

NATIONAL CREDIT UNION CENTRAL LIQUIDITY FACILITY

**BALANCE SHEET
AS OF JUNE 30, 2011**

**STATEMENT OF REVENUE AND EXPENSES
FOR PERIOD ENDING JUNE 30, 2011**

	<u>2011</u>	<u>2010</u>
ASSETS		
Cash & Cash Equivalents	838,401,373.68	\$8,532,323.90
Demand Account	0.00	0.00
Accounts Receivable	0.00	0.00
Investments	1,260,861,216.79	1,969,371,532.70
(2011 net of \$2,721,807 unamortized)		
(2010 net of \$1,628,639 unamortized)		
Loans:		
NCUSIF	0.00	10,000,000,000.00
Regular Member	0.00	0.00
Agent Member	0.00	0.00
CU HARP	0.00	95,705,077.00
CU SIP	0.00	0.00
<i>Total Loans</i>	0.00	10,095,705,077.00
Interest Receivable	1,009,089.75	1,349,579.27
Prepaid Expenses	0.00	0.00
TOTAL ASSETS	<u>\$2,100,271,680.22</u>	<u>\$12,074,958,512.87</u>
CURRENT LIABILITIES		
Accounts Payable	\$192,475.79	\$133,753.05
Dividends Payable	808,774.33	1,463,679.49
Interest Payable-LRC*	513.24	809.90
Notes Payable-FFB**	0.00	10,095,705,077.00
Regular Member Deposits-LRC*	1,306,082.44	1,086,389.69
Agent Member Deposits	0.00	0.00
Accrued Interest Payable	0.00	1,301,917.80
Other Accrued Expenses	60,578.90	28,591.49
<i>Total Liabilities</i>	<u>\$2,368,424.70</u>	<u>\$10,099,720,218.42</u>
EQUITY		
Capital Stock Regular Members	75,450,654.00	71,824,687.00
Capital Stock Agent Members	1,996,276,290.00	1,885,176,307.00
<i>Total Capital Stock**</i>	<u>\$2,071,726,944.00</u>	<u>\$1,957,000,994.00</u>
Retained Earnings Prior Year	22,005,970.47	14,123,778.72
Retained Earnings Current Year:		
Unappropriated	0.00	0.00
Appropriated	4,170,341.05	4,113,521.73
<i>Total Equity</i>	<u>\$2,097,903,255.52</u>	<u>\$1,975,238,294.45</u>
TOTAL LIABILITIES AND EQUITY	<u>\$2,100,271,680.22</u>	<u>\$12,074,958,512.87</u>

	<u>CURRENT MONTH</u>	<u>YEAR TO DATE</u>	<u>PRIOR YEAR TO DATE</u>
INCOME			
Interest on Loans	\$0.00	\$0.00	\$30,280,907.45
Income from Investments	1,050,106.49	6,744,156.23	7,131,198.01
Other	0.00	0.00	0.00
<i>Total Revenue</i>	<u>\$1,050,106.49</u>	<u>\$6,744,156.23</u>	<u>\$37,412,105.46</u>
EXPENSES			
Personnel Services	\$44,540.31	\$224,811.10	\$129,740.34
Personnel Benefits	11,849.29	58,116.97	31,725.39
Employee Travel	1,140.77	1,140.77	0.00
Rent, Communications/Utilities	996.92	7,236.52	5,408.00
Printing, Reproduction & Postage	50.00	694.00	2,080.00
Supplies and Materials	293.53	2,121.53	5,169.00
Group Agent Service Fees	0.00	0.00	0.00
Other Services	3,889.52	23,153.62	33,129.46
<i>Total Operating Expenses</i>	<u>\$62,760.34</u>	<u>\$317,274.51</u>	<u>\$207,252.19</u>
LRC Interest Expenses	169.16	1,021.74	1,286.00
FFB Interest Expenses	0.00	0.00	30,280,907.45
TOTAL EXPENSES	<u>\$62,929.50</u>	<u>\$318,296.25</u>	<u>\$30,489,445.64</u>
Reserve for Losses	0.00	0.00	0.00
Net Income Before Dividends	\$987,176.99	\$6,425,859.98	\$6,922,659.82
Dividends Accrued	266,666.74	2,255,518.93	2,809,138.09
NET INCOME	<u>\$720,510.25</u>		
Retained Earnings		<u>\$4,170,341.05</u>	<u>\$4,113,521.73</u>


	<u>2011</u>	<u>2010</u>	<u>2009</u>
Dividend Rate First Quarter -	0.30	0.30	2.0322
Dividend Rate Second Quarter -	0.1566	0.30	1.3438
Dividend Rate Third Quarter -		0.30	0.52
Dividend Rate Fourth Quarter -		0.30	0.30

SELECTED RATIOS

	<u>6/30/2011</u>	<u>6/30/2010</u>		<u>Current Month</u>	<u>Year to Date</u>	<u>Prior Year-to-Date</u>
BALANCE SHEET			OPERATIONS			
Stock & Retained Earnings/Total Assets	99.89%	16.36%	Total Operating Expenses/Total Revenue	5.98%	4.70%	0.55%
Loans/Total Assets	0.00%	83.61%	Net Income(before Divs)/Total Revenue	94.01%	95.28%	18.50%
Loans/Stock & Retained Earnings	0.00%	511.11%	Loan/Total Revenue	0.00%	0.00%	80.94%
Total Liabilities/Stock & Retained Earnings	0.11%	511.32%				

*LRC=Liquidity Reserve and Clearing **FFB=Federal Financing Bank

***Required (\$50 par value; authorized: 82,868,078 shares; issued and outstanding: 41,434,539)


 Mark Vaughn, Vice President

IN ACCORDANCE WITH BOARD POLICY, CLF WILL RESUME THE BUILDING OF RETAINED EARNINGS SUFFICIENT TO SUPPORT THE RISK INHERENT IN THE OPERATIONS AND TO SUPPORT THE COST OF OPERATIONS. THIS ANALYSIS SUPPORTS THE OBJECTIVE OF A FAIR DIVIDEND TO STOCKHOLDERS.

2nd QUARTER EARNINGS @ 0.68% (Approximate combined earnings on investments)
2nd QUARTER DIVIDEND/INTEREST RATE @ 0.1566%

\$513.24 LRC Interest 2nd Qtr	\$808,774.33 DIVIDEND
\$29,046.29 Reg Member Div 2nd Qtr	\$513.24 INTEREST
\$779,728.04 Agent Member Div 2nd Qtr	<u>\$809,287.57</u>
<u>\$809,287.57</u> Total Div/Int 1st Qtr	

SAP 417000	\$808,774.33 DIV PAYABLE
SAP 417001	\$513.24 INT PAYABLE
	<u>\$809,287.57</u> TOTAL ACCRUED IN 2nd QTR

CONCUR:



*Will not
go in
border*