

THE CO-OPERATIVE CENTRAL BANK

Combining Statements of Operations and Retained Earnings

Year ended August 31,

2005

2004

	<i>Reserve Fund</i>	<i>Share Insurance Fund</i>	<i>Combined</i>	Combined
Interest Income:				
Investment securities	\$ 1,677,387	\$ 2,138,562	\$ 3,815,949	\$ 4,072,265
Loans	7,541	3,089	10,630	6,640
Total Interest Income	<u>1,684,928</u>	<u>2,141,651</u>	<u>3,826,579</u>	<u>4,078,905</u>
Interest Expense:				
Deposits	459,756	-	459,756	975,449
Borrowed funds	552,704	-	552,704	382,211
Total Interest Expense	<u>1,012,460</u>	<u>-</u>	<u>1,012,460</u>	<u>1,357,660</u>
Net Interest Income	672,468	2,141,651	2,814,119	2,721,245
Operating Expenses	605,791	1,286,882	1,892,673	1,716,702
Income Before Recoveries on Contingency Loss Provision	66,677	854,769	921,446	1,004,543
Recoveries on Contingency Loss Provision (Note C)	-	-	-	6,000
Net Income	<u>66,677</u>	<u>854,769</u>	<u>921,446</u>	<u>1,010,543</u>
Retained Earnings, at beginning of year	10,425,539	86,095,728	96,521,267	96,110,724
Dividend Paid	-	-	-	(600,000)
Retained Earnings, at end of year	<u>\$ 10,492,216</u>	<u>\$ 86,950,497</u>	<u>\$ 97,442,713</u>	<u>\$ 96,521,267</u>

See notes to financial statements.

THE CO-OPERATIVE CENTRAL BANK

Combining Statements of Financial Condition

August 31,			2005	2004
	Reserve Fund	Share Insurance Fund	Combined	Combined
ASSETS				
Cash and cash equivalents:				
Cash	\$ 149,239	\$ 103,761	\$ 253,000	\$ 301,104
Repurchase agreements (approximate market)	2,460,000	2,175,000	4,635,000	8,130,000
Total cash and cash equivalents	<u>2,609,239</u>	<u>2,278,761</u>	<u>4,888,000</u>	<u>8,431,104</u>
Investment securities:				
Securities held-to-maturity	173,179	-	173,179	398,096
Securities available-for-sale	66,393,072	79,027,449	145,420,521	145,863,546
Total investment securities	<u>66,566,251</u>	<u>79,027,449</u>	<u>145,593,700</u>	<u>146,261,642</u>
Loan participation certificates	-	-	-	81,819
Accrued interest receivable	335,702	510,743	846,445	882,673
Other assets	1,094,069	6,221,077	7,315,146	7,185,514
Total Assets	<u>\$ 70,605,261</u>	<u>\$ 88,038,030</u>	<u>\$ 158,643,291</u>	<u>\$ 162,842,752</u>
LIABILITIES AND EQUITY				
Deposits by member banks	\$ 40,210,121	\$ -	\$ 40,210,121	\$ 39,017,947
Securities sold under agreements to repurchase	20,000,000	-	20,000,000	25,000,000
Interest payable	378,031	-	378,031	518,035
Accrued expenses and other liabilities	302,955	25,300	328,255	293,231
Accrued loss contingency	-	2,000,058	2,000,058	2,000,058
Total Liabilities	<u>60,891,107</u>	<u>2,025,358</u>	<u>62,916,465</u>	<u>66,829,271</u>
Retained earnings	10,492,216	86,950,497	97,442,713	96,521,267
Accumulated other comprehensive loss	(778,062)	(937,825)	(1,715,887)	(507,786)
Total Equity	<u>9,714,154</u>	<u>86,012,672</u>	<u>95,726,826</u>	<u>96,013,481</u>
Total Liabilities and Equity	<u>\$ 70,605,261</u>	<u>\$ 88,038,030</u>	<u>\$ 158,643,291</u>	<u>\$ 162,842,752</u>

See notes to financial statements.