gabi Hiebert  
Amber Spence

### FRONT ROW

Marianna Kettler  
Sherise Falk  
Sandy Charette  
Marlene Carr  
Rosemary Johnston  
Talitha Smith

### MISSING

Liam Harder  
Carrie Theoret  
Richard Montgomery  
Debbie Lamirande  
Stacy Hamm  
Lauren Neufeld  
Jamie King  
Gracy Giesbrecht  
Kayleigh Engstrom

## LANDMARK BRANCH



Cynthia Kroeker  
Teresa Soper  
Denise Collins  
Denise McBurney  
Shari Voth

## STEINBACH BRANCH



Keith Wolbaum  
Lillis Corriveau  
Michelle Van Den Driessche  
Jordan Richardson  
Julie Driedger  
Vern Klassen



Photos by Brigitte Simard

# STAFF CONTRIBUTIONS

## Our Staff gave back to the community by volunteering throughout 2018:

Landmark Friendship Festival  
Landmark Parent Grad Committee  
Niverville Health and Community Foundation  
Linden Christian School  
Fourth Avenue Bible Church  
Niverville Rec  
Niverville Soccer

Winnipeg youth Soccer  
Sports for Kids  
Niverville Helping Hands  
Word of Life Church  
Landmark Minor Hockey  
Clippers Ice Sports  
Phoenix Football Club

Niverville Collegiate  
Niverville Elementary  
Niverville Fair  
Operation Christmas Child  
Youth for Christ  
Maranatha Niverville  
WMBA Oxford Heights Basketball Program

## JEAN DAY

Donations were collected throughout the year at both Niverville and Landmark branches on the last Friday of every month. A total of \$687.00 was collected and Landmark proceeds went to a local YFC-Flatland Café charity and Niverville proceeds went to the following, Niverville Firefighters Association, Niverville Soccer Club, and Niverville Youth for Christ.

## GOING PAPERLESS SUPPORTS COMMUNITY

Niverville Credit Union Gives Back \$2,580.00 to local charities with their Opt out Statement Campaign that ran from December 1, 2017 to November 30, 2018.

## 2018 HIGHLIGHTS

- Supported local Community sport teams in Niverville the Niverville Wildcats
- Hosted BBQ in Landmark Festival
- Hosted BBQ in Niverville Fair Weekend
- Donated to Helping Hands for Staff Christmas Party
- Operation Christmas Child- Landmark Shoe Box
- Niverville Funded the New Unger Meats facility in Mitchell Manitoba
- Sponsorship in the Mennonite Heritage Museum
- \$500.00 Cash Donation and Swag to the Tache Firefighters for their pancake breakfast
- \$1000.00 GIC winner for the Direct Deposit Campaign
- Sponsored 3 students from Steinbach SRSS to the Cooperative Camp at Camp Wannakumbac in Riding Mountain National Park.

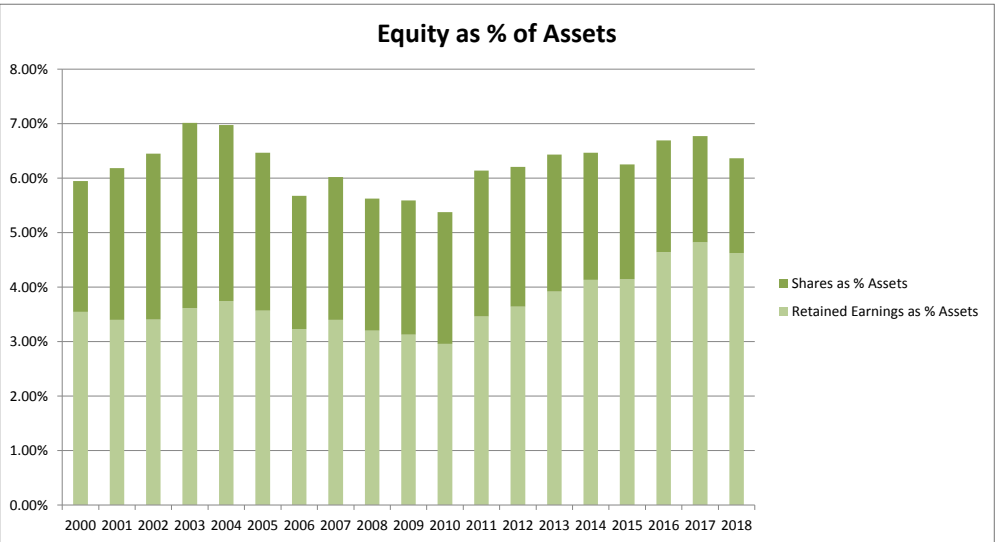
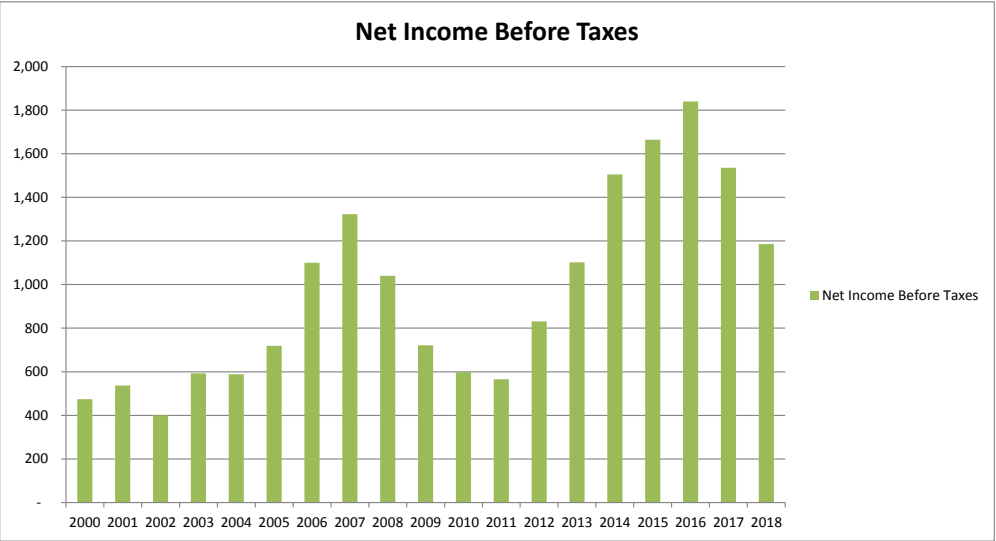
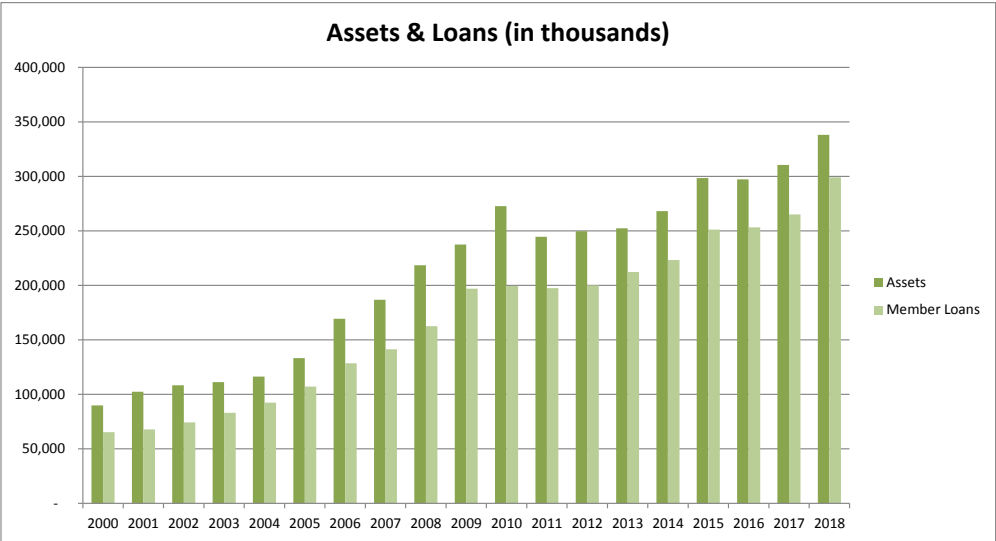


SEE PHOTOS ON NEXT PAGE

# 2018 HIGHLIGHTS



# NIVERVILLE CREDIT UNION **GROWTH**







Tel: 204-956-7200  
Fax: 204-926-7201  
Toll-Free: 866-863-6601  
www.bdo.ca

BDO Canada LLP  
700 - 200 Graham Avenue  
Winnipeg MB R3C 4L5 Canada

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## Report of the Independent Auditor on the Summary Financial Statements

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### To the Members of NIVERVILLE CREDIT UNION LIMITED

The accompanying summary financial statements, which comprise the summary consolidated balance sheet as at September 30, 2018 and the summary consolidated statement of comprehensive income, summary consolidated statement of changes in members' equity and summary consolidated statement of cash flows for the year then ended, are derived from the audited consolidated financial statements of Niverville Credit Union Limited for the year ended September 30, 2018. We expressed an unmodified audit opinion on those financial statements in our report dated December 19, 2018.

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

### Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements on the basis described in Note 1.

### 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 Audit Standard (CAS) 810, 'Engagements to Report on Summary Financial Statements'.

### Opinion

In our opinion, the summary financial statements derived from the audited consolidated financial statements of Niverville Credit Union Limited for the year ended are a fair summary of those financial statements, on the basis described in Note 1.

*BDO Canada LLP*

Chartered Professional Accountants

Winnipeg, Manitoba  
December 19, 2018

**NIVERVILLE CREDIT UNION LIMITED**  
**Summary Consolidated Balance Sheet**

**As at September 30** 2018 2017

**Assets**

Funds on hand and on deposit	\$ 11,231,284	\$ 11,513,219
Income taxes recoverable	40,370	-
Other assets	243,712	239,344
Investments	24,097,832	29,993,566
Deferred income tax asset	-	21,000
Loans to members	299,107,920	265,074,134
Property and equipment	3,028,273	3,186,830
Intangible assets	94,177	180,861
Investment property	244,068	221,521
	<b>\$ 338,087,636</b>	<b>\$ 310,430,475</b>

**Liabilities and Members' Equity**

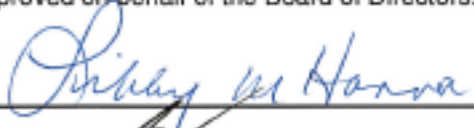
Income taxes payable	\$ -	\$ 17,067
Other liabilities	1,907,353	1,584,163
Members' deposits	314,437,235	287,646,795
Insurance reserve	150,542	170,450
Deferred income tax liability	77,900	-
	<b>316,573,030</b>	<b>289,418,475</b>


**Commitments**

**Members' Equity**

Members' shares	5,648,474	5,864,474
Provision for issue of shares	238,290	174,700
Retained earnings	15,627,842	14,972,826
	<b>21,514,606</b>	<b>21,012,000</b>
	<b>\$ 338,087,636</b>	<b>\$ 310,430,475</b>

Approved on behalf of the Board of Directors:

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

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

**NIVERVILLE CREDIT UNION LIMITED**  
**Summary Consolidated Statement of Comprehensive Income**

<b>For the year ended September 30</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Interest on loans to members	\$ 10,390,567	\$ 8,946,261
Investment Income		
Liquidity deposits	523,207	535,834
Shares	125,264	138,730
	<u>11,039,038</u>	<u>9,620,825</u>
<b>Cost of funds</b>	<u>5,336,362</u>	<u>4,574,582</u>
<b>Gross financial margin</b>	<u>5,702,676</u>	<u>5,046,263</u>
<b>Operating Expenses</b>		
Personnel	2,384,652	2,331,091
Administrative	1,531,622	1,457,156
Occupancy	752,443	657,484
Members' security	269,696	252,850
Organizational	174,419	185,463
<b>Gross operating expenses</b>	<u>5,112,832</u>	<u>4,884,044</u>
<b>Less other income</b>	<u>1,495,054</u>	<u>1,403,706</u>
	<u>3,617,778</u>	<u>3,480,338</u>
<b>Gross operating income</b>	<u>2,084,898</u>	<u>1,565,925</u>
<b>Provision for impaired loans</b>	<u>898,881</u>	<u>29,585</u>
<b>Income before income taxes</b>	<u>1,186,017</u>	<u>1,536,340</u>
<b>Provision for Income Taxes</b>		
Current	197,635	250,855
Deferred	98,900	(64,800)
	<u>296,535</u>	<u>186,055</u>
<b>Net and total comprehensive income for the year</b>	<u>\$ 889,482</u>	<u>\$ 1,350,285</u>

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

**NIVERVILLE CREDIT UNION LIMITED**  
**Summary Consolidated Statement of Changes in Members' Equity**

**For the year ended September 30, 2018**

	Provision for Issue of Shares	Members' Shares	Retained Earnings	Total
Balance at September 30, 2016	\$ 175,000	\$ 5,771,925	\$ 13,796,577	\$ 19,743,502
Net income for the year	-	-	1,350,285	1,350,285
Distributions to members	174,036	-	(174,036)	-
Issue of members' shares	(174,336)	177,791	-	3,455
Redemption of members' shares	-	(234,412)	-	(234,412)
Transfer from liabilities	-	149,164	-	149,164
<b>Balance at September 30, 2017</b>	<b>\$ 174,700</b>	<b>\$ 5,864,468</b>	<b>\$ 14,972,826</b>	<b>\$ 21,011,994</b>
Net income for the year	-	-	889,482	889,482
Distributions to members	234,466	-	(234,466)	-
Issue members' shares	(170,876)	174,916	-	4,040
Redemption of members' shares	-	(390,910)	-	(390,910)
<b>Balance at September 30, 2018</b>	<b>\$ 238,290</b>	<b>\$ 5,648,474</b>	<b>\$ 15,627,842</b>	<b>\$ 21,514,606</b>

## NIVERVILLE CREDIT UNION LIMITED

### Summary Consolidated Statement of Cash Flows

For the year ended September 30	2018	2017
<b>Cash Flows from Operating Activities</b>		
Net income for the year	\$ 889,482	\$ 1,350,285
Adjustments for		
Interest and investment revenue	(11,039,038)	(9,620,825)
Interest expense	5,336,362	4,574,562
Depreciation expense	356,502	317,123
Provision for impaired loans	898,881	29,585
Loss on disposal of property and equipment	-	970
Deferred income taxes	98,900	(64,800)
Insurance reserve	(19,908)	(20,843)
	<u>(3,478,819)</u>	<u>(3,433,943)</u>
Change in other assets and liabilities	318,816	764,929
Change in income taxes recoverable	(40,370)	-
Change in income taxes payable	(17,067)	(40,166)
	<u>261,379</u>	<u>724,763</u>
Changes in member activities, net		
Change in loans to members	(34,731,015)	(11,895,572)
Change in members' deposits	26,436,291	11,516,381
	<u>(8,294,724)</u>	<u>(379,191)</u>
Cash flows related to interest, dividends, and income taxes		
Interest received on loans to members	10,188,918	8,905,165
Interest received on investments	679,435	687,294
Interest paid on members' deposits	(4,982,213)	(4,765,419)
	<u>5,886,140</u>	<u>4,827,030</u>
<b>Total cash flows from (used in) operating activities</b>	<u>(5,626,024)</u>	<u>1,738,659</u>
<b>Cash Flows from Investing Activities</b>		
Change in investments	109,280	209,400
Redemption of investments	-	1,000,000
Purchase of property and equipment	(113,290)	(798,074)
Purchase of intangibles	(20,521)	(21,275)
<b>Total cash flows from investing activities</b>	<u>(24,531)</u>	<u>390,051</u>
<b>Cash Flows from Financing Activities</b>		
Issue of common and surplus shares	4,040	3,455
Redemption of common and surplus shares	(390,910)	(234,412)
<b>Total cash flows from financing activities</b>	<u>(386,870)</u>	<u>(230,957)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(6,037,425)</u>	<u>1,897,753</u>
Cash and cash equivalents, beginning of year	37,760,719	35,862,966
<b>Cash and cash equivalents, end of year</b>	<u>\$ 31,723,294</u>	<u>\$ 37,760,719</u>
<b>Comprised of the following</b>		
Funds on hand and on deposit	\$ 11,231,284	\$ 11,513,219
Credit Union Central of Manitoba term deposits	20,492,010	26,247,500
	<u>\$ 31,723,294</u>	<u>\$ 37,760,719</u>

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

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# NIVERVILLE CREDIT UNION LIMITED

## Notes to Summary Consolidated Financial Statements

**For the year ended September 30, 2018**

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### **1. Basis of Presentation**

Management is responsible for the preparation of summary financial statements. The summary presented includes only the summary consolidated balance sheet and the summary consolidated statement of comprehensive income, summary consolidated statement of changes in members' equity and summary consolidated statement of cash flows. It does not include any other schedules or the notes to the financial statements. The summary consolidated balance sheet and summary consolidated statement of comprehensive income, summary consolidated statement of changes in members' equity and summary statement of consolidated cash flows are presented in the same detail as the audited financial statements except the note referencing has been removed.

Copies of the September 30, 2018 audited consolidated financial statements are available at the Credit Union's head office at 62 Main Street, Niverville Manitoba and online at [www.nivervillecu.mb.ca](http://www.nivervillecu.mb.ca).

### **2. Compliance with Minimum Capital and Liquidity Requirements**

The Credit Union is in compliance with the capital and liquidity reserve requirements at September 30, 2018 established by the Regulations 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 including notes for the year ended September 30, 2018, which contain the information detailing the calculations.



*Come on over*

**N I V E R V I L L E C U . M B . C A**

**Niverville Branch**

62 Main Street, Box 430

Niverville, MB R0A 1E0

Ph: 204-388-4747

Fax: 204-388-9970

Toll Free: 1-855-500-6593

**Steinbach Branch**

103 - 150 Penfeld Drive

Steinbach, MB R5G 1V7

Ph: 204-326-3925

Fax: 204 326 5360

Toll Free: 1 855 500 6593

**Landmark Branch**

207 Main Street, Box 57

Landmark, MB R0A 0X0

Ph: 204-355-4035

Fax: 204-355-4800

Toll Free: 1-855-500-6593