

In 2021, as the country continued to manage the effects of the COVID-19 pandemic, and resulting impacts on business activity, and delivery of goods and services, we at AdelFi can confidently say that God was with us. These words ring true, not just last year, but for the nearly 58 years that make up our history.

Some of the key areas where we saw God’s hand last year, include:

- Membership growth that reflects the growing number of brothers and sisters in Christ that value our products and services
- Continued financial giving to ministries that spread the Gospel enabled by the growing use of products and services
- Membership deposit growth, demonstrating the continued strength and confidence our members have in our mission and purpose
- Strong loan portfolio performance from all member segments—individuals, business owners and investors, and ministries

As we begin a new era, with a new name, we remain committed to keeping Christ at the center of everything we do. Every membership, dollar on deposit, and loan contribute to our ability to give more financially to partner ministries that spread the Gospel. Your use of our products and services also helps us invest in developing products and services that help the Body of Christ thrive financially; and invest in improved technology that delivers easier and faster interactions.

2021 Financial Performance

For 2021, AdelFi generated \$5.8 million in profit. The profit was composed of \$1.1 million from core earnings, \$1.9 million from an early lease termination from a campus tenant, \$2.2 million from the Employee Retention Tax Credit, and \$630,000 from releasing a portion of the loan loss reserves held since 2020, due to the pandemic. To date, all categories of borrowers have shown resilience and strength through the effects of the global pandemic. In fact, a continuation of the multi-year trend of substantial improvements in loan quality resulted in additional reductions to loan loss reserves in 2021.

Below are highlights of our financial performance last year:

Key Metrics	2021
Revenue	\$28.8 million
Operating Expense	\$26.3 million
(Credit) to Loan Loss Reserves	\$(3.3) million
Profit	\$5.8 million
Net Worth Ratio	10.52%
Volunteer Hours	509
Corporate Tithing	Board Grants: \$132,500 Direct Missionary Support: \$53,700 In-Kind Ministry Support: \$943,953 Total: \$1,130,153

On behalf of the entire AdelFi Team, I want to thank you for your membership and for the honor we have in serving your financial needs. We look forward to partnering with you to continue to positively impact the world for Christ!

In Christ,

Abel Pomar
 President, Chief Executive Officer

Statements of Financial Condition

as of December 31, 2021 and 2020

Assets	2021	2020
Cash and cash equivalents.....	\$ 22,514,655	\$ 100,179,024
Investment securities.....	77,328,599	116,359,697
Loans, net	408,567,376	370,537,126
National Credit Union Share Insurance Fund (NCUSIF) deposit	3,867,742	4,755,675
FHLB stock.....	2,948,500	2,948,500
Premises, property and equipment (net).....	42,361,519	43,804,349
Other assets	24,037,894	23,771,861
Total Assets	\$ 581,626,285	\$ 662,356,232
 Liabilities and Members' Equity		
LIABILITIES		
Members' share accounts	\$ 505,755,518	\$ 602,875,590
Borrowed funds	5,000,000	-
Accrued expenses and other liabilities	9,325,147	3,295,681
Total Liabilities.....	\$ 520,080,665	\$ 606,171,271
MEMBERS' EQUITY	61,545,620	56,184,961
Total Liabilities and Members' Equity	\$ 581,626,285	\$ 662,356,232

Statements of Operations

for the Twelve Months Ended December 31, 2021 and 2020

Interest Income	2021	2020
Loans.....	\$ 16,379,698	\$ 17,571,081
Investments.....	1,104,978	1,962,790
Total Interest Income	\$ 17,484,676	\$ 19,533,871
Interest Expense		
Members' share accounts.....	1,996,625	5,011,548
Borrowed funds.....	20,020	943,287
Total Interest Expense.....	\$ 2,016,645	\$ 5,954,835
Net Interest Income before Provision for Loan Losses.....	\$ 15,468,031	\$ 13,579,036
Provision for loan losses	(3,333,337)	758,010
Net Interest Income after Provision for Loan Losses	\$ 18,801,404	\$ 12,821,026
Non-Interest Income		
Loan servicing fees	1,815,784	2,121,294
Other fees and charges	2,029,768	1,818,210
Other	7,503,666	1,846,814
Total Non-Interest Income.....	\$ 11,349,218	\$ 5,786,318
Non-Interest Expense		
Salaries and benefits	13,707,274	11,105,231
Other operating expenses	10,639,320	10,155,168
Total Non-Interest Expense	\$ 24,346,594	\$ 21,260,399
Net Income (Loss).....	\$ 5,804,028	\$ (2,653,055)

The information above has been derived from AdelFi's audited financial statements.
To request the audited financial statements, call 800-634-3228.

The AdelFi Supervisory Committee serves members by reviewing the credit union's financial operations. The Committee monitors AdelFi policies and practices as needed to protect member accounts. To do this, the Committee engages multiple independent experts to audit accounts, review internal controls, and monitor compliance with applicable laws and regulations. The Committee meets regularly to receive and evaluate the reports of these experts.

Based on the unmodified opinion of AdelFi's independent external auditors, Moss Adams LLP, the Supervisory Committee has determined that AdelFi's 2021 financial statements fairly present, in all material respects, the credit union's financial position, results of operations, and cash flows.

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