



Cultivating community.



A photograph of a farm landscape. In the foreground, there is a green field with visible tire tracks. A wooden utility pole stands in the middle ground, with power lines stretching across the sky. In the background, a black cow is visible on a grassy hill. A vibrant rainbow arches across the dark, stormy sky on the right side of the image.

“This farm is more than land and crops. It’s our family’s heritage and future.

— UNKNOWN

« COVER

Future little farmer. Farming may not be unique but it’s a way of life for many families.

OUTSIDE CAMROSE

This photo was taken at a farm outside Camrose, (close to Round Hill). Beautiful rainbow appeared in sky after a quick shower that likely slowed or stopped farmers temporarily. If we wait out the storm there are promises of better things yet to come.



#### MISSION

Vision Credit Union improves the lives of the people we serve and the well-being of our communities.

#### VISION

Vision Credit Union will be the financial service provider of choice in rural and entrepreneurial Alberta.

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VIKING

Out for a walk with her grandpa, catching frogs , collecting sheds and enjoying nature. Country life at Viking, Alberta!



Alan Fielding  
President

**“Our reserves are strong, which allow us to weather adverse economic conditions and take advantage of growth opportunities.”**

On behalf of the Board of Directors,

I'm delighted to report to the members on another outstanding year. In fact we have set new records in both Assets (\$1,029,432,000) and Income before Profit Shares allocation and Taxes (\$16,791,000).

Our long term strategy is to continue to grow as the financial institution of choice in rural and entrepreneurial Alberta. Central to our strategy is to return the fruits of our success to our members by our Profit Shares program. Again this year we declared a bonus of 25% of the interest earned by our members, and a rebate of 25% of the interest paid by our members.

Our reserves are strong, which allow us to weather adverse economic conditions and take advantage of growth opportunities. Our members' equity now stands at \$130,785,000, representing 12.7% of assets.

We are committed to providing our members with an efficient and pleasant banking experience, both in-branch and online. As part of that commitment we are building a brand new branch in Stettler.

I wish to thank our management, our staff, and you our loyal members for an outstanding year of “cultivating community”.

Sincerely,

A handwritten signature in black ink that reads "Alan D. Fielding".

Alan D. Fielding, Q.C.  
President





GALAHAD [1]  
VEGREVILLE [2]  
ALBERTA HARVEST [3]

In celebration of Credit Union Day 2018, VISION ran a photo contest asking "What makes our community unique?" The contest ran until December 1, and we had 120 fantastic entries.



MESSAGE FROM OUR CEO



Steve Friend  
Chief Executive Officer

“We returned a record amount of profit shares to our members of \$10,700,000. ”

Dear Members,

Once again, Vision Credit Union Ltd. has had a very successful year. We returned a record amount of profit shares to our members of \$10,700,000...we also rewarded our membership with a \$5,460,928 cash payout (paid directly to members' accounts).

We work continually to upgrade our services to members, and in 2018 we launched Me-to-Me Transfers in MemberDirect Online Banking, along with eDocuments. We also introduced tap/flash functionality in our MemberCard debit cards, as well as a new line of Visa and Mastercard credit cards with eight different options.

We experienced excellent growth in all areas, with assets exceeding \$1 billion dollars, which is up 3.8% over last year. Deposits were also up 3.2%, and loans were up 8.8%.

We'd like to thank our dedicated and loyal members who made our success possible, along with our diligent and hardworking staff.

Sincerely,

A handwritten signature in black ink, appearing to be "Steve Friend".

Steve Friend  
Chief Executive Officer

# We don't see profit, we see profit sharing.

whatsyourshare.ca

Community Microsite



Direct Mail

Last year, Vision Credit Union returned \$9.75 million to our members. That means nearly 24,000 people in east central and northern Alberta got paid just for utilizing the kinds of financial services they need anyway; things like accounts, loans, mortgages, etc. That's money they put towards businesses, vacations, renovations... you name it. Read on to learn how people in your communities are getting their share of the profits.

Dale & Eldon's share: \$7000

Dale and Eldon have an operating loan, mortgage, business and chequing accounts at Vision Credit Union. Last December, they got a \$7000 profit shares cash payout from Vision. They invested their share back into the family ranch. It's an investment they hope will help restore their business - and their herd - in the year to come.

What's your share?

<p>Kaitlum's parents' share: \$1164</p>	<p>Cliff's share: \$3368</p>	<p>George &amp; Margaret's share: \$3778</p>	<p>Dwayne &amp; Marie's share: \$1694</p>
<p>Alana's share: \$942</p>	<p>Dennis &amp; Barb's share: \$2873</p>	<p>Rita's share: \$1020</p>	<p>Bert &amp; Judy's share: \$1592</p>

Newspaper

Alana's share: \$942\*

This is Alana and her grandkids. Alana has a mortgage and accounts at Vision Credit Union. Last December, she got a \$942 profit shares cash payout from Vision. Alana spent her share on a big kitchen table that's perfect for family gatherings - and for gathering six busy grandkids. Learn what your share could be.

whatsyourshare.ca

Real people. Real results. VISION CREDIT UNION We see banking differently.

Bert & Judy's share: \$1592\*

This is Bert and Judy. They have a mortgage, line of credit, business loan and accounts at Vision Credit Union. Last December, they got a \$1592 profit shares cash payout from Vision. Bert and Judy invested their share finishing their basement - the final piece of their home renovation. Now that the basement looks so sharp, Judy says it's time to paint upstairs again. Learn what your share could be.

whatsyourshare.ca

Real people. Real results. VISION CREDIT UNION We see banking differently.

Rita's share: \$1020\*

This is Rita. Last December, Rita got a \$1020 profit shares cash payout from Vision. Rita's share freed up budget for extras like curling bonspiels. It's a windfall that helps keep Rita's house in order - on the rink and in her finances.

whatsyourshare.ca

Real people. Real results. VISION CREDIT UNION We see banking differently.





### Social Media

In September 2018 we launched a campaign to create awareness about our profit shares. Although our profit sharing has long been in existence, we knew that there were still a lot of gaps in understanding exactly how our profit shares work. We leveraged a wide range of digital and traditional media marketing campaigns, including billboards, newspapers, radio, social media, Google ads, and more. We launched our Facebook page in October, and have 443 followers! We also launched a microsite, [whatsyourshare.ca](http://whatsyourshare.ca), with a profit shares calculator and a blog which focuses on community visionaries.



### Blog



# Giving back.

Camrose Association for Community Living Kandu Camp



Terry Kelly Memorial Scholarship Winner - Kelsey Moch



Camrose Branches - Fundraiser Barbecue







Proceeds from sale of Christmas Party Raffle Tickets

We gave over \$209,828 back to our communities in 2018, including a \$100,000 pledge to the STARS Air Ambulance Fleet Renewal campaign.

We also partnered with Camrose Association for Community Living to apply for a grant from the Concentra Empowering Your Community program to assist with costs to run their Kandu Summer Camp, and were awarded \$10,000.

We remain actively engaged in helping to build and strengthen the communities in which we live and work.



Annual Christmas Hamper Delivery



## Management's Responsibility for Financial Reporting

The summary financial statements of VISION CREDIT UNION LTD. and all other information contained in the annual report are prepared and presented by management, which is responsible for their accuracy, objectivity and completeness. This responsibility includes presenting the financial statements in accordance with International Financial Reporting Standards ("IFRS"). The preparation of the statements necessarily involves the use of estimates, which are made using careful judgment.

Management is responsible for maintaining a system of internal controls designed to provide reasonable assurance as to the reliability of financial information and the safeguarding of assets.

The Board of Directors has the ultimate responsibility for these financial statements. The Board oversees management's responsibilities for financial reporting through an Audit and Finance Committee, which is composed entirely of directors who are not officers or employees of VISION CREDIT UNION LTD. The Committee reviews the financial statements and recommends them to the Board for approval.

To carry out its duties, the Audit and Finance Committee reviews the annual financial statements, as well as issues related to them. The Audit and Finance Committee also assesses the effectiveness of internal controls over the accounting and financial reporting systems. The Audit and Finance Committee's review of financial reports includes an assessment of key management estimates and judgments material to the financial results.

The external auditor, appointed by the Board of Directors, conducted an audit of these financial statements in accordance with Canadian generally accepted auditing standards. The external auditor has full and unrestricted access to the Audit and Finance Committee to discuss their audit findings as to the integrity of VISION CREDIT UNION LTD.'s financial reporting and adequacy of internal controls.

Mowbrey Gil LLP Chartered Professional Accountants has examined these summary financial statements and their report follows.



Steve Friend  
Chief Executive Officer  
Camrose, Alberta  
December 8, 2018



## Audit and Finance Committee Report

The Audit and Finance Committee met four times during the 2018 fiscal year. We reviewed the legislated financial reports as well as the financial results of each branch and compared their performance to budget. We reviewed quarterly Asset Liability Management reports provided to ensure our portfolio was properly matched.

We reviewed and recommended the 2018 budget for approval. We received and reviewed the internal audits conducted during the fiscal year, our external auditors' management letter and the audited financial statements.

The purpose of the audits is to verify the Credit Union procedures are being followed in accordance with the Credit Union's policies and that the legislated requirements governed by the Credit Union Act and bylaws are adhered to.

My sincere thanks to the members of the committee and to the management who provided their assistance and information.



Ron Pilger, Committee Chairman

## Credit Committee Report

We are pleased to report on the activities of the Credit Committee for the past year.

The Credit Committee continues to meet on a regular basis to ensure loan requests are processed on a timely basis.

During the 2018 fiscal year, Vision Credit Union approved 2,611 loan applications totalling \$414,874,689.63. This compares to the previous year where 2,841 loan applications were approved totalling \$428,614,792.07.

The total amount of new money approved is \$231,548,634.32.

## Independent Auditor's Report

To the Members of VISION CREDIT UNION LTD.

The accompanying summary financial statements of VISION CREDIT UNION LTD., which comprise the summary statement of financial position as at October 31, 2018 and the summary statements of income and comprehensive income, changes in members' equity and cash flows for the year ended October 31, 2018, are derived from the audited financial statements of VISION CREDIT UNION LTD. for the year ended October 31, 2018. We expressed an unmodified audit opinion on those financial statements in our report dated December 8, 2018.

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of VISION CREDIT UNION LTD.

### **Management's Responsibility for the 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 Auditing Standards ("CAS") 810, "Engagements to Report on Summary Financial Statements".

### **Opinion**

In our opinion, these summary financial statements, derived from the audited financial statements of VISION CREDIT UNION LTD. for the year ended October 31, 2018, are a fair summary of those financial statements, on the basis described in Note 1.

Edmonton, Alberta  
December 8, 2018



Chartered Professional Accountants



## Statement of Financial Position

Year Ended October 31, 2018

(\$ thousands)

	2018	2017
<b>Assets</b>		
Cash and cash equivalents	\$ 19,190	\$ 19,791
Member loans receivable and accrued interest	881,777	810,405
Investments and accrued interest	110,476	144,651
Other assets	327	252
Foreclosed properties held for resale	543	224
Deferred tax	437	401
Investment property	244	262
Intangible assets	641	746
Derivative financial assets	-	2
Property and equipment	15,797	14,964
	<u>\$ 1,029,432</u>	<u>\$ 991,698</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 1,837	\$ 1,438
Income taxes payable	485	35
Derivative financial liabilities	-	2
Member deposits and accrued interest	896,325	868,358
	<u>\$ 898,647</u>	<u>\$ 869,833</u>
<b>Members' equity</b>		
Member shares	61,523	57,995
Profit Shares allocation	10,700	9,750
Retained earnings	58,562	54,120
	<u>130,785</u>	<u>121,865</u>
	<u>\$ 1,029,432</u>	<u>\$ 991,698</u>

Approved on behalf of the Board,



Alan D. Fielding, Q.C.  
President



Ron Pilger  
Director

A full set of financial statements is available from the Credit Union.

## Statement of Income and Comprehensive Income

Year Ended October 31, 2018

(\$ thousands)

	2018	2017
<b>Interest income</b>		
Member loans	\$ 38,183	\$ 34,404
Investments	2,719	1,730
	<u>\$ 40,902</u>	<u>\$ 36,134</u>
<b>Interest expense</b>		
Member deposits	7,706	6,470
	<u>7,706</u>	<u>6,470</u>
<b>Financial margin</b>	33,196	29,664
<b>Other income (expense)</b>		
Other income	5,083	4,800
Provision for credit losses	(1,249)	(1,247)
	<u>3,834</u>	<u>3,553</u>
<b>Operating expenses</b>		
Personnel	10,958	10,444
Administration	6,132	5,532
Occupancy	1,746	1,620
Member security	944	895
Organization	459	423
	<u>20,239</u>	<u>18,914</u>
<b>Income before Profit Shares allocation and income taxes</b>	16,791	14,303
<b>Profit Shares allocation</b>	10,700	9,750
<b>Income before income taxes</b>	6,091	4,553
<b>Income taxes</b>		
Current	1,685	1,198
Deferred	(36)	(9)
	<u>1,649</u>	<u>1,189</u>
<b>Net income and comprehensive income for the year</b>	<u>\$ 4,442</u>	<u>\$ 3,364</u>

A full set of financial statements is available from the Credit Union.



## Statement of Changes in Members' Equity

Year Ended October 31, 2018

(\$ thousands)

	MEMBER SHARES	PROFIT SHARES ALLOCATION	RETAINED EARNINGS	TOTAL
Balance, October 31, 2016	\$ 54,505	\$ 9,320	\$ 50,756	\$ 114,581
Net income and comprehensive income for the year	-	-	3,364	3,364
Issuance of member shares	9,323	(9,320)	-	3
Redemption of member shares	(5,833)	-	-	(5,833)
Profit Shares allocation	-	9,750	-	9,750
Balance, October 31, 2017	57,995	9,750	54,120	121,865
Net income and comprehensive income for the year	-	-	4,442	4,442
Issuance of member shares	9,754	(9,750)	-	4
Redemption of member shares	(6,226)	-	-	(6,226)
Profit Shares allocation	-	10,700	-	10,700
Balance, October 31, 2018	\$ 61,523	\$ 10,700	\$ 58,562	\$ 130,785

A full set of financial statements is available from the Credit Union.

## Statement of Cash Flows

Year Ended October 31, 2018

(\$ thousands)

	2018	2017
<b>Operating activities</b>		
Net income and comprehensive income for the year	\$ 4,442	\$ 3,364
Items not affecting cash:		
Amortization	1,297	1,279
Deferred taxes	(36)	(9)
Profit Shares allocation	10,700	9,750
	16,403	14,384
Changes in non-cash working capital:		
Other assets	(75)	(37)
Accounts payable and accrued liabilities	395	(108)
Income taxes payable	450	231
	770	86
	17,173	14,470
<b>Investing activities</b>		
Purchase of property and equipment, and intangible assets	(2,006)	(2,177)
Net change in member loans receivable and accrued interest	(71,372)	(22,814)
Net change in foreclosed properties held for resale	(319)	(136)
Proceeds on disposal of investments	37,066	2,567
Purchase of investments	(2,891)	(36,620)
	(39,522)	(59,180)
<b>Financing activities</b>		
Net change in member deposits and accrued interest	27,970	44,976
Member shares issued	4	3
Redemption of member shares	(6,226)	(5,833)
	21,748	39,146
<b>Decrease in cash flow</b>	<b>(601)</b>	<b>(5,564)</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>19,791</b>	<b>25,355</b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 19,190</b>	<b>\$ 19,791</b>
<b>Cash flows supplementary information</b>		
Interest received	\$ 39,935	\$ 35,719
Interest paid	\$ 7,186	\$ 6,252
Income taxes paid	\$ 1,234	\$ 967

A full set of financial statements is available from the Credit Union.

# Notes to Financial Statements

Year Ended October 31, 2018

## 1. Basis of presentation

These summary financial statements have been derived from the financial statements of Vision Credit Union Ltd. (the "Credit Union") for the year ended October 31, 2018, which were prepared in conformity with International Financial Reporting Standards.

The criteria developed by management for the preparation of the summary financial statements is as follows: that the information included in the summarized financial statements is in agreement with the related information in the complete financial statements, and that the summarized financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete financial statements, including the notes thereto, in all material respects.

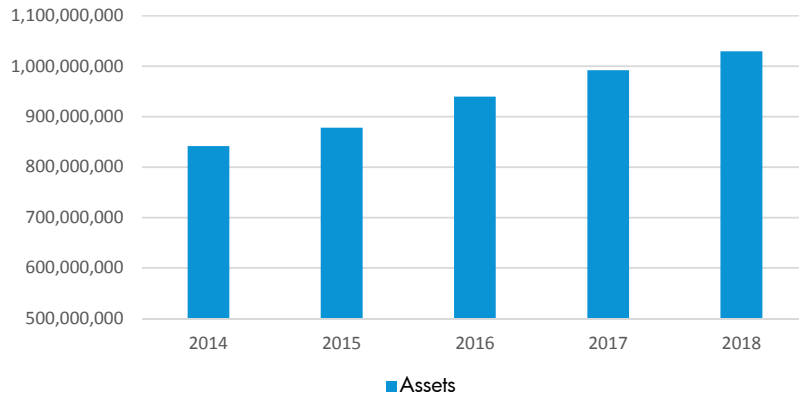
A full set of the financial statements including significant accounting policies and other explanatory information is available from the Credit Union.



## Growth

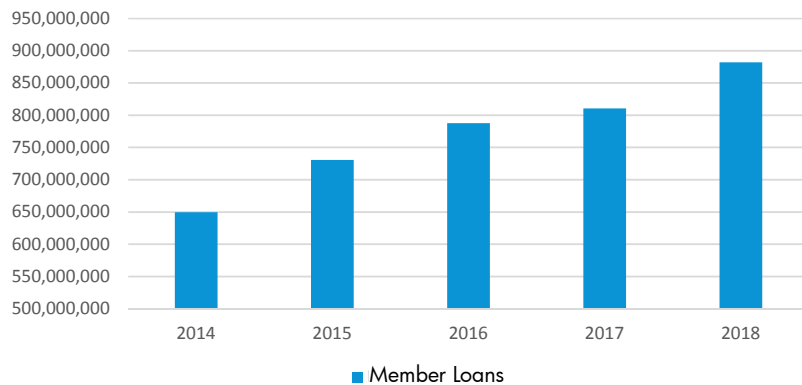
Year Ended October 31, 2018

### Assets



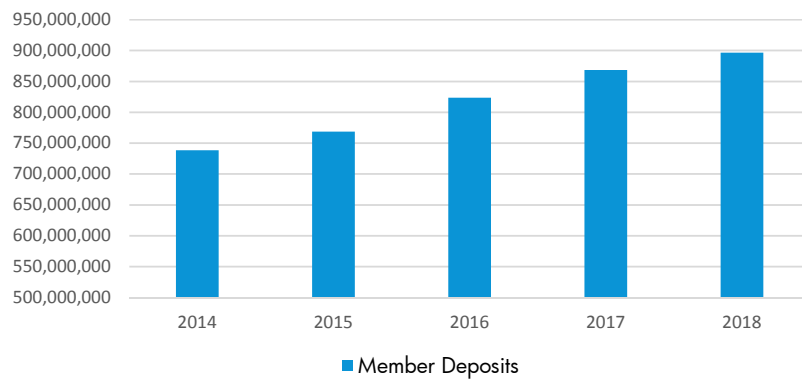
Assets have grown 22.34% over the last 5 years

### Member Loans



Member Loans have grown 35.76% over the last 5 years

### Member Deposits

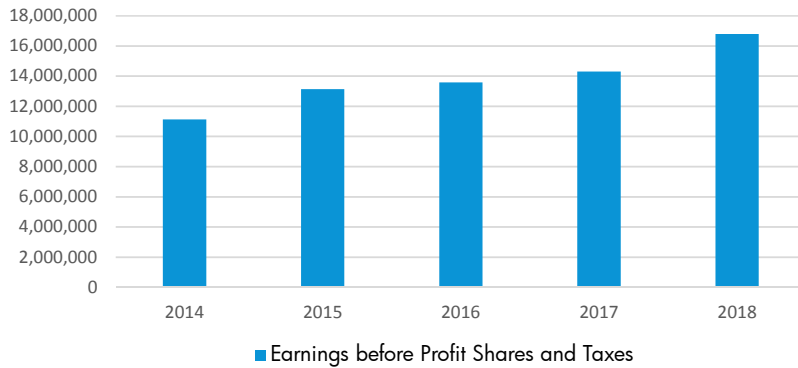


Member Deposits have grown 21.38% over the last 5 years

# Profit Sharing

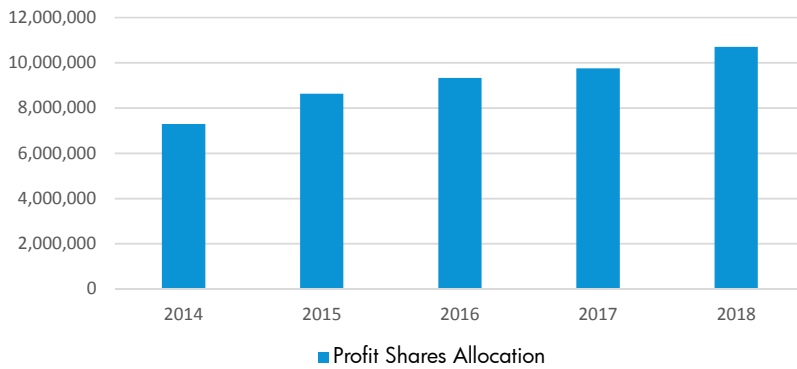
Year Ended October 31, 2018

## Earnings before Profit Shares and Taxes



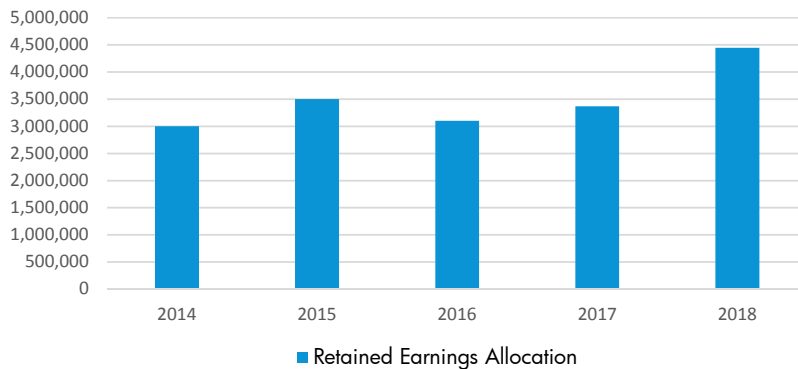
Earnings before Profit Shares and Taxes has grown 50.89% over the last 5 years

## Profit Shares Allocation



Profit Shares Allocation has grown 46.74% over the last 5 years

## Retained Earnings Allocation



Retained Earnings Allocation has grown 48.07% over the last 5 years

# Board of Directors



Pictured (back row, L to R): President Alan Fielding, Allen Stefiuk, Vice President Dean Huolt, Glenn Friesen, Allen Rostad, Reg Bouchard, James Brodie. (Front row, L to R): Dennis Baird, Ron Pilger, Garry Schielke, Ernie Duchscherer. Missing from photo: Lane Carrington.

# Executive Management



Pictured L to R: Steve Friend, CEO; Bruce Weinkauf, SVP Operations; Joe Mohan, SVP Operations



# Management Team



Dan Hautzinger  
SVP, Finance & Strategy



Pauline Marcinkowski  
VP, Banking Operations



Darin Winder  
VP, Information Systems



Steve Davies  
Regional Mgr (South)



Vicky Smith  
Regional Mgr (North)



Tony Hamlyn  
Sr Mgr, Banking Innovations



David Sheets  
City Centre Branch



Wendy Kossowan  
Stettler Branch



Catherine Jones  
West End Branch



Michael Rostad  
Sedgewick Branch



Mitchel Bachelet  
Two Hills Branch



Helene Chalifoux  
Falher Branch



Steven Gratrix  
Vegreville Branch



Chelsea Bromley  
Viking Branch



Sharon Nelson  
Daysland Branch



Rick Tullikopf  
Killam Branch



Kevin Johnson  
Castor Branch



Sandy Peters  
Peace River Branch



Terry Krahn  
La Crete Branch



Debbie McMann  
Centralized Documentation



Paulette Robinson  
Marketing & Communication



Jennifer Hormann  
HR & Accounting



Sandi Nordstrom  
Member Service



Carolin Robinson  
Risk



Dan Szott  
Mobile Specialists

# Branch Locations

## Corporate Office

5007-51 Street  
Camrose, AB, T4V 1S6  
Ph. 780-672-1175  
Edmonton Direct  
780-424-1302  
Fax 780-672-5996

## Alliance Branch

201 Main Street  
Alliance, AB, TOB OAO  
Ph. 780-879-3644  
Fax 780-879-3838

## Castor Branch

5002-50 Avenue  
Castor, AB, TOC OXO  
Ph. 403-882-3950  
Fax 403-882-3555

## City Centre Branch

5030-51 Street  
Camrose, AB, T4V 1S5  
Ph. 780-672-9221  
Fax 780-672-9230

## Daysland Branch

5004-50 Street  
Daysland, AB, TOB 1AO  
Ph. 780-374-3951  
Fax 780-374-3736

## Killam Branch

5001-50 Street  
Killam, AB, TOB 2L0  
Ph. 780-385-3731  
Fax 780-385-2406

## Sedgewick Branch

4838-47 Street  
Sedgewick, AB, TOB 4CO  
Ph. 780-384-3912  
Fax 780-384-3938

## Stettler Branch

4911-51 Street  
Stettler, AB, TOC 2L0  
Ph. 403-742-2331  
Fax 403-742-2255

## Two Hills Branch

4916-47 Avenue  
Two Hills, AB, TOB 4K0  
Ph. 780-657-3321  
Fax 780-657-2036

## Vegreville Branch

4917-51 Avenue  
Vegreville, AB, T9C 1S5  
Ph. 780-632-3998  
Fax 780-632-4080

## Viking Branch

5302-50 Street  
Viking, AB, TOB 4N0  
Ph. 780-336-4944  
Fax 780-336-3181

## West End Branch

4705-65 Street  
Camrose, AB, T4V 3M5  
Ph. 780-672-8893  
Fax 780-672-8895

## Peace River Branch

9801-100 Street  
Peace River, AB, T8S 1T1  
Ph. 780-624-5850  
Fax 780-624-4930

## Falher Branch

23 Main Street  
Falher, AB, TOH 1M0  
Ph. 780-837-2227  
Fax 780-837-3456

## La Glace Branch

10005-100 Avenue  
La Glace, AB, TOH 2J0  
Ph. 780-568-2409  
Fax 780-568-4601

## La Crete Branch

10500-100 Street  
La Crete, AB, TOH 2H0  
Ph. 780-928-4441  
Fax 780-928-4420

## Manning Branch

306 Main Street  
Manning, AB, TOH 2M0  
Ph. 780-836-3371  
Fax 780-836-3703

# Branch Locations

