



CUNA News Now - CU/System Filed on 2010-02-16, published the first business day after.

VolCorp reports 2009 losses, doesn't expect more

NASHVILLE, Tenn. (2/17/10)--Volunteer Corporate CU (VolCorp) announced its 2009 unaudited financials, saying it continues to have positive retained earnings of \$2.8 million after writing off all its remaining capital at U.S. Central--\$2.1 million --on Dec. 31.

Losses for 2009 totaled nearly \$19.4 million, compared with \$6 million in losses for 2008.

Retained earnings is the cushion that protects the Nashville, Tenn.-based corporate from absorbing losses, said President/CEO Rick Veach in a letter to VolCorp's members posted on the corporate's website. Unrealized securities losses, or the difference between book and market values, have declined to \$2.3 million as of Dec. 31, 2009, from \$10.9 million on Dec. 31, 2008.

"VolCorp remains unique in that our members' capital accounts have not been depleted, thanks to our positive Retained Earnings position," Veach said in the letter. "We continue to believe that we will not have to ask members to impair their capital with us in the future," he added.

He cited as reasons:

- VolCorp has no further capital exposure to U.S. Central;
- Its core earnings--earnings exclusive of write-downs on VolCorp's capital accounts with U.S. Central--remain strong at \$3.2 million for the 12 months ended Dec. 31;
- The corporate continues to receive strong support from its member credit unions, with almost \$2 billion in assets under management;
- It has added to its revenue base by adding eight new credit unions;
- VolCorp's unrealized securities losses have declined significantly; and
- It has budgeted \$2.6 million in core earnings for 2010 (or 21 basis points).

Total capital position, including the \$2.8 million in retained earnings and \$51.2 million in membership capital shares, was \$54.1 million.

Use the link to access the unaudited financials on VolCorp's website.

Resource Links

[VolCorp's unaudited Dec. 31, 2009 financials](http://www.cuna.org/download/nn_021709a.pdf) -

http://www.cuna.org/download/nn_021709a.pdf

Copyright © 2008 - Credit Union National Association, Inc. All rights reserved. Reproduction is prohibited without written consent.

