

Election Results

Three (3), 3-year Director Positions were up for election in 2022. We also had one (1) vacancy on our board for a 2-year term.

Four (4) written nominations were received by the January 28, 2022, deadline. The Nominating Committee is pleased to announce that Michelle Sinclair, Akbal Mund and Mike Champigny have been acclaimed for 3-year terms ending 2025, and Cheryl Turcotte has been acclaimed for a 2-year term ending 2024.



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Notice of Annual General Meeting

ALL MEMBERS ARE
invited

Wednesday, May 18, 2022

7:30 pm

Prestige Hotel, 4411 32nd Street, Vernon

Registration begins at 6:45 pm

Note: should an in person meeting not be allowed at this time, our AGM will be held electronically via Zoom.



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Spring 2022 NEWSLETTER



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Dear Valued Members,

As 2021 ended, we were optimistic about the future in 2022. We had the end of the pandemic in sight, our economies seemed to be recovering and performing quite well, and the Olympics were lifting our spirits as dedicated athletes showed their amazing talents. However, we were soon faced with the reality that our world continues to change as war erupted in eastern Europe. Our lesson from this is that world events impact the entire globe and it's important to understand we are all interconnected.

The reality of war breaking out in the Ukraine by Russia is a sad and very tragic event. We have many Ukrainian and Russian members, and our hearts are with both as the Putin regime forges an unjust battle hurting both the Ukrainian and Russian peoples. Our hope is that a settlement can be achieved as soon as possible to end this tragedy.

For VantageOne over the past year we have been able to adjust to our changing world, finish some key projects and position ourselves to support the growth and development of our communities.

Adjusting to our changing world meant a change to our branch delivery in 2021. With reduced branch traffic, increased use

of technology for banking transactions and the significant drop in interest rates, we needed to adjust our footprint in the Vernon market. We thank all our members for supporting the changes and are happy that our main branch is back up and running better able to support the in-branch volume of business. We have heard from members that there are some slow days where we have longer line-ups, so we are working on strategies to handle these better which you will see in the coming months.

In 2021 we completed two big projects on our main branch building. As you will recall, we needed to update the exterior of the building and we completed the internal heating and cooling upgrade. We are pleased with the results of the work and now have a professional and updated building able to serve our needs for decades to come.

Included in this newsletter, are our 2021 condensed financial statements. Asset growth over the year was 3%, driven by both deposit and loan growth. Throughout the pandemic, we have seen a significant increase in deposit activity and this continued in 2021 with deposits growing by 9%. We also experienced a very active lending market in both consumer and commercial loan areas. Our loan portfolio

increased 3% over the year, driven by very strong growth in commercial lending. For our subsidiaries, wealth management and leasing divisions also had strong years. Wealth management set a record for revenue growth; and, although our leasing division was constrained by supply chain issues was still able to provide a solid contribution to the credit union. The result is a strong increase in earnings for the credit union in 2021 contributing to our sound capital base.

Finally, from all of us at VantageOne we thank you for your support and understanding as we adapt to change. As we have seen change isn't over however you can remain confident that we are committed to communicating and listening to our members to ensure that how we adapt will be a positive force for our members and our communities.

Thank you for your continued support of VantageOne Credit Union.

Glenn Benischek, *Chief Executive Officer*

Independent Auditor's Report



Report of the Independent auditor on the summarized consolidated financial statements

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To the members of **VantageOne Credit Union**

Opinion

The accompanying summarized consolidated financial statements, which comprise the summarized consolidated statement of financial position as at December 31, 2021, the summarized consolidated statements of earnings and comprehensive income, changes in members' equity, and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of VantageOne Credit Union as at December 31, 2021.

In our opinion, the accompanying summarized consolidated financial statements are a fair summary of the financial statement, in accordance with Article 128 of the Financial Institutions Act of B.C.

Summarized Consolidated Financial Statements

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

The summarized consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on those consolidated financial statements in our report dated February 23, 2022.

Management's Responsibility for the Summarized Consolidated Financial Statements

Management is responsible for the preparation of a summary of the audited consolidated financial statements in accordance with Article 128 of the Financial Institutions Act of B.C.

Auditor's responsibility

Our responsibility is to express an opinion on the summarized consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Kelowna, Canada
February 23, 2022

Grant Thornton LLP
Chartered Professional Accountants

VantageOne Credit Union Summarized Consolidated Position

December 31

Assets

Cash and cash equivalents
Receivables and other assets
Investments
Loans
Deferred income tax
Property and equipment
Accrued pension asset

Total assets

Liabilities

Deposits
Payables and other liabilities
Income taxes payable
Lease liability
Accrued pension liability

Total liabilities

Members' equity

Members' shares
Retained earnings
Accumulated other comprehensive income (loss)

On behalf of the Board

Chairperson

Chief Executive

Summarized Consolidated Financial Statements

Statement of Financial

2021	2020
\$ 45,660,767	\$ 82,312,614
992,833	368,737
48,956,337	27,757,858
327,948,374	302,043,948
157,000	96,000
10,158,646	9,602,727
670,200	-
\$ 434,544,157	\$ 422,181,884
\$ 406,689,184	\$ 395,492,814
926,830	1,611,750
121,529	32,619
85,051	195,405
-	161,900
407,822,594	397,494,488
883,131	889,815
25,533,608	23,905,413
304,824	(107,832)
26,721,563	24,687,396
\$ 434,544,157	\$ 422,181,884

VantageOne Credit Union Summarized Consolidated Statement of Earnings and Comprehensive Income

Year ended December 31	2021	2020
Financial income	\$ 11,502,550	\$ 11,619,447
Financial expense	2,204,839	3,944,799
Financial margin	9,267,711	7,674,648
Other income	3,570,992	3,115,716
Operating margin	12,868,703	10,790,364
Operating expenses	10,921,298	10,405,245
Earnings before income taxes	1,947,405	385,119
Income taxes	319,210	239,469
Net earnings	1,628,195	145,650
Other comprehensive income net of tax	412,656	740,690
Comprehensive income	\$ 2,040,851	\$ 886,340

VantageOne Credit Union Summarized Consolidated Statement of Changes in Members' Equity

Year ended December 31, 2021	Members' shares	Retained earnings	Accumulated other comprehensive income	Total
Balance on December 31, 2020	\$ 889,815	\$23,905,413	\$ (107,832)	\$24,687,396
Net earnings	-	1,628,195	-	1,628,195
Change in members' shares, net	(6,684)	-	-	(6,684)
Other comprehensive income				
Change in unrealized loss on investments (net of tax recovery of \$38,387)	-	-	(187,429)	(187,429)
Amortized gain on cash flow hedges (net of tax recovery of \$49,120)	-	-	(239,815)	(239,815)
Change in unrealized gain on defined benefit pension plan	-	-	839,900	839,900
Balance on December 31, 2021	\$ 883,131	\$25,533,608	\$ 304,824	\$26,721,563

VantageOne Credit Union Summarized Consolidated Statement of Cash Flows

Year ended December 31	2021	2020
Increase (decrease) in cash resources		
Operating activities	\$ (13,106,539)	\$ 44,861,187
Financing activities	(75,920)	(110,960)
Investing activities	(23,469,388)	660,039
Net (decrease) increase in cash resources	(36,651,847)	45,410,266
Cash resources, beginning of year	82,312,614	36,903,348
Cash resources, end of year	\$ 45,660,767	\$ 82,312,614

A full set of consolidated financial statements are available from the Credit Union