

PRESIDENT'S MESSAGE



On behalf of the Board of Directors of V.P. Credit Union, I am pleased to announce our 2018 results. Our net income position was \$245,980. Details are provided in the program.

It's been my pleasure to work with our General Manager, Lydia Johnson for the past year. Her depth of knowledge and perspective, coupled with our staff's experience, lends to the continuing success of our Credit Union.

Tina Whitelaw celebrated her retirement in 2018. After 32 years of dedication and commitment to our members she is missed by many. We wish her many years of retirement enjoyment.

2018 was a year of more changes. Please visit our website to see the many updates we've added to serve you better. Member feedback has been very positive, making site visits more informative. Protecting our members' assets is important to us. Additional insurance products, and most recently a suite of Wills & Estate Services through our alliance with Truvera Trust Corporation have been included. Members have also been enjoying Foreign Currency cash delivery services – even to their homes.

We are also proud to have launched our VPCU Visa card with options to suit every card user's preference. On the Wealth side of products, we've added Self-Directed Trading, Virtual Trading as well as Investment Planning Services – a suite of options to look after your investments.

As the business of VPCU continued, we remained committed to our Law Enforcement Community. Giving back to communities that are important to our members is equally important to us. We are proud to have sponsored the VP Pipe Band, Cops for Cancer, Cops for Kids, the VSPOA, CPCA, Joint Forces Operations, VPD Family Day, PMBA Kids Christmas event, Odd Squad Productions, as well as have participated in the VPD Wellness Fair.

In keeping with our commitment to students in Law Enforcement education, we are also pleased to have helped two recipients again in 2018. Dani McCardell was awarded the Don McKay Memorial Scholarship and Francesca Dube was awarded the David Lee Durkin Memorial Scholarship.

2018 saw the retirement of two long serving Directors, Alvin Shum and Enzo Nadalin. I wish to acknowledge their years of dedicated service on behalf of our members. Their contributions of service are many. We welcomed two interim Directors. Mario Giardini and Blake Chersinoff joined the Board in January 2019.

I wish to thank my fellow Board and Committee members for their dedicated service on behalf of V.P. Credit Union. Our members are in good hands.

Sincerely,

Jean Downing

President

GENERAL MANAGER'S REPORT



2018 was my first full year as your General Manager. So many of your faces, names and stories I am now familiar with. You know who you are! It's been a real pleasure, and I appreciate your continued welcoming of me in your special law enforcement community.

The year continued with the same momentum the team created a year ago. Finding our stride and blending the best from the past with new ways and new enhancements. I am very proud of the staff team and their continued commitment to delivering their best to our members, even with the many changes throughout the year. Our team effort resulted in another year of overcoming challenges and reaching great results, with both big and small accomplishments.

The staff team itself has changed, as Jean Downing, Board President pointed out. In addition, long time Manager Member Service, Deborah O'Toole left VPCU and we welcomed Gary Thind, Manager Member Service and Administration. Another new face you will be enjoying is that of Mary Velasco, Member Service Representative who just joined our office. Mary will be filling in for Sarah Robinson who many of our members will miss dealing with as she heads off to her own new busy year of changes ahead – that of welcoming her new baby!

Creating new products and finding new ways to serve our members is always top of mind for us. Staying relevant with products you are looking for is a welcome challenge for us, and the year allowed us to explore new options with the best timing to deliver what our members are most looking for. These new ways to serve you come with a cost, not only in technologies, but in other systems, processes, and operations. Banking continues to be a changing service delivery model. We strive to make the right choices at the right time to make banking easier for you. We are grateful for our members who share their preferences to help us shape our future plans. We welcome your voice. Tell us what's important to you in banking and we'll add your feedback into our planning.

A major area of focus has been our members' account security. Protecting your accounts from cyber attacks means we've had to implement higher security standards. We realize some changes are not always welcomed by our members even though they are important. We thank you for your understanding of these necessary changes.

Hats off and thanks to my colleagues and Board of Directors for making the VPCU difference. It's their collective dedication, focus, and passion that makes serving you, our members, our most important purpose.

Cheers,

Lydia Johnson

General Manager

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
- Virtual Wealth investments; QTrade self-directed investments; Investment Management
- Direct payroll deposits
- E-Transfers making moving money so much easier!
- Visa credit cards: 11 options to meet all your needs
- 80 foreign cash currencies, with home delivery
- Wills and Estates Services
- Estate administration
- Electronic signatures – sign documents from anywhere!
- Home, property, travel, life and disability 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
Belinda Micevska	Financial Controller
Ben Choy	Manager, Lending & Wealth
Gary Thind	Manager, Member Service & Administration
Vladimir Seslija	Sr. Loans Officer
Jackie Felker	Loans Officer
Lisa Parans	Lending Administrator
Karyn Cochrane	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

Contact Us

Phone 604-683-2434

E-mail info@vpcu.com

Fax 604-683-3565

Website www.vpcu.com

Toll Free 1-877-683-8727

Telebanking 604-683-5300



2018 ANNUAL REPORT



INDEPENDENT AUDITOR'S REPORT

To the Members of V.P. Credit Union:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2018, and the summary statements of comprehensive income and changes in members' equity and cash flows for the year then ended are derived from the audited financial statements of V.P. Credit Union (the "Credit Union") for the year ended December 31, 2018.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated February 27, 2019.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements.

Auditor's Responsibility

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

MNP LLP

Chartered Professional Accountants

February 27, 2019
Abbotsford, BC



SUMMARY STATEMENT OF FINANCIAL POSITION

As at December 31, 2018

	2018	2017
Assets		
Cash and cash equivalents	8,258,795	10,180,551
Investments	10,809,890	8,730,264
Member loans receivable & accrued interest	118,942,669	120,153,162
Prepays and other	15,241	13,006
Property and equipment	3,424,505	3,482,052
Intangible assets	298,030	333,323
	141,749,130	142,892,358

Liabilities

Borrowings	-	3,002,739
Member deposits & accrued interest	128,987,824	125,482,490
Accounts payable & accrued liabilities	204,476	35,915
Income taxes payable	10,905	8,807
Member shares	3,819,623	5,737,034
Deferred income taxes	60,000	53,000
	133,082,828	134,319,985

Members' Equity

Equity shares	1,887,428	2,039,479
Retained earnings	6,778,874	6,532,894
	8,666,302	8,572,373
	141,749,130	142,892,358

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, 2018

	2018	2017
Interest income	3,873,881	3,790,844
Interest expense	1,661,132	1,523,636
Financial margin	2,212,749	2,267,208
Other income	225,783	240,238
Financial margin & other income	2,438,532	2,507,446
Operating & administrative expenses	2,103,165	2,171,278
Earnings from operations	326,367	336,168
Provision for impaired loans	9,000	6,500
Earnings before distribution to members & income taxes	326,367	329,668
Distribution to members	29,674	25,311
Income before income taxes	296,693	304,357
Income taxes	50,713	56,807
Comprehensive income	245,980	247,550
Members' equity, beginning of year	8,572,373	8,442,562
Net redemption of equity shares	(152,051)	(117,739)
Members' equity, end of year	8,666,302	8,572,573

SUMMARY STATEMENT OF CASH FLOWS

For the year ended December 31, 2018

	2018	2017
Cash provided by (used for) the following activities		
Operating activities	610,656	(187,436)
Financing activities	(1,638,431)	3,669,784
Investing activities	(893,981)	1,841,544
Increase (decrease) in cash & cash equivalents	(1,921,756)	5,323,892
Cash and cash equivalents, beginning of year	10,180,551	4,856,659
Cash and cash equivalents, end of year	8,258,795	10,180,551

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 4th 2019
Eagle Creek at Burnaby Mountain Golf Course

Business Portion of the Evening Includes

- Review of the minutes of the 2017 AGM
- Reports of President, General Manager, Auditor
- New Business
- Appointment of Auditor for 2019
- Election of Directors and Committee Members

Elected Officers for 2019

Board of Directors Elected		Terms Due
Jean Downing	President	1 year
Ruben Sorge	Vice-President	2 years
Neal Tyldsley	Director	***
Eric Borglund	Director	1 year
Rob Barber	Director	***
Augie Daniels	Director	2 years
Vello Kleeband	Director	***
Mario Giardini	Interim Director	1 year
Blake Chersinoff	Interim Director	2 years

***indicates completed terms at time of AGM

Honorary Directors

Roy Ballam
Mary Frazer

Credit Committee 2019

Augie Daniels	Chair
Jean Downing	President
Mario Giardini	Interim Director
Blake Chersinoff	Interim Director
Sarah Wu	Member
Cal Traversy	Member
Connor Labossiere	Member

2019 Chairman of the Nominations Committee

Vello Kleeband