

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION	BORROWER DESIGNATION M1044
FINANCIAL AND STATISTICAL REPORT	BORROWER NAME Cherryland Electric Cooperative
Submit one electronic copy and one signed hard copy to CFC. Round all numbers to the nearest dollar.	ENDING DATE 12/31/2007

**REGULATED ENERGY
DIVISION**

CERTIFICATION
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief

M. La. Hill 4/21/2008
Signature of Office Manager or Accountant Date

Tony Anderson 4-21-08
Signature of Manager Date

NEW AUTHORIZATION CHOICES

A. NRECA uses rural electric system data for legislative, regulatory and other purposes. May we provide this report from your system to NRECA?

NRECA	<input checked="" type="radio"/> YES	<input type="radio"/> NO
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B. Will you authorize CFC to share your data with other cooperatives?

	<input checked="" type="radio"/> YES	<input type="radio"/> NO
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PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	34,841,699	36,866,490	35,806,087	3,664,781
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	22,724,210	24,559,854	23,641,807	2,242,279
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	1,055,667	955,982	919,722	49,273
6. Distribution Expense - Maintenance	2,090,091	2,279,428	2,736,125	11,329
7. Consumer Accounts Expense	1,190,431	1,178,654	1,307,993	86,495
8. Customer Service and Informational Expense	732,928	722,724	758,430	47,737
9. Sales Expense	179,052	201,803	236,349	20,397
10. Administrative and General Expense	1,932,187	1,763,777	1,899,617	54,483
11. Total Operation & Maintenance Expense (2 thru 10)	29,904,566	31,662,222	31,500,043	2,511,993
12. Depreciation & Amortization Expense	1,784,442	1,997,486	1,856,400	171,705
13. Tax Expense - Property & Gross Receipts	695,793	734,561	725,000	104,418
14. Tax Expense - Other	31,137	120,000	80,000	40,000
15. Interest on Long-Term Debt	1,680,732	1,832,190	1,797,500	155,884
16. Interest Charged to Construction (Credit)	0	0	0	0
17. Interest Expense - Other	480,617	318,085	180,000	120,829
18. Other Deductions	(65,400)	(30,198)	125,000	(81,161)
19. Total Cost of Electric Service (11 thru 18)	34,511,887	36,634,346	36,263,943	3,023,668
20. Patronage Capital & Operating Margins (1 minus 19)	329,812	232,144	(457,856)	641,113
21. Non Operating Margins - Interest	42,832	52,181	43,000	3,573
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	188,616	24,379	(3,000)	(1,790)
24. Non Operating Margins - Other	334,781	195,080	90,000	124,230
25. Generation & Transmission Capital Credits	2,831,409	2,272,704	720,000	1,612,704
26. Other Capital Credits & Patronage Dividends	223,992	266,825	50,000	24,201
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	3,951,442	3,043,313	442,144	2,404,031

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	699	503	5. Miles Transmission	0	0
2. Services Retired	89	70	6. Miles Distribution Overhead	1,771	1,771
3. Total Services In Place	33,896	34,329	7. Miles Distribution Underground	1,153	1,185
4. Idle Services (Exclude Seasonal)	1,129	1,158	8. Total Miles Energized (5+6+7)	2,924	2,956

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Much of Part E has been consolidated. Enter only the total of "Distribution Plant" (that includes such items as Land and Land Rights, Structures and Improvements and Station Equipment), the total of "General Plant" (items such as Office Furniture, Transportation Equipment) the total of "Transmission Plant" (items such as Land and Land Rights, Roads and Trails), Steam, Nuclear, Hydro, Other Production Plants and "All Other Utility Plant"

PART E. CHANGES IN UTILITY PLANT						
	PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE END OF YEAR (e)
1.	Distribution Plant Subtotal	54,600,940	7,538,491	732,090	64,151	61,471,492
2.	General Plant Subtotal	4,188,363	608,700	56,331	0	4,740,732
3.	Headquarters Plant	2,500,032	108,050	0	0	2,608,082
4.	Intangibles	0	0	0	0	0
5.	Transmission Plant Subtotal	0	0	0	0	0
6.	Production Plant - Steam	0	0	0	0	0
7.	Production Plant - Nuclear	0	0	0	0	0
8.	Production Plant - Hydro	0	0	0	0	0
9.	Production Plant - Other	0	0	0	0	0
10.	All Other Utility Plant	0	0	0	0	0
11.	SUBTOTAL: (1 thru 10)	61,289,335	8,255,241	788,421	64,151	68,820,306
12.	Construction Work in Progress	4,350,520	(2,813,091)			1,537,429
13.	TOTAL UTILITY PLANT (11 + 12)	65,639,855	5,442,150	788,421	64,151	70,357,735

CFC NO LONGER REQUIRES SECTIONS "F", "G", "N" AND "P" DATA
Those sections refer to data on "Analysis of Accumulated Provision for Depreciation" (F), "Materials and Supplies" (G), "Annual Meeting and Board Data" (N), and "Conservation Data" (P).

PART H. SERVICE INTERRUPTIONS						
	ITEM	Avg. Hours per Consumer by Cause	Avg. Hours per Consumer by Cause	Avg. Hours per Consumer by Cause	Avg. Hours per Consumer by Cause	TOTAL (e)
		Power Supplier (a)	Extreme Storm (b)	Prearranged (c)	All Other (d)	
1.	Present Year	0.23	0.54	0.00	2.76	3.53
2.	Five-Year Average	0.78	1.98	0.01	2.42	5.19

PART I. EMPLOYEE - HOUR AND PAYROLL STATISTICS				
1.	Number of Full Time Employees	59	4. Payroll - Expensed	2,224,080
2.	Employee - Hours Worked - Regular Time	110,696	5. Payroll - Capitalized	862,175
3.	Employee - Hours Worked - Overtime	6,493	6. Payroll - Other	540,211

PART J. PATRONAGE CAPITAL			PART K. DUE FROM CONSUMERS FOR ELECTRIC SERVICE	
ITEM	THIS YEAR (a)	CUMULATIVE (b)	1. Amount Due Over 60 Days: 293,742	2. Amount Written Off During Year: 167,139
1. General Retirement	0	10,683,756		
2. Special Retirements	108,230	738,481		
3. Total Retirements (1+2)	108,230	11,422,237		
4. Cash Received from Retirement of Patronage Capital by Suppliers of Electric Power	471,575			
5. Cash Received from Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	155,314			
6. Total Cash Received (4+5)	626,889			

L. KWH PURCHASED AND TOTAL COST							
	NAME OF SUPPLIER (a)	CFC USE ONLY SUPPLIER CODE (b)	KWH PURCHASED (c)	TOTAL COST (d)	AVERAGE COST PER KWH (cents) (e)	INCLUDED IN TOTAL COST	
						FUEL COST ADJUSTMENT (f)	WHEELING & OTHER CHARGES (or Credits) (g)
1.	Wolverine Power Supply		368,994,000	24,593,370	6.66	6,787,297	788,202
2.			0	0	0.00	0	0
3.			0	0	0.00	0	0
4.			0	0	0.00	0	0
5.	TOTALS		368,994,000	24,593,370	6.66	6,787,297	788,202

PART M. LONG-TERM LEASES (If additional space is needed, use separate sheet)

LIST BELOW ALL "RESTRICTED PROPERTY" ** HELD UNDER "LONG TERM" LEASE. (If none, State "NONE")

	NAME OF LESSOR	TYPE OF PROPERTY	RENTAL THIS YEAR
1.	NONE		\$0
2.			
3.	TOTAL		\$0

** "RESTRICTED PROPERTY" means all properties other than automobiles, trucks, tractors, other vehicles (including without limitation aircraft and ships), office and warehouse space and office equipment (including without limitation computers). "LONG TERM" means leases having unexpired terms in excess of 3 years and covering property having an initial cost in excess of \$250,000).

PART O. LONG-TERM DEBT SERVICE REQUIREMENTS

	NAME OF LENDER	BALANCE END OF YEAR	BILLED THIS YEAR			CFC USE ONLY (d)
			INTEREST (a)	PRINCIPAL (b)	TOTAL (c)	
1.	National Rural Utilities Cooperative Finance Corporation	27,769,004	1,668,981	971,814	2,640,795	
2.		0	0	0	0	
3.		0	0	0	0	
4.		0	0	0	0	
5.		0	0	0	0	
6.		0	0	0	0	
7.		0	0	0	0	
8.		0	0	0	0	
9.		0	0	0	0	
10.	TOTAL (Sum of 1 thru 9)	\$27,769,004	\$1,668,981	\$971,814	\$2,640,795	

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	MI044	
	YEAR ENDING	12/31/2007

PART R. POWER REQUIREMENTS DATA BASE

CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	JANUARY CONSUMERS (a)	DECEMBER CONSUMERS (b)	AVERAGE CONSUMERS (c)	TOTAL KWH SALES AND REVENUE (d)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	28,480	29,823	29,152	
	b. KWH Sold				239,186,596
	c. Revenue				26,064,244
2. Residential Sales - Seasonal	a. No. Consumers Served	1,903	882	1,393	
	b. KWH Sold				3,550,279
	c. Revenue				633,609
3. Irrigation Sales	a. No. Consumers Served	100	104	102	
	b. KWH Sold				1,694,120
	c. Revenue				169,756
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,298	2,336	2,317	
	b. KWH Sold				86,178,948
	c. Revenue				7,851,425
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	2	2	2	
	b. KWH Sold				14,529,600
	c. Revenue				1,049,475
6. Public Street & Highway Lighting	a. No. Consumers Served	19	19	19	
	b. KWH Sold				579,443
	c. Revenue				84,890
7. Other Sales to Public Authority	a. No. Consumers Served	130	130	130	
	b. KWH Sold				4,775,164
	c. Revenue				425,492
8. Sales for Resales-RUS Borrowers	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
9. Sales for Resales-Other	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
10. TOTAL No. of Consumers (lines 1a thru 9a)		32,932	33,296	33,114	
11. TOTAL KWH Sold (lines 1b thru 9b)					350,494,150
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)					36,278,891
13. Other Electric Revenue					587,599
14. KWH - Own Use					477,369
15. TOTAL KWH Purchased					368,994,000
16. TOTAL KWH Generated					0
17. Cost of Purchases and Generation					24,559,854
18. Interchange - KWH - Net					0
19. Peak - Sum All KW Input (Metered) Non-coincident _____ Coincident <u> X </u>					77,581

CFC INVESTMENTS, LOAN GUARANTEES AND LOANS - DISTRIBUTION (All investments refer to your most recent CFC Loan Agreement) Submit an electronic copy and a signed hard copy to CFC. Round all amounts to the nearest dollar.		BORROWER DESIGNATION MI044 BORROWER NAME Cherryland Electric Cooperative MONTH ENDING 12/31/2007	
7a - PART 1 - INVESTMENTS			
DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (d)
2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS			
5 Wolverine Power Supply	0	17,948,251	2,272,704
6 NRUCFC	0	1,424,512	195,458
7 Subsidiary Company CHI	16,203	0	24,379
8 Other	0	251,170	71,367
Subtotal (Line 5 thru 8)	16,203	19,623,933	2,563,908
3. INVESTMENTS IN ECONOMIC DEVELOPMENT PROJECTS			
9 Blair Township Water Project	0	26,667	0
10 Great Lakes Trim	0	45,830	0
11	0	0	0
12	0	0	0
Subtotal (Line 9 thru 12)	0	72,497	0
4. OTHER INVESTMENTS			
13	0	0	0
14	0	0	0
15	0	0	0
16	0	0	0
Subtotal (Line 13 thru 16)	0	0	0
5. SPECIAL FUNDS			
17	0	0	0
18	0	0	0
19	0	0	0
20	0	0	0
Subtotal (Line 17 thru 20)	0	0	0
6. CASH - GENERAL			
21 Huntington National Bank - Restricted	327,490	100,000	0
22 Huntington National Bank - Non-Restricted	-13,625	0	0
23 Fifth Third Bank	-40,469	0	0
24 Petty Cash	2,110	0	0
Subtotal (Line 21 thru 24)	275,506	100,000	0
7. SPECIAL DEPOSITS			
25	0	0	0
26	0	0	0
27	0	0	0
28	0	0	0
Subtotal (Line 25 thru 28)	0	0	0
8. TEMPORARY INVESTMENTS			
29	0	0	0
30	0	0	0
31	0	0	0
32	0	0	0
Subtotal (Line 29 thru 32)	0	0	0
9. ACCOUNT & NOTES RECEIVABLE - NET			
33 Accounts Receivable - Electric	5,826,686	0	0
34 Accounts Receivable - Other	235,360	0	0
35	0	0	0
36	0	0	0
Subtotal (Line 33 thru 36)	6,062,046	0	0
10. COMMITMENTS TO INVEST WITHIN 12 MONTHS BUT NOT ACTUALLY PURCHASED			
37	0	0	0
38	0	0	0
39	0	0	0
40	0	0	0
Subtotal (Line 37 thru 40)	0	0	0
Total	6,353,755	19,796,430	2,563,908

CFC INVESTMENTS, LOAN GUARANTEES AND LOANS - DISTRIBUTION <small>(All investments refer to your most recent CFC Loan Agreement)</small>		BORROWER DESIGNATION MI044			
		BORROWER NAME Cherryland Electric Cooperative			
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7a - PART II. LOAN GUARANTEES					
Line No.	Organization & Guarantee Beneficiary (a)	Maturity Date of Guarantee Obligation (b)	Original Amount (\$) (c)	Performance Guarantee Exposure or Loan Balance (\$) (d)	Available Loans (Covered by Guarantees) (e)
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
TOTALS (Line 1 thru 5)			0	0	0
7a - PART III. LOANS					
Line No.	Name of Organization (a)	Maturity Date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Available Loans (e)
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
TOTALS (Line 1 thru 5)			0	0	0
7a - PART IV. TOTAL INVESTMENTS AND LOANS GUARANTEES					
1 TOTAL (Part I, Total - Column b + Part II, Totals - Column d + Column e + Part III, Totals - Column d + Column e)					6,353,755
2 LARGER OF (a) OR (b)					16,024,887
a. 15 percent of Total Utility Plant (CFC Form 7, Part C, Line 3)				10,553,660	
b. 50 percent of Total Equity (CFC Form 7, Part C, Line 34)				16,024,887	