

ANNUAL REPORT 2022

OUR MISSION, VALUES & VISION

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.

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.

VISION

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



John Schmitke
Chair



Libby Hanna
1st Vice Chair



Marlene Stott
2nd Vice Chair



Stan Doerksen
Director



Gord Kroeker
Director



Dennis Loeppky
Director



Charles Edwards
Director



Curtis Sawatzky
Director

CEO & Board Reports

CEO



Ken Rempel
Chief Executive Officer

Fiscal 2022 was another challenging but successful year for our credit union.

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

In fiscal 2022, Asset growth was 9.11%, loan growth was 7.6% and deposit growth was 12.96%. Membership growth was 2.25%, and profitability remained strong for the second consecutive year.

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

A common and surplus share dividend of 4.30% was declared, reflecting our continued

profitability and commitment to paying our members a steady, competitive dividend.

Our new digital banking platform project and payments modernization project continue to progress and are on track to be completed in Fiscal 2023. We continue to improve our cyber security framework, an important “whole of business” issue.

We look forward to the opportunities and challenges ahead, being thankful that our business is located in an area of growing and visionary communities.

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.

BOARD



John Schmitke
Chair

Thank you to our members and team at Niverville Credit Union. 2022 was another year of continuing to support our community's ambition, ingenuity, and desire to build. The board is grateful to the staff for their uninterrupted dedication to our members.

NCU is continuing to grow to meet the needs of our members. It is the desire of the board and staff to facilitate meeting member needs to the highest standard possible. In this environment of mergers and consolidation, it is the vision and desire of NCU to remain your credit union into the foreseeable future. The growth and continued success of our Credit Union is driven by serving member needs, building our community, and supporting our team – not for the sake of growth for NCU, but rather the growth of everyone we serve.

The board has welcomed new directors this year and is focused on maintaining the

trajectory that NCU has been on. As always, that has manifested in training, meetings, oversight and so forth. We thank both Chuck Edwards and Curtis Sawatzky for their first year of service.

There was one unique challenge this year that affected the Credit Union System in the form of a cyber incident. Management, staff, and third-party experts were quick to mitigate and minimize impact of this incident. Appreciation is owed to our members for their patience while recovering from this as well as their trust and understanding.

I appreciate the members, staff, and fellow board members for everything that they have done to continue to put NCU in a position to succeed and use that success to help our members succeed. I look forward to next year and many more after that.

Our Staff

NIVERVILLE BRANCH



Back L-R Rosemary Johnston, Liza Van Jaarsveld, Sherise Falk, Gracy Giesbrecht, Sandy Charette, Jonathan Hiebert, Jackie Rasetti, Christina Abolade, Annie Ross, Richard Pearse, Robyn Alexander, Ken Rempel, Stephanie Krochak, Ty Wood, Sarah Peterson, Darryl Rempel, Dexter Pineda, Ron Ashcroft, Kayleigh Engstrom **Front L-R** Cody Fletcher, Emily Hill, Marlene Carr, Kailey Ayotte, Stacey Sawatzky, Hannah Gerbrand, Debbie Lamirande **Missing** Nicole English, Talitha Smith, Carrie Theoret

LANDMARK BRANCH



L-R Sheri Voth, Steven Andres, Teresa Soper, Denise Collins, Brenden Ducharme, Kyla Kastes, Cynthia Kroeker

STEINBACH BRANCH



Back L-R Brigitte Simard, Maddie Fehr, Richard Montgomery, Vern Klassen **Front L-R** Lillis Penner, Keith Wolbaum, Amber Martens

Staff Contributions

OUR STAFF GAVE BACK TO THE COMMUNITY THROUGH VOLUNTEERING IN 2022

- Tache Community Development Committee (Treasurer)
- Niverville Helping Hands
- NCU Parade at The Niverville Fair
- Word of Life (Church)
- Niverville District Grow Project – (Part of the Canadian Foods Grains Bank)
- U9 Hockey for St Boniface Seals (Coach)
- U6 Timbits Soccer (Coach)
- Manitoba Soccer Association
- Niverville Community Resource & Recreation Centre
- Sports for Kids
- Lion Club of Ste Anne
- Youth for Christ - Landmark
- Landmark Friendship Festival
- Landmark Collegiate Volleyball (Coach)
- Credit Union Young Leaders of Manitoba

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 **\$377** which was donated to Service to Seniors.
- Landmark collected **\$100** which was donated to Tache Food Resources Centre.
- Steinbach collected **\$120** which was donated to Soup's On.

Great job to all 3 Branches!

GO 2022
PAPERLESS

SUPPORTS COMMUNITIES

TOTAL

\$1525

OPA's Park \$500

Kidz Summer Camp \$ 1025



NIVERVILLE

CREDIT



- NCU and the Board of Directors donated to various charities; Niverville Helping Hands, South East Helping Hands, Tache Food Hamper, Canada Awakening Ministries, Niverville Rec Centre, Ukraine Family Project, Niverville Alzheimer's, Landmark Safe Grad, Cancer Care MB, Niverville Heritage Centre, Mennonite Central Committee MB, Steinbach Community Outreach, Steinbach Arts Council, Niverville Clippers, Niverville Force, Leukemia Society, Steinbach Bethesda Hospital Foundation, MB

- Farmers Wellness, River Oaks Golf, Niverville Chamber of Commerce, and Steinbach Chamber of Commerce.
- Niverville Credit Union is a proud supporter of Kids Summer Camp through the Niverville Recreation Centre.
- Every valued member who opts-out of Paper Statements we will donate \$5.00 to a local charity! Proceeds from our paperless campaign went to Paw it Forward!
- Niverville Branch had a pumpkin carving contest.
- Landmark Friendship Festival

UNION

HIGHLIGHTS

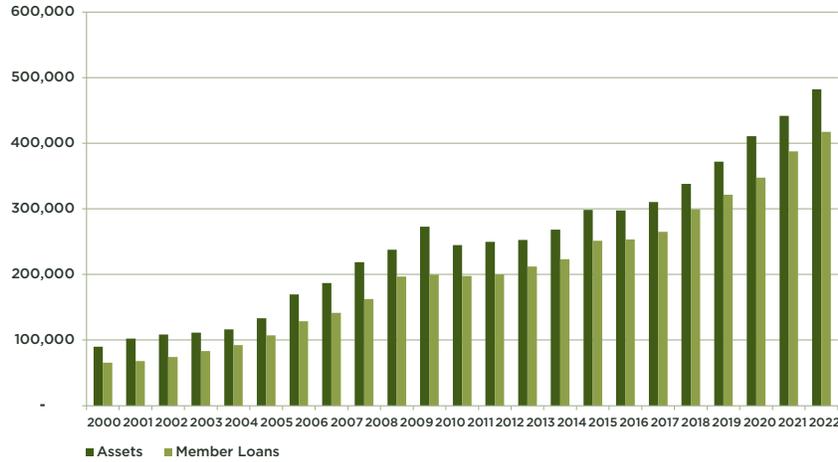


- Cecile Gerardy, Financial Administrator retired June 3rd. We will miss you Cecile.
- Bethesda Foundation Golf Tournament
- Credit Union day
- Niverville Fair Main Sponsor
- Welcome back Gracy!
- Great night for a Goldeye's game!
- Darryl going above and beyond - Helping our member out of the parking lot!

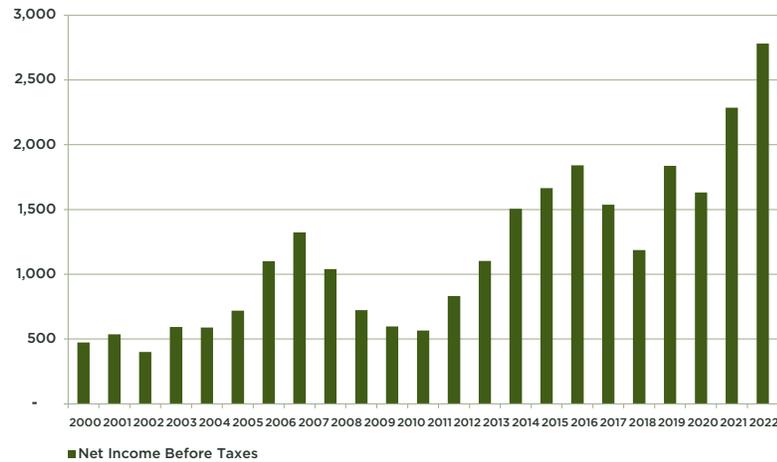
- New Hires! Niverville Branch: Jon Hiebert, Hannah Gerbrand, Cody Fletcher, Stefanie Krochak, Jackie Schultz-Jeffery, Lisa VanJaarsveld, Stacey Sawatzky
- Richard - COVID cleaning the admin plexi glass
- Niverville Parade
- Parade volunteers
- Realtor's golf tournament - at Quarry Oaks
- Staff workshop

Niverville Credit Union Growth

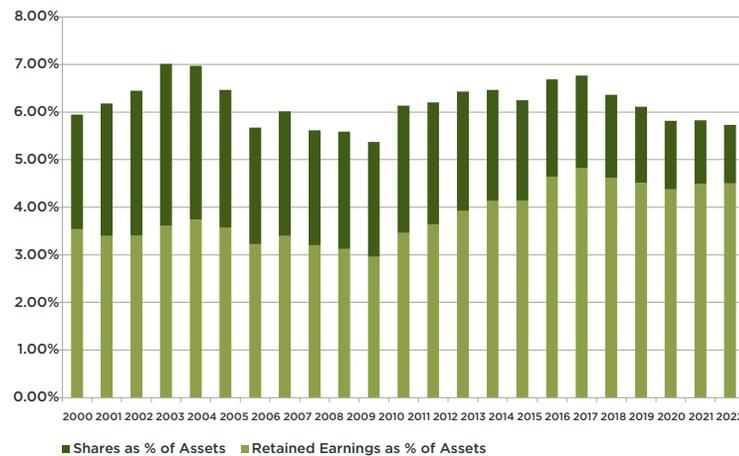
Assets & Loans (in thousands)



Net Income Before Taxes



Equity as % of Assets



Niverville Credit Union Limited
Summary Consolidated Financial Statements
For the Year Ended September 30, 2022

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, 2022, 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, 2022.

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, 2022.

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, 2022



Chartered Professional Accountants

MNP LLP

True North Square

242 Hargrave Street, Suite 1200, Winnipeg MB, R3C 0T8

1.877.500.0795 T: 204.775.4531 F: 204.783.8329

Niverville Credit Union Limited

Summary Consolidated Statement of Financial Position

As at September 30, 2022

	2022	2021
Assets		
Funds on hand and on deposit	15,510,731	5,516,485
Investments	45,342,396	45,106,689
Loans to members	417,253,397	387,596,777
Prepaid expenses and deposits	825,454	267,803
Property, equipment and intangible assets	2,658,941	2,743,951
Investment property	293,457	278,201
Deferred tax asset	16,000	3,800
	481,900,376	441,513,706
Liabilities		
Loan payable	-	13,000,000
Members' savings and deposits	452,137,771	400,175,596
Income taxes payable	130,190	137,050
Accounts payable	1,678,544	2,116,512
Lease liabilities	204,769	251,423
Insurance reserve	119,280	112,200
	454,270,554	415,792,781
Members' equity		
Member shares	5,691,737	5,724,983
Provision for issue of surplus shares	242,700	171,400
Retained surplus	21,695,385	19,824,542
	27,733,189	25,720,925
	481,900,376	441,513,706

Approved on behalf of the Board

"Signed by Curtis Sawatzky", Director

"Signed by Dennis Loepky", Director

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 Comprehensive Income
For the Year Ended September 30, 2022

	2022	2021
Financial income		
Interest from loans to members	12,499,141	11,495,271
Investment income	820,929	744,806
	13,320,070	12,240,077
Cost of funds	6,051,975	5,771,939
Financial margin	7,268,095	6,468,138
Operating expenses		
Administration	1,775,108	1,821,643
Member security	371,609	355,995
Occupancy	809,479	805,545
Organizational	216,389	178,972
Personnel	2,886,577	2,636,438
Gross operating expenses	6,059,162	5,798,593
Other income	(1,823,524)	(1,722,579)
Income from operations before provision for loan losses and income taxes	3,032,457	2,392,124
Provision for loan losses	251,133	105,763
Income before provision for income taxes	2,781,324	2,286,361
Provision for income taxes	729,779	294,690
Total comprehensive income for the year	2,051,545	1,991,671

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

For the Year Ended September 30, 2022

	<i>Member shares</i>	<i>Provision for issue of Shares</i>	<i>Retained surplus</i>	<i>Total equity</i>
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 member shares	172,549	(168,933)	-	3,616
Redemption of member shares	(196,218)	-	-	(196,218)
Balance September 30, 2021	5,724,983	171,400	19,824,542	25,720,925
Net income for the year	-	-	2,051,545	2,051,545
Distributions to members	-	237,766	(180,702)	57,064
Issue of member shares	169,280	(166,466)	-	2,814
Redemption of member shares	(202,526)	-	-	(202,526)
Balance September 30, 2022	5,691,737	242,700	21,695,385	27,629,822

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Niverville Credit Union Limited

Summary Consolidated Statement of Cash Flows

For the Year Ended September 30, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating activities		
Interest received from loans to members	12,334,625	11,901,113
Interest received from investments	729,049	828,264
Other income received	1,823,524	1,722,579
Operating expenses paid	(6,655,709)	(4,272,781)
Interest paid on deposits	(5,580,698)	(6,555,775)
Income taxes paid	(691,775)	(202,923)
	1,959,016	3,420,477
Financing activities		
Net change in members' savings and deposits	51,490,898	15,823,713
Increase (decrease) in loan payable	(13,000,000)	13,000,000
Insurance reserve payments	(12,922)	(16,253)
Lease liability payments	(55,141)	(55,140)
Issuance of member shares	2,805	3,615
Redemption of member shares	(202,526)	(196,218)
	38,223,114	28,559,717
Investing activities		
Net change in loans to members	(29,743,237)	(40,551,204)
Net change in investments	(143,827)	8,789,849
Purchases of property, equipment and intangible assets	(263,399)	(43,703)
Purchases of investment property	(37,421)	(6,276)
	(30,187,884)	(31,811,334)
Increase in cash resources	9,994,246	168,860
Cash resources, beginning of year	5,516,485	5,347,625
Cash resources, end of year	15,510,731	5,516,485

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 Cash Flows

For the Year Ended September 30, 2022

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, 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. Compliance with minimum capital and liquidity requirements

The Credit Union is in compliance with the capital and liquidity reserve requirements at September 30, 2022 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, 2022, which contain the information detailing the calculation.



Niverville Branch

62 Main Street, Box 430
Niverville, MB R0A 1E0
Ph: 204-388-4747

Steinbach Branch

103 - 150 Penfeld Drive
Steinbach, MB R5G 1V7
Ph: 204-326-3925

Landmark Branch

207 Main Street, Box 57
Landmark, MB R0A 0X0
Ph: 204-355-4035

→ nivervillecu.mb.ca