



**MEMSERVE CUSO LLC
QUARTERLY FINANCIAL REPORT**

Second Quarter

2008

MemServe LLC Statement of Operations
as of July 31st 2008

	CURRENT MONTH	YTD	BUDGET
REVENUES			
PER ACCOUNT INCOME	\$ 4,817	\$ 34,381	\$ 32,521
LOCKBOX	285	1,970	1,885
INVESTMENT INCOME	108	918	1,021
ENDORSEMENT INCOME	104	196	-
INTERCHANGE INCOME	1,182	7,670	6,475
OTHER INCOME	14	254	245
TOTAL	<u>6,510</u>	<u>45,388</u>	<u>42,147</u>
EXPENSES			
MANAGEMENT FEE	5,790	39,084	41,417
DEPOSIT ENCODING	140	1,040	1,225
BOARD MEMBER EXPENSE	-	-	58
TRAVEL	-	85	583
MARKETING	-	-	292
AMORT & DEPR	44	306	292
COMMUNICATION	-	218	350
AUDIT	208	1,458	1,458
LEGAL	-	-	-
INSURANCE	125	875	858
CONSULTANT	-	285	233
INCOME TAX	-	-	-
OTHER	-	-	175
TOTAL	<u>6,307</u>	<u>43,350</u>	<u>46,941</u>
NET INCOME/(LOSS)	<u>\$ 203</u>	<u>\$ 2,038</u>	<u>\$ (4,794)</u>

Balance Sheet

as of July 31st 2008

Assets

CASH		\$	123,173
RECEIVABLES:			
CREDIT UNION RECEIVABLES			19,009
OTHER RECEIVABLES			-
ACCRUED INTEREST INCOME			108
TOTAL RECEIVABLES			<u>19,117</u>
PREPAID EXPENSES			1,246
OFFICE EQUIPMENT	6,535		
ACCUM. DEPR--OFFICE EQUIPMENT	(6,235)		300
VISA LICENSE FEE	3,000		
AMORTIZATION OF LICENSE FEE	(3,000)		-
TOTAL ASSETS		\$	<u><u>143,835</u></u>

Liabilities, Shares, & Equity

LIABILITIES:			
DUE KCCU		\$	12,777
INTERCHANGE INCOME DUE CU's			29,041
MEMBER SETTLEMENT			-
OTHER PAYABLES			5,608
TOTAL LIABILITIES			<u>47,426</u>
SHARES			200
PAID-IN CAPITAL			78,952
UNDIVIDED EARNINGS @ 12/31/2007			15,220
NET PROFIT Y-T-D			2,038
TOTAL EQUITY			<u>96,410</u>
TOTAL LIABILITIES, SHARES, & EQUITY		\$	<u><u>143,835</u></u>