

ANNUAL REPORT

2023



LIST OF DIRECTORS AND COMMITTEE MEMBERS

2023-2024

Board of Directors

David George – Chair
Maurice Boudreau – Corporate Secretary
Tanya Sampson – Vice-Chair
Marion Mury – Director
Tony Pierce – Director
Nathan Boudreau – Director
Victoria Boudreau – Director
Donald Goyetche – Director
Brian LeBlanc – Director

Credit Committee

Nathan Boudreau (Chair)
Tanya Sampson
Maurice Boudreau

Audit & Risk Committee

Donald Goyetche (Chair)
Brian LeBlanc
Marion Mury

Policy Committee

David George (Chair)
Donald Goyetche
Marion Mury

Personnel Committee

Tanya Sampson (Chair)
Karen Doyle
Marion Mury

Youth Committee

Jessica Marchand
Tiffany Kehoe
Katrina Cooper-Boudreau
TC Fougere

Nominations Committee

Marion Mury
Brian LeBlanc
Tony Pierce



Meeting Agenda

87th Annual General Meeting of the St. Joseph's Credit Union April 22, 2024

Call to Order and Welcome

Opening prayer (One minute of silence for deceased members)

Greetings from the Chair

Declaration of a Quorum

Approval of Agenda

Approval of Minutes of Previous Meeting (April 24, 2023)

Presentation and Approval of Reports

- Report from the Chair
- Report from the General Manager
- Audit & Risk Committee Report
- Report from the Nominations Committee
- Auditor's Report/Financial Statements

New Business

- Appointment of Auditors
- Service Awards
- Vote

Door Prizes

Adjournment

St. Joseph's Credit Union
86th Annual General Meeting
April 24, 2023 Acadiaville Community Centre

Chairperson, David George called the meeting to order at 6:30 pm.

BOARD & COMMITTEE MEMBERS

David George, Tanya Sampson, Donald Goyetche, Marion Mury, Maurice Boudreau, Nathan Boudreau, and Karen Doyle.

GREETINGS FROM THE VICE-CHAIRPERSON

Chairman David George welcomed everyone and introduced the Board of Directors, Committee Members and special guest, Kyle Musial, Senior Manager of MNP.

ESTABLISHMENT OF A QUORUM

TC Fougère reported that a quorum had been established with 45 members and 1 guest present.

APPROVAL OF AGENDA

It was moved by Michelle Hearn, seconded by Karen Doyle, that the agenda be approved as presented. Motion Carried.

APPROVAL OF MINUTES OF PREVIOUS MEETING

It was moved by Brenda Samson, seconded by Tanya Sampson, that the minutes of May 30, 2022, be approved as circulated. Motion Carried.

BUSINESS ARISING FROM THE MINUTES

There was no business arising from the minutes.

PRESENTATION OF REPORTS

1. **GM Recruitment Report** – Vice Chairperson and Chair of the GM Selection Committee, Tanya Sampson, presented a report outlining the selection process which was facilitated by Alex Chamberlain, Human Resources Consultant for Atlantic Central.
2. **Chairperson's Report** – This report was presented by David George, Chairperson. Mr. David began his report by congratulating Mrs. Holly Landry on her appointment and acceptance of the position of General Manager of St. Joseph's Credit Union. It was moved by Tanya Martell, seconded by Donald Kehoe, that the Chairperson's Report for 2022 be accepted as presented. Motion Carried.
3. **General Manager's Report** – This report was presented by Holly Landry, General Manager. It was moved by Tony Pierce, seconded by LeeAnne Marchand, that the General Manager's Report for 2022 be accepted as presented. Motion Carried.

4. **Credit Committee Report** – This report was presented by Nathan Boudreau. It was moved by David Kehoe, seconded by TC Fougère, that the 2022 Credit Committee Report be accepted as presented. Motion carried.
5. **Audit & Risk Committee Report** – This report was presented by Donald Goyetche. It was moved by Donald Goyetche, seconded by Thomas Landry, that the 2022 Audit & Risk Committee Report be accepted as presented. Motion carried.
6. **Nominations Committee Report** - This report was presented by David George. The Nominations Committee was comprised of David George, Donald Goyetche, and Nathan Boudreau. Mr. Goyetche David reported that the outgoing members were as follows:
 - Marion Mury
 - Brian LeBlanc
 - Leo Samson

Mr. David reported that Marion Mury and Brian LeBlanc have re-offered their names for a position on the Board of Directors. Leo Samson has decided to step down as has Terrance Tyrrell, resulting in 2 vacancies. Victoria Boudreau and Tony Pierce, both of Arichat, submitted their names for a position on the Board of Directors.

Mr. David declared that Victoria Boudreau and Tony Pierce, were hereby elected for 3-year term positions by acclamation.

It was moved by TC Fougère, seconded by Robbie Fougère, that the 2022 Nomination Committee Report be accepted as presented. Motion Carried.

6. **Auditor's Report/ Financial Statements** – Kyle Musial of MNP presented the Independent Auditors Report for 2022. He advised that in their opinion, the financial statements presented fairly, in all material respects, the financial position of St. Joseph's Credit Union as at December 31, 2022. He also advised that the statements being presented were a five-page summary of the financial statements but that the full statements were available upon request at the credit union. He briefly reviewed the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Members' Equity, the Statement of Cash Flows and the Schedule of Expenses.

It was moved by Matthew Landry, seconded by Tanya Martell, that the 2022 Auditor's Report be accepted as presented. Motion Carried.

NEW BUSINESS

1. Appointment of Auditors

On behalf of the Board of Directors and upon recommendation of the Audit & Risk Committee, Mr. Goyetche recommended that we retain MNP as our auditors for the year ending December 31, 2023.

It was moved by Victoria Boudreau, seconded by Amanda Short, that we accept St. Joseph's Credit Union Board's recommendation and retain the auditing services of MNP for the fiscal year ending December 31, 2022. Motion Carried.

2. **Service Awards**

David George, Chairperson presented Tiffany Kehoe with a certificate of appreciation for 15 years of service to the Credit Union and also recognized Mr. Leo Samson for 33 years of service to the Board of Directors of St. Joseph's Credit Union.

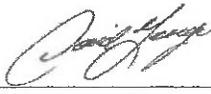
3. **Door Prizes**

Random draws took place, with 20 members awarded \$ 50.00 in gift certificates to local businesses .

It was moved by Michelle Hearn that the meeting be adjourned at 7:10 pm.



LeeAnne Marchand, Acting Secretary



David George, Chairperson

Chair's Report

Good evening and welcome to our valued membership. I would like to begin by acknowledging that we are in Mi'kma'ki, the ancestral and unceded territory of the Mi'kmaq people. My report today will reflect on the roles and responsibilities of your Board and some of our successes over the past year.

Your Board of Directors remains committed to its strategic role and the financial success of our organization as we work to support the social and economic development of the communities we serve. In these times of economic uncertainty, we remain cognizant of the need to continue investing in new products and services to help support both the needs of our membership and to remain competitive in today's everchanging environment. With our current banking platform reaching its end of life, 2024 will see one of our biggest investments to date with the conversion to the Mambu banking platform.

It is important to recognize that our business would not be the success it is, without you, our members. We exist to serve our members and support the people and organizations in our community. We are delighted to share and celebrate the following successes in 2023:

- ✓ Once again, we paid \$ 135k in Member rewards.
- ✓ For the third year in a row, we matched Atlantic Central's \$ 25.00/staff member for a total of \$ 50.00 in the #Loyal2localchallenge. This program engaged our staff to give back and spend local, demonstrating our support for small businesses.
- ✓ For the third year in a row, we matched Atlantic Central's \$25.00/staff member initiative to "Pay it Forward" with random acts of kindness in the surrounding communities.
- ✓ It gives us immense pleasure to share that this past year we were able to assist many different organizations through our Community Economic Development Fund. This is where your Credit Union differs from banks. While they are driven by profits and to return to shareholders, your Credit Union works hard to keep your money right here in the communities we serve through initiatives such as the CED fund. In 2023 the following organizations were awarded funding through St. Joseph's CED.
 - Lennox Passage Yacht Club, \$2000.00
 - *Renovation project for their onsite clubhouse.*
 - Acadiaville Cemetery Society, \$3000.00
 - *Expanding the Columbarium in West Arichat.*
 - Isle Madame Historical Society, \$4000.00
 - Upgrades to the landing.
 - Arichat Community Development Association, \$100,000.00
 - *Development of a new community park. This will include a playground, walking track, dog park etc.*

- Victorian Order of Nurses, \$2500.00
 - *VON is implementing a new system called VON Connect, a cloud-based system to ensure accuracy and overall better care for its clients.*

- ✓ St. Joseph's Credit Union is pleased to distribute \$7500.00 in bursaries each year through the scholarships listed below:
 - ✓ École Beau Port
2 Scholarships of \$1000.00 each

 - ✓ Richmond Education Center and Academy
4 Scholarships of \$1000.00 each

 - ✓ Université Saint Anne
1 Scholarship of \$500.00

- ✓ Last but certainly not least, our Board and staff volunteered over 980 hours to our local communities and participated in many random acts of kindness and community give-a-ways.

St. Joseph's Credit Union is very fortunate to have a strong management team and staff who work diligently to provide quality customer service to our membership. On behalf of our board and membership, thank you for your professionalism and commitment to our Credit Union. I would like to take this opportunity to thank my fellow board members for their time and commitment in providing guidance and governance, throughout the year. I appreciate your support.

En terminant, je vous remercie, les membres, pour votre soutien constant à cette grande institution. Nous sommes impatients de répondre à vos besoins et aux besoins de nombreuses générations pour les années à venir.

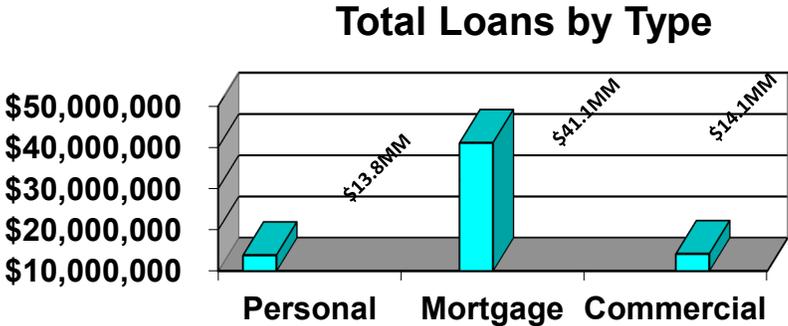


David George
Board Chair

General Manager's Report

Bonjour à tous et bienvenue à votre assemblée Générale annuelle. I am happy to report that in these challenging economic times, St. Joseph's Credit Union enjoyed stable profitability in 2023, due to the support and commitment of our members, our board of directors, as well as our staff. I am so proud to have been given the opportunity to lead an organization that displays commitment to bettering the membership we serve, and our surrounding community.

From a financial perspective, 2023 proved to be a challenging but successful year. Our net income of \$467,779 was another impressive year and allowed us to maintain our equity at 12.95%, over twice the regulatory limit and well above the system average. As of December 31, 2023, our assets per member were the 5th highest in the province and equity as a percentage of assets were the 2nd highest in the province. We maintained steady loan growth and historically low delinquency rates greatly due to a combined effort from our staff, who maintained close contact with our members and helping members where and when possible. The loans to members saw growth of \$3.2MM while our delinquency rates at 0.947% were kept well below the acceptable average. The chart below provides a breakdown of our loan portfolio by loan type. As you can see, Mortgages, at \$41.1 Million accounted for the largest portion of our portfolio, followed by Personal Loans and Lines of Credit at \$13.8 million and commercial Loans and mortgages at \$14.1million.



Investing in technology and cyber security has and will continue to be a top priority, as it increasingly shapes our members' day-to-day interactions. In 2021, we began our banking platform conversion project which continued throughout 2022 and 2023, this project should see fruition at St. Joseph's in Q2 2023. A lot of time and hard work has gone into this conversion, and we are so excited to share in this significant milestone with you. This will be a major step in serving our membership in today's digital world as the digital transformations that the financial industry is facing can be seen daily. Cyber security has reached a time where it is critically important at branch level but also to our membership. We continued to develop stronger capabilities to meet the increasing demands of cyber security. To safeguard our members accounts and information, we continue to improve our cyber defense and resilience through such initiatives as 2-step verification, enhanced staff training, and improved policies and procedures. The investment required for these projects has been significant in 2023 and will continue to require a strong financial commitment. However, these

initiatives are critical to address the ever-growing demands for digitization, protection, and enhanced service to our members.

In conclusion, I want to thank our staff for the dedication they continue to show each year. Your professionalism and outstanding work ethic in providing excellent banking services to our membership is critical to our ongoing success. I would also like to thank our Board of Directors for their continued leadership and direction and for their never-ending support and encouragement. Finally, I want to thank you, our membership, for your continued loyalty. Your commitment to banking locally allows us to keep the profits right here in our communities for generations to come. Your willingness to support the changes we have been forced to implement does not and will never go unnoticed. Il n'y a aucune limite lorsque nous travaillons ensemble. Bonne réunion, félicitations sur une autre bonne année et je vous souhaite beaucoup de succès à l'avenir.

Cooperatively yours,

Holly Landry, GM

Audit & Risk Committee Report

The Audit and Risk Committee assists the Board of Directors with its' responsibilities for financial reporting, internal controls, risk management, and external audit.

The Committee's primary responsibilities are to:

- Serve as an independent and objective party when monitoring our financial performance and reporting process.
- Review and assess the efforts of our independent auditors.
- Assess the processes related to the risks we face and our internal control environment.
- Review reports issued by the Credit Union Deposit Insurance Corp. or any other independent party.
- Monitor the implementation of significant recommendations from these reports and report to the Board on the progress of that implementation.
- Review regular reports from management and external auditors concerning the Credit Union's progress and compliance with financially related laws and regulations.
- Review any policies as directed by the Board.
- Undertake such other duties as are delegated to the Committee by the Board.

The Committee held three (3) meetings in 2023. I wish to report that we did the following:

- ✓ Monitored our financial performance on a quarterly basis.
- ✓ Reviewed board, management and staff expenses and confirmed compliance to policy.
- ✓ Reviewed and confirmed payment of our Canada Revenue Agency mandatory remittances.
- ✓ Reviewed the Credit Union's Enterprise Risk Management Framework and the activities undertaken during the year.
- ✓ Confirmed that all staff, board, and committee members complied with our Codes of Corporate Ethics and Business Conduct.
- ✓ Reviewed reports from external bodies, including our Auditors and the Credit Union Deposit Insurance Corp. and monitored the execution of major recommendations in the reports.
- ✓ Confirmed our Auditor's independence and reviewed the Audit Planning Report, the audited financial statements, the Audit Findings Report and the Management Letter.
- ✓ Recommended the Auditors for the current year and that the audited financial statements be approved by the Board of Directors.

I would like to thank my fellow committee members for their time and consideration.

Respectfully submitted,



Donald Goyetche
Committee Chair

Nomination Committee Report

The nomination committee consisted of the following people:

- Marion Mury
- Brian LeBlanc
- Tony Pierce

According to by-law changes and particularly Nominations (5.10) that was voted on and approved at the 2007 Annual General Meeting, this committee was required to do the following:

- Post an invitation for nominations to the board of directors 4 weeks prior to the close of nominations which had to be 40 days prior to the date of meeting.
- All nominees had to have an approved form signed by 2 members in good standing and signed by the nominee confirming eligibility (Article 5.06). This form had to include background information on the nominee.
- According to the by-law changes of 2007, there will be no nominations from the floor.

The committee wishes to report that the outgoing directors are:

- Tanya Sampson
- Maurice Boudreau
- Donald Goyetche

The Nomination Committee wishes to submit the following 5 names (in no particular order) for election to 3 positions on the Board for a 3-year term:

- Tanya Sampson
- Maurice Boudreau
- Donald Goyetche
- Robyn Fougere
- Joël Samson

Marion Mury, Brian LeBlanc, Tony Pierce
2024 Nominations Committee

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and all other information contained in the Annual Report are the responsibility of management and have been approved by the Board of Directors (the "Board"). The financial statements have been prepared by management in accordance with International Financial Reporting Standards, and include amounts based on informed judgments and estimates of the expected effects of current events and transactions. Financial information presented elsewhere in this Annual Report is consistent with that in the financial statements.

In meeting its responsibility for the reliability of financial data, management relies on comprehensive internal accounting, operating and system controls. Controls include an organizational structure providing for effective segregation of responsibilities and delegation of authority and personal accountability, as well as the application of accounting and administrative policies and procedures necessary to ensure adequate internal control over transactions, assets and records. These controls are designed to provide reasonable assurance that financial records are reliable for preparing financial statements and maintaining accountability for assets, and that assets are safeguarded against unauthorized use or disposition.

The Board has appointed an Audit Committee to review with management and independent auditors the annual financial statements prior to submission to the Board for final approval. MNP LLP have been appointed by the membership as independent auditors to examine and report on the financial statements. They have full and free access to Credit Union staff and the Audit Committee of the Board.



Holly Landry
General Manager
St. Joseph's Credit Union Limited



David George
Chair, Board of Directors
St. Joseph's Credit Union Limited

April 4, 2024

St. Joseph's Credit Union Limited
Summary Financial Statements
December 31, 2023

St. Joseph's Credit Union Limited

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For the year ended December 31, 2023

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To the Members of St. Joseph's Credit Union Limited:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2023, and the summary statements of comprehensive income, changes in equity, cash flows and the related schedules for the year then ended, and related notes, are derived from the audited financial statements of St. Joseph's Credit Union Limited (the "Credit Union") for the year ended December 31, 2023.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the basis described in the Note.

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 April 4, 2024.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the basis described in the Note.

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.

Sydney, Nova Scotia
April 4, 2024


Chartered Professional Accountants

St. Joseph's Credit Union Limited
Statement of Financial Position

As at December 31, 2023

	2023	2022
Assets		
Cash and cash equivalents	3,993,733	1,853,927
Investments and deposits	16,992,136	25,292,615
Loans to members	69,225,649	65,995,023
Income taxes recoverable	121,362	15,939
Property, building and equipment	756,408	590,015
Other assets	612,856	183,628
Deferred tax asset	151,345	173,900
Total assets	91,853,489	94,105,047
Liabilities		
Member deposits	79,698,647	82,309,980
Trade payable and accrued liabilities	362,248	465,580
Total liabilities	80,060,895	82,775,560
Members' equity		
Community development fund	129,298	198,611
Retained earnings	11,564,597	11,027,505
Member shares	98,699	103,371
Total Members' equity	11,792,594	11,329,487
	91,853,489	94,105,047

Approved on behalf of the Board

Director

Director

St. Joseph's Credit Union Limited

Statement of Comprehensive Income

For the year ended December 31, 2023

	2023	2022
Income		
Interest on loans	2,990,019	2,347,899
Investment income	705,634	553,120
	3,695,653	2,901,019
Interest expense		
Interest on member deposits	1,380,988	641,222
	2,314,665	2,259,797
Financial margin	514,418	492,533
Other income		
	2,829,083	2,752,330
Operating Expenses		
Personnel	899,074	975,284
Member security <i>(Schedule 1)</i>	111,141	96,737
General business <i>(Schedule 2)</i>	932,438	736,698
Occupancy <i>(Schedule 3)</i>	90,727	75,552
Provision for loan losses	195,146	6,000
Depreciation	46,392	38,325
	2,274,918	1,928,596
Income before income taxes	554,165	823,734
Other income (expense)		
Loss on disposal of property, building and equipment	(8,915)	-
Income before income taxes	545,250	823,734
Provision for (recovery of) income taxes		
Current	54,916	171,667
Deferred	22,555	(19,800)
	77,471	151,867
Comprehensive income	467,779	671,867

St. Joseph's Credit Union Limited
Statement of Changes in Equity
For the year ended December 31, 2023

	<i>Member shares</i>	<i>Community Development Fund</i>	<i>Retained earnings</i>	<i>Total equity</i>
Balance December 31, 2021	101,237	144,630	10,409,619	10,655,486
Comprehensive income	-	-	671,867	671,867
Issuance of member shares	8,282	-	-	8,282
Redemption of member shares	(6,148)	-	-	(6,148)
Transfer to Community Development Fund	-	79,981	(79,981)	-
Transfer from Community Development Fund	-	(26,000)	26,000	-
Balance December 31, 2022	103,371	198,611	11,027,505	11,329,487
Comprehensive income	-	-	467,779	467,779
Issuance of member shares	7,463	-	-	7,463
Redemption of member shares	(12,135)	-	-	(12,135)
Transfer to Community Development Fund	-	67,187	(67,187)	-
Transfer from Community Development Fund	-	(136,500)	136,500	-
Balance December 31, 2023	98,699	129,298	11,564,597	11,792,594

St. Joseph's Credit Union Limited

Statement of Cash Flows

For the year ended December 31, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating activities		
Comprehensive income	467,779	671,867
Depreciation	46,392	38,325
Deferred taxes	22,555	(19,800)
Loss on disposal of property, building and equipment	8,915	-
	545,641	690,392
Changes in working capital accounts		
Loans to members	(3,230,626)	(7,501,724)
Income taxes recoverable	(105,423)	(15,939)
Other assets	(429,228)	(162,598)
Member deposits	(2,611,333)	(3,003,764)
Trade payable and accrued liabilities	(103,332)	35,001
Income taxes payable	-	(73,886)
	(5,934,301)	(10,032,518)
Financing activities		
Membership shares, net	(4,672)	2,134
Investing activities		
Decrease of investments and deposits	8,300,479	5,102,895
Purchases of property, building and equipment	(221,700)	(15,699)
	8,078,779	5,087,196
Increase (decrease) in cash and cash equivalents	2,139,806	(4,943,188)
Cash and cash equivalents, beginning of year	1,853,927	6,797,115
Cash and cash equivalents, end of year	3,993,733	1,853,927

St. Joseph's Credit Union Limited
Note to the Summary Financial Statements
For the year ended December 31, 2023

Basis of preparation of the summary financial statements

Management has prepared the summary financial statements from the December 31, 2023 audited financial statements, which are prepared in conformity with International Financial Reporting Standards (IFRS). The audited financial statements can be obtained at St. Joseph's Credit Union Limited. The detailed notes included in the audited financial statements are not included in these summary financial statements.

The criteria developed by management for the preparation of the summary financial statements is as follows: that the information included in the summary financial statements is in agreement with the related information in the complete financial statements, and that the summary 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.

St. Joseph's Credit Union Limited
Schedule 1 - Member Security Expenses

For the year ended December 31, 2023

	2023	2022
Member security		
Bonding	19,941	19,681
Insurance	91,200	77,056
	111,141	96,737

Schedule 2 - General Business Expenses

For the year ended December 31, 2023

	2023	2022
General Business		
Advertising and promotion	8,425	14,475
Service fees and charges	266,952	230,130
Central assessment and dues	103,699	98,089
Service contracts and maintenance	15,425	12,733
Courier and postage	563	7,511
Office	22,173	24,240
Professional fees	72,903	62,317
Telephone	20,045	18,933
Data processing	215,502	167,510
Educational	45,486	27,778
Miscellaneous	24,765	46,982
Community development fund donations	136,500	26,000
	932,438	736,698

Schedule 3 - Occupancy Expenses

For the year ended December 31, 2023

	2023	2022
Occupancy		
Municipal taxes	9,500	7,924
Repairs and maintenance	33,619	16,661
Heat, lights and water	16,966	16,854
Insurance	12,274	16,649
Janitorial and cleaning supplies	18,368	17,464
	90,727	75,552



ST. JOSEPH'S

3552 Highway 206
Petit de Grat, NS B0E 2L0

Phone: 902-226-2288
Fax: 902-226-9855

stjosephscreditunion.ca