



# Desjardins

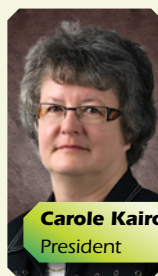
## Voyageurs Credit Union

### Caisse populaire des Voyageurs

# Annual Report 2011

## Message from the President of the Board of Directors

On behalf of all my colleagues on the Board of Directors, I would like to thank all of the valued 21,448 members of Desjardins Voyageurs Credit Union for their confidence and interest in their financial services cooperative. Thank you for doing business with Desjardins. Along with all our officers, managers and employees, you are helping each day to create our vision of the Desjardins of tomorrow.



**Carole Kairovicius**  
President

### Highlights

Overall, in 2011, your credit union posted great results. That's also true for Desjardins Group as a whole, which showed a surplus before member dividends of \$1.437 billion. On the same front, Desjardins Voyageurs Credit Union posted a result of \$5,116,456. It's important to understand that this was achieved against a highly volatile financial markets and a fragile global economy. Our high level of capitalization, combined with sound and prudent management, goes a long way to ensuring the future of our credit union and Desjardins Group.

On September 30<sup>th</sup>, 2011, Desjardins Voyageurs Credit Union's managed business volume reached \$1,000,000,000 for the first time in its history. The exemplary work of the Board of Directors and staff in helping to achieve the credit union's first billion dollars cannot be overlooked.

With these results, the credit union maintained its support for a variety of projects important to the community. All in all, it returned a total of \$198,000 to the community in 2011. This year, we will distribute a member dividend totalling \$600,000. Since 2009, the total member dividends were \$1,925,000.

The acquisitions of six Desjardins Credit Union's (DCU) in Killarney, Armstrong, Pickle Lake, Whitney, Virginiatown et Gogama were finalised in 2011. These acquisitions will continue to ensure Desjardins' presence in Ontario and increase the Desjardins Group's visibility.

2011 was also a year where our hard work and innovation was widely recognized. Desjardins Voyageurs Credit Union received the Florian Carriere Award during the Small and Medium Enterprises (SME) Gala that was held in Ottawa on September 23<sup>rd</sup>, 2011. The SME Gala highlighted the success, vitality and contributions to economic development of nine Ontario businesses, including Desjardins Voyageurs Credit Union, which was recognized in the Services, Information, Industry and Finance category.

### **Our Cooperative Difference**

At Desjardins Voyageurs Credit Union, the cooperative difference can be seen in many ways. Our democratic structure, our range of solidarity products, our helping hand for young entrepreneurs and our community involvement are its most eloquent examples. Over the years, the credit union has remained a steadfast partner of many collective and community organizations and projects.

Our difference is also visible in our commitment to education and cooperation, two drivers of lasting wealth that we seek to support.

### **Our Service Offering**

Throughout its history, Desjardins Voyageurs Credit Union and Desjardins Group have always adapted and grown to meet the ever-evolving needs of its members and enhance their business relationship with Desjardins. It is that willingness to change that enables us to offer you a wide range of advisory services and financial products that are both effective and highly competitive.

One thing is certain: the credit union's elected officers and I are doing everything in our power to ensure that Desjardins Voyageurs Credit Union continues to be a solid performer that is accessible and present in the community. Our credit union is also participating in Desjardins Group's productivity initiatives — an imperative for any business that wants to continue to grow while offering competitive services that meet the highest standards.

### **Desjardins Voyageurs Credit Union 2012-2013**

The status of the Perkinsfield Branch has been in transition since 2007. The board of directors is proud to announce that the Perkinsfield Branch will be relocated to Midland in 2013. To determine the future parameters of the Lafontaine Branch, a consultation will be done in 2012 amongst members.

Discussions are also under way to open a full service Branch downtown Toronto in order to better serve our members and gain a foothold in this valuable market.

### **Creating a Desjardins of Which We Are Proud**

The credit union's 2011 results would not have been possible without the dedication and tireless work of its elected officers, its management team and its employees. I wish to acknowledge their unflinching effort and dedication to serving you well, in keeping with Desjardins values.

And in closing, I invite you all to continue creating a Desjardins of which we can be proud.

## **Message from the Executive Director**



**Jean-Marc Spencer**  
Executive Director

It is my great pleasure to inform you of the incredible progress that the credit union has made once again this year.

Last year, I informed you of the credit union's three-year (2010–2012) strategic plan which was inspired by the values of the credit union, as well as those of Desjardins.

Throughout the last year, we have continued to implement the business plan while taking steps to confirm that it still met the needs of our members, both economic and financial. We have also focused on ensuring member satisfaction and pursuing our cooperative education activities.

I am pleased to present the financial report of Desjardins Voyageurs Credit Union for the fiscal year ended December 31<sup>st</sup> 2011.

## Volume of Business Under Management

With \$1,035,400,000 in business volume under management, up 7.1% over last year, the credit union is extremely well positioned in its market. As part of Desjardins Group, the credit union has access to a complete line of financial products and services to meet the ever-growing needs of its 21,448 members. Overall, the investment-savings portfolio (credit union and components combined) now represents 55.5% of business volume, while financing products (credit union and components combined) make up 44.5% of total business volume.

## Investment-savings

	2011		2010		Change	
	(\$M)	proportion	(\$M)	proportion	(\$M)	(%)
<b>Investment-savings</b>	575,0	100,0%	552,8	100,0 %	22,2	4,0%
At the credit union*	410,4	71,4%	362,3	65,5 %	48,1	13,3%
With Desjardins components	164,6	28,6%	190,5	34,5 %	(25,9)	-13,6%
Desjardins Funds	70,8	12,3 %	67,7	12,2 %	3,1	4,6%
Private Wealth Management	24,8	4,3%	10,5	1,9 %	14,3	136,2%
Desjardins Securities	44,0	7,7%	43,3	7,8 %	0,7	1,6%
Others	25,0	4,3%	69,0	12,5 %	(44,0)	-63,8%

\* Refers to deposit liabilities on the credit union balance sheet.

Investment-savings (credit union and components combined) grew by \$22,200,000 to \$575,000,000, an increase of 4.0% compared to last year. In addition to the savings offer at the credit union, members have access to the most comprehensive, one-stop offer of financial products, from mutual funds and securities to discretionary management services provided by Desjardins components.

## Financing

The total of the credit union's financing was \$460,400,000, with overall growth this year of 11.2%.

	2011		2010		Variation	
	(\$M)	proportion	(\$M)	proportion	(\$M)	(%)
<b>Financing</b>	460,4	99,9%	413,4	100,0%	47,0	11,4%
At the credit union*	390,8	84,9%	341,9	82,7%	49,0	14,3%
With Desjardins components	69,6	15,1%	71,5	17,3%	(1,9)	-2,7%
Loans sold	1,8	0,4%	2,7	0,7%	(0,9)	-33,3%
Loans shared	62,0	13,5%	63,0	15,2%	(1,0)	-1,6%
VISA	5,1	1,1%	5,1	1,2%	0,0	0,0%
Others	0,7	0,1%	0,7	0,2%	0,0	0,0%

## Notes to the Financial Statements

### Balance Sheet

Simplified Financial Statements - Financial Position	2011	2010
Cash and Investments	\$50,369,940	\$48,537,909
Individual loans	\$274,420,383	\$246,920,983
Commercial loans	\$116,345,998	\$94,862,024
Allowance for impaired loans	-\$1,320,796	-\$1,542,402
Other assets	\$14,900,580	\$13,586,617
<b>TOTAL ASSETS</b>	<b>\$454,716,105</b>	<b>\$402,365,131</b>
Term deposits	\$233,002,311	\$226,387,937
Other deposits	\$173,969,138	\$133,159,285
Loans and other liabilities	\$12,185,006	\$12,163,136
<b>TOTAL Liability</b>	<b>\$419,156,455</b>	<b>\$371,710,358</b>
Share capital	\$4,910,064	\$4,721,062
Accumulated other comprehensive income	\$929,427	\$856,655
Reserve for fair value gains in derivatives	\$1,725,780	\$411,152
Retained earnings	\$27,994,379	\$24,665,904
<b>Total Equity</b>	<b>\$35,559,650</b>	<b>\$30,654,773</b>

The assets of your credit union grew by \$52,350,974 to reach \$454,716,105, representing growth of 11.2% over last year.

As of December 31<sup>st</sup>, 2011, your cooperative's equity had shown an outstanding growth, from \$30,654,773 to \$35,559,650, an increase of 16.0%. In addition to capital stock, equity is made up of share capital \$4,910,064, retained earnings \$27,994,379 and reserves \$1,725,780.

## Statement of Income

Income	2011	2010
Interest revenue	\$17,475,322	\$17,340,173
Interest expenses	\$6,330,829	\$6,027,310
<b>Net interest revenue</b>	<b>\$11,144,493</b>	<b>\$11,312,863</b>
Provision for credit losses	\$97,534	\$137,231
Other revenues	\$3,487,306	\$3,420,480
Other expenses	\$10,615,811	\$10,339,761
<b>Operating Income</b>	<b>\$3,918,454</b>	<b>\$4,256,351</b>
Revenue related to an investment in a participatory deposit fund with the Federation	\$1,198,002	\$1,250,470
<b>Net income before fair value adjustments, patronage dividends and provision for income taxes</b>	<b>\$5,116,456</b>	<b>\$5,506,821</b>
Revenue related to the fair value of derivatives	\$1,728,079	\$129,109
Provision for income taxes	\$1,479,882	\$1,535,895
Patronage dividends	\$600,000	\$500,000
Income tax recovery related to patronage dividends	\$142,840	\$154,960
<b>Net Income</b>	<b>\$4,907,493</b>	<b>\$3,754,995</b>

During the past year, your credit union generated a net income before fair value adjustments, patronage dividends and provision for income taxes of \$5,116,456, down by 7.08% compared to the previous year.

Interest revenue \$17,475,322, an increase of 0.8% over last year. Interest expenses, meanwhile, rose by 5.04%, a difference of \$303,519 over the previous year. Losses on loans were \$97,534, or 0.25 % of the total personal and business loan portfolio.

Other income, generated largely from products and services of Desjardins components, was \$3,487,306, up 1.95 % from last year.

Other expenses also showed moderate overall growth, representing a variance of \$276,050, or 2.66%.

## Conclusion

In closing, I would like to thank the entire staff for their constant hard work over the last year and their adaptability to our ever evolving ways of doing business. I would also like to thank the officers for their commitment and availability, and all the members of the credit union for their continuing confidence in their financial services cooperative.

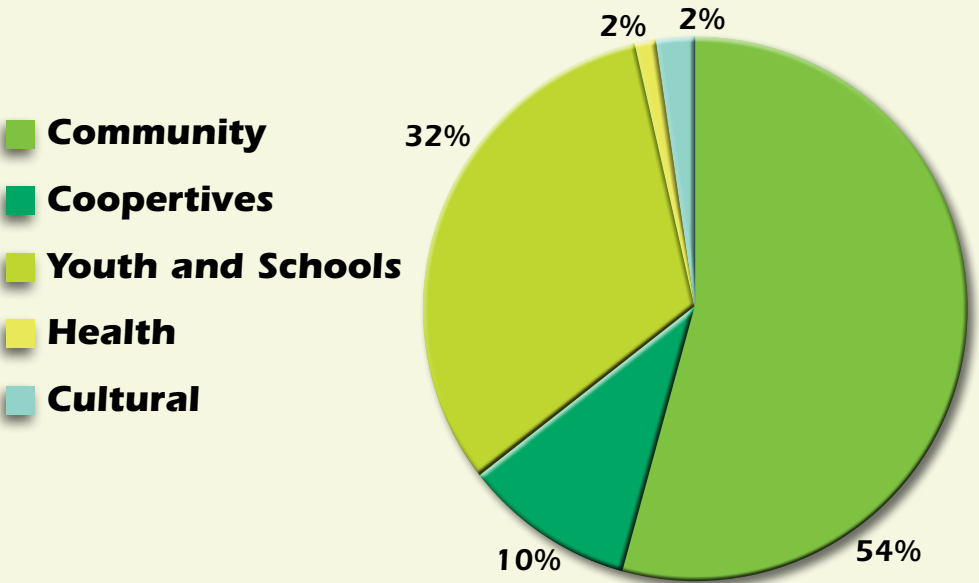
Like many of you, I believe that the credit union's close relationship with its members and the community is an important distinguishing element for Desjardins Group and a guarantee of our success in the future.



Jean-Marc Spencer  
Executive Director

# Partners in Our Community

A total of \$198,000 was returned to the community in 2011



# Our Employees

Agostino, Stefanie  
 Allard, Joanne  
 Arseneau, Diane  
 Bastiampillai, Anne  
 Beauchamp, David  
 Bertrand, Lucie  
 Bradley, Anne  
 Brown, Erika  
 Brown, Normande  
 Brunet, Brigitte  
 Brunet, Ginette  
 Burke, Sandra  
 Cassell, Rose  
 Chapman, Amanda  
 Charbonneau, Diane  
 Constantinescu, Dana  
 Corriveau, Joanne  
 Côté, Christiane  
 Couture, Andrée  
 Daoust, Paul  
 Deschamps, André  
 Diotte, Thérèse  
 Dipietro, Carmela  
 Dubois, Monique  
 Ferguson, James  
 Fletcher, Vanessa  
 Gagné, Pascal  
 Gilfillan, Curtis  
 Gingras, Sophie

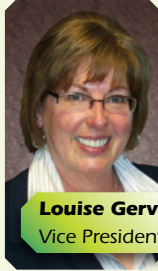
Hamann, Marcelle  
 Hewitt, Colette  
 Houle, Julie  
 Kapustik, Lisa  
 Keyes, Sylvie  
 Lacelle, Christian  
 Lachance, Lise  
 Lamontagne, Jessica  
 Larcher, Julie  
 Larochelle, Mandy  
 Lefebvre, Liette  
 Lemelin, Mélika  
 Lemire, Julie  
 Manirakiza, Michael  
 Marchand, Josée  
 Marchildon, Jocelyn  
 Marion, Nicole  
 Mathieu, Nina  
 Mayer, Claudette  
 McLaughlin, Lynn  
 Morin, Adam  
 Morissette, Annie  
 Morissette, Françoise  
 Morzsolos, Samantha  
 Niesing, Véronique  
 O'Connor, Renée  
 Pharand, Carmen  
 Piquette, Véronique  
 Pitre, Sherri-Lynn

Plante, Stéphan  
 Poulin, Lucie  
 Préseault, Josée  
 Racine, Pauline  
 Racine, Suzanne  
 Rainville, Michel  
 Rancourt, Mélanie  
 Rancourt, Suzanne  
 Rivard, Sylvie  
 Robert, Paulette  
 Roque, Rosemarie  
 Roy, Pamela  
 Roy, Réjeanne  
 Ruddy, Josée  
 Rygiel, Carolyn  
 Sarnowski, Jessica  
 Schacherl, Claudette  
 Séguin-Bisaillon, Corey  
 Smeltzer, Corrie-Anne  
 Spencer, Jean-Marc  
 Thibert, Alain  
 Vaillancourt, Rachelle  
 Vatinel, Sandrine  
 Vellucci, Marie-Paule  
 Welton, Monique  
 Wills, Joanne  
 Wills, Kaitlyn

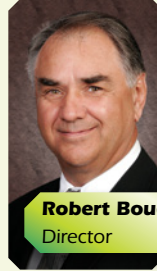
# Our **Board** of Directors



**Carole Kairovicius**  
President



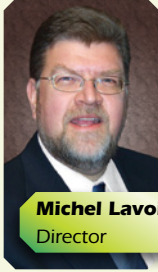
**Louise Gervais-Guy**  
Vice President



**Robert Boucher**  
Director



**Gérald Gervais**  
Director



**Michel Lavoie**  
Director



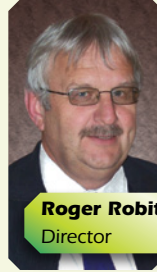
**Patrick Plourde**  
Director



**Bululu Kabatakaka**  
Director



**Josée Perreault-Doudard**  
Director



**Roger Robitaille**  
Director



**Desjardins**  
Voyageurs Credit Union

**Caisse populaire des Voyageurs**

531 Notre-Dame Avenue  
Sudbury (Ontario) P3C 5L1  
705 674-4234 ■ 705 566-3644  
[www.desjardins.com/caissevoyageurs](http://www.desjardins.com/caissevoyageurs)

## **Our Branches**

**Sudbury Region**  
St-Jean-de-Brébeuf  
Lasalle  
Sudbury South End  
Ste-Anne

**Great North Region**  
Thunder Bay

**Toronto Region**  
Mississauga  
Toronto  
Oshawa

**Simcoe Region**  
Lafontaine  
Perkinsfield