



WINDSOR FAMILY CREDIT UNION

2009/2010 Annual Report

*Celebrating our 25th Anniversary
and 70 Years of Serving the
Community*



Windsor Family Credit Union - Turner Road Retail Location - 1980's

VISION

Windsor Family Credit Union - Quality, Convenience, Innovation,
Open to Everyone and Yours To Own.

MISSION STATEMENT

Windsor Family Credit Union will provide services and a full range of
highest quality financial products to make our community
the best place to live and work.



Mayor Francis, Marty Komsa and Marty Gillis break ground on Windsor Family Credit Union's new Corporate and Administration Offices - 2006

Table Of Contents

Message to our Members	1
Year In Review	3
Five Year Financial History	11
Auditor's Report on Summarized Financial Statements	12
Balance Sheet and Statement of Retained Earnings	12
Statement of Comprehensive Income	13
Management Report and Report of the Audit Committee	14
For the Future	15

Message To Our Members

It was 1985. The credit union system in the Windsor area was ready for a change. There were over 70 credit unions in the

area and four credit union Board of Directors had a vision. They wanted to come together to ensure that the members and potential members had a choice for their financial services. They knew that if a credit union could provide quality financial products and services at competitive rates the people who live and work in Windsor and Essex County would benefit.



Martin D. Gillis
Chair, Board of Directors

It was at this time that the G.M.C. Employees (Windsor) Credit Union, Riverside Community (Windsor) Credit Union, Windsor Family Credit Union (formerly Motorco Community), and C. J. Watson (Windsor) Credit Union decided to merge. They worked diligently to put one credit union in place, Windsor Family Credit Union, to serve the members.

In 1986 a new management team was put in place and the Board of Directors was very supportive of the new philosophies and expectations. The number one priority at all times was to establish a credit union that would be the best in financial services and provide top quality services to the membership through the best staff. We truly wanted to be the best and to assist Windsor and Essex County to be the best place to live and work.

Twenty-five years later, what a success:

- In 1986, WFCU had \$36.5 million in managed assets. Today, WFCU administers \$791 million in assets.
- In 1986, WFCU served 13,000 members. Today, WFCU provides service to 27,000 members.
- In 1986, WFCU had \$650,000 in financial capital and reserves. Today, WFCU has \$57 million in retained earnings and equity shares.
- In 1986, members held \$62.8 million in service totals consisting of loans and deposits. Today, members hold \$1.25 billion in service totals.

All of these accomplishments were achieved while giving back

more than \$4 million to our communities over the last eight years. Have we achieved success? We think so! This was accomplished during good times and challenging times. It was accomplished because we had a plan, we focused on our members; and our members and the community believed in us.

Many thanks must go out to our partners who believed in us - Credit Union Central of Ontario (now Central 1), CUMIS Members Insurance (now part of The Co-operators), Co-operative Trust (now Concentra Financial), Credential Financial Strategies and our local partners Blonde and Little Insurance (now PBL Insurance). They worked with us over the last 25 years. Without them, our success would have been less. With them, our success grew stronger.

To our Board members - past and present, our sincere thanks. There were many discussions and many reviews of the Business Plans that took place – and only now can it be appreciated.

To our staff, past and present, we thank you. We have said many times that it is going to be a great ride. We asked you to believe in us and you did. There are twenty employees who have been with us for the last twenty years. That experience and dedication is most appreciated.

Twenty-five years later we find ourselves serving 13,700 personal households, 900 local businesses and 1,100 community, non-profit and institutional members. We also provide insurance and investment services to 4,900 households through our insurance and investment partners.

Our members believe in us. They continue to bring their financial services to us.

We are pleased to report that this past year was very successful. Throughout the year, we remained true to our strategic direction of being the best and implemented our planned initiatives that balanced the allocation of our resources to our identified three key areas.



Martin J. Komsa
President and Chief
Executive Officer

We supported our members by providing competitively priced products and services, with our market leading Free Chequing accounts and competitive service fees as well as special pricing of mortgages and investments to build stronger relationships. New products were introduced including Business Online Banking and Email Money Transfers.

We continued to invest in a number of areas of our infrastructure through the creation of new employee positions, proceeding with the plan to renovate our retail locations and through our expanded focus on corporate governance.

Enhanced marketing and community investment initiatives, along with support for several community capital projects continue to help make our region a great place to live and work.

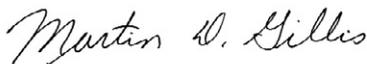
During the year, we enhanced our financial strength by managing our financial margin, using pricing initiatives and financial management tools. We

continued to build our regulatory capital by following our capital plan.

With our members' continued support, deposits grew to \$638.8 million and loans to \$612.6 million, an increase of 5.7% and 10.2%, respectively. Assets under administration grew by 10.0% to \$790.6 million. Our commitment to surpass regulatory capital levels remained strong as total regulatory capital reached \$56.6 million. Again this year, WFCU paid better than average annual

dividends to our members on their membership and investment shares. Net income of over \$4.36 million was transferred to retained earnings, enhancing the financial strength of the credit union.

We are extremely proud of our past and the accomplishments of this past year. We remain committed to our vision of being the best financial institution in Windsor and Essex County. Thank you to our members as we celebrate our 25th anniversary and 70 years of serving the community.



Martin D. Gillis
Chair, Board of Directors



Martin J. Komsa
President and Chief Executive Officer

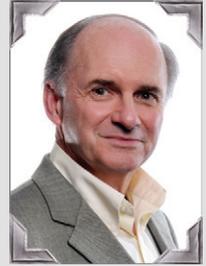


The late Harold Hewitt, WFCU long term Director, community supporter and inspiration for the Harold Hewitt Scholarship Program

WFCU Board of Directors



Rick Martinello,
Vice-Chair



Robert (Bob) Nesbitt, Corporate Secretary



Pearl Davies,
Director



Kevin Hague,
Director



Nancy Jammu-Taylor,
Director



Vince Marcotte,
Director



Federica Nazzani,
Director



Cary Wheeler,
Director

Year In Review

During 2009 – 2010, Windsor Family Credit Union (WFCU) remained true to our strategic direction of being the best credit union, implementing planned initiatives that balanced the allocation of our resources to these key areas - our members, our infrastructure, organization and community and our financial strength.

Our members continued to support our strategic direction by looking to us for more of their financial business, resulting in a very successful year.

Member Profile

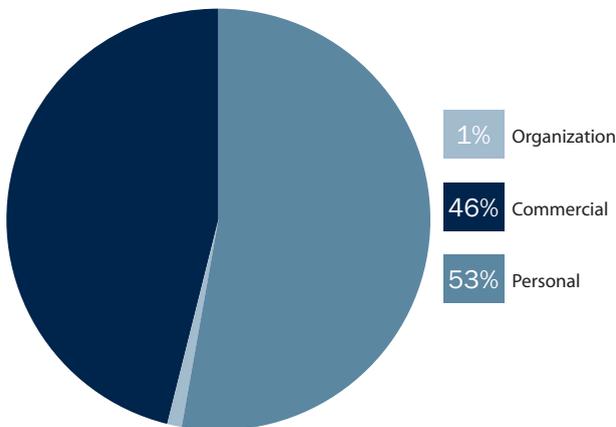
WFCU serves four identified member segments – Personal, Commercial, Organization and Institutional. We monitor their holdings to ensure they are being serviced professionally and efficiently with products and services designed with their needs in mind.

At May 31, 2010, service totals consisting of total loans and deposits held by our members were \$1.25 billion, an increase of \$97 million or 8% over the year. Most member segments experienced positive growth.

Total loan holdings increased by \$56 million, including \$34 million growth from Business members and \$20 million from Personal members.

SERVICE HOLDINGS BY MEMBER SEGMENT - LOANS

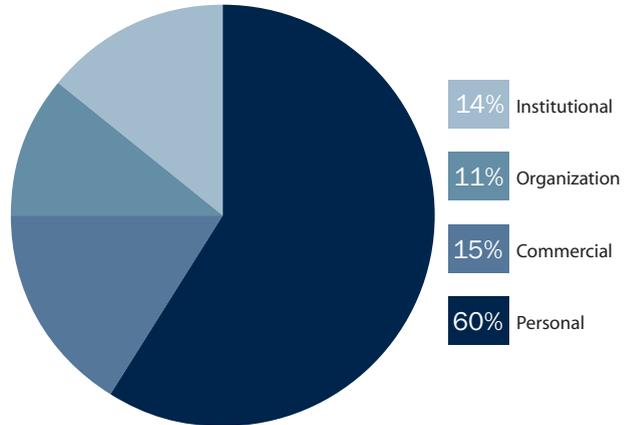
At May 31, 2010



Total deposit holdings increased by \$34 million, including \$30 million growth from Personal members.

SERVICE HOLDINGS BY MEMBER SEGMENT - DEPOSITS

At May 31, 2010



Products and Services

WFCU takes pride in providing our members with the best and broadest range of services that are accessed at their convenience.



Windsor Family Credit Union's "Incredible Mortgage Offer" winners are proud supporters of Windsor Family Credit Union products and services

WFCU Milestones

1985

Merger of WFCU with G.M.C. Employees Credit Union, Riverside Community Credit Union and C.J. Watson Credit Union to create one credit union operating as Windsor Family Credit Union

Four branches, 41 employees and three ATMs

Assets of \$35 million; Service totals are \$53.7 million

1986 - 1990

Strategic direction of "Putting Our House in Order" with commitment to be the best, offer competitively priced products and services and to be profitable

First financial institution in Canada to implement the Philip Crosby Quality Improvement Process – these principles continue to guide WFCU today; Centralization of duties begins

Closed 1901 Wyandotte W., formerly C.J. Watson CU branch; relocated Main Branch and Central Office to 2800 Tecumseh Road East with first drive-up ATM; extended branch hours of operations; ATMs linked to INTERAC and PLUS networks; MasterCard Global Payment Card and Automated Telephone Banking introduced

New products include MeritLine home equity line of credit; High ratio mortgages; Foreign Exchange services; FAT CAT and Headstart youth accounts; Golden Account package for members aged 59 & better; No Fee MasterCard Credit Card; Trust Services through Co-op Trust

Three branches plus Central Office, 51 employees and five ATMs

Assets of \$61 million; Service totals are \$106.6 million



Windsor Family Credit Union's ATM Kiosk in the early 1980's

Our Free Chequing products for personal, organization and institutional members are market leading and during the year, analysis commenced on developing The Business 1 Free Chequing account for our business members.

Special pricing incentives and member promotions such as the "Incredible Mortgage Offer" were offered during the year to encourage our members to transfer their mortgages to us. The new, innovative Cashback GIC-RSP-RIF products were developed to encourage our members to transfer their investments to us. Both programs were very well received and contributed to strong growth in mortgages and investments.

Enhancements were made to our retail online banking service including the ability to perform Email Money Transfers. Work was completed on our new Business Online Banking service, providing enhanced features and functionality for our business and institutional members. A cash dispensing ATM was installed at the Town of LaSalle's Vollmer Culture and Recreation Complex, expanding the WFCU ATM network to 21 in our community. Planning is well underway to prepare for CHIP technology and its impact on our operations, including cards, systems and ATMs.

We continued to assist our members with their financial well-being through our wealth management program. Under Credential Asset Management, members have access to mutual funds delivered through WFCU licensed representatives. Through Credential Securities Inc., members have access to complete financial planning, mutual funds and investment counseling and life insurance planning and products through licensed Investment Advisors.

At May 31, 2010, holdings in our wealth management programs totaled \$35.4 million.

TOTAL LENDING ACTIVITY AT MAY 31, 2010

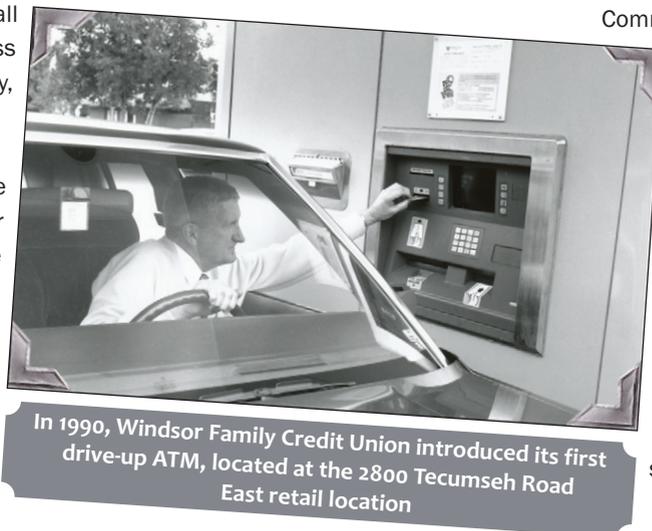
(Amount in thousands of dollars)	Number	Amount
Personal Loans	1,478	\$26,543
Personal Mortgages	595	80,320
Commercial Loans	143	28,420
Commercial Mortgages	29	61,990
Total Approved	2,245	197,273
Total Not Approved	1,216	43,579
Total Above	3,461	\$240,852
Loans In Arrears In Excess Of 90 Days	76	1,772
Mortgages In Arrears In Excess Of 90 Days	45	7,638

Our unique partnership with PBL Insurance continued, providing our members access to a group home and auto insurance program, through PBL offices adjacent to two of our retail locations since 1999.

Access Channels

Five retail locations, retail and business online banking, live and automated telephone banking, ATM access around the world, INTERAC Direct Payment, MasterCard services, pre-authorized debits and credits, chequing and direct deposit services, are all ways our members access their funds, any time of day, at their convenience.

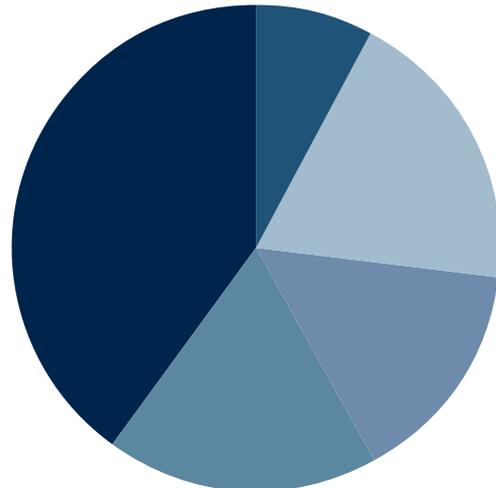
Our five locations are designed with our unique retail service delivery structure whereby members visiting our location can go to any of our Member Consultants and be provided with sit-down



service for almost every financial inquiry. Over the years, a concerted effort has been made to centralize many administrative tasks ensuring our retail staff focus on doing what they do best – serving and building relationships with our members.

Work will begin early next year on our plan to revitalize and renovate each of our retail locations to facilitate the service delivery structure and to further enhance member service.

MEMBER ACCESS CHANNELS - TRANSACTION TYPE



- 8% ATM Network
- 19% MemberDirect
- 15% Retail Locations
- 40% Electronic Services
- 18% Payment Services

Commercial Services

WFCU has long-term roots within our community and our Commercial Services team offers local businesses the benefit of experience and local decision making.

Our Commercial Services team has over 231 years of combined banking and commercial financial services experience, ensuring they support the financial goals of our members, providing personalized, professional and experienced service. Business members receive a customized solution that fits their immediate

needs and the services they may require well into the future for both their business and personal financial needs.

Through strong business development initiatives, the commercial portfolio increased by \$37 million or 16% to \$266 million by May 31, 2010.

Commitment To Quality

WFCU has an ongoing commitment to quality and this is reflected in our Five Star Service Program, our internal quality program which consists of established and documented standards in the five areas of Service, Sales, Surroundings, Strength and Spirit. Through this program, staff is empowered to review every aspect of our daily dealings with our internal and external members to help identify performance improvements and eliminate non-conformances.

Monthly customer service articles, posted on our internal website, share best practices in customer service and highlight departmental and individual success stories.

Human Resources

WFCU recognizes that staff is one of our best assets and follows an overall philosophy to hire the best, treat them well and see them stay.

A comprehensive, multi-step, recruiting process is followed to hire the best. Each employee, new or seasoned, undergoes ongoing procedural and service training.

Employees have access to a program of extended health, medical and other benefits designed to promote a productive and healthy workforce, through our “Employee Advantage

Program”. Over the years, based on employee feedback, unique wellness and other services have been offered, including Staff Dry Cleaning Pick-up and Delivery, WFCU Staff Scholarship Program, Flexible Work Hours and treat days.

1991 - 1995

“Personal Financial Services Through Relationship Marketing”, formalized concept of delivering service and building relationships with our members

LaSalle branch relocated in Malden Village Plaza; Saturday branch hours of operation; Drive-up ATM installed at LaSalle and Riverside locations

New products include: Strictly Business package of deposits and commercial loans; The Community 1 Free Chequing Account for organizations; INTERAC Direct Payment; Wealth Management services and Family of Ethical Mutual Funds

Free community rooms at each retail location

Proud recipient of “Company of Year” Business Excellence Award

Three branches plus Central Office, Eight ATMs

Assets of \$106.8 million; Service Totals \$188.2 million

1996 - 2000

WFCU adopts a new vision and mission statement which continues to guide us

New strategic direction to “Meet Members’ Financial Needs, At Their Convenience”

Focus on quality with ISO 9002 Certificate of Registration and Five Star Quality Commitment Program

Branch in Town of Tecumseh with drive-up ATM and drive-up teller window; Live Telephone Banking Call Centre opens; alliance with Blonde & Little (now PBL Insurance) to offer group home and auto insurance at offices adjacent to branch

Plan to build member equity through Investment Shares, Series 1 and 2 fully subscribed



Over the years, Windsor Family Credit Union has been named one of the “Best Employers In Canada” and one of the “Best Small and Medium Companies In Canada”

Our organizational structure was enhanced with the addition of new positions in our retail and corporate areas and a dedicated resource to manage identified innovation projects.

Keeping employees informed and receiving feedback from them is one of our priorities and a strong and comprehensive communications process is followed. This includes our CEO Staff Advisory Committee, weekly departmental meetings, daily retail staff meetings, full staff meetings and a well-read “Inside the Family” monthly employee newsletter. The existing process was further strengthened with the introduction this year of a CEO Management Advisory Committee and the President & CEO Blog.

Employee Relations

WFCU’s total compensation program has been designed to attract, retain and motivate the human resource talent required to lead our organization in the best interests of our members over the long-term. When setting compensation levels, WFCU reviews compensation provided to other credit unions and the broader financial services sector in Canada to ensure competitiveness in support of its total compensation program.

Based on recent reviews, the total compensation provided to all staff is competitive relative to the large Canadian credit unions. It is also competitive with similar roles adjusting for size, scope and complexity among Canadian financial institutions.

WFCU promotes a performance culture among its employees and manages our total compensation plan to support a pay-for-performance philosophy through salary, comprehensive benefits and variable incentive plans. Actual compensation levels received by WFCU employees are based on the degree of achievement of various corporate and individual performance goals.

Employee Development

Ongoing training and development is a primary focus. Employees are empowered to learn, grow and lead by being provided with the tools and information needed to succeed in their present positions and to be prepared to progress in their career at WFCU.

All new employees are provided with a comprehensive

orientation and training program, tailored to their position. Follow-up training sessions are scheduled to ensure new employees continue to provide high quality and knowledgeable service.

Monthly technical and risk management training continued at the retail locations. Sales Managers delivered a schedule of training sessions designed to refresh skills, product and risk management knowledge.

Our popular “Evening With The Experts” program also continued, providing retail staff the opportunity to hear and learn first-hand from seasoned WFCU ‘experts’ in various financial topics.



Windsor Family Credit Union Staff continue to support local area food banks - 2009

To supplement the extensive training opportunities, employees have access to a resource library, consisting of articles, books and website references on a wide range of business and personal development topics.

Marketing & Community Investment

A comprehensive annual Marketing and Community Investment plan was implemented to continue to broaden WFCU’s name recognition as a trusted and respected corporate citizen and to support the overall sales and growth goals of the organization.

To encourage and reward members to transfer their mortgage to us, three member incentive campaigns were successfully implemented – “Live Mortgage Free For A Year”, “Enjoy The Ultimate Stay-Cation” and “The Incredible Mortgage Offer”.

Each campaign was designed to generate excitement and enhance the business development tactics underway at the retail locations.

Product advertising included a campaign to introduce our new, innovative “Cashback GIC-RSP-RIF” investment products.

These campaigns contributed to the strong growth in our mortgages and investments.

A first for WFCU this year was the use of a television campaign, featuring five professionally-executed image ads. This new medium brought WFCU’s name into many homes in our community and increased our visibility and name recognition.



Windsor Family Credit Union delivered its message to area homes with the launch of five professionally executed television image ads

WFCU continued the commitment to lend expertise and support with representation on various boards, committees and attendance at numerous events. Our commitment to remain a responsible corporate citizen and to invest in Windsor-Essex is reflected in our participation, donations, scholarships, multi-year giving initiatives, The Community 1 Free Chequing account, free community rooms at each of our retail locations, goods-in-kind and more.

The Harold Hewitt Scholarship (HHS) was presented to 16 local youth who were selected for their essay submission to the question “What would you do to improve the community you live in?” Over the past eight years, WFCU has awarded over \$46,000 to 116 youth in post-secondary school scholarships through the HHS program.



Windsor Family Credit Union is a long time supporter and sponsor of numerous local community sports teams

An additional \$92,000 in other scholarship programs has been awarded, for a grand total of \$138,000 provided in youth scholarships over the past eight years.

Our community investment was significant and the ‘right thing to do’. Partnerships

were developed with key community organizations, such as the Art Gallery of Windsor, Windsor/Essex County Humane Society Shelter Expansion Fund, Assumption College, St. Clair College Health Plex Facilities Capital Campaign

New products include MemberDirect INTERNET home banking; Headstart student account offers free unlimited ATM withdrawals; pay utility bills using telephone banking; WFCU staff licensed to sell mutual funds

Community Investment Program formally brands our donations, sponsorships, The Community 1 Free Chequing Account, free community rooms at our retail locations, multi-year giving initiatives and Community Donations Fund; Designated “Caring Company” through Imagine Program; Corporate Award for Outstanding Charitable Achievement

Long term board member, Harold Hewitt passes away

Upgraded to new banking system; Y2K ready

Four branches plus Central Office; Nine ATMs

Assets under administration of \$231 million; Service totals of \$361 million

2001 - 2005

“Plan For Success to 2005” continues commitment to build best credit union to meet members’ needs

South Windsor branch opens with drive-up ATM and drive-up teller window; Cash dispensing ATMs for business and institutional members; Connected to EXCHANGE network of surcharge-free ATMs across Canada; re-launch of windsorfamily.com web site

Investment Shares Series 3 for \$4 million fully subscribed

New products include mortgage insurances; RESPs; risk based pricing on loans and mortgages; Credit Life Insurance through CUMIS Insurance; Tax Preparation Services at South Windsor branch

WFCU Helping The Community

AIDS Committee of Windsor
 Alzheimer Society of Windsor-Essex County
 APPD
 Art & Soul Music and Wine Festival
 Art Gallery of Windsor
 ATHENA
 Autism Ontario Windsor Essex Chapter
 BANA
 Big Brothers Big Sisters of Windsor
 Brentwood Recovery Home
 Canadian Mental Health Association Windsor-Essex
 Care for a Cause
 CAW Local 444
 Centre for Seniors Windsor
 Children's Safety Village
 Ciociaro Windsor U9 Select Girls Soccer
 Cops Care for Kids
 Do Good Divas
 Easter Seals
 Family Services Windsor Essex County
 Glengarda and Child Family Services
 Harmony in Action
 Hotel Dieu Grace Foundation
 House of Sophrosyne
 In Honour of the Ones We Love
 Iris House
 Italian Canadian HandiCapable Association
 John McGivney Children's Centre
 LaSalle Business Association
 LaSalle Minor Hockey Association
 LaSalle Stompers Soccer Club
 Leadership Windsor Essex
 Multicultural Council of Windsor-Essex County
 Riverside Minor Hockey Association
 Rotary Club of Windsor (1918)
 Rotary Club of Windsor Roseland
 Royal Canadian Legion #255
 Royal Canadian Naval Association
 Southwest Wildcats
 Special Olympics
 St. Mary's Food Cupboard
 Tecumseh B.I.A. - Art of Eating
 Tecumseh Minor Baseball Association
 Teen Health Centre.
 Theatre Alive
 Transition to Betterness
 Turtle Club Little League
 Unemployed Help Centre
 United Way Windsor Essex County
 W.E. Care for Kids
 Well-Come Centre for Human Potential
 Wellness Program for Extended Psychosis
 Windsor and District Labour Council
 Windsor Central Little League
 Windsor Chamber of Commerce
 Windsor East Little League
 Windsor Essex Cardiac Wellness
 Windsor Essex Community Foundation
 Windsor Essex County Crime Stoppers
 Windsor Essex County Human Society
 Windsor Essex Regional Chamber of Commerce
 Windsor Fire & Rescue Services
 Windsor Historical Society
 Windsor Homes Coalition
 Windsor Light Music Theatre
 Windsor Minor Hockey Association
 Windsor Pride Festival
 Windsor Regional Hospital
 Windsor South Canadians Little League
 Windsor South Little League
 Windsor Stars Baseball
 Windsor Symphony Orchestra
 Windsor Wildcats Fastball

Plus numerous other organizations and events.

and John McGivney Children's Centre. Another successful initiative "The Joy of Giving" annual campaign, included a donation of 4,500 food items to the 'Cans For A Cause' annual food drive, Adopt-a-Family Programs providing Christmas presents to children and their families in need, \$2,500 in toy purchases for the Moose Lodge Annual Toy Drive and monetary donations to local food banks. Over \$12,500 was contributed to assist those in need in our community during the holiday season.

WFCU is proud to display the Imagine Canada "Caring Company" logo and over the past eight years has given back over \$4.0 million to the community to provide support and help maintain economic viability for our community.



At the 20th Annual Business Excellence Awards sponsored by the Windsor-Essex Regional Chamber of Commerce, WFCU was honored twice with the 2010 Believe Windsor-Essex Award and Marty Komsa, our President & CEO was named Business Professional of the Year. The Believe Windsor-Essex Award recognizes individuals or organizations that have demonstrated a significant commitment to positive business development in spite of global market trends. WFCU was extremely proud to receive this prestigious award as it is a true reflection of the values and direction that WFCU strives to achieve everyday.



Windsor Family Credit Union proudly accepted the Windsor-Essex Regional Chamber of Commerce 2010 Believe Windsor-Essex Award and Marty Komsa was named Business Professional of the Year

Our Naming Rights of the WFCU Centre continued to provide tremendous exposure as we joined in the enthusiasm and excitement as the Windsor Spitfires won their second consecutive Memorial Cup. Through this partnership, WFCU sponsored Community Skates after Windsor Spitfire games.

Financial Performance

By many measures, WFCU had one of its most successful years.

Total Assets Under Administration increased 10.0% to \$790.6 million at May 31, 2010 and Retained Earnings and Equity Shares increased 10.5% to \$56.6 million. Members' deposits increased 5.7% and at fiscal year-end amounted to \$638.8 million.

Total loans to members continued to increase with strong growth of \$56.5 million to \$612.6 million. Residential mortgages remain the largest component in the category and finished the year at \$293.5 million, an increase of 11.0%.

Commercial loans and mortgages increased 16.1% to \$266.3 million.

Operating revenues remained strong at \$35.2 million while financial expenses decreased by \$3.0 million compared to last year. This resulted in financial margin of \$18.0

million, increasing by \$3.9 million compared to last year.

Members earned \$15.9 million in interest on deposits. In addition, \$1.1 million was paid to members as dividends on Membership Shares and on Investment Shares Series 1, 2, 3 and 4 held by members.

This generated strong Net Income of \$4.4 million all of which was transferred to Retained Earnings.

The credit union has remained in compliance with all legal requirements for Regulatory Capital. Regulatory Capital totals \$57.2 million and represents 8.01% of total assets and 13.98% of total risk weighted assets. These ratios exceed legislated regulatory capital levels of 4% of total assets and 8% of total risk weighted assets.

By year-end, total holdings in investments and syndicated loans amounted to \$76.6 million, an increase of \$15.2 million compared to last year.

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In 1999, Windsor Family Credit Union celebrated the launch of Series 2 Investment Shares

Year one of Harold Hewitt Scholarships (HHS) in 2002 for youth post-secondary schooling; Multi-Year Giving Program introduced and \$10,000 donated in Year One

AIME Award for Marketing Excellence

Five Branches plus Central Office and 27 ATMs; number of employees exceeds 100

Assets under administration of \$501 million; Service Totals of \$801 million

2006 - 2010

New strategic direction, with new corporate identity, new products developed and revised retail service delivery structure; Bond of association expanded to Essex County

Relocated to new Corporate and Administration offices; relocated Town of Tecumseh branch to Manning Road

Investment Shares Series 4 of \$6 million fully subscribed

New services introduced are The Personal 1 Free Chequing, High Interest Savings, cashback mortgages, 7 year mortgages, Tax Free Savings Account, Mobile banking, Business online banking and Email Money Transfer

WFCU awarded Naming Rights to Windsor Family Credit Union (WFCU) Centre

"Like a Bank, Only Better" marketing slogan and campaign wins marketing award; 'Best Small and Medium Sized Employer in Canada' List in 2006 and 2008; 'Best Places to Work' List in 2007

Five retail locations and Corporate and Administration Office and 21 ATMs

Assets Under Administration of \$791 million; Service Totals of \$1.25 billion

Five Year Financial History

May 31 Year-End Balances (000's)	2010	2009	2008	2007	2006
Balance Sheet					
Personal Loans	\$ 52,806	\$ 62,439	\$ 67,821	\$ 63,302	\$ 45,219
Mortgage Loans	293,480	264,404	256,492	242,139	215,173
Commercial Loans	266,260	229,426	207,756	175,318	161,988
Total Loans*	\$ 612,546	\$ 556,269	\$ 532,069	\$ 480,759	\$ 422,380
Variable Rate Deposits					
Variable Rate Deposits	\$ 247,880	\$ 234,794	\$ 212,265	\$ 180,731	\$ 144,699
Fixed Rate Deposits	387,349	365,101	333,516	323,630	305,797
Total Deposits**	\$ 635,229	\$ 599,895	\$ 545,781	\$ 504,361	\$ 450,496
Assets					
Assets	\$ 714,034	\$ 657,644	\$ 612,994	\$ 559,046	\$ 500,848
Annual % Increase	8.6%	7.3%	9.7%	11.6%	12.1%
Other Services Under Administration					
Other Services Under Administration	\$ 76,600	\$ 61,400	\$ 75,700	\$ 64,400	\$ 51,800
Annual % Increase (Decrease)	24.8%	(18.9)%	17.5%	24.3%	(4.6)%
Total Assets And Other Services					
Under Administration	\$ 790,634	\$ 719,044	\$ 688,694	\$ 623,446	\$ 552,648
Annual % Increase	10.0%	4.4%	10.5%	12.8%	10.3%
Statement Of Income					
Net Interest Income	\$ 19,105	\$ 15,102	\$ 13,127	\$ 13,270	\$ 12,600
Other Income	4,169	4,005	5,009	4,952	4,762
Operating Margin	\$ 23,274	\$ 19,107	\$ 18,136	\$ 18,222	\$ 17,362
Operating Expenses	\$ 17,791	\$ 18,090	\$ 16,053	\$ 15,166	\$ 13,510
Income Before Distribution					
To Members	\$ 5,483	\$ 1,017	\$ 2,083	\$ 3,056	\$ 3,852
Retained Earning And Equity Shares	\$ 56,567	\$ 51,215	\$ 50,276	\$ 48,259	\$ 45,266

*Excludes accrued interest receivable and allowance for impaired loans. ** Excludes accrued interest payable.

Balance Sheet

As at (In thousands of dollars)	May 31, 2010	May 31, 2009
Assets		
Cash and Short-Term Deposits	\$ 24,994	\$ 29,305
Investments	57,381	53,342
Loans to Members	612,613	556,159
Property and Equipment	16,874	17,527
Other Assets	2,127	1,217
Future Income Taxes	45	94
	<u>\$ 714,034</u>	<u>\$ 657,644</u>
Liabilities and Retained Earnings		
Members' Deposits	\$ 638,810	\$ 604,503
Loans Payable	15,000	-
Other Liabilities	3,657	1,926
Equity Shares	27,765	26,776
	<u>685,232</u>	<u>633,205</u>
Retained Earnings	28,802	24,439
	<u>\$ 714,034</u>	<u>\$ 657,644</u>

On behalf of the Board:



Martin D. Gillis
Chair



Robert Nesbitt
Corporate Secretary

Statement Of Retained Earnings

Year-Ended (In thousands of dollars)	May 31, 2010	May 31, 2009
Retained Earnings:		
Balance, beginning of year	\$ 24,439	\$ 24,417
Add: Net income for the year	4,363	22
	<u>\$ 28,802</u>	<u>\$ 24,439</u>

Auditor's Report On Summarized Financial Statements

To the Members:

The accompanying summarized balance sheet and statements of retained earnings and comprehensive income are derived from the complete financial statements of Windsor Family Credit Union Limited as at May 31, 2010 and for the year then ended on which we expressed an opinion without reservation in our report dated June 25, 2010. The fair summarization of the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of The Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In our opinion, the accompanying financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the credit union's financial position, results of operations and cash flows, reference should be made to the related complete financial statements.

KPMG LLP

Chartered Accountants
Windsor, Canada
June 25, 2010

Statement Of Comprehensive Income

Year-Ended (In thousands of dollars)	May 31, 2010	May 31, 2009
Operating revenues:		
Interest on member loans	\$ 33,880	\$ 32,494
Investment income	1,278	1,778
	<u>35,158</u>	<u>34,272</u>
Financial expenses:		
Interest on members' deposits	15,917	19,147
Borrowing Costs	136	23
Distributions to members	1,120	995
	<u>17,173</u>	<u>20,165</u>
Financial margin	17,985	14,107
Other income	4,169	4,005
Provision for losses on loans	<u>(1,753)</u>	<u>(2,122)</u>
	20,401	15,990
Operating expenses:		
Employee salaries and benefits	8,263	7,505
Administrative	4,395	4,179
Occupancy	1,606	1,587
Data processing	1,011	1,010
Member deposit insurance	383	324
Director and committee	112	107
	<u>15,770</u>	<u>14,712</u>
Operating income	4,631	1,278
Other Items:		
Write up (down) of investments	610	(1,196)
Income before taxes	<u>5,241</u>	<u>82</u>
Provision for income taxes:		
Current	829	52
Future	49	8
	<u>878</u>	<u>60</u>
Net income	<u>\$ 4,363</u>	<u>\$ 22</u>

Management Report

Management is responsible for the preparation, presentation and consistency of the accompanying financial statements and other information contained in this Annual Report.

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and have been audited by KPMG LLP Chartered 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 financial statements.



Peter Wasyluk
Vice President, Finance

Report Of The Audit Committee

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 which 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 financial statements, internal controls, accounting policies and reporting procedures and it has primary contact with external and internal auditors.

For the year ended May 31, 2010, the Audit Committee met four times.

One of the Audit Committee's significant activities this past year was with the credit union's plan and preparedness to adopt International Financial Reporting Standards (IFRS) and report its financial results by the May 31, 2011 deadline. The credit union has a comprehensive and robust plan in place. The credit union is using additional expert resources from the co-operative system and its external auditors to ensure its success. The Audit Committee is confident the credit union is

in excellent shape to meet its obligations in a timely manner. 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 an overall plan for enhanced training and development adopted by the Board of the credit union in early 2010, 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.

Respectfully submitted by the Audit Committee.



Robert Nesbitt
Chair, Audit Committee

For The Future

There is no doubt that Windsor and Essex County has come through challenging times, however, our entire region is resilient and has always come out of any adversity, stronger and better positioned.

WFCU continues to have tremendous optimism in Windsor and Essex County. WFCU wants to be part of the positive changes that are shaping our region.

We believe the key to our success is to remain on the path we began more than 25 years ago. What will continue to guide us is our belief that our number one priority is to be the best credit union, providing top quality services to our members through the best staff and to give back to the community.

One of the keys to our success has and will continue to be, serving our members through quality service, offering competitively priced products and services, providing a complete range of financial, investment, insurance and trust services, delivered through highly trained and motivated staff.

Our Board of Directors is committed to a strong governance model. Initiatives are under development to strengthen this focus.

We remain committed to serving our four market segments – personal, commercial, organization and institutional – ensuring that we respond with financial solutions for their unique needs.

Our focal point for the future will include maintaining a strong brand identity through our innovative product and service offerings. We will continue to provide the best financial tools for our members. Following our core philosophies and values will allow us to be a market

leader and serve our members with the same core principles and values that have guided us for over 70 years.

We will continue to look forward to developing enhancements required to meet the growing needs of our members. Plans will be announced in the future to ensure all our members have access to all of our services throughout Windsor and Essex County.

We are confident that our members

and our community will respond positively as we emerge through the current economic transition. Windsor and Essex County will continue to change and grow in many ways. The result will be a strong Windsor and Essex County, more diversified and more cohesive. As in the past, WFCU will be ready.



Windsor Family Credit Union is financially strong with sound business practices ensuring superior member service and positive future growth

Martin J. Komsa
President and Chief Executive Officer

Martin D. Gillis
Chair, Board of Directors

WFCU Over The Years





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