

Proudly Serving
Every Generation



2021
Annual Report

Niverville 
CREDIT UNION

Come on over

What We Believe

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.



Ken Rempel
CEO



John Schmitke
Chair



Libby Hanna
1st Vice Chair



Marlene Stott
2nd Vice Chair



Alexander Wallace
Director



Stan Doerksen
Director



Gord Kroeker
Director



Dennis Loeppky
Director

CEO Report

Fiscal 2021 was another challenging but successful year for our credit union.

Our credit union team and our members adapted well to the various public health, regulatory and economic issues that impacted lives and business due to the continued Covid-19 pandemic.

While all of our branches remained open to the public, previous investments in technology ensured that members could conduct transactions online and that NCU staff could interact with members remotely if needed. Government relief programs such as the CEBA small business loan program were extended and delivered to members in a timely manner.

Economic growth remained strong in our trading areas, resulting in excellent growth and financial results.

In fiscal 2021, Asset growth was 7.5%, loan growth was 11.5% and deposit growth was 3.9%. Membership growth was 4.4%. Net income increased significantly as compared to fiscal 2020, resulting in the best financial performance in the history of our credit union.

This growth and profitability was achieved while maintaining compliance with regulatory capital requirements.

A common and surplus share dividend of 3.00% was declared, reflecting our continued profitability and commitment to paying our members a steady, competitive dividend.

Looking forward, we will be rolling out a new digital banking platform project and a payments modernization project. These investments in technology are expected to be completed in the Fiscal 2022 and Fiscal 2023 time period.

While mindful of the importance of investing in technology to serve our members we remain committed to offering friendly, personalized, in branch and telephone service.

We are fortunate to operate in Southeastern Manitoba, a trading area with favorable demographics, a robust entrepreneurial tradition, and strong support for social and community initiatives from governments, faith communities and businesses. On behalf of board and management I extend a big thank you to our staff for their efforts and our members for their loyalty and business during this year.

Ken Rempel,
CEO



Board Report

I'd like to start by thanking all of the employees at NCU for overcoming the challenges that COVID presented while continuing to provide the member focused service that is core to NCU's vision. Branches were able to continue to operate and provide in person services in a timely fashion. New financial aid programs were implemented quickly and efficiently, easing the financial burdens of both consumer and commercial members that were caused by shut downs and loss of earning capacity. The staff that continued to serve tirelessly, both in branch and remotely, have been instrumental in the success of those members, as well as NCU. The board also appreciates employees that have continued to volunteer in our communities during the pandemic.

Predicting the effects of COVID on the operations and performance of NCU and the financial industry as a whole in 2021 was nearly as difficult as in 2020. However, performance of NCU continues to be strong. Financial performance beat budget and retained earnings were able to be increased by more than anticipated. Regulatory benchmarks were met and all audits were performed without concern.

Credit Union directors had a busy year with board training sessions on cyber risk awareness, audit committee effectiveness as well as anti-money laundering and regulatory environment courses. We also attend Credit Union system events such as the National Virtual Conference for Canada's Credit Union and CUCM system meetings. On top of these items NCU policies continually need to be updated; this year we reviewed Enterprise Risk Management Plan, Information Technology, and FINTRAC Credit Union policies. We meet once a month as a board and sit on sub committees of the Audit Committee and Governance Committee.

I would also like to thank retiring director Alexander (Sandy) Wallace for his many contributions to our board. Sandy joined the board in 1994 and served as committee chair, vice chair and chair over the course of his tenure. Sandy also served as a Director Peer Group 5 on the board of Credit Union Central of Manitoba and is a strong promoter of the Credit Union movement.

The success of NCU in 2021 won't be taken for granted, rather the members, staff, and board have come together to put NCU in a great position for continued success in the future.

Moving into 2022, uncertainty as a result of the effects COVID continue to present unique challenges to NCU. However, we continue to push to improve to be able to meet member expectations as they too face these challenges. A new online banking platform is forthcoming that will make online options easier and faster for members that need tools outside of the branch. We will continue to build on the success of your Credit Union and work to increase service as the needs of our members continue to evolve.

Despite all the challenges it has been a great year working with the entire NCU team to serve our members, improve our credit union, and continue to build financial strength.

John Schmitke,
Chair



Staff Contributions



Our Staff Gave Back to the Community Through Volunteering in 2021:

Niverville Helping Hands Ministry Inc.
YFC Landmark

Steinbach YFC fundraising sponsor and golf tournament

Community Development Committee for the RM of Tache.

U18 competitive curling team (Team Buchalter)

Niverville Health and Community Foundation

Niverville Co-operative Playgroup Inc
Niverville Community Resource & Recreation Centre

MANITOBA 150

Clippers Ice Sports

Winnipeg Soccer Association

Niverville Soccer

Sports for kids

Jean Day

Donations were collected from our staff throughout the year at all Niverville Credit Union Branches on the last Friday of every month.

Niverville collected \$307.00 which was donated to Niverville Secret Santa.

Landmark collected \$435.00 which was donated to Landmark Christmas Hamper Fund.

Steinbach collected \$112.00 which was donated to Steinbach Community Outreach.

Great job to all 3 Branches!

Going Paperless Supports Community

Niverville Credit Union gives back \$1670.00 to local charities with their opt-out statement campaign that ran from December 1st, 2020 to November 30, 2021.



2021 Highlights

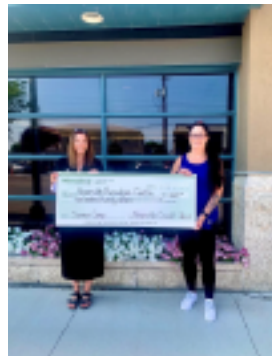


- Credit Union Day
- World Elder Abuse Awareness Day
- Referral Winners
- Constable Redekopp for bringing us this charcuterie board at our Steinbach branch!
- NCU is proud to support DARE (Drug Abuse Resistance Education) in our local schools through the Southeast Rotary Club.
- Every valued member who opted out of Paper Statements we donated \$5.00 to a local charity!
- Member Referral Program Winners

- We are pleased to donate \$500.00 to Canada Awakening Ministries Inc.
- Manitoba's Credit Unions present: Tour 150 Nakatamaakewin: Bringing art to you! In partnership with the Winnipeg Art Gallery and Manitoba 150
- Our golf team for the YFC Sponsorship Tournament!
- GIC winners



2021 Highlights



Denise McBurney, Branch Manager of our Landmark location has retired, her last day was Friday June 25th! Denise started with NCU over 23 years ago and we have shared so many wonderful memories. On behalf of all of us at Niverville Credit Union, Happy Retirement Denise. We will miss you.

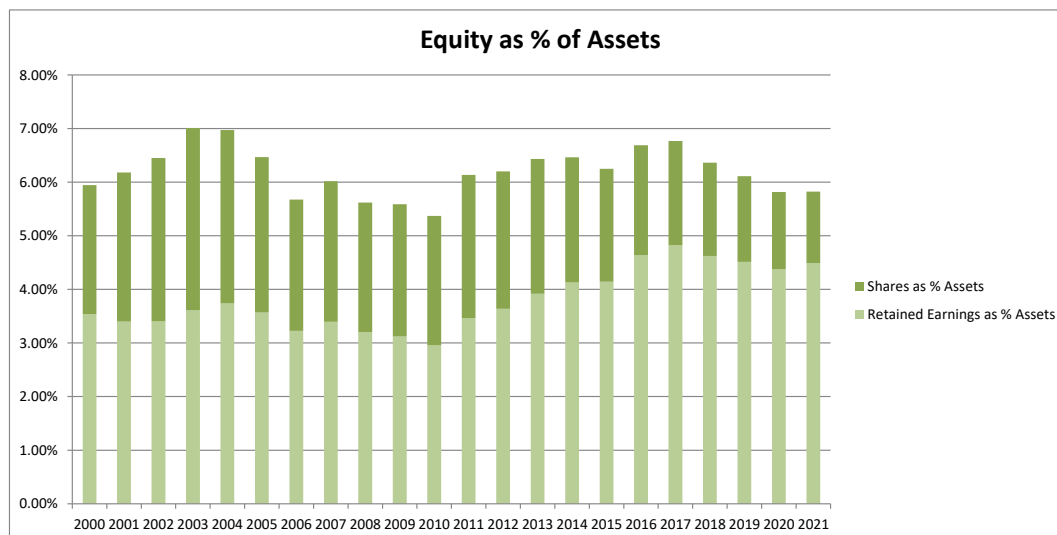
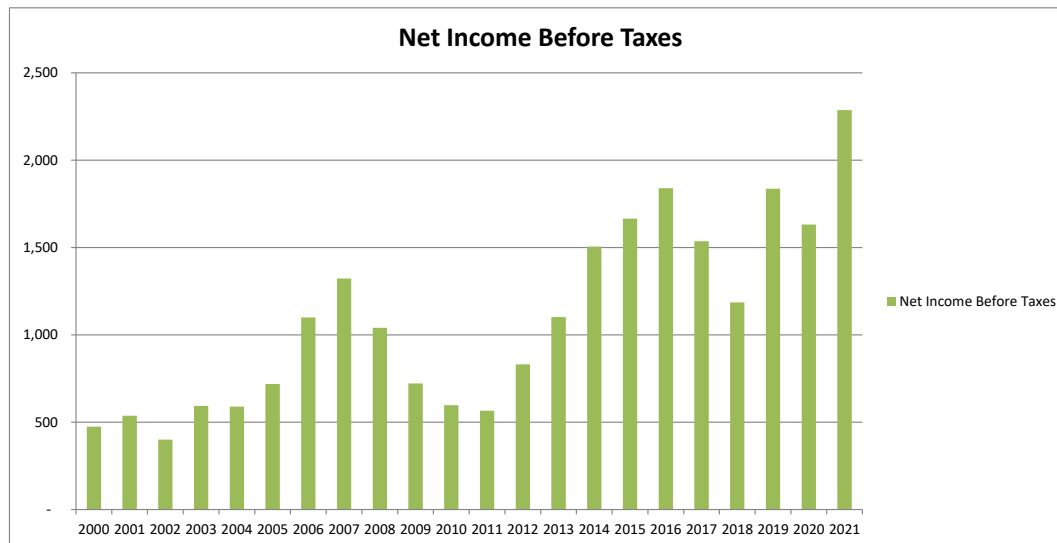
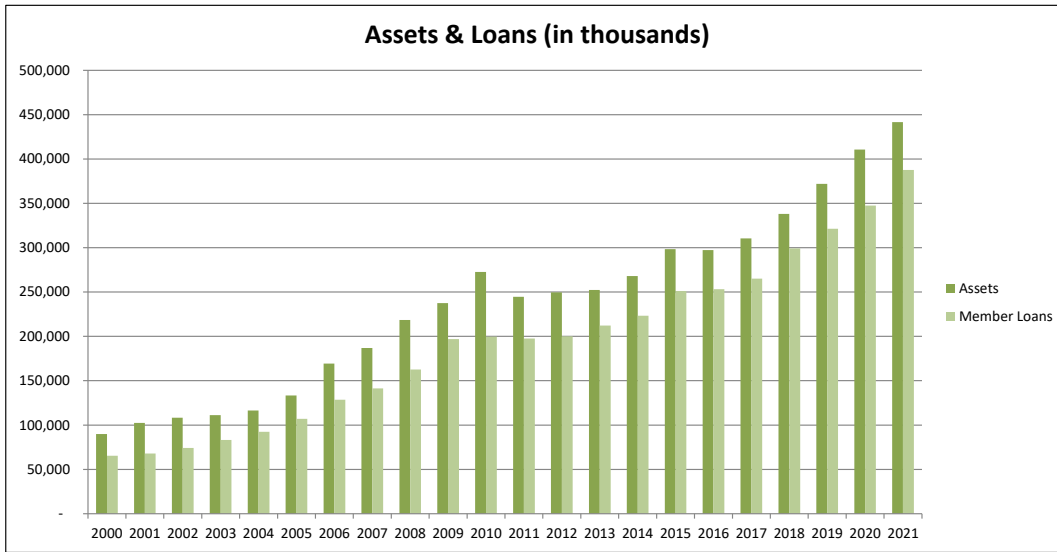
- We had the honour of presenting a cheque for \$12,500.00 to the Legacy Children's Centre.
- It's always a pleasure being able to support the amazing initiatives happening locally. Thank you Niverville Rec for all you do in our community!
- Negash Coffee donated free coffee for customer appreciation!



Happy Retirement to Carmen Giesbrecht, Executive Assistant. Carmen's last day way on May 21st, 2021 after 29 years of dedicated service. We wish you all the best in 2022!



Niverville Credit Union Growth



Niverville Credit Union Limited
Summary Consolidated Financial Statements
For the Year Ended September 30, 2021

Report of the Independent Auditor on the Summary Consolidated Financial Statements

To the Members of Niverville Credit Union Limited:

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at September 30, 2021, and the summary consolidated statements of comprehensive income, changes in members' equity and cash flows for the year then ended, are derived from the audited consolidated financial statements of Niverville Credit Union Limited (the "Credit Union") for the year ended September 30, 2021.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements, on the basis described in Note 1 to the summary consolidated financial statements.

Summary 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 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 Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated December 8, 2021.

Management's Responsibility for the Summary Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Winnipeg, Manitoba

December 8, 2021



Chartered Professional Accountants

Niverville Credit Union Limited

Summary Consolidated Statement of Financial Position

As at September 30, 2021

	2021	2020
Assets		
Funds on hand and on deposit	5,516,485	5,347,625
Investments	45,106,689	53,979,996
Loans to members	387,596,777	347,557,178
Prepaid expenses and deposits	267,803	408,503
Property, equipment and intangible assets	2,743,951	3,080,646
Investment property	278,201	291,894
Deferred tax asset	3,800	-
	441,513,706	410,665,842
Liabilities		
Loan payable	13,000,000	-
Members' savings and deposits	400,175,596	385,135,719
Income taxes payable	137,050	67,933
Accounts payable	2,116,512	1,141,934
Lease liabilities	251,423	296,397
Deferred tax liability	-	10,100
Insurance reserve	112,200	128,453
	415,792,781	386,780,536
Members' equity		
Member shares	5,724,983	5,748,652
Provision for issue of surplus shares	171,400	171,100
Retained surplus	19,824,542	17,965,554
	25,720,925	23,885,306
	441,513,706	410,665,842

Approved on behalf of the Board

“Signed by John Schmitke” _____, Director

“Signed by Libby Hanna” _____, Director

Niverville Credit Union Limited
Summary Consolidated Statement of Comprehensive Income
For the Year Ended September 30, 2021

	2021	2020
Financial income		
Interest from loans to members	11,495,271	11,973,927
Investment income	744,806	933,895
	12,240,077	12,907,822
Cost of funds	5,771,939	7,121,270
Financial margin	6,468,138	5,786,552
Operating expenses		
Administration	1,821,643	1,739,204
Member security	355,995	327,846
Occupancy	805,545	744,211
Organizational	178,972	168,837
Personnel	2,636,438	2,617,749
Gross operating expenses	5,798,593	5,597,847
Other income	(1,722,579)	(1,498,340)
Income from operations before provision for loan losses and income taxes	2,392,124	1,687,045
Provision for loan losses	105,763	54,719
Income before provision for income taxes	2,286,361	1,632,326
Provision for income taxes	294,690	280,010
Total comprehensive income for the year	1,991,671	1,352,316

A copy of the complete financial statements including significant accounting policies and other explanatory information is available from the credit union or at www.nivervillecu.mb.ca.

Niverville Credit Union Limited
Summary Consolidated Statement of Changes in Members' Equity

For the Year Ended September 30, 2021

	<i>Member shares</i>	<i>Provision for issue of Shares</i>	<i>Retained surplus</i>	<i>Total equity</i>
Balance October 1, 2019	5,715,253	226,880	16,782,275	22,724,408
Net income for the year	-	-	1,352,316	1,352,316
Distribution to members	-	169,037	(169,037)	-
Issue of members' shares	229,135	(224,817)	-	4,318
Redemption of members' shares	(195,736)	-	-	(195,736)
Balance September 30, 2020	5,748,652	171,100	17,965,554	23,885,306
Net income for the year	-	-	1,991,671	1,991,671
Distributions to members	-	169,233	(132,683)	36,550
Issue of members' shares	172,549	(168,933)	-	3,616
Redemption of members' shares	(196,218)	-	-	(196,218)
Balance September 30, 2021	5,724,983	171,400	19,824,542	25,720,925

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Niverville Credit Union Limited

Summary Consolidated Statement of Cash Flows

For the Year Ended September 30, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Interest received from loans to members	11,901,113	11,695,117
Interest received from investments	828,264	1,033,092
Other income received	1,722,579	1,498,340
Operating expenses paid	(4,272,781)	(5,319,418)
Interest paid on deposits	(6,555,775)	(7,156,580)
Income taxes paid	(202,923)	(331,252)
	3,420,477	1,419,299
Financing activities		
Net change in members' savings and deposits	15,823,713	37,326,656
Increase in loan payable	13,000,000	-
Net change in insurance reserve	(16,253)	(13,017)
Lease liability payments	(55,140)	(55,140)
Issuance of members' shares	3,615	4,110
Redemption of members' shares	(196,218)	(195,528)
	28,559,717	37,067,081
Investing activities		
Net change in loans to members	(40,551,204)	(25,922,122)
Net change in investments	8,789,849	(13,482,207)
Purchases of property, equipment and intangible assets	(43,703)	(129,683)
Purchases of investment property	(6,276)	(37,651)
	(31,811,334)	(39,571,663)
Increase (decrease) in cash resources	168,860	(1,085,283)
Cash resources, beginning of year	5,347,625	6,432,908
Cash resources, end of year	5,516,485	5,347,625

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Niverville Credit Union Limited

Summary Consolidated Statement of Cash Flows

For the Year Ended September 30, 2021

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

Management has prepared the summary consolidated financial statements from the Credit Union's September 30, 2021 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. **Compliance with minimum capital and liquidity requirements**

The Credit Union is in compliance with the capital and liquidity reserve requirements at September 30, 2021 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 and notes for the year ended September 30, 2021, which contain the information detailing the calculation.



Come on over

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

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Toll Free: 1-855-500-6593

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Ph: 204-326-3925
Fax: 204 326 5360
Toll Free: 1 855 500 6593

Landmark Branch

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Toll Free: 1-855-500-6593