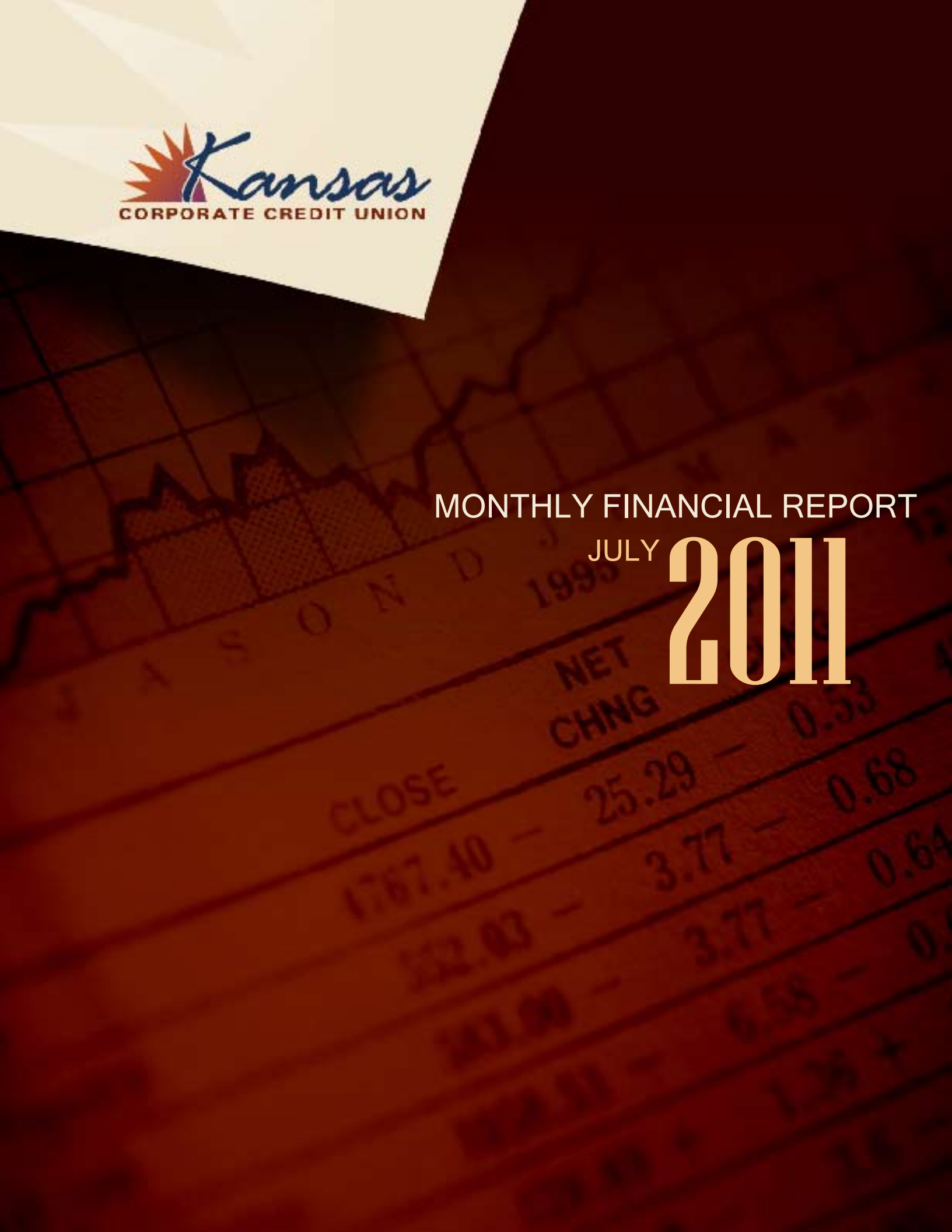




MONTHLY FINANCIAL REPORT

JULY  
**2011**



# Statement of Financial Condition

## July 31, 2011

		ASSETS		
		July 31, 2011	June 30, 2011	July 31, 2010
LOANS				
DEMAND	\$1,538,221			
FIXED RATE TERM LOANS	1,381,512			
TOTAL LOANS		\$2,919,734	\$2,801,016	\$3,128,002
CASH & OVERNIGHT DEPOSITS		141,351,148	104,932,406	103,396,881
ACCOUNTS RECEIVABLE		92,420	85,855	70,322
INVESTMENTS				
MARKETABLE SECURITIES	1 YR OR LESS    GRT THAN 1 YR			
FAS 115 ADJ*	15,745,870    126,332,897	142,078,767	142,664,429	69,350,996
	(85,449)    (194,945)	(280,394)	(166,690)	(99,602)
	15,660,421    126,137,952	141,798,373	142,497,739	69,251,394
USCCU	42,560,525    24,700,000	67,260,525	78,962,446	150,885,684
OTHER INVESTMENTS	7,982,000    3,736,405	11,718,405	12,467,405	10,911,405
TOTAL INVESTMENTS	66,202,946    154,574,358	220,777,304	233,927,590	231,048,483
NCUSIF DEPOSIT		242,894	242,894	275,062
TOTAL INVESTMENTS AND NCUSIF DEPOSIT		221,020,198	234,170,484	231,323,545
OTHER ASSETS				
ACC INC LOANS		8,030	8,226	12,334
ACC INC INVEST		94,703	101,688	125,036
PREPAID EXP		119,605	96,361	111,265
TOTAL OTHER ASSETS		222,338	206,275	248,635
FIXED ASSETS				
LAND	COST    ACCUM DEPR			
BUILDINGS & IMPROVEMENTS	92,432    -	92,432	92,432	92,432
DATA PROC EQUIP	789,133    (313,883)	475,250	477,675	508,389
FURN & FIXTURES	387,797    (264,088)	123,708	123,941	32,779
TOTAL FIXED ASSETS	235,502    (230,460)	5,042	5,781	11,316
	1,504,864    (808,431)	696,432	699,828	644,916
<b>TOTAL ASSETS</b>		<b>\$366,302,270</b>	<b>\$342,895,867</b>	<b>\$338,812,300</b>
		<b>LIABILITIES AND EQUITY</b>		
LIABILITIES:				
US CENTRAL LOANS		\$0	\$0	\$734,839
CLF LOAN		0	0	0
ACC INT PAYABLE		0	0	2,836
ACC DIVIDEND PAY		115,458	106,678	117,204
ACC EXPENSES		196,140	188,827	213,448
OTHER LIABILITY		60,494	61,435	39,641
TOTAL LIABILITIES		<b>372,093</b>	<b>356,940</b>	<b>1,107,968</b>
EQUITY:				
REGULAR SHARES		40,669,497	28,651,357	27,114,032
MEMBERSHIP SHARES		27,379,502	27,379,502	27,379,502
SHARE CERTIFICATES		41,320,983	48,756,983	37,851,743
MANAGED LIQUIDITY SHARES		255,873,261	237,022,792	244,897,834
		365,243,242	341,810,634	337,243,110
RETAINED EARNINGS		967,329	894,984	560,824
MEMBER PAID IN CAPITAL		967,329	894,984	560,824
RESERVES & PIC BEFORE FAS 115 ADJUSTMENT		0	0	0
		967,329	894,984	560,824
NET UNREALIZED GAINS/(LOSSES) ON AVAILABLE-FOR-SALE SECURITIES*		(280,394)	(166,690)	(99,602)
RESERVES AFTER FAS 115 ADJUSTMENT		686,935	728,294	461,222
<b>TOTAL MEMBERS EQUITY</b>		<b>365,930,176</b>	<b>342,538,927</b>	<b>337,704,332</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>\$366,302,270</b>	<b>\$342,895,867</b>	<b>\$338,812,300</b>

\* Represents unrealized gains/(losses) on available for sale securities in accordance with SFAS 115.

# Income Statement

For the Period Ended July 31, 2011

	CURRENT MONTH	PRIOR MONTH	ACTUAL YR-TO-DATE	BUDGETED YR-TO-DATE	VARIANCE YR-TO-DATE	VARIANCE % YR-TO-DATE
<b>INTEREST INCOME:</b>						
<b>INVESTMENTS</b>						
U.S. Central & Other Financial Institutions	\$ 56,594	\$ 52,035	\$ 484,146	\$ 556,939	\$ (72,793)	-13.1%
Marketable Securities	62,436	64,320	405,266	445,000	(39,734)	-8.9%
CUNA Mutual Notes	-	-	-	-	-	0.0%
Loans	7,709	8,039	58,602	41,566	17,036	41.0%
<b>Total Interest Income</b>	<b>126,738</b>	<b>124,394</b>	<b>948,013</b>	<b>1,043,505</b>	<b>(95,492)</b>	<b>-9.2%</b>
<b>INTEREST EXPENSE:</b>						
Members' Accounts	42,307	41,704	351,411	375,252	(23,841)	-6.4%
<b>BORROWINGS:</b>						
US Central Loans	-	-	9,099	26,204	(17,105)	-65.3%
<b>Total Interest Expense</b>	<b>42,307</b>	<b>41,704</b>	<b>360,509</b>	<b>401,456</b>	<b>(40,947)</b>	<b>-10.2%</b>
<b>NET INTEREST INCOME</b>	<b>84,432</b>	<b>82,690</b>	<b>587,505</b>	<b>642,049</b>	<b>(54,544)</b>	<b>-8.5%</b>
<b>FEE INCOME</b>						
ALM Income	19,885	17,372	124,452	116,667	7,785	6.7%
FRB Pass Through Fees	37,835	35,915	250,347	262,500	(12,153)	-4.6%
Coin & Currency Fees	26,171	25,969	178,840	172,667	6,173	3.6%
Wire Income	10,824	11,345	74,841	78,167	(3,326)	-4.3%
Other Service Income	49,401	45,462	325,274	291,667	33,607	11.5%
Commission Income	31,957	30,934	208,612	268,333	(59,721)	-22.3%
Rental Income	2,078	2,078	14,547	15,555	(1,008)	-6.5%
TSG Income	289	0	1,545	4,375	(2,830)	-64.7%
Incentive Income	0	0	0	0	0	N/A
<b>TOTAL FEE INCOME</b>	<b>178,439</b>	<b>169,075</b>	<b>1,178,458</b>	<b>1,209,930</b>	<b>(31,472)</b>	<b>-2.6%</b>
<b>TOTAL OPERATING INCOME</b>	<b>262,870</b>	<b>251,765</b>	<b>1,765,963</b>	<b>1,851,979</b>	<b>(86,016)</b>	<b>-4.6%</b>
<b>OPERATING EXPENSE</b>						
Advertising	610	265	5,139	4,200	939	22.4%
Annual Meeting	-	-	5,082	3,000	2,082	69.4%
Association Dues	833	833	5,831	5,831	-	0.0%
Financial Services	68,708	66,907	466,712	456,575	10,137	2.2%
Contributions	250	-	850	750	100	13.3%
Data Processing	15,138	15,131	105,626	102,811	2,815	2.7%
Depreciation	692	3,602	16,066	16,305	(239)	-1.5%
Employee Development	79	-	269	1,167	(898)	-76.9%
Insurance	5,717	5,717	39,380	40,104	(724)	-1.8%
Volunteer Meetings	557	934	4,674	4,375	299	6.8%
Office Occupancy	8,458	6,660	51,648	52,562	(913)	-1.7%
Office Operations	4,022	3,399	28,677	25,798	2,878	11.2%
Professional Services	9,722	10,566	66,178	61,060	5,117	8.4%
Salaries & Benefits	77,268	81,787	553,045	571,393	(18,348)	-3.2%
Staff Travel	4,832	927	13,137	9,333	3,803	40.8%
Coin & Currency Expense	21,836	23,887	156,641	149,333	7,307	4.9%
Miscellaneous	-	-	-	-	-	
<b>TOTAL OPERATING EXPENSE</b>	<b>218,722</b>	<b>220,614</b>	<b>1,518,956</b>	<b>1,504,598</b>	<b>14,358</b>	<b>1.0%</b>
NCUSIF Stabilization (Expense)	(4,250)	(6,400)	(42,650)	<b>(44,800)</b>	2,150	-4.8%
Gain on disposition of Marketable Securities	32,446	1,731	34,177	-	34,177	N/A
	-	-	-	-	-	N/A
<b>NET INCOME BEFORE PIC DIVIDENDS</b>	<b>72,345</b>	<b>26,479</b>	<b>238,534</b>	<b>302,580</b>	<b>(64,047)</b>	<b>-21.2%</b>
<b>NET INCOME</b>	<b>\$ 72,345</b>	<b>\$ 26,482</b>	<b>\$ 238,534</b>	<b>\$ 302,580</b>	<b>\$ (64,046)</b>	<b>-21.2%</b>
<b>TRANSFER TO RESERVES &amp; UNDIVIDED EARNINGS</b>	<b>\$ 72,345</b>	<b>\$ 26,482</b>	<b>\$ 238,534</b>			

## Product & Service Offerings

### Correspondent Services

Kansas Corporate offers a comprehensive suite of correspondent services that not only allow you to serve your member needs today but tomorrow as well. ACH receipt and origination, currency and coin delivery, wire and western union transfers, and a complete international service package are but a few of the correspondent services available through Kansas Corporate.

### Investment Solutions

Providing a full-menu of investment offerings is one of the critical initiatives Kansas Corporate practices to ensure members achieve their financial goals. Members can diversify their investment portfolio doing business with one partner, Kansas Corporate. Access the CD market through SimpliCD, the marketable security market with the Corporate Agent Program, as well as investment offerings available from Kansas Corporate including Term Certificates, Fixed Callable, Step-Up Certificates, and ACP Offerings. Security settlement and safekeeping is also available for member credit unions.

### Liquidity Solutions

Kansas Corporate offers a variety of liquidity solutions to ensure meeting the varying liquidity needs of member credit unions. Members choose their funding method be it an overnight, term or asset-backed loan.

### Technology Services

Kansas Corporate, through partnerships with industry experts, provides technology solutions beyond compare in today's market. Development of the Technology Services Group to aid member credit unions with technology initiatives has fostered growth for members statewide. Other services include web development, bill payment, voice and data solutions, and security assessments.

For more information about Kansas Corporate and the services we provide, contact Circe Gleeson, Marketing Manager, at 800.721.2677 | Ext. 106 or email [marketing@kansascorporate.org](mailto:marketing@kansascorporate.org).

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