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</tbody>
</table>
It’s an exciting time at WFCU Credit Union. As we’ve boldly proclaimed through our rebranding in September 2015, “We’re Not A Bank. We’re Better.” Every facet of the credit union is engaged to ensure we continue to be not only better, but the preferred financial institution in Windsor-Essex, and beyond.

The Canadian financial institution sector is as competitive as ever. Traditional banks are facing increased pressure from credit unions, as well as non-traditional entities focused on digital-only, “no frills” service for their customers. At WFCU Credit Union, we’re committed to serving our members, personally. We strive to know you by name, and provide you with all the financial products and services you’ll ever need, efficiently and effectively. We’ve launched services that enhance our member experience, and we will continue to promote new and emerging technologies which make banking easier, more convenient and more rewarding.

Fiscal 2015/2016 was a year of great celebration, honouring the 75 years we’ve proudly served our members in Windsor-Essex. It was also a year of many firsts, with numerous product launches and new initiatives as part of our five year strategic plan, “Success 2020: Relevant and Sustainable”.

Products like Quick Loans, SmarterCash: A Pay Day Alternative, ALTO Savings, Optimum Investments, Interac® Online Payment, Deposit Anywhere and Auto+ Lease were launched.

WFCU Commercial Services, WFCU Investment Services and WFCU Finance & Leasing were all re-launched with new logos and marketing collateral that was consistent with the new WFCU Credit Union brand. We also launched WFCU Real Estate Corporation, WFCU Mortgage Broker Services and WFCU Foreign Exchange Services.

We made numerous improvements to back-end systems to further assist in our growth. This included ACE Sales Tracking, a Corporate Accounting Solution, a Human Resource Information System, IntelliLender and a Corporate Learning Management System.

And, to make it even easier for our members to do business with us, we introduced Remote Branch Deposit Capture, Me-to-Me Transfer, MemberDirect TeleService, Remote Deposit Corporate Capture and launched the new WFCU Mobile App. We also expanded our unique value proposition to those outside Windsor-Essex with the introduction of Omnia Direct, allowing everyone in Ontario to experience the top notch products and services we provide.

WFCU Credit Union ended the 2016 fiscal year strong. Total assets increased $192.4 million or 15.1% to $1.467 billion at May 31, 2016 and Member Shares and Equity increased 1.9% to $98.6 million. Managed assets increased $462.6 million or 21.8% at May 31, 2016. Members’ deposits increased $148.6 million or 14.3% to $1,190.7 million at May 31, 2016.

Total loans to members continued to increase with growth of $199.4 million ending the year at $1,302.1 million, an increase of 18.1%.

Commercial and agricultural loans and mortgages continued their strong growth ending the year at $673.1 million, which is a 22.1% increase over last year. Residential mortgages finished the year at $567.9 million, an increase of 14.6%.
Through WFCU Wealth Management, WFCU’s Wealth Consultants continued to provide members access to financial planning services consisting of comprehensive investment and life insurance solutions. This year, WFCU Wealth Management achieved strong growth ending the year with assets of $127.4 million held in mutual funds and segregated fund investments. This is an increase of 12.4% from May 2015.

Interest income increased $2.4 million to $49.9 million while interest expense increased by $0.9 million compared to last year. This resulted in net interest income after dividends of $26.6 million, increasing by $1.5 million compared to last year.

Members earned $19.2 million in interest on deposits. In addition, a dividend of 2.50% was paid on Investment Shares Series 1, 2, 3, and 4 held by members. Series 5 Investment Shares earned an annual dividend of 2.80% plus the planned Year Two Bonus of 0.30%.

The credit union’s Asset Liability Committee met regularly to ensure the credit union’s growth was profitable and sustainable while working to provide our members with the most competitive rates for loans, mortgages and deposits.

Net income from operations before final allocation to the total loan loss provision, unrealized gains and income tax for 2015/2016 totaled $5.034 million compared to the previous year total of $5.05 million. However, your Board of Directors on a recommendation of Executive Management adjusted the provision for losses on loans by an additional $4.35 million, which resulted in a net income before unrealized gains and income taxes of $684,000.

A key indicator of WFCU Credit Union’s financial strength is our Regulatory Capital, which includes Member Shares and Member Equity. Our Regulatory Capital forms a solid foundation for our future sustainability and growth and ensures WFCU Credit Union offers competitively priced products and services. WFCU Credit Union follows a prudent Capital Plan to ensure we exceed Regulatory Capital limits and it was successfully followed during fiscal 2016.

Regulatory Capital totals $100.5 million and represents 6.85% of total assets and 11.44% of total risk weighted assets. These ratios exceed legislated Regulatory Capital levels of 4.0% of total assets and 8.0% of total risk weighted assets.

Our Board, Management and Staff remain committed to being better, offering our membership unmatched products and services while making the communities we serve the best place to work and live. WFCU Credit Union will continue to be a preferred financial institution in Windsor-Essex, and beyond. It is a privilege to serve our membership.

Martin D. Gillis,  
Chair, WFCU Board of Directors

Martin J. Komsa,  
WFCU President & Chief Executive Officer
In 2015/2016, we continued to put our members first, by serving them where, when and how they need us. By successfully launching numerous new products and services, while continuing to give back to the communities we serve, we delivered on our promise to be the best financial institution in Windsor-Essex, and beyond.

This past year we proudly achieved these milestones, once again proving why “We’re Not A Bank. We’re Better.”

NEW BRAND
WFCU Credit Union
Our new brand was launched with an updated logo and new tagline that boldly proclaims, “We’re Not A Bank. We’re Better.”

FOREIGN EXCHANGE SERVICES
WFCU Foreign Exchange Services’ Portal, gives WFCU members convenient access to ‘live’ USD exchange rates. Rates through WFCU Foreign Exchange Services are much more competitive, saving our members money.

SMARTERCASH: A PAYDAY ALTERNATIVE
WFCU Credit Union became Ontario’s first financial institution to offer an affordable alternative to assist borrowers to break away from the predatory payday cycle. Our product also provides users the ability to build credit and establish real savings.

AUTO+ LEASE
We launched a program to provide auto leasing services to all auto dealers across Ontario with our Auto+ Lease product.

OMNIA DIRECT
Omnia Direct, our digital entity was launched in January 2016 to offer the benefits of membership to people living in communities from Tilbury to Thunder Bay.

WFCU REAL ESTATE CORPORATION
WFCU Real Estate Corporation is a 100% wholly owned subsidiary corporation of WFCU Credit Union created to help diversify the products and services we offer in the communities we serve.
## FIVE YEAR FINANCIAL RESULTS

**May 31 Year End Balances**  
(000's)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance Sheet</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Loans</td>
<td>$64,765</td>
<td>$55,531</td>
<td>$53,107</td>
<td>$55,201</td>
<td>$57,547</td>
</tr>
<tr>
<td>Mortgage Loans</td>
<td>567,858</td>
<td>495,539</td>
<td>442,000</td>
<td>404,987</td>
<td>373,325</td>
</tr>
<tr>
<td>Commercial Loans</td>
<td>673,074</td>
<td>551,427</td>
<td>487,462</td>
<td>411,545</td>
<td>353,841</td>
</tr>
<tr>
<td><strong>Total Loans</strong></td>
<td>$1,305,697</td>
<td>$1,102,497</td>
<td>$982,569</td>
<td>$871,733</td>
<td>$784,713</td>
</tr>
<tr>
<td><strong>Variable Rate Deposits</strong></td>
<td>$520,272</td>
<td>$459,933</td>
<td>$357,744</td>
<td>$338,375</td>
<td>$304,757</td>
</tr>
<tr>
<td><strong>Fixed Rate Deposits</strong></td>
<td>665,529</td>
<td>577,721</td>
<td>525,610</td>
<td>545,939</td>
<td>477,902</td>
</tr>
<tr>
<td><strong>Total Deposits</strong></td>
<td>$1,185,801</td>
<td>$1,037,654</td>
<td>$883,354</td>
<td>$884,314</td>
<td>$782,659</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td>$1,467,269</td>
<td>$1,274,839</td>
<td>$1,104,166</td>
<td>$1,036,114</td>
<td>$908,010</td>
</tr>
<tr>
<td>Annual % Increase</td>
<td>15.1%</td>
<td>15.5%</td>
<td>6.6%</td>
<td>14.1%</td>
<td>17.5%</td>
</tr>
<tr>
<td><strong>Managed Assets</strong></td>
<td>$2,584,899</td>
<td>$2,122,325</td>
<td>$1,681,361</td>
<td>$1,499,434</td>
<td>$1,274,755</td>
</tr>
<tr>
<td>Annual % Increase</td>
<td>21.8%</td>
<td>26.2%</td>
<td>12.1%</td>
<td>17.6%</td>
<td>32.6%</td>
</tr>
<tr>
<td><strong>Statement Of Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Interest Income</td>
<td>$27,958</td>
<td>$26,479</td>
<td>$24,600</td>
<td>$22,801</td>
<td>$21,344</td>
</tr>
<tr>
<td>Other Non-Interest Income</td>
<td>6,237</td>
<td>5,260</td>
<td>4,535</td>
<td>4,501</td>
<td>4,181</td>
</tr>
<tr>
<td><strong>Net Interest &amp; Other Income</strong></td>
<td>$34,195</td>
<td>$31,739</td>
<td>$29,135</td>
<td>$27,302</td>
<td>$25,525</td>
</tr>
<tr>
<td><strong>Non-Interest Expenses</strong></td>
<td>$32,189</td>
<td>$25,974</td>
<td>$24,043</td>
<td>$21,871</td>
<td>$20,737</td>
</tr>
<tr>
<td><strong>Income Before Distribution To Members</strong></td>
<td>$2,006</td>
<td>$5,765</td>
<td>$5,092</td>
<td>$5,431</td>
<td>$4,788</td>
</tr>
<tr>
<td><strong>Regulatory Capital</strong></td>
<td>$100,460</td>
<td>$98,871</td>
<td>$93,199</td>
<td>$73,343</td>
<td>$68,055</td>
</tr>
</tbody>
</table>

*Excludes accrued interest receivable and allowance for impaired loans. ** Excludes accrued interest payable.
Management is responsible for the preparation, presentation and consistency of the accompanying consolidated financial statements and other information contained in this Annual Report.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and have been audited by KPMG LLP Chartered Professional Accountants.

Management maintains the necessary system of internal controls to provide reasonable assurance that transactions are authorized, assets safeguarded and proper records maintained. This system of internal controls provides reasonable assurance that financial records are reliable and are a proper basis for preparation of the financial statements.

The Audit Committee and the Board of Directors, in carrying out their responsibility, have reviewed and approved the consolidated financial statements.

Martin J. Komsa, Chief Executive Officer

Michelle Voth, Vice President, Finance

To the Members of Windsor Family Credit Union:

The accompanying summary consolidated financial statements of Windsor Family Credit Union which comprise the summary consolidated statement of financial position as at May 31, 2016 and the summary consolidated statements of income, comprehensive income and changes in members’ equity, for the year then ended are derived from the complete audited consolidated financial statements, of Windsor Family Credit Union as at and for the year ended May 31, 2016.

We expressed an unmodified audit opinion on those complete consolidated financial statements in our auditors’ report dated August 10, 2016.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards applied in the preparation of the complete audited consolidated financial statements of Windsor Family Credit Union. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the complete audited consolidated financial statements of Windsor Family Credit Union.

Management’s Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the basis described in Note 1.

Auditors’ Responsibility

Our responsibility is to express an opinion on the summary 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.”

Opinion

In our opinion, the summary consolidated financial statements derived from the complete audited financial statements of Windsor Family Credit Union as at May 31, 2016 and for the year then ended are a fair summary of those complete consolidated financial statements in accordance with the basis described in Note 1.

Chartered Professional Accountants,
Licensed Public Accountants
August 10, 2016
Windsor, Canada
## SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th>Assets</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and short-term deposits</td>
<td>$44,158</td>
<td>$64,044</td>
</tr>
<tr>
<td>Investments</td>
<td>$98,320</td>
<td>$85,158</td>
</tr>
<tr>
<td>Loans to members</td>
<td>$1,302,072</td>
<td>$1,102,660</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>$19,498</td>
<td>$19,935</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>$398</td>
<td>$65</td>
</tr>
<tr>
<td>Other assets</td>
<td>$2,407</td>
<td>$2,656</td>
</tr>
<tr>
<td>Deferred income taxes</td>
<td>$416</td>
<td>$321</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$1,467,269</strong></td>
<td><strong>$1,274,839</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Members’ Equity</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members’ deposits</td>
<td>$1,190,709</td>
<td>$1,042,105</td>
</tr>
<tr>
<td>Borrowings</td>
<td>$171,529</td>
<td>$129,603</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>$6,398</td>
<td>$6,391</td>
</tr>
<tr>
<td>Member shares</td>
<td>$49,082</td>
<td>$47,806</td>
</tr>
<tr>
<td><strong>Total Liabilities and Members’ Equity</strong></td>
<td><strong>$1,417,718</strong></td>
<td><strong>$1,225,905</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Members’ equity:</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained earnings</td>
<td>$49,485</td>
<td>$48,868</td>
</tr>
<tr>
<td>Contributed surplus</td>
<td>$668</td>
<td>$668</td>
</tr>
<tr>
<td>Accumulated other comprehensive loss</td>
<td>(602)</td>
<td>(602)</td>
</tr>
<tr>
<td><strong>Total Members’ Equity</strong></td>
<td><strong>49,551</strong></td>
<td><strong>48,934</strong></td>
</tr>
</tbody>
</table>

| **Total Liabilities and Members’ Equity**          | **$1,467,269** | **$1,274,839** |

On behalf of the Board:

*Martin D. Gillis*, Chair

*Rick Martinello, 1st Vice Chair*
## Summary Consolidated Statement of Income

<table>
<thead>
<tr>
<th>(in thousands of dollars)</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest income:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on loans</td>
<td>$48,873</td>
<td>$46,243</td>
</tr>
<tr>
<td>Investment income</td>
<td>1,088</td>
<td>1,282</td>
</tr>
<tr>
<td><strong>Total Interest income</strong></td>
<td>49,961</td>
<td>47,525</td>
</tr>
<tr>
<td><strong>Interest expense:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on members’ deposits</td>
<td>19,215</td>
<td>18,178</td>
</tr>
<tr>
<td>Interest on borrowings</td>
<td>2,788</td>
<td>2,868</td>
</tr>
<tr>
<td>Dividends</td>
<td>1,389</td>
<td>1,420</td>
</tr>
<tr>
<td><strong>Total Interest expense</strong></td>
<td>23,392</td>
<td>22,466</td>
</tr>
<tr>
<td><strong>Net interest income after dividends</strong></td>
<td>26,569</td>
<td>25,059</td>
</tr>
<tr>
<td><strong>Other non-interest income</strong></td>
<td>6,237</td>
<td>5,260</td>
</tr>
<tr>
<td><strong>Provision for losses on loans</strong></td>
<td>6,329</td>
<td>1,087</td>
</tr>
<tr>
<td><strong>Total non-interest expenses</strong></td>
<td>26,477</td>
<td>29,232</td>
</tr>
<tr>
<td><strong>Non-interest expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee salaries and benefits</td>
<td>14,043</td>
<td>13,292</td>
</tr>
<tr>
<td>Administrative</td>
<td>6,641</td>
<td>5,906</td>
</tr>
<tr>
<td>Occupancy</td>
<td>2,824</td>
<td>2,821</td>
</tr>
<tr>
<td>Data processing</td>
<td>1,513</td>
<td>1,385</td>
</tr>
<tr>
<td>Member deposit insurance</td>
<td>515</td>
<td>461</td>
</tr>
<tr>
<td>Governance</td>
<td>257</td>
<td>317</td>
</tr>
<tr>
<td><strong>Total non-interest expenses</strong></td>
<td>25,793</td>
<td>24,182</td>
</tr>
<tr>
<td><strong>Net income before the undernoted</strong></td>
<td>684</td>
<td>5,050</td>
</tr>
<tr>
<td><strong>Unrealized gain on investments</strong></td>
<td>32</td>
<td>168</td>
</tr>
<tr>
<td><strong>Income before income taxes</strong></td>
<td>716</td>
<td>5,218</td>
</tr>
<tr>
<td><strong>Provision (recovery) for income taxes:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td>194</td>
<td>900</td>
</tr>
<tr>
<td>Deferred</td>
<td>(95)</td>
<td>(27)</td>
</tr>
<tr>
<td><strong>Total Provision (recovery) for income taxes</strong></td>
<td>99</td>
<td>873</td>
</tr>
<tr>
<td><strong>Net income for the year</strong></td>
<td>$617</td>
<td>$4,345</td>
</tr>
</tbody>
</table>
### Summary Consolidated Statement of Changes in Members’ Equity

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net income</strong></td>
<td>$617</td>
<td>$4,345</td>
</tr>
<tr>
<td><strong>Other comprehensive income, never to be reclassified, net of tax:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defined benefit plan - actuarial gains, net of tax</td>
<td>-</td>
<td>17</td>
</tr>
<tr>
<td><strong>Comprehensive income</strong></td>
<td>$617</td>
<td>$4,362</td>
</tr>
<tr>
<td><strong>Retained earnings:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, beginning of year</td>
<td>$48,868</td>
<td>$44,523</td>
</tr>
<tr>
<td>Net income</td>
<td>617</td>
<td>4,345</td>
</tr>
<tr>
<td>Balance, end of year</td>
<td>49,485</td>
<td>48,868</td>
</tr>
<tr>
<td><strong>Contributed surplus:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, beginning and end of year</td>
<td>668</td>
<td>668</td>
</tr>
<tr>
<td><strong>Accumulated other comprehensive loss, net of tax:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, beginning of year</td>
<td>(602)</td>
<td>(619)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>17</td>
</tr>
<tr>
<td>Balance, end of year</td>
<td>(602)</td>
<td>(602)</td>
</tr>
<tr>
<td><strong>Members’ equity, end of year</strong></td>
<td>$49,551</td>
<td>$48,934</td>
</tr>
</tbody>
</table>
The summary consolidated financial statements are derived from the audited consolidated financial statements, prepared in accordance with IFRS as at May 31, 2016 and May 31, 2015 and for the years then ended.

The preparation of these summary consolidated financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of the audited consolidated financial statements.

Management prepared these summary consolidated financial statements using the following criteria:

(a) The summary consolidated financial statements include a statement for each statement included in the audited statements;

(b) Information in the summary consolidated financial statements agrees with the related information in the audited consolidated financial statements;

(c) Major subtotals, totals and comparative information from the audited consolidated financial statements are included; and

(d) The summary consolidated financial statements contain the information from the audited consolidated financial statements dealing with matters having a pervasive or otherwise significant effect on the summarized consolidated financial statements.

The audited consolidated financial statements of WFCU are available upon request by contacting the credit union.
Windsor Family Credit Union has maintained an Audit Committee pursuant to Section 125 of the Credit Unions and Caisses Populaires Act, 1994. The Audit Committee which consists of five directors meets at least quarterly and has adopted a mandate that, on an annual basis, covers all of the duties in the Regulations to the Act which are specified to be performed by Audit Committees.

As delegated by the Board, the Audit Committee has primary responsibility for review of audited consolidated financial statements, internal controls, accounting policies and reporting procedures and it has primary contact with external and internal auditors.

This past year, the Audit Committee met four times. During the year, the Audit Committee reviewed the Internal Audit Plan and discussed with management the scope of internal audit work and findings, including the audit of a number of departments and processes.

The Audit Committee received satisfactory explanations from management on the reports and observations of the internal auditors. The committee received quarterly reports from the Enterprise Risk Management Committee which assists the credit union in the ongoing identification and monitoring of significant risks to the credit union. The committee received regular reports from the Internal Capital Adequacy Assessment Process (“ICAAP”) Committee which contained status updates with respect to the credit union’s work on ICAAP as this was its first year of implementation. WFCU is required by the regulator to implement an ICAAP and conduct an annual assessment of its capital requirements. WFCU’s ICAAP was approved by the Audit Committee and the Board of Directors.

The Audit Committee is effectively conducting its affairs in accordance with the Act and the Regulations and has received and continues to receive full co-operation from management. There were no significant recommendations made by the Audit Committee or a previous Audit Committee that have not been implemented or are in the process of being implemented.

As part of the overall plan for enhanced training and development for the Board, the Audit Committee’s members have participated in such training and development as the committee considers appropriate.

The Audit Committee is not aware of any other matters that are required to be disclosed pursuant to the Act or the Regulations.

Robert Nesbitt
Chair, Audit Committee
wfcu
CREDIT UNION

We’re not a bank. We’re better.

519.974.WFCU
wfcu.ca