

THE CO-OPERATIVE CENTRAL BANK

Combining Statements of Financial Condition

August 31,			1999	1998
	Reserve Fund	Share Insurance Fund	Combined	Combined
ASSETS				
Cash and cash equivalents:				
Cash	\$103,943	\$61,097	\$165,040	\$201,684
Repurchase agreements (approximate market)	<u>3,870,000</u>	<u>3,500,000</u>	<u>7,370,000</u>	<u>12,420,000</u>
Total cash and cash equivalents	<u>3,973,943</u>	<u>3,561,097</u>	<u>7,535,040</u>	<u>12,621,684</u>
Investment securities:				
Securities held-to-maturity	8,000,729	-	8,000,729	9,227,259
Securities available-for-sale	<u>79,684,258</u>	<u>75,587,119</u>	<u>155,271,377</u>	<u>151,076,402</u>
Total investment securities	<u>87,684,987</u>	<u>75,587,119</u>	<u>163,272,106</u>	<u>160,303,661</u>
Loan participation certificates	-	269,135	269,135	369,380
Loans to member banks	500,000	-	500,000	-
Due from member banks under capital and income certificates	-	43,212	43,212	499,246
Accrued interest receivable	1,267,771	1,282,731	2,550,502	2,418,057
Other assets	<u>912,838</u>	<u>1,651,545</u>	<u>2,564,383</u>	<u>2,390,344</u>
	<u>\$94,339,539</u>	<u>\$82,394,839</u>	<u>\$176,734,378</u>	<u>\$178,602,372</u>
LIABILITIES AND EQUITY				
Deposits by member banks	\$39,477,084	-	\$39,477,084	\$42,925,792
Securities sold under agreements to repurchase	45,000,000	-	45,000,000	40,000,000
Interest payable	1,637,054	-	1,637,054	1,700,299
Accrued expenses and other liabilities	23,989	9,000	32,989	48,993
Accrued loss contingency	<u>-</u>	<u>2,115,807</u>	<u>2,115,807</u>	<u>2,364,902</u>
	<u>86,138,127</u>	<u>2,124,807</u>	<u>88,262,934</u>	<u>87,039,986</u>
Retained earnings	11,326,525	81,935,418	93,261,943	92,106,195
Unrealized gain(loss) on securities available-for-sale:				
Accumulated other comprehensive income (loss)	<u>(3,125,113)</u>	<u>(1,665,386)</u>	<u>(4,790,499)</u>	<u>(543,809)</u>
	<u>8,201,412</u>	<u>80,270,032</u>	<u>88,471,444</u>	<u>91,562,386</u>
	<u>\$94,339,539</u>	<u>\$82,394,839</u>	<u>\$176,734,378</u>	<u>\$178,602,372</u>

See notes to financial statements.

THE CO-OPERATIVE CENTRAL BANK

Combining Statement of Operations and Retained Earnings

<i>Year ended August 31,</i>	<i>1999</i>		<i>1998</i>	
	<i>Reserve Fund</i>	<i>Share Insurance Fund</i>	<i>Combined</i>	<i>Combined</i>
Interest Income:				
Investment securities	\$5,206,599	\$4,884,665	\$10,091,264	\$10,419,662
Capital certificates and subordinated debentures	-	11,048	11,048	25,606
Loans	-	21,681	21,681	42,629
Total Interest Income	<u>5,206,599</u>	<u>4,917,394</u>	<u>10,123,993</u>	<u>10,487,897</u>
Interest Expense:				
Deposits	2,421,039	-	2,421,039	2,548,181
Borrowed funds	<u>2,038,835</u>	<u>-</u>	<u>2,038,835</u>	<u>2,316,553</u>
Total Interest Expense	<u>4,459,874</u>	<u>-</u>	<u>4,459,874</u>	<u>4,864,734</u>
Net Interest Income	746,725	4,917,394	5,664,119	5,623,163
Operating Expenses	<u>598,884</u>	<u>1,160,987</u>	<u>1,759,871</u>	<u>1,614,880</u>
Income Before Gain on Sale of Securities and Recoveries on Contingency Loss Provision	147,841	3,756,407	3,904,248	4,008,283
Gain on Sale of Investment Securities	<u>750</u>	<u>750</u>	<u>1,500</u>	<u>81,209</u>
Income Before Recoveries on Contingency Loss Provision	148,591	3,757,157	3,905,748	4,089,492
Recoveries on Contingency Loss Provision (Note C)	-	250,000	250,000	500,000
Net Income	<u>148,591</u>	<u>4,007,157</u>	<u>4,155,748</u>	<u>4,589,492</u>
Retained Earnings, at beginning of year	11,177,934	80,928,261	92,106,195	90,516,703
Dividend Paid	-	(3,000,000)	(3,000,000)	(3,000,000)
Retained Earnings, at end of year	<u>\$11,326,525</u>	<u>\$81,935,418</u>	<u>\$93,261,943</u>	<u>\$92,106,195</u>

See notes to financial statements.