

# ANNUAL REPORT

# 2023



## OUR

# MISSION

To be a sustainable, dynamic, socially responsible co-operative that provides a lifetime of personal, quality, and meaningful support to our members and their communities.

## OUR

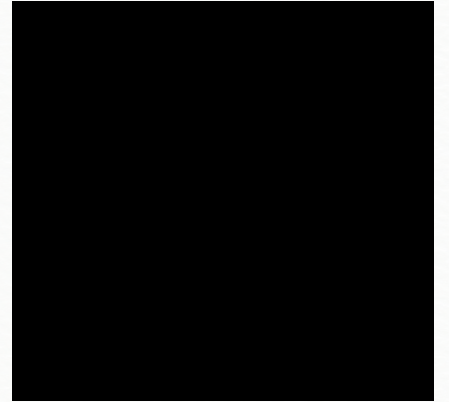
# VISION

To provide exceptional member value where people are excited to be a part of what we represent and provide.

## OUR

# VALUES

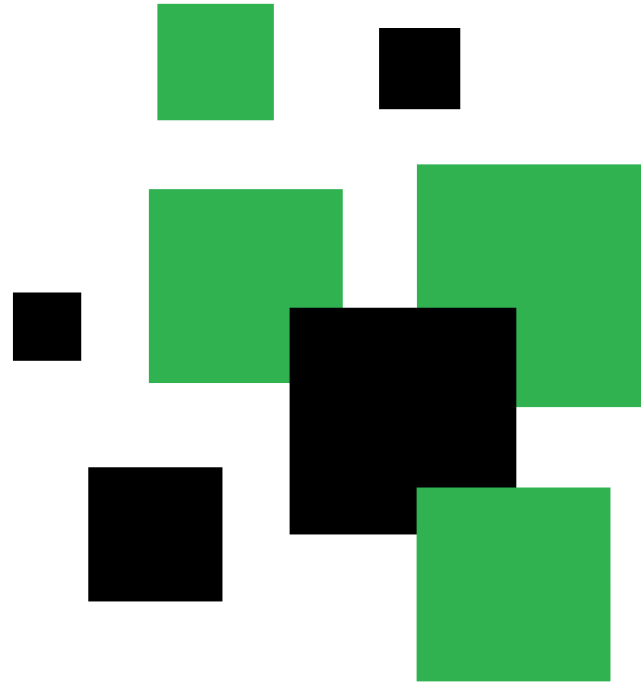
- Our actions will be of the highest integrity. We will listen to member needs delivering an exceptional experience that generates member confidence.
- Our members will benefit from our guidance. We will be leaders in assisting them to achieve financial success by delivering personable and knowledgeable solutions.
- Our employees and our members are our champions. Our credit union will grow through the engagement of our members and our employees demonstrated through positive attitudes, interactions and learning.
- Our services are convenient to access and easy to use. Banking is stressful, Compass Credit Union is not.
- Our leadership will be seen through the values-based decisions that we make that are in the long-term best interests of our members and the credit union. We have over 67 years of success on which to build.



# AGENDA - AGM 2023

## 6TH ANNUAL COMPASS CREDIT UNION GENERAL MEETING APRIL 25, 2024

1. Welcome and Call to Order
2. 1 minute of silence in honor of departed Compass Credit Union members
3. Motion Regarding Quorum
4. Adoption of Agenda
5. Minutes of Previous Meeting (April 20, 2023)
6. Introduction of Board, Staff, and Guests
7. Door Prizes
8. Reports
  - Chair
  - Audit Committee
    - Motion regarding auditor
  - Nominating Committee
    - Elected and/or Returning Directors
9. Financial Statement(s) Presentation
10. Door Prizes
11. Recognition of Long-Term Service Awards:
  - 15 Years
    - Mandi Percival
  - 10 Years
    - Courtney Millar
  - 5 Years
    - Mike Theriault
12. CEO Report
13. Questions and Answers
14. Door Prizes
15. Adjournment





# OUR BOARD OF DIRECTORS

## Term expires:

**Allan Hall**- Chair **2027**

**Tony DeVliegere**- Vice-Chair **2025**

**D'Arcy Barker**- Secretary **2027**

**Don Huisman** **2026**

**Lon Cullen** **2025**

**Quentin Derhak** **2025**

**Wendy Petersen** **2026**

**Sue Hargreaves** **2027**

**Collette Palmer** **2026**

**Elvin Huntinghawk** **2025**

# BOARD OF DIRECTOR'S ATTENDANCE

JANUARY 1, 2023 - DECEMBER 31, 2023

	Board Meetings	Audit Committee	Nominating Committee	Education Committee	Executive Committee	Policy Committee	Strategic Planning
Allan Hall, Chair	10/10				2/2	1/2	1/1
Tony DeVliegere, Vice Chair	9/10	4/4	2/2	1/1	2/2	1/2	1/1
D'Arcy Barker, Secretary	10/10				2/2	1/2	1/1
Sue Palmer	3/3					1/1	
Quinn Greavett	3/3	1/1					
Quentin Derhak	10/10		1/2	2/2		2/2	1/1
Don Huisman	10/10		2/2			1/2	1/1
Sue Hargreaves	9/10		2/2	2/2		2/2	1/1
Lon Cullen	10/10	4/4	4/4	2/2		1/2	1/1
Collette Palmer	7/7	3/3	2/2			1/2	1/1
Wendy Petersen	7/7			1/1		1/2	1/1
Elvin Huntinghawk	1/2						

# OUR STAFF

**Martina Adams**  
-Member Service Supervisor

**Sohana Akter**  
-MSR (Bengali)

**Leo Alas**  
-Financial Services Officer I  
(Spanish)

**Alex Alvarado**  
-Marketing/Social Media  
Coordinator (Spanish)

**Jamie Antonation**  
-Manager of Accounting &  
Technology

**Kian Bell**  
-Financial Services Officer I

**Gladys Blakely**  
-MSR

**Buck Bright**  
-Chief Executive Officer

**Melorie Broten**  
-MSR

**Debbie Charles**  
-Financial Services Officer II

**Fernando Chorro**  
-Financial Services Officer II  
(Spanish)

**Luis Chorro**  
-Financial Services Officer II  
(Spanish)

**Heather Cline**  
-MSR

**Jerry Egemba**  
-MSR (Igbo)

**Nick Eu**  
-MSR

**Carlo Galindo**  
-MSR (Spanish)

**Chloe Green**  
-MSR

**Susan Harris**  
-Mutual Funds Investment  
Specialist (Understands French)

**Aman Kaur**  
-MSR (Punjabi, Hindi)

**Jaskaran Kaur**  
-MSR (Punjabi, Hindi, Urdu)

**Maryann Kologinski**  
-Loans Manager

**Ashaya Klassen**  
-MSR

**Melanie Krauss-Wakely**  
-Manager of Member Service  
& Administration

**Monica Lambourne**  
-Business Account Manager I

**Patrick Loewen**  
-Business Account Manager II

**Caralee Marsh**  
-Manager of Compliance

**Jennifer Melanson**  
-Accounting Clerk

**Courtney Millar**  
-Member Service Supervisor

**Abhavya Misra**  
-Clearing/Accounting Clerk  
(Hindi, Turkish)

**Valeria Morales**  
-Loans Admin (Spanish)

**Troy Peel**  
-Loans Admin

**Mandi Percival**  
-Financial Services Officer II

**Corelei Poyser**  
-Chief Operating Officer

**Sandra Reina**  
-MSR (Spanish)

**Debra Smith**  
-MSR

**Mike Theriault**  
-Systems Support/Banking  
System Analyst

**Meleena Thompson**  
-Member Service Supervisor

**Kerry Van Buskirk**  
-MSR (Sign Language, Spanish)

**Alycia White**  
-Manager of Consumer Credit



# CHAIR'S REPORT

2023 was a year focused on the fundamentals, with financial stability and member service as the cornerstone priorities. In 2023, our financial position continued to strengthen. Total assets and loans experienced modest growth, while deposits slightly decreased. Profitability remained robust, with retained earnings reaching an encouraging 8 percent.

In the first half of the year, our staff dedicated considerable effort to completing the banking system transition and implementing two-factor authentication (2FA). While both of these initiatives operate in the background, they are crucial for our overall success. Our new banking system continues to offer cost savings and efficiencies for the staff, and 2FA is an extra level of protection from fraud.

Additional staff resources have been added to both Wealth Management and frontline staff in our Erickson branch. Both moves have helped to improve member experience.

It seems like you cannot turn on the news without hearing discussions on interest rates. Interest rates are a double edged sword for a financial institution. Rising interest rates have increased the spread between deposits and loans resulting in higher financial margins for Compass Credit Union. This increase in margin has helped with our financial position. The downside of higher interest rates is the impact on the financial health of our members. This is an issue we are closely watching.

2023 has been another year of financial success for Compass Credit Union. Looking ahead to 2024, we anticipate introducing more technological solutions to further ease and secure our members' interactions with Compass Credit Union.



**Allan Hall**  
Board Chair

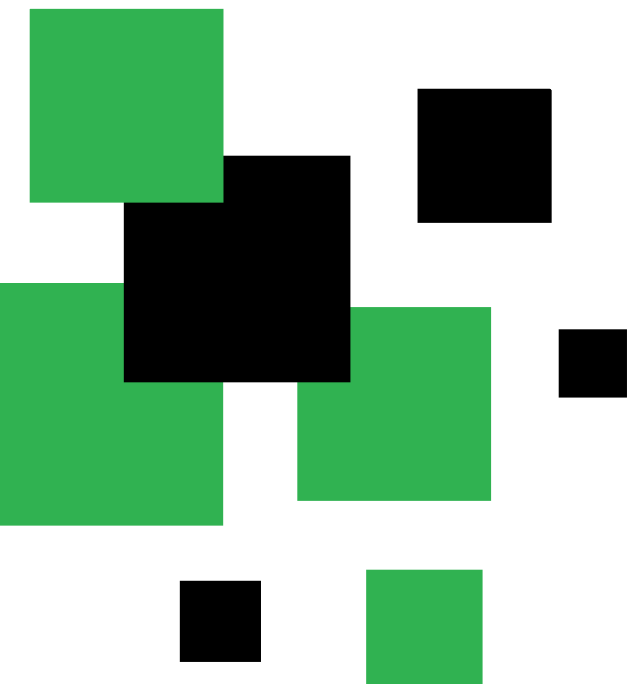


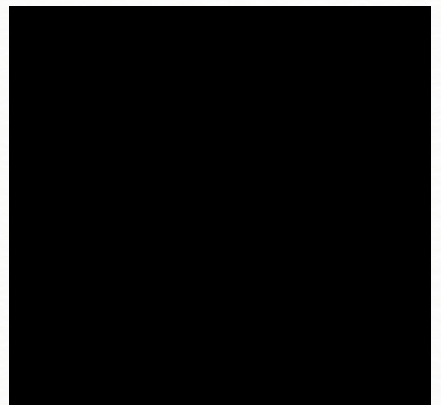
# DIRECTORS & OFFICERS DISCLOSURE

Transactions with directors, committee members, management and staff are at terms and conditions as set out in the loan policies of the Credit Union.

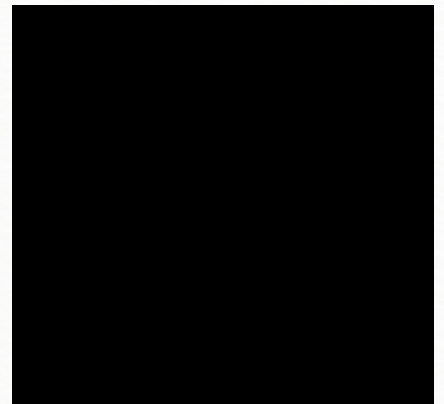
Payments made for honoraria and per diems amounted to \$42,950 (2022 - \$32,326), reimbursement of expenses amounted to \$3,381 (2022 - \$5,104) and meeting, training and conference costs amounted to \$83,653 (2022 - \$44,439) for the year ended December 31, 2023.

Loans to directors and staff as at year end amounted to 1.82% (2022 - 1.98%) of total assets of the Credit Union.









# OUR BRANCHES AND SOCIAL MEDIA

## MAIN BRANCH

1016 Rosser Avenue  
Brandon, Manitoba R7A 0L6  
Phone: (204) 729-4800  
Mon-Fri 9:00-5:00

## ERICKSON BRANCH

24 Main Street, P.O. Box 100  
Erickson, Manitoba R0J 0P0  
Phone: (204) 636-7771  
Mon-Fri 9:30-5:00

## THOMAS MALL BRANCH

742-18th Street  
Brandon, Manitoba R7A 5B5  
Phone: (204) 729-4820  
Mon-Fri 10:00-6:00

## PHILLIPS INSURANCE AGENCY

B-510 1st Street  
Brandon, Manitoba R7A 2X1  
Phone: (204) 727-0709  
Mon-Fri 8:30-5:30  
[www.phillipsinsurance.ca](http://www.phillipsinsurance.ca)

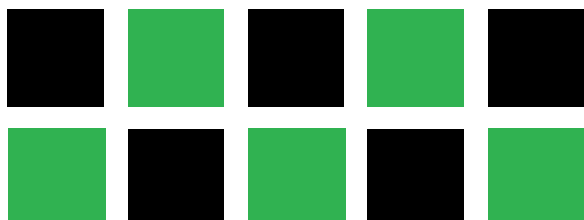
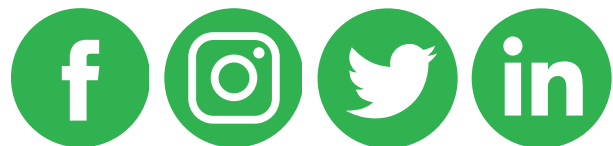
## SOCIAL MEDIA

**Facebook:** Compass Credit Union

**Instagram:** Compasscu

**Twitter:** Compasscu

**Linkedin:** Compass Credit Union





# **Compass Credit Union Limited**

## **Summary Consolidated Financial Statements**

For the Year Ended December 31, 2023

## Independent Auditor's Report in the Summary Consolidated Financial Statements

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To the Members of Compass Credit Union Limited:

### Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2023, and the summary consolidated statement income statement, summary consolidated statements of changes in members' equity and cash flows for the year then ended, are derived from the audited consolidated financial statements of Compass Credit Union Limited (the "Credit Union") for the year ended December 31, 2023.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements of Compass Credit Union Limited for the year ended December 31, 2023.

### 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 March 28, 2024.

### Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with International Financial Reporting Standards.

### 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.

Brandon, Manitoba

March 28, 2024



Chartered Professional Accountants

MNP LLP

1401 Princess Avenue, Brandon MB, R7A 7L7

1.800.446.0890 T: 204.727.0661 F: 204.726.1543



MNP.ca

**Compass Credit Union Limited**  
**Summary Consolidated Statement of Financial Position**  
*As at December 31, 2023*

	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
Cash and cash equivalents	4,128,627	9,036,657
Accounts receivable	51,020	66,858
Investments and accrued interest	24,976,140	15,898,351
Members' loans receivable and accrued interest	189,248,606	186,198,364
Income taxes recoverable	171,027	-
Prepaid expenses	119,160	80,435
Property and equipment	1,879,316	1,747,472
Intangible assets and goodwill	1,343,356	1,343,356
	<b>221,917,252</b>	<b>214,371,493</b>
<b>Liabilities</b>		
Member deposits and accrued interest	202,856,224	196,278,959
Accounts payable	661,210	557,018
Income taxes payable	-	197,827
Deferred tax	151,000	80,000
	<b>203,668,434</b>	<b>197,113,804</b>
<b>Members' equity</b>		
Member shares	1,138,536	1,150,977
Retained earnings	13,381,967	12,378,397
Contributed surplus	3,728,315	3,728,315
	<b>18,248,818</b>	<b>17,257,689</b>
	<b>221,917,252</b>	<b>214,371,493</b>

**Approved on behalf of the Board**

Signed "Lon Cullen"  
 \_\_\_\_\_  
**Director**

Signed "Collette Palmer"  
 \_\_\_\_\_  
**Director**

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

**Compass Credit Union Limited**  
**Summary Consolidated Income Statement**  
*For the year ended December 31, 2023*

	2023	2022
<b>Interest income</b>		
Member loans	7,703,254	6,190,036
Investments	1,687,295	963,530
	<b>9,390,549</b>	7,153,566
<b>Interest expense</b>		
Deposits	4,144,637	2,114,293
Interest on borrowed money	-	156
	<b>4,144,637</b>	2,114,449
<b>Gross financial margin</b>	<b>5,245,912</b>	5,039,117
<b>Operating Expenses</b>		
Administration	1,220,226	1,109,907
Amortization	164,702	125,408
Member security	194,087	181,839
Occupancy	308,898	353,811
Organizational	230,472	156,502
Personnel	2,696,548	2,776,775
	<b>4,814,933</b>	4,704,242
<b>Net operating income</b>	<b>430,979</b>	334,875
<b>Other income</b>	<b>1,443,535</b>	1,518,209
<b>Income before provision for (recovery of) impaired loans and income taxes</b>	<b>1,874,514</b>	1,853,084
<b>Provision for impaired loans</b>	<b>620,000</b>	381,737
<b>Income before income taxes</b>	<b>1,254,514</b>	1,471,347
<b>Income taxes (recovery of)</b>		
Current	179,944	451,478
Deferred	71,000	(36,000)
	<b>250,944</b>	415,478
<b>Net income</b>	<b>1,003,570</b>	1,055,869

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



**Compass Credit Union Limited**  
**Summary Consolidated Statement of Changes in Members' Equity**  
*For the year ended December 31, 2023*

	<i>Member shares</i>	<i>Retained earnings</i>	<i>Contributed surplus</i>	<i>Total equity</i>
<b>Balance December 31, 2021</b>	<b>1,217,974</b>	<b>11,322,528</b>	<b>3,728,315</b>	<b>16,268,817</b>
Net income	-	<b>1,055,869</b>	-	<b>1,055,869</b>
Issuance of member shares	<b>2,690</b>	-	-	<b>2,690</b>
Redemption of member shares	<b>(69,687)</b>	-	-	<b>(69,687)</b>
<b>Balance December 31, 2022</b>	<b>1,150,977</b>	<b>12,378,397</b>	<b>3,728,315</b>	<b>17,257,689</b>
Net income	-	<b>1,003,570</b>	-	<b>1,003,570</b>
Issuance of member shares	<b>895</b>	-	-	<b>895</b>
Redemption of member shares	<b>(13,336)</b>	-	-	<b>(13,336)</b>
<b>Balance December 31, 2023</b>	<b>1,138,536</b>	<b>13,381,967</b>	<b>3,728,315</b>	<b>18,248,818</b>

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

**Compass Credit Union Limited**  
**Summary Consolidated Statement of Cash Flows**  
*For the year ended December 31, 2023*

	<b>2023</b>	<b>2022</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Interest received from members' loans	7,509,411	6,027,866
Interest and dividends received from investments	1,687,295	963,530
Other income received	1,459,373	1,509,403
Cash paid to suppliers and employees	(4,537,410)	(4,842,026)
Interest paid on deposits	(3,032,767)	(2,125,257)
Interest paid on borrowed money	-	(156)
Income taxes paid	(679,654)	(110,633)
	<b>2,406,248</b>	<b>1,422,727</b>
<b>Financing activities</b>		
Net change in member deposits	5,465,395	(4,821,00)
Proceeds from issuance of member shares	895	2) 2,690
Payments for redemption of member shares	(13,336)	(69,687)
	<b>5,452,954</b>	<b>(4,887,999)</b>
<b>Investing activities</b>		
Net change in members' loans receivable	(3,476,399)	(16,003,069)
Purchases of investments and accrued interest	(8,994,287)	-
Proceeds on disposal investments and accrued interest	-	23,868,987
Purchases of property and equipment	(296,546)	(348,311)
	<b>(12,767,232)</b>	<b>7,517,607</b>
<b>Increase (decrease) in cash resources</b>	<b>(4,908,030)</b>	<b>4,052,335</b>
<b>Cash resources, beginning of year</b>	<b>9,036,657</b>	<b>4,984,322</b>
<b>Cash resources, end of year</b>	<b>4,128,627</b>	<b>9,036,657</b>

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

# Compass Credit Union Limited

## Notes to the Consolidated Financial Statements

*For the year ended December 31, 2023*

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### 1. Basis of the summary consolidated financial statement

Management has prepared the summary consolidated financial statements from the Credit Union's December 31, 2023 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. Statement of compliance

The Credit Union is in compliance with the capital and liquidity reserve requirements at December 31, 2023 established by the Standards of Sound Business Practice Regulation 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 December 31, 2023, which contain the information detailing the calculation.

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

*DEAR MEMBERS,*

*AS WE EMBARK ON THIS NEW YEAR,  
WE WANT TO EXTEND OUR WARMEST  
WISHES TO EACH AND EVERY ONE OF  
YOU FOR A FANTASTIC 2024 AHEAD.  
MAY THIS YEAR BE FILLED WITH JOY,  
SUCCESS, AND MEMORABLE  
MOMENTS FOR YOU AND YOUR  
LOVED ONES. THANK YOU FOR BEING  
A PART OF OUR CREDIT UNION, AND  
WE LOOK FORWARD TO SHARING  
MANY MORE WONDERFUL  
EXPERIENCES TOGETHER IN THE  
COMING YEAR.*

*WISHING YOU ALL THE BEST FOR*

**2024+**