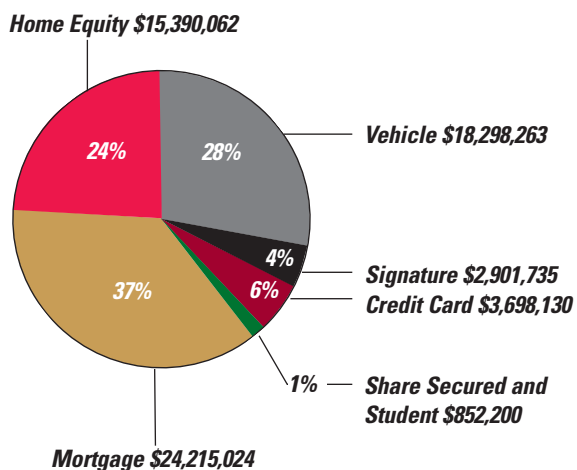


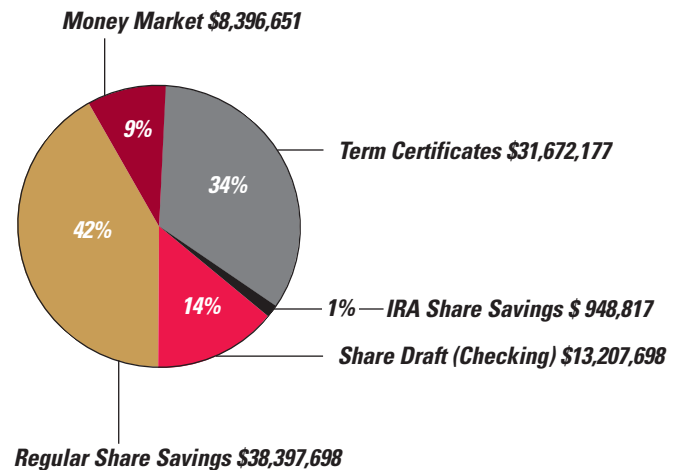
# BALANCE SHEETS — December 31, 2007 and 2006

ASSETS	2007	2006
Cash and due from financial institutions	\$ 1,758,263	\$ 1,175,631
Federal funds sold	4,068,060	5,729,598
<b>Total cash and cash equivalents</b>	<b>5,826,323</b>	<b>6,905,229</b>
Interest-bearing time deposits with financial institutions	23,174,533	19,676,526
Securities available for sale	4,612,193	2,861,008
Net loans	64,571,340	71,180,898
Premises and equipment, net	3,591,757	3,699,443
Corporate One and WesCorp capital participation certificates	1,075,627	1,054,944
Accrued interest receivable	489,168	540,280
Repossessed assets	10,000	38,104
Member share insurance deposit	1,070,320	1,062,603
Member payroll deduction receivable	7,641	58,141
Prepaid expenses and other assets	521,446	482,657
<b>Total assets</b>	<b>\$ 104,950,348</b>	<b>\$ 107,559,833</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
Liabilities		
Members' shares	\$ 92,622,711	\$ 95,776,645
Accounts payable and accrued liabilities	939,255	1,123,325
<b>Total liabilities</b>	<b>93,561,966</b>	<b>96,899,970</b>
Members' equity		
Appropriated statutory reserve	3,537,666	3,450,160
Retained earnings	7,825,662	7,276,354
Accumulated other comprehensive net income (loss)	25,054	(66,651)
<b>Total members' equity</b>	<b>11,388,382</b>	<b>10,659,863</b>
<b>Total liabilities and members' equity</b>	<b>\$ 104,950,348</b>	<b>\$ 107,559,833</b>

## LOAN PORTFOLIO



## DEPOSIT PORTFOLIO



# STATEMENTS OF INCOME — Years ended December 31, 2007 and 2006

<b>Interest and dividend income</b>	<b>2007</b>	<b>2006</b>
Loans	\$ 4,674,802	\$ 5,045,410
Securities	140,611	176,642
Federal funds sold	329,529	292,865
Interest-bearing time deposits and other	1,189,254	754,642
<b>Total interest and dividend income</b>	<b>6,334,196</b>	<b>6,269,559</b>
Interest and dividend expense		
Share account	1,918,651	1,745,814
Borrowings	9,007	405
<b>Total interest and dividend expense</b>	<b>1,927,658</b>	<b>1,746,219</b>
Net interest income	4,406,538	4,523,340
Provision for loan losses	225,000	259,773
Net interest income after provision for loan and investment losses	4,181,538	4,263,567
Noninterest income		
Fees and charges income	2,094,971	2,181,150
Interchange income	336,787	289,188
Loss on disposition of other real estate owned	(37,925)	—
Gain on sale of securities and other investments	4,599	—
Other income	98,948	70,979
<b>Total noninterest income</b>	<b>2,497,380</b>	<b>2,541,317</b>
Noninterest expense		
Compensation and benefits	2,601,585	2,866,697
Office operations	1,074,339	1,116,876
Service processing charges	1,017,427	993,144
Depreciation and amortization	359,191	337,532
Occupancy	420,951	421,497
Member education and promotion	378,086	234,533
Professional fees	154,411	103,430
Director and dues expenses	117,563	126,927
Insurance	34,677	33,134
Other	260,839	228,358
<b>Total noninterest expense</b>	<b>6,419,069</b>	<b>6,462,128</b>
Net income	\$ 259,849	\$ 342,756

# STATEMENTS OF CHANGES IN MEMBERS' EQUITY — Years ended December 31, 2007 and 2006

	<b>Appropriated Statutory Reserve</b>	<b>Retained Earnings</b>	<b>Accumulated Other Comprehensive Income (loss)</b>	<b>Total Members' Equity</b>
Beginning, January 1, 2006	\$ 3,339,398	\$ 7,044,360	\$ (119,394)	\$ 10,264,364
Appropriation of retained earnings	110,762	(110,762)	—	—
Comprehensive income				
Net income	—	342,756	—	342,756
Other comprehensive income (loss)	—	—	52,743	52,743
<b>Total comprehensive income</b>				<b>395,499</b>
Balance, December 31, 2006	3,450,160	7,276,354	(66,651)	10,659,863
Merger of Lakewood Schools Credit Union	79,073	297,892	—	376,965
Appropriation of retained earnings	8,433	(8,433)	—	—
Comprehensive income				
Net income	—	259,849	—	259,849
Other comprehensive income (loss)	—	—	91,705	91,705
<b>Total comprehensive income</b>				<b>351,554</b>
Balance, December 31, 2007	\$ 3,537,666	\$ 7,825,662	\$ 25,054	\$ 11,388,382