



THAMESVILLE WARDSVILLE DUTTON

Your community credit union.
You belong with us.

57TH ANNUAL REPORT

FOR YEAR ENDED OCTOBER 31, 2011

Thamesville Branch

84 London Road
Thamesville, Ontario
N0P 2K0
Tel: 519.692.3855
Fax: 519.692.9532
Toll Free Tel: 1.866.810.8317
Toll Free Fax: 1.866.810.8318

Wardsville Branch

1789 Longwoods Road
Wardsville, Ontario
N0L 2N0
Tel: 519.693.9936
Fax: 519.693.9937
Toll Free Tel: 1.866.810.8315
Toll Free Fax: 1.866.810.8316

Dutton Branch

207 Currie Road
Dutton, Ontario
N0L 1J0
Tel: 519.762.6650
Fax: 519.762.6629
Toll Free Tel: 1.877.322.7750
Toll Free Fax: 1.888.322.4004

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TCU MISSION STATEMENT

To be the primary provider of personalized quality financial services while maintaining a stable and strong business environment that adheres to credit union principles so that TCU will be the financial institution of choice for the communities we serve.

TCU VISION OF SUCCESS

TCU's Vision of Success is embodied in the following statements:

We will.....

- Create financial success for our members;
- Achieve long-term profitable growth;
- Build loyal relationships;
- Know our members better;
- Solve business challenges;
- Provide seamless solutions;
- Adapt & reinvent products & services;
- Build our capability & capacity;
- Follow sound financial practices to continue building stability, foster member confidence, and ensure the long range viability of the Credit Union;

This Vision of Success will be achieved through the co-operation and commitment of our members and staff.

TCU VALUES

Working hard

Ours is a company of talented, diverse individuals who are dedicated to continuously learning and improving our performance every day. We encourage ideas and recognize that both individuals and teams contribute to the success of TCU. We believe that having fun and working hard are not mutually exclusive.

Doing the right thing

We take responsibility for our actions and commitments. We respect each other, even when we disagree. We treat every dollar as if it were our own.

Understanding what's important

Our success depends on meeting and anticipating the needs of our members, our employees, and the communities we serve. We believe strongly that open communication and the co-operative principles are key to understanding and supporting these needs.

Our value proposition

Our value proposition for TCU lies in:

- Our knowledge of the community and its issues,
- Our commitment to and passion for member, and
- Our ability to offer products and services at a competitive price.

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TCU COOPERATIVE PRINCIPLES

1. Voluntary and Open Membership

Membership in Thamesville Community Credit Union Limited is voluntary and open to all persons living in Thamesville, Wardsville, Dutton, and the surrounding communities who are able to use our services and willing to accept the responsibilities of membership—without gender, social, racial, political or religious discrimination.

2. Democratic Member Control

Thamesville Community Credit Union Limited is a democratic organization controlled by its Board members, who actively participate in setting policies and making decisions. Men and women serving as elected representatives are accountable to the membership. Members have equal voting rights—one member, one vote.

3. Members' Economic Participation

Members democratically control and equally contribute to the capital of their credit union. Members may allocate surpluses for any of the following purposes: developing the credit union; setting up reserves; benefiting members in proportion to their transactions with the credit union; and supporting other activities approved by the membership.

4. Autonomy and Independence

Credit unions are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their credit union's autonomy.

5. Education, Training and Information

Credit Unions provide education and training for their members, elected representatives, management and employees. They inform the general public about the nature and benefits of cooperation.

6. Cooperation Among Credit Unions

Credit Unions serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international organizations.

7. Concern for Community

While focusing on members' needs, cooperatives work to develop their communities by encouraging economic development.

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2011 BOARD OF DIRECTORS

President: John de Vries
Vice President: Stephen Pinsonneault
Directors: Thomas Chalmers
Terry Marsh
Robbie McNaughton
David Sherman
Graham Warwick

STAFF

Corporate Office: Mauro Ricordi, CEO.
Florence Chipp-Smith, Executive Assistant.
Gerald Delaey, Manager of Lending & Wealth Management.
Linda Hogg, Operations Manager.

Thamesville Branch: Dawn Lucier, Branch Manager.
Susanne Walker, MSO – Retail Lending.
Tracey White, Financial Services Representative.
Kerry Curtis, Member Services Representative.
Amanda Broadbear, Part-time Member Services Representative.

Wardsville Branch: Monica Bos, Financial Services Representative.
Rebecca Wolfe, Financial Services Representative.
Josephine Easton, On-Call Member Services Representative.

Dutton Branch: Judy Green, Branch Manager.
Cindy Schieck, Financial Services Representative.
Tracy Donaldson, Part-time Member Services Representative

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AGENDA – 57th TCU ANNUAL GENERAL MEETING

**7:00 P.M. WEDNESDAY, JANUARY 11, 2012
THAMESVILLE UNITED CHURCH
107 ELIZABETH STREET
THAMESVILLE, ONTARIO**

1. Call to Order for Business Meeting.
2. Establish a quorum.
3. Welcome and Introduction of Head Table and Guests.
4. Moment of Silence in Memory of Members who passed in 2011.
5. Adoption of Agenda.
6. Approval of 56th Annual Meeting Minutes and Business Arising.
7. Report of Officials:
 - i. President on behalf of the Board of Directors.
 - ii. Chief Executive Officer.
 - iii. Manager of Lending Services & Wealth Management.
 - iv. Chairman of the Audit Committee.
8. 2011 Distribution to Members Motion.
9. 2011 Financial Statements and External Auditors' Report.
10. Appointment of Auditors.
11. Directors' Acclamation.
12. Other Items from the Floor.
13. Door Prize Draw.
14. General Thanks.
15. Adjournment

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OF OUR MEMBERS WHO PASSED IN 2011

YOUR PRESENCE WE MISS

YOUR MEMORY WE TREASURE

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MINUTES OF 56TH ANNUAL MEETING WEDNESDAY, JANUARY 12, 2011

The 56th Annual Meeting was held at Thamesville United Church, 107 Elizabeth Street, Thamesville, Ontario.

CALL TO ORDER

Chairman John de Vries called the meeting to order at 7:00 p.m.

NOTICE OF ANNUAL MEETING AND QUORUM

The Chairman stated that Notice calling the Meeting was duly published and confirmed a quorum was present and declared the Meeting properly constituted for the transaction of business. Twenty-five (25) members and three (3) guests were present.

INTRODUCTION OF GUESTS AND HEAD TABLE

CEO Mauro Ricordi welcomed members and guests present. He also introduced the following:

HEAD TABLE:

- John de Vries, President.
- Steve Pinsonneault, Vice President.
- Thomas Chalmers, Director.
- Terry Marsh, Director.
- Robbie McNaughton, Director.
- Dave Sherman, Director.
- Graham Warwick, Director.
- James Lane, Auditor of Retford Lane Bates LLP.
- Florence Chipp-Smith, Executive Assistant / Corporate Secretary.
- Mauro Ricordi, CEO.

SPECIAL GUESTS:

- John Hutton, Regional Manager, DICO, Toronto, Ontario.
- Shawn Bustin, CEO, Unigasco Community Credit Union, Chatham, Ontario.

ACCEPTANCE OF AGENDA

AGM: 2011-01-12.01
SUSAN WALKER / BECKY WOLFE

THAT the 56th TCU Annual Meeting Agenda be approved as printed.

CARRIED.

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MOMENT OF SILENCE

CEO Mauro Ricordi asked for a moment of silence as a tribute to members who passed in 2010.

TCU MISSION, VISION, COOPERATIVE VALUES, COOPERATIVE PRINCIPLES

Mr. Ricordi highlighted TCU's Mission, Vision, Cooperative Values, and Cooperative Principles.

REVIEW AND ADOPTION OF 55TH ANNUAL MEETING MINUTES, JANUARY 13, 2010

AGM: 2011-01-12.02
JUDY GREEN / LINDA HOGG

THAT the January 13, 2010 55th TCU Annual Meeting Minutes be adopted as circulated.

CARRIED.

BUSINESS ARISING

None.

REPORT OF OFFICIALS

PRESIDENT'S ADDRESS

John de Vries reported on behalf of the Board of Directors and commented:

While we still seem to be enjoying recessionary times in our area things are getting better at TCU; loan volumes are up, membership is up and both Ag and Commercial Lending are growing.

We have updated all our ATMS to be chip card compatible. We have also purchased the building that we have been renting in Wardsville and that should convince everyone that we are there to stay. We are planning to renovate that Branch very soon and have revamped the landscaping.

We continue to update our computer systems and Website to better serve our members and we continue to seek growth in all areas. Until we get volumes higher we will find it difficult to provide more services.

We continue to adapt to changing times and this seems to cause concern for many of our members but we must do this to survive.

Thank you all for your patronage and support and we hope we will continue to have your support in the future.

AGM: 2011-01-12.03
JOSIE EASTON / SUSAN WALKER

THAT the President's report on behalf of the Board of Directors be accepted as presented.

CARRIED.

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CHIEF EXECUTIVE OFFICER'S ADDRESS

Mr. Ricordi reported as follows:

I am pleased to report another successful year for TCU despite some continuing economic challenges facing our communities. A year over year comparison will show significant improvement in total Loans growing by 13.8% or \$2.5 million reflective of continued interest in the Agricultural and Commercial Products that were introduced early in 2008, as well as increased activity in Retail Lending during the latter part of the year. This growth has directly contributed to the increase in total Assets of \$2.4 million or 9.85%, in-line with a similar growth in deposits which, of course, is a direct reflection of the on-going and much needed support by you, our member/owners.

Capital Assets also grew with the purchase of the Wardsville building that we have been leasing since we first branched out to the community in 1998. We look forward to improving the branch early in 2011 with some much needed renovations as part of our continued commitment to service the community and surrounding area.

The Statement of Operations also indicates positive results for the year in that, although Investment Income decreased by \$24 thousand through liquidity management, the combination of interest and other income grew by \$135 thousand. This, along with an offsetting 4.1% or \$47.5 thousand increase in Operating expenses due to higher advertising, community donations, banking, and bonding insurance charges, allowed the Board to increase distribution to members by 30.4% and further reward your dedication and support by declaring \$134 thousand to be paid in the form of loan interest rebates (2.5%), profit savings interest (1.25%), and a share dividend (5.0%). The end result is that Net Income for the year after taxes amounted to \$155.7 thousand, an increase of 178% over 2009! Although I do not anticipate this high percentage increase for future years, I do feel we can maintain the pace with increased service opportunities at all of our locations.

Besides purchasing the Wardsville building, a capital expenditure was required to upgrade our ATM's for CHIP technology and will soon be needed to replace your member cards to allow for better protection and stem any losses against the possibility of fraudulent use. In the latter part of the year we also introduced our new and improved website to enhance communication and hopefully provide a more user friendly way to access any of our services which, by the way, now includes Mobile Banking.

Moving forward, we will focus on completing the Wardsville Branch renovations, as mentioned, introduce a loans origination system through our partnership with CUMIS in an effort to increase delivery efficiency, re-evaluate our Corporate Structure which was introduced in our Business Plan at the recent Board Planning Session, and readdress the hours of operations in an effort to provide you with added convenience of service delivery to keep pace with our growth expectations.

Of course I would be remiss in not giving credit where credit is due for the efforts put forth by the President, John deVries, the rest of the Board and Staff who consistently provide their constant dedication, support and commitment. To them, and to you, our member/owners, I owe a great deal of gratitude and appreciation in making such strong results possible so that, in turn, TCU can continue to grow and support all the communities we are so proudly dedicated to serve.

AGM: 2011-01-12.04
JUDY GREEN / LINDA HOGG

THAT the CEO's report be accepted as presented.

CARRIED.

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DISTRIBUTION TO MEMBERS

Chairman de Vries requested a motion on distribution to members.

AGM: 2011-01-12.05

SUSANNE WALKER / DAWN LUCIER

THAT distribution to members be approved as follows:

- 5% dividend on membership shares.
- 2.5% loan interest rebate.
- 1.25% interest payment on Profit Savings deposits.

CARRIED.

MANAGER OF LENDING AND WEALTH MANAGEMENT REPORT

Mr. Gerald Delaey reported:

I am pleased to report that overall, Thamesville Community Credit Union experienced a NET year over year growth in its loan portfolio of \$2.5 million or 13.8% with each sector, notably personal, commercial, and agricultural experiencing an overall increase.

Our Mortgage portfolio experienced net growth of 11.1% or \$895,543 year over year while our personal loan portfolio (which includes lines of credit) increased by 6.8% or \$336,560 for a total increase of 9.4% or \$1,232,103.

As economic conditions continue to show signs of improvement both locally and nationally, we expect continued strong results in our retail portfolio as individual's capacity to borrow continue to strengthen.

Commercial and Agriculture generated a year over year growth of \$1.3 million or 23%. We expect that this sector will continue to experience growth in fiscal 2011 but at a much more moderate pace. Our decision to enter the Commercial and Agriculture marketplace has been and continues to be well received.

Delinquent accounts continue to put a strain on the overall performance of the Credit Union. Although we have seen substantial improvement in this area, we will continue to focus on reducing delinquent accounts and do our due diligence on new credit requests to minimize the potential for new delinquencies amid the economic situation.

The Credit Union is committed to working towards growth in the loan portfolio as well as striving towards lower delinquency levels. We are cognizant of our economic environment, our challenges and our opportunities. We look forward to having a successful year with a strong workforce to support this.

AGM: 2011-01-12.06

GREG HULL / JUDY GREEN

THAT the Lending and Wealth Management Report presented by Gerald Delaey be accepted as presented.

CARRIED.

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REPORT OF TCU AUDIT COMMITTEE

Audit Committee Chairman Robbie McNaughton delivered the report of the Audit Committee.

The Audit Committee met quarterly with the Chief Executive Officer and held meetings with the External Auditor for a total of 4 meetings during the 2010 fiscal year.

The Committee reviewed policy, internal controls, operating procedures and Financial Statements. The Committee notes that there are fewer issues than in former years.

The Committee also met with the Internal Auditor to discuss the 2011 audit process.

The Audit Committee is confident that the Credit Union financial reporting systems and controls are adequate to meet its needs and are being complied with.

I thank my fellow committee members, Corporate Secretary Florence Chipp-Smith, CEO Mauro Ricordi, Credit Union Staff, Internal and External Auditors and the Board of Directors for their efforts, comments and suggestions in the past year.

AGM: 2011-01-12.07

SUSANNE WALKER / BONNIE CHAMBERS

THAT the Audit Committee Report presented by Robbie McNaughton be accepted as presented.

CARRIED.

2010 FINANCIAL STATEMENTS AND EXTERNAL AUDITORS REPORT

Mr. James Lane of Retford Lane Bates LLP, Chartered Accountants, presented the Auditors Report

He stated that TCU Financial Statements were an accurate reflection of the financial position of Thamesville Community Credit Union as at October 31, 2010.

Mr. Lane highlighted a few items on the financial statements.

AGM: 2011-01-12.08

PAUL HOGG / SUSANNE WALKER

THAT the Auditors report delivered by James Lane and included in the TCU 2010 Financial Statements be approved.

CARRIED.

APPOINTMENT OF EXTERNAL AUDITOR FOR 2011

Chairman de Vries stated that TCU Board of Directors and Audit Committee are recommending Members appoint the firm of Retford Lane Bates LLP as external auditors for TCU for 2011.

AGM: 2011-01-12.09

WILLIAM SHERMAN / JUDY GREEN

THAT the firm of Retford Lane Bates LLP be, and are appointed the external auditor of Thamesville Community Credit Union to hold office until the date of the next Annual Meeting.

CARRIED.

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TCU BY-LAW #1 AMENDMENTS

CEO Mauro Ricordi highlighted Board recommendations of amendments to TCU By-law #1 as follows:

ARTICLE 1.01 DEFINITIONS

(6) %Committee+means a Committee of the Board. (*addition*)

ARTICLE 2.01 MEMBERSHIP

(5) **Suspension**

A member that ceases to hold the minimum number of membership shares required by Section 2.03 may not exercise any rights a member may exercise under these By-laws or the Act. (*addition*)

ARTICLE 4.03 ELECTION, TERM, AND VOTING

(2.2) **Disclosure of Interest**

Prior to each election to be held pursuant to Section 4.03(1), the Board shall make available, with the notice of the annual general meeting, a copy of every candidate for a director position's disclosure made pursuant to section 94.1 and 146 of the Act. (*addition*)

ARTICLE 6 OFFICERS

6.01 %Chief Executive Officer+. (*add*)

6.04 Chief Executive Officer

The Chief Executive Officer shall or shall cause to be carried out the strategic plans and policies as established by the Board and he shall have such other powers and duties as the Board may specify. (*addition*)

ARTICLE 10 DIVIDENDS AND RIGHTS

Amend to "Dividends, Rights, and Patronage Returns".

10.06 Patronage Returns

Subject to the provisions of the Act, the Board, on such terms as it deems fit, may from time to time declare a patronage return to its members in proportion to the business done by each member with or through the Credit Union. A patronage return shall be paid in accordance with the Act. (*addition*)

AGM: 2011-01-12.10

JUDY GREEN / KERRY CURTIS

THAT TCU By-law#1 be amended as recommended and presented.

CARRIED.

ACCLAMATION OF DIRECTORS

CEO Mauro Ricordi reported there were 2 vacancies for 3 year terms for TCU Board Directors. Since only 2 Eligible Nominations was received for Board vacancies (Thomas Chalmers and David Sherman) a Directors selection is not required. It is recommended these 2 individuals be acclaimed to TCU Board of Directors for a 3 year term of office.

AGM: 2011-01-12.11

JUDY GREEN / LINDA HOGG

THAT the following candidates be acclaimed to TCU Board of Directors:

1. Thomas Chalmers . 3 year term of office.
2. David Sherman . 3 year term of office.

CARRIED.

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OTHER ITEMS FROM THE FLOOR

None.

DOOR PRIZE DRAW

CEO Mauro Ricordi conducted draws for door prize packages and thanked door prize donators.

ADJOURNMENT

There being no other business, Mauro Ricordi invited everyone to meet in the Gathering Room for snacks and refreshments. He thanked Norine Walker and Thamesville United Church Women Unit 1 for preparation of food.

AGM: 2011-01-12.12

SUSANNE WALKER / JUDY GREEN

THAT the 56TH TCU Annual Meeting adjourns. Time: 8:15 p.m.

CARRIED.



PRESIDENT'S REPORT ON BEHALF OF THE BOARD OF DIRECTORS

2011 was a very interesting year for Thamesville Credit Union. We have completely renovated the Wardsville Branch with a new look both inside and out. However we continue to have challenges with the volume of business in all areas. While both Dutton and Wardsville have lots of space currently, Thamesville is lacking in both office space and elbow room.

We have tried to change business hours to accommodate Saturday hours but that did not seem to attract much attention good or bad, so we are back to our regular hours.

While our asset size continues to creep toward 30 million that is all it does creep. We are trying to serve a large area with three well placed branches but do not seem to attract the business that we need both to expand further and offer more or better services.

While we continue to remain profitable, this is mostly due to very hard work by our Management and Staff, Commercial portfolios are showing steady growth but could be affected by our liquidity. Money or access to money continues to be tight in the areas that we service.

A short drive around the area reveals lots of closed businesses and lots of property for sale. TCU has had to deal with an increasing number of repossessed properties all over the area as well as a reduction in property values. We continue to hope for a turnaround in that respect.

As many Credit Unions no longer declare a dividend, we continue to prefer to return our profits to our members; therefore we are declaring a dividend of 5% on Members Shares as well as a 2.75% Loan Interest Rebate, and a 1.4% Profit Savings Interest dividend.

Respectfully submitted

John de Vries
President

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CEO REPORT

It is my pleasure to report on the results and activities of your Credit Union. Again this past year, TCU's overall financial position has strengthened significantly with both strong growth and increased profitability. On a branch level; however, we did not achieve the expected volume in Wardsville or Dutton.

Total assets grew to \$28.4 million or 7.2%; and net income after \$171K return to members, is \$217,259. Despite the challenges to meet branch volumes we are all proud of this year's results and will remain committed to continuing this trend of financial strength in 2012.

Despite persistent downward pressure on interest rates, deposits increased by 5.9% to \$25.3 million while loans showed a modest increase of 2.6% to \$21.5 million. The loan results last year were impacted by significant mortgage payouts as members re-wrote their mortgages while the commercial portfolio grew by \$728 thousand, an increase of 22%. The commercial growth rate continued to be active and the higher interest margins have helped improve our profitability.

Some other highlights of 2011 are as follows:

- Complete renovation of the Wardsville building;
- Addition of a Loans Origination System made possible through our partnership with CUMIS;
- Internal training and educating of four new Financial Services Positions to keep pace with growth and staff development;
- Continued control and reduction of losses due to delinquencies.

The most significant contribution to our financial success is the continued focus and efforts on improving each of our members' own individual financial stability. Our success is your success as you are not only a member, you are also an owner. No one knows our Members or our communities better than we do as we support you in locally relevant ways and are rewarded through your loyalty and business. Through this key financial relationship we are able to share our success in the form of interest and share dividends and patronage through loan interest rebates, and strong community support.

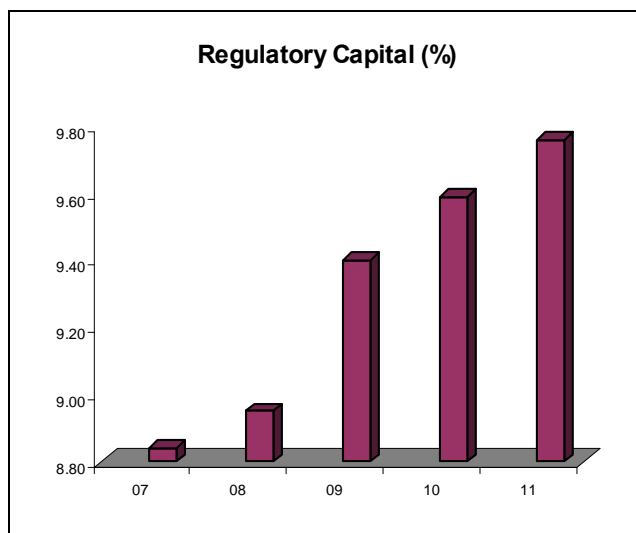
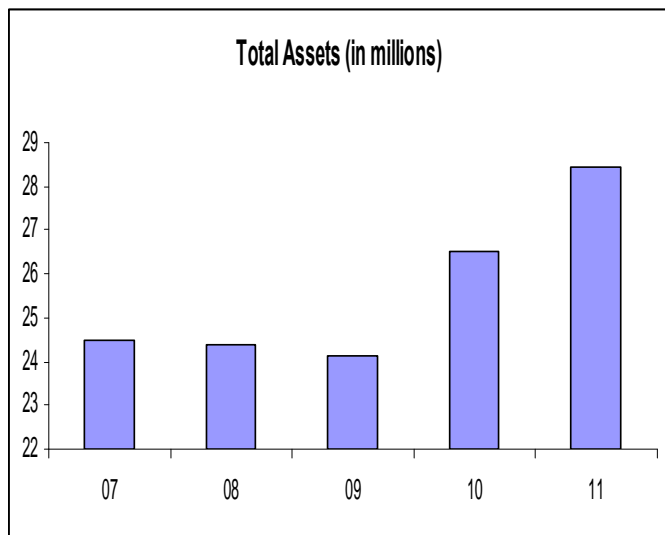
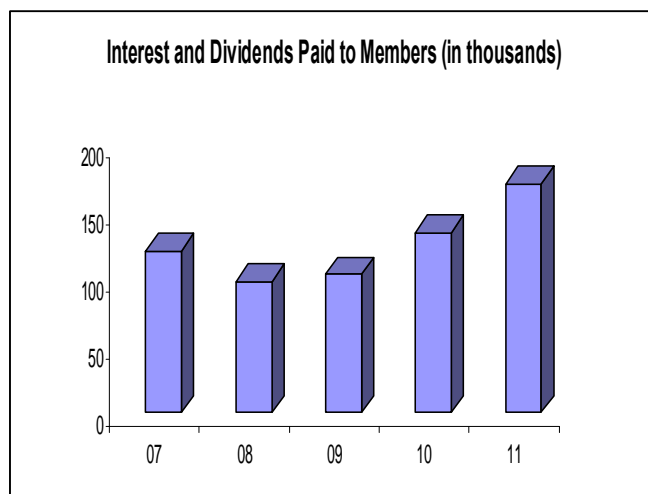
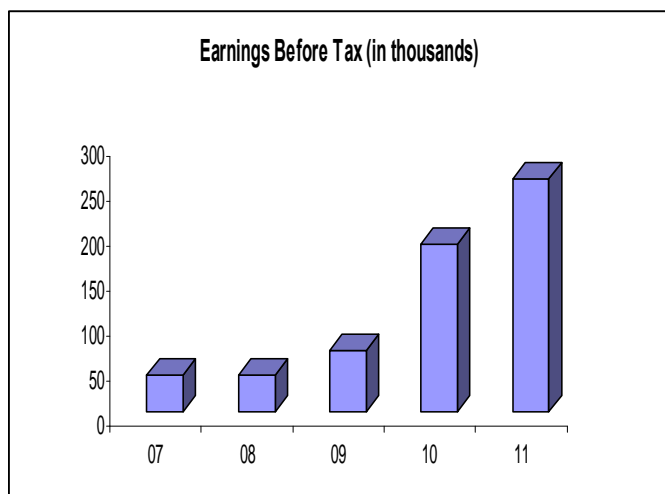
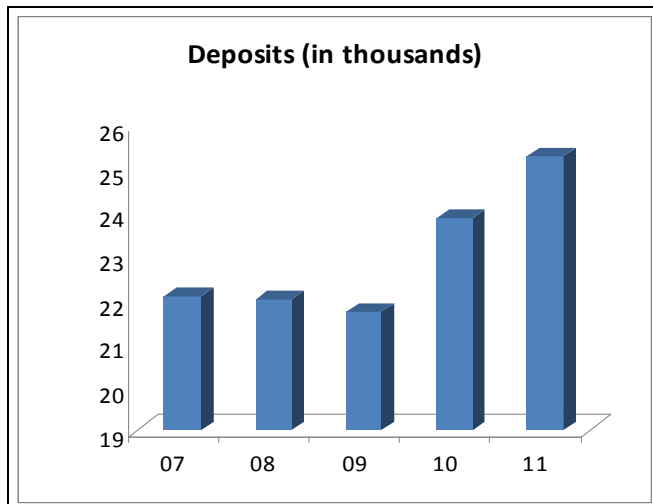
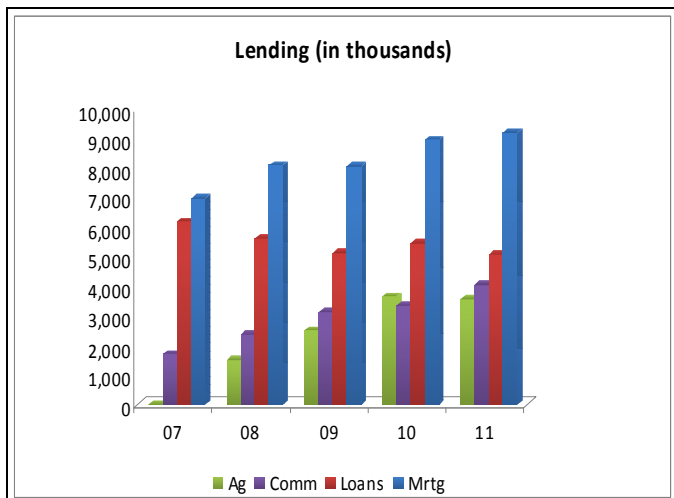
I express my sincere thanks to the Board of Directors who continue to work hard to make TCU provide value to our members, and particularly to John de Vries, Chair of the Board, who has added valuable expertise and leadership. Thank you TCU Staff for your continued dedication and commitment to excellence enabling us to develop trusting financial member relationships that makes TCU your preferred financial institution. I'd also like to thank you, our Member/Owner, for your continued business and support.

I look forward to the coming year and remain committed to maintaining TCU's financial strength and continuance to provide the exceptional service that creates value for our members.

Respectfully submitted,
Mauro Ricordi, CEO

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FINANCIAL DATA



“Your community credit union, You belong with us”



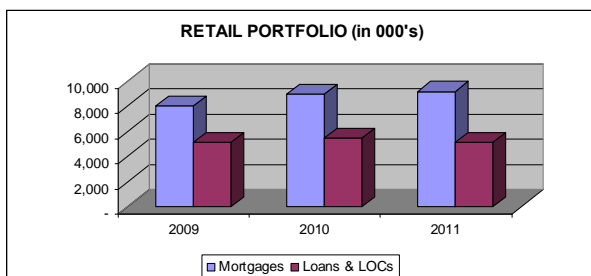
MANAGER OF LENDING AND WEALTH MANAGEMENT

I am pleased to report that overall, Thamesville Community Credit Union experienced a modest NET year over year growth in its loan portfolio of \$541,357 or 2.60% to \$21,514,550.

RETAIL PORTFOLIO

TCU Mortgage portfolio generated net growth of \$237,953 or 2.7% year over year while our personal loan portfolio (which includes lines of credit) decreased by \$385,878 or 7% for a total decrease of \$147,925 Or 1.02%.

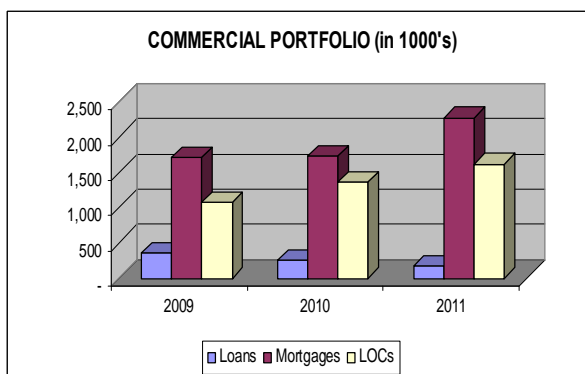
(In 000's)	2011	2010	2009
Mortgages	\$9,175	\$8,937	\$8,041
Loans & LOCs	\$5,089	\$5,475	\$5,123



COMMERCIAL PORTFOLIO

TCU Commercial Portfolio generated a year over year growth of \$728,411 or 21.80%. We expect that this sector will continue to experience growth in fiscal 2012 but at a much more moderate pace. Our decision to enter the Commercial marketplace has been and continues to be well received as illustrated below:

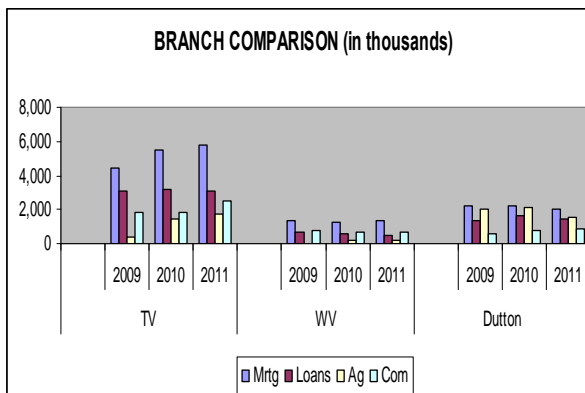
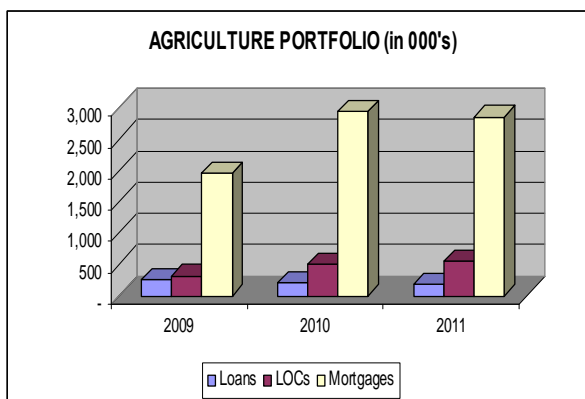
(In 000's)	2011	2010	2009
Commercial - Loans	\$ 179	\$ 258	\$ 362
-Mtg	\$2,274	\$1,730	\$1,717
-LOC	\$1,620	\$1,356	\$1,076
	\$4,073	\$3,344	\$3,155

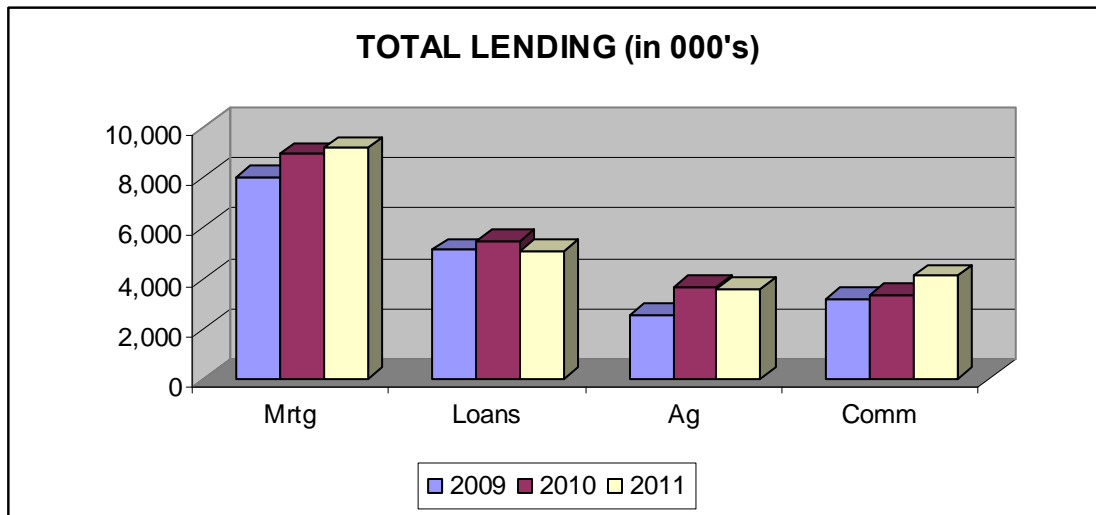


AGRICULTURE PORTFOLIO

TCU Agriculture Portfolio experienced a slight decrease of \$67,440 or 1.9% due to mortgage payments.

AG-	2011	2010	2009
-Loans	\$ 174	\$ 204	\$ 251
-LOC	\$ 551	\$ 496	\$ 321
-Mtg	\$2,856	\$2,948	\$1,953
	\$3,581	\$3,648	\$2,525





LENDING ACTIVITY

The following illustrates the branch lending activity (in thousands) ending October 31, 2011:

THAMESVILLE		#	2011	#	2010	#	2009
Retail	-Loans	196	\$1,896	177	\$1,802	161	\$1,683
	-LOC	50	\$ 134	24	\$ 99	27	\$ 289
	-Mtg	15	\$1,328	22	\$1,930	8	\$ 865
	-Heloc	1	\$ 60	1	\$ 11	3	\$ 100
AG	-Mtg	2	\$ 435	3	\$ 937	1	\$ 148
	-Loans	1	\$ 50	1	\$ 35	0	\$ 0
COMM	-Mtg	5	\$ 882	1	\$ 127	6	\$ 503
	-Loans	<u>2</u>	<u>\$ 47</u>	<u>2</u>	<u>\$ 16</u>	<u>4</u>	<u>\$ 99</u>
		272	\$4,832	231	\$4,957	210	\$3,687
WARDSVILLE		#	2011	#	2010	#	2009
Retail	-Loans	14	\$ 157	26	\$ 318	24	\$ 251
	-LOC	7	\$ 22	4	\$ 2	5	\$ 24
	-Mtg	3	\$ 324	1	\$ 63	1	\$ 85
	-Heloc	1	\$ 160	0	\$ 0	0	\$ 0
AG	-Mtg	1	\$ 113	1	\$ 112	0	\$ 0
	-Loans	0	\$ 0	0	\$ 0	0	\$ 0
COMM	-Mtg	1	\$ 45	0	\$ 0	1	\$ 64
	-Loans	<u>0</u>	<u>\$ 0</u>	<u>0</u>	<u>\$ 0</u>	<u>0</u>	<u>\$ 0</u>
		27	\$ 821	32	\$ 495	31	\$ 424
DUTTON		#	2011	#	2010	#	2009
Retail	-Loans	40	\$ 547	48	\$ 733	43	\$ 980
	-LOC	25	\$ 112	21	\$ 112	12	\$ 128
	-Mtg	4	\$ 442	0	\$ 0	3	\$ 334
	-Heloc	3	\$ 425	2	\$ 328	2	\$ 198
AG	-Mtg	2	\$ 267	0	\$ 0	8	\$1,495
	-Loans	0	\$ 0	0	\$ 0	2	\$ 68
COMM	-Mtg	0	\$ 0	0	\$ 0	0	\$ 0
	-Loans	<u>0</u>	<u>\$ 0</u>	<u>0</u>	<u>\$ 0</u>	<u>1</u>	<u>\$ 20</u>
		74	\$1,793	71	\$1,173	71	\$3,223

DELINQUENCY REPORT

Delinquent accounts continue to put a strain on the overall performance of Thamesville Community Credit Union. Although we have seen continued improvement in this area, we will maintain focus on reducing delinquent accounts and do our due diligence on new credit requests to minimize the potential for new delinquencies amid the economic situation.

CLOSING REMARKS

The 2011 fiscal year was a difficult and unpredictable time as economic conditions remained weak and uncertain. While this has been troubling, it has also allowed us to focus our efforts on assisting you, our member, in achieving financial stability while remaining diligent in our approach.

As we move through 2012, we are committed to working towards growth in the loan portfolio; as well as continued control and reduction of losses due to delinquency.

Our emphasis has been to continue to communicate with our members and provide sound financial advice at all three of TCU locations.

Respectfully submitted

Jerry Delaey.



REPORT OF THE AUDIT COMMITTEE *for the year ended October 31, 2011*

Audit Committee

Chairman.....Robbie McNaughton
Committee Member.....Thomas Chalmers
Committee Member.....Steve Pinsonneault
Committee Member.....David Sherman
Committee Member.....Graham Warwick

Thamesville Community Credit Union has maintained an Audit Committee pursuant to Section 125 of the Credit Union and Caisses Populaires Act, 1994. The Committee, which exists of five directors, meets at least quarterly and has adopted a mandate that covers all of the duties in the Regulations to the Act which are specified to be performed by the Audit Committee.

The Committee reviewed policy, internal controls, operating procedures and Financial Statements and notes there continues to be fewer issues.

The Committee met with TCU External Auditor and he commented the Credit Union continues on a positive path again this year.

A meeting was also held with the Internal Auditor to discuss the 2012 audit process and it was noted management and staff continues to follow policies of the credit union excellently.

The Audit Committee is confident the Credit Union financial reporting systems and controls are adequate to meet its needs and are being complied with.

I thank my fellow committee members, Corporate Secretary Florence Chipp-Smith, CEO Mauro Ricordi, Credit Union Staff, Internal and External Auditors and the Board of Directors for their efforts, comments and suggestions in the past year.

Respectfully submitted on behalf of the Audit Committee.

Robbie McNaughton
Chairman



2012 DIRECTORS ACCLAMATION

- 1. TERRY MARSH**

- 2. GEORGE MOLSON**

- 3. STEVE PINSONNEAULT**



EXPRESSION OF THANKS TO THE FOLLOWING:

Norine Walker and Thamesville United Church Women Unit 1
for preparation of food.

DOOR PRIZE DONATORS

CENTRAL 1 CREDIT UNION

CONCENTRA FINANCIAL

DESJARDINS

GRAPHIX WORKS

HOME HARDWARE (THAMESVILLE)

INFONANCIAL

PROFORMA / RJ PRINT

STANDARD LIFE

THE BENEFIT LADY, SHARON WILSON

THE CHRONICLE

THE CUMIS GROUP LIMITED, PAUL HOGG

