



Consolidated Balance Sheet

					(Unaudited)	
ASSETS					Mar 2014	Mar 2013
Cash and due from banks						
Non-Interest Bearing					\$11,708,257	\$10,830,066
Interest Bearing					\$43,775,653	\$22,355,046
Federal funds sold					\$0	\$0
Securities available for sale:						
U.S. Government agencies & Other MBS						
book value of 2014	\$61,508,455	2013	\$63,502,808		62,816,499	62,747,394
Obligations of state and political subdivisions						
book value of 2014	\$106,016,150	2013	\$106,809,648		111,002,722	115,661,386
Other Debt Securities						
book value of 2014	\$1,669,800	2013	\$1,873,400		1,669,800	1,873,400
Loans held for sale					100,000	468,000
Loans					382,752,800	371,557,831
Less: Allowance for loan loss					(6,542,284)	(5,817,468)
					376,210,516	365,740,363
Bank premises and equipment, net					15,446,189	15,881,844
Accrued interest receivable					2,398,881	2,537,530
Cash Flow assets					20,971,628	22,433,028
Foreclosed assets					4,330,375	4,820,129
Bank-owned life insurance					10,534,122	10,217,078
Other assets					8,280,560	7,959,985
Total Assets					\$669,245,201	\$643,525,248
LIABILITIES AND SHAREHOLDERS' EQUITY						
Deposits						
Noninterest bearing deposits					\$132,629,517	\$100,296,063
Savings and interest bearing deposits					237,054,723	236,541,393
Certificates of deposits					205,925,521	215,186,035
Total deposits					575,609,761	552,023,490
Federal funds purchased, FHLB Daily & Term borrowing					10,000,000	10,000,000
Accrued interest payable					\$180,642	\$199,085
Other liabilities					3,001,648	2,866,390
Notes payable & TruPS					15,958,705	16,491,678
Total liabilities					604,750,756	581,580,643
Commitments						
Shareholders' equity						
Preferred stock, par value \$1 per share; authorized						
50,000 shares; none outstanding					0	0
Common stock, voting					16,417,605	16,321,870
Common stock, non-voting					0	0
	voting		non-voting			
	03-14	03-13	03-14	03-13		
Shares auth	4,800,000	4,800,000	635,000	635,000		
Shares o/s *	3,309,971	3,264,374	0	0		
*includes 26,450 in nonvested shares						
Paid in capital					202,726	46,422
Unrealized gains/(losses) on securities available for sale					4,154,444	6,687,268
Unearned ESOP shares					(276,800)	(415,200)
Retained earnings					43,996,469	39,304,245
Total shareholders' equity					64,494,445	61,944,605
Total liabilities and shareholders' equity					\$669,245,201	\$643,525,248

**See accompanying notes to consolidated financial statements

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Consolidated Balance Sheet

					(Unaudited)	
					March 2014	December 2013
ASSETS						
Cash and due from banks						
Non-Interest Bearing					\$11,708,257	\$13,094,678
Interest Bearing					\$43,775,653	\$46,790,629
Federal funds sold					\$0	\$0
Securities available for sale:						
U.S. Government agencies & Other MBS						
	book value of 2014	\$61,508,455	2013	\$56,918,602	62,816,499	57,820,598
Obligations of state and political subdivisions						
	book value of 2014	\$106,016,150	2013	\$103,785,800	111,002,722	106,620,359
Other Debt Securities						
	book value of 2014	\$1,669,800	2013	\$1,873,400	1,669,800	1,873,400
Loans held for sale					100,000	0
Loans					382,752,800	380,598,695
Less: Allowance for loan loss					(6,542,284)	(6,323,905)
					376,210,516	374,274,791
Bank premises and equipment, net					15,446,189	15,696,699
Accrued interest receivable					2,398,881	2,737,853
Cash Flow assets					20,971,628	19,720,572
Foreclosed assets					4,330,375	4,015,313
Bank-owned life insurance					10,534,122	10,456,601
Other assets					8,280,560	9,890,339
Total Assets					\$669,245,201	\$662,991,833
LIABILITIES AND SHAREHOLDERS' EQUITY						
Deposits						
Noninterest bearing deposits					\$132,629,517	\$118,876,325
Savings and interest bearing deposits					237,054,723	236,434,565
Certificates of deposits					205,925,521	217,094,273
Total deposits					575,609,761	572,405,164
Federal funds purchased, FHLB Daily & Term borrowing					10,000,000	10,000,000
Accrued interest payable					\$180,642	\$183,897
Other liabilities					3,001,648	2,586,290
Notes payable & TruPS					15,958,705	15,992,460
Total liabilities					604,750,756	601,167,811
Commitments						
Shareholders' equity						
Preferred stock, par value \$1 per share; authorized						
50,000 shares; none outstanding					0	0
Common stock, voting					16,417,605	16,348,915
Common stock, non-voting					0	0
	voting		non-voting			
	03-14	12-13	03-14	12-13		
Shares auth	4,800,000	4,800,000	635,000	635,000		
Shares o/s	3,309,971	3,296,233	0	0		
Paid in capital					202,726	145,903
Unrealized gains/(losses) on securities available for sale					4,154,444	2,466,124
Unearned ESOP shares					(276,800)	(276,800)
Retained earnings					43,996,469	43,139,881
Total shareholders' equity					64,494,445	61,824,023
Total liabilities and shareholders' equity					\$669,245,201	\$662,991,833

**See accompanying notes to consolidated financial statements

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Consolidated Statements of Earnings

(Unaudited)

Three Months Ended

	Mar 2014	Mar 2013
Interest Income		
Interest and fees on loans	\$5,063,448	\$5,346,532
Interest on federal funds sold	0	0
Interest on time deposits with banks & other	6,341	14,163
Interest on U.S. Agency Obligations & MBS	497,151	742,707
Interest on obligations of state and political subs	936,786	904,387
Total interest income	6,503,726	7,007,789
Interest Expense		
Interest on savings and interest bearing deposits	156,121	170,585
Interest on certificates of deposits	602,049	799,830
Interest on federal funds purchased	0	0
Other interest expense	154,152	236,539
Total interest expense	912,322	1,206,954
Net interest income	5,591,404	5,800,835
Provision for loan losses	150,000	100,002
Net interest income after provision for loan losses	5,441,404	5,700,833
Noninterest Income		
Income from fiduciary activities	541,746	435,319
Service charges on deposit accounts	278,366	287,789
Securities gains (losses)-net	46,237	0
Net other-than-temporary impairment losses	(\$71,312)	(\$73,892)
Merchant card income	957,571	1,127,904
ATM income	270,371	266,142
Cash Flow income	807,904	753,203
Other income	665,906	1,006,682
Total noninterest income	3,496,789	3,803,147
Noninterest Expense		
Salaries	2,931,761	2,790,817
Employee benefits	676,065	698,175
Occupancy expenses	682,879	661,576
Net gain (loss) on other real estate owned	70,431	122,859
Merchant card expense	536,941	573,296
ATM expense	158,354	178,831
Cash Flow expense	150,000	60,000
Other expenses	2,059,554	1,715,680
Total noninterest expense	7,265,986	6,801,233
Income before income taxes	1,672,207	2,702,747
Income taxes	368,636	595,449
Net income	\$1,303,571	\$2,107,298
Earnings per share, primary	\$0.397	\$0.656
Earnings per share, assuming dilution	\$0.389	\$0.635
Dividends per share	\$0.135	\$0.120

***See accompanying notes to consolidated financial statements.

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