

Quarterly Performance & Financial Review—Q3 2011

A Message From the Corporate Officers

The third quarter for the 2011 business year is done and our year of investment and economic measurement here at the CUSO continues. Our goals for the year are progressing and our financial objectives for the year look on track for achievement.

This year we are recognizing the investments we have made in our firm over the last three years. Our depreciation schedule is heavy, as development projects begin their life cycle. While these don't impact our cash expenses, they do reflect in how we will project net income for 2011; we do anticipate reaching our financial earnings for 2011

We are driving collaboration with our owners and peers and we want to see more. We continue to drive for better things, to create standards and to invite others to collaborate with us. Thank you to each of your for participating in this vision.

Now into the last quarter of the year, we see more clearly the changing landscape of our industry and the impacts of economies on credit unions. The political and corporate network landscapes are crystallizing slowly and our check processing and eDOCSignature workflow management solutions



Bret Weekes, President/CEO
Bob Frizzle, CFO
Lhomond Jones, VP R&D

are starting to produce some opportunities in this new generation of our industry. We continue to watch for ways to increase our market share and move forward in our desire to be a recognized leader in eDocument strategy solutions.

We want your participation ... reach out and tell us how can we better service you? What's on your agenda? We want to hear from you and talk about anything that is part of your 2011 business plan ... how can we participate in your collaboration?

Come see us at one of our collaboration sessions and let's talk soon...



edoclogic.com

Current Month

Balance Sheet

Jun-11

Assets

Total Cash / On-Demand Deposits	1	239,710
Total Investments	2	504,295
Total Accounts Receivable	3	301,175
Total Pre-Paid Assets	4	488,918
Total Fixed Assets	5	978,610
Total Other Assets	6	3,775,152
Total Assets	7	6,287,860

Liabilities & Equity

Total Short Term Liabilities	8	1,815,060
Total Long Term Liabilities	9	-
Total Liabilities	10	1,815,060
Total Equity	11	4,472,801
Total Liabilities & Equity	12	6,287,860

Income Statement

YTD

Budget

Jun-11

YTD

Income / Revenues

Software Sales	13	463,559	500,861
Fee Revenue	14	1,820,715	1,784,200
Hardware Sales	15	182,446	195,358
Service Revenue	16	336,996	303,256
Total Sales	17	2,803,717	2,783,675
Total Cost of Goods Sold	18	442,536	447,295
Gross Margin / Income	19	2,361,181	2,336,380

Expenses

Total Employee Expenses	20	1,235,347	1,241,410
Total Non-Employee Expenses	21	1,058,813	1,019,367
Total Operating Expenses	22	2,294,159	2,260,777
Total Other Expenses	23	(26,996)	(26,238)
Gross Expenses	24	2,267,163	2,234,540

Net Income Before Taxes and Dividends

	25	94,018	101,841
--	----	--------	---------