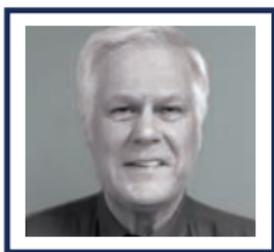




2017 ANNUAL REPORT



PRESIDENT'S MESSAGE



The Board of Directors of V.P. Credit Union is pleased to announce our 2017 year end results. Assets grew by about **2.5% to \$143 Million**, with a net income position of **\$247,550**. Details will be provided in the program.

This time last year I introduced General Manager, Lydia Johnson to the credit union. Lydia hit the ground running to tackle many operational issues we faced. The Board is very pleased with our Manager's performance and happy to report most issues are now behind us. We are very proud of our results. More details are included in this report.

Our commitment to our membership remains our top priority. We continue to stay focused on ways to add value and serve you better. I'm proud to share the many new services our team has launched over the past year. Check out the Products and Services list. Of course, adding new services comes with an investment in staff training, as well as an investment in our technologies. And we're happy to say we have more new services to launch in the coming year.

VPCU continues a fine history of community involvement with the continued efforts of volunteer staff participation, as well as donations to projects of interest to the law enforcement community. The year was a busy one as we participated in many events including VPD Family Day, Cops for Cancer fundraiser, VPD retirement dinner, PMBA Christmas party and Odd Squad Productions fundraiser.

Giving back to the community is an important part of who we are, and we're proud to support VP Pipe Band, Kops for Kids and VSPOA, and support the well deserving young people to continue their education in law enforcement. Scholarship award recipients for 2017 were Douglas Eberle with the Don McKay Memorial Scholarship and Joshua McKenna with the David Lee Durkin Memorial Scholarship.

In closing, I would like to thank my fellow board members and the various committee members for their countless hours of dedicated service on behalf of V.P. Credit Union.

Yours truly,

R. N. Tyldsley

President

GENERAL MANAGER'S REPORT



As your new General Manager it's been a very busy year of settling into the rhythm of V.P. Credit Union, its membership, and our operations. I especially appreciate the warm welcome from so many members that I have had the opportunity to connect with over the months. It is easy to see why our staff enjoy their roles serving our members. I also have learned the loyalty of our membership runs deep. We don't take your loyalty lightly, and know you have many banking options. We are proud that you have chosen VPCU to serve you!

The ever changing economy and financial services landscape means we need to stay focused on how we continue to evolve as a credit union. Sometimes that change is small with internal processes and efficiencies, and sometimes it's big with regulatory impacts. 2017 was a year of both. Our staff team navigated through the many changes, and I am proud to have partnered with them to end the year with many accomplishments.

A few staff changes were also part of year. Long-time Manager of Administration and Finance, Tina Whitelaw continues her leave and focus on her health. We welcomed Belinda Micevska as our new Financial Controller. Marla Bedard retired so we welcomed Ben Choy, Manager of Lending & Wealth. As well, we celebrated a few well deserved promotions in our lending area to serve you better. And lastly Avey Grewal joined our Member Service team. Our staff continues its commitment to serving you!

Working closely with your Board of Directors, we have created an exciting and challenging plan for 2018, and we look forward to delivering more benefits to serve you. It is with the Board's strong support of our members, and vision for our continued success, that makes for another great year ahead.

Thank you for making V.P. Credit Union your banking choice! I welcome your feedback anytime so drop in to say hello. We're here for YOU!

Cheers,
Lydia Johnson
General Manager

INDEPENDENT AUDITOR'S REPORT

To the Members of V.P. Credit Union

The accompanying summary financial statements, which comprise the summary statement of financial position as at December 31, 2017, and the summary statement of comprehensive income (loss) and member's equity and cash flows for the year then ended, are derived from the audited financial statements, prepared in accordance with the International Financial Reporting Standards, of V.P. Credit Union for the year ended December 31, 2017. We expressed an unmodified audit opinion on those financial statements in our report dated February 28, 2018.

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

Management's Responsibility for the Summary Financial Statements

Management is responsible for the fair summarization of the complete audited financial statements of V.P. Credit Union.

Auditors' 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 Standards (CAS) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of V.P. Credit Union for the year ended December 31, 2017 are a fair summary of those financial statements.

The image shows a handwritten signature in black ink that reads "MNP LLP". The letters are stylized and cursive.

Chartered Professional Accountants

February 28, 2018

Abbotsford, BC

SUMMARY STATEMENT OF FINANCIAL POSITION

As at December 31, 2017

	2017	2016
Assets		
Cash and cash equivalents	10,180,551	4,856,659
Investments	8,730,264	9,504,919
Member loans receivable & accrued interest	120,153,162	121,265,861
Income taxes receivable	-	77,559
Prepays and other	13,006	148,948
Property and equipment	3,482,052	3,554,930
Intangible assets	333,323	366,042
	142,892,358	139,774,918
Liabilities		
Borrowings	3,002,739	1,002,024
Member deposits & accrued interest	125,482,490	124,199,460
Accounts payable & accrued liabilities	35,915	823,024
Income taxes payable	8,807	-
Member shares	5,737,034	5,278,848
Deferred income taxes	53,000	29,000
	134,319,985	131,332,356
Members' Equity		
Equity shares	2,039,479	2,157,218
Retained earnings	6,532,894	6,285,344
	8,572,373	8,442,562
	142,892,358	139,774,918

Approved on behalf of the Board,



Director



Director

A complete set of Financial Statements is available
upon request.

SUMMARY STATEMENTS OF COMPREHENSIVE INCOME (LOSS) AND MEMBERS' EQUITY

For the year ended December 31, 2017

	2017	2016
Interest income	3,790,844	3,568,695
Interest expense	1,523,636	1,636,623
Gross financial margin	2,267,208	1,932,072
Other income	240,238	186,295
Financial margin & other income	2,507,446	2,118,367
Operating & administrative expenses	2,171,278	2,074,560
Earnings from operations	336,168	43,807
Provision for impaired loans	6,500	17,971
Earnings before distribution to members & income taxes	329,668	25,836
Distribution to members	(25,311)	(70,196)
Income (loss) before income taxes	304,357	(44,360)
Income taxes (recovery)	56,807	(29,990)
Comprehensive income (loss)	247,550	(14,370)
Members' equity, beginning of year	8,442,562	8,535,543
Net redemption of equity shares	(117,739)	(78,611)
Members' equity, end of year	8,572,573	8,442,562

SUMMARY STATEMENT OF CASH FLOWS

For the year ended December 31, 2017

	2017	2016
Cash provided by (used for) the following activities		
Operating activities	(187,436)	698,828
Financing activities	3,669,784	3,120,261
Investing activities	1,841,544	(10,999,608)
Increase (decrease) in cash & cash equivalents	5,323,892	(7,180,519)
Cash and cash equivalents, beginning of year	4,856,659	12,037,178
Cash and cash equivalents, end of year	10,180,551	4,856,659

Note: Readers are cautioned that these summarized financial statements do not include all the disclosures required for complete and fair presentation

V.P. CREDIT UNION ANNUAL GENERAL MEETING

Saturday, May 5th 2018

Eagle Creek at Burnaby Mountain Golf Course

Business Portion of the Evening Includes

- Reading of minutes of 2017 AGM
- Reports of President, General Manager, Auditor
- New Business
- Appointment of Auditor for 2018
- Election of Directors and Committee Members

Elected Officers for 2017

Board of Directors Elected		Terms Due
Neal Tyldsley	President	1 year
Enzo Nadalin	Vice-President	***
Eric Borglund	Director	2 years
Jean Downing	Director	2 years
Rob Barber	Director	1 year
Augie Daniels	Director	***
Vello Kleeband	Director	1 year
Alvin Shum	Director	2 years
Ruben Sorge	Director	***

****indicates completed terms at time of AGM*

Honorary Directors

Roy Ballam
Mary Frazer

Credit Committee

Jean Downing	Chairman
Augie Daniels	Director
Alvin Shum	Director
Mario Giardini	Member
Blake Chersinoff	Member
Larry Weeks	Member
Sarah Wu	Member

2018 Chairman of the Nominations Committee

Vello Kleeband

PRODUCTS AND SERVICES

In addition to all our current lending, deposits and everyday banking services, we also offer:

- Registered products: RRSP's, RRIF's, TFSA's & RESP's
- Escalator term investment options
- Direct payroll deposits
- e-Transfers making moving money so much easier!
- Visa credit cards: choices to meet all your needs
- 80 foreign cash currencies, with home delivery
- Junior accounts
- Estate administration
- Electronic signatures – sign documents from anywhere!
- Home, property and travel insurance protection

Membership in V.P. Credit Union is available to the immediate family members of all qualifying members.

YOUR STAFF

Lydia Johnson	General Manager
Tina Whitelaw	Manager, Administration & Finance
Ben Choy	Manager, Lending & Wealth
Belinda Micevska	Financial Controller
Deborah O'Toole	Manager, Member Services
Vladimir Seslija	Sr. Loans Officer
Jackie Felker	Loans Officer
Lisa Parans	Lending Administrator
Karyn Cochran	Administration Officer
Shirley Shum	Sr. Member Services Representative
Darcy Knoll	Member Services Representative
Carlos Coreas	Member Services Representative
Sarah Robinson	Member Services Representative
Avey Grewal	Member Services Representative

Locations

4837 Victoria Drive
Vancouver BC V5N 4P3
Monday to Friday 8-4

108-3585 Graveley Street
Vancouver BC V5K 5J5
Monday to Friday 8-4
Closed for lunch 11:30-12:30

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