



Consolidated Balance Sheet

					(Unaudited)	
ASSETS					Sep 2014	Sep 2013
Cash and due from banks						
Non-Interest Bearing					\$11,848,418	\$13,516,156
Interest Bearing					\$8,127,721	\$37,079,866
Federal funds sold					\$0	\$0
Securities available for sale:						
U.S. Government agencies & Other MBS						
book value of 2014	\$69,321,116	2013	\$54,041,220		70,777,783	53,212,220
Obligations of state and political subdivisions						
book value of 2014	\$113,954,374	2013	\$107,557,321		122,907,632	111,267,100
Other Debt Securities						
book value of 2014	\$2,286,600	2013	\$1,873,400		2,286,600	1,873,400
Loans held for sale					0	0
Loans					390,102,665	377,608,242
Less: Allowance for loan loss					(6,548,824)	(6,128,108)
					383,553,842	371,480,134
Bank premises and equipment, net					16,834,759	15,837,620
Accrued interest receivable					2,515,265	2,369,449
Cash Flow assets					18,147,832	28,135,002
Foreclosed assets					2,809,790	4,017,520
Bank-owned life insurance					10,687,086	10,376,479
Other assets					7,398,507	9,479,526
Total Assets					\$657,895,234	\$658,644,472
LIABILITIES AND SHAREHOLDERS' EQUITY						
Deposits						
Noninterest bearing deposits					\$128,243,326	\$124,341,951
Savings and interest bearing deposits					241,251,073	235,448,857
Certificates of deposits					191,901,061	207,077,657
Total deposits					561,395,459	566,868,464
Federal funds purchased, FHLB Daily & Term borrowing					10,000,000	10,000,000
Accrued interest payable					\$162,544	\$179,054
Other liabilities					6,690,059	3,958,609
Notes payable & TruPS					10,735,149	16,225,872
Total liabilities					588,983,211	597,231,998
Commitments						
Shareholders' equity						
Preferred stock, par value \$1 per share; authorized						
50,000 shares; none outstanding					0	0
Common stock, voting					16,401,010	16,251,385
Common stock, non-voting					0	0
	voting		non-voting			
	09-14	09-13	09-14	09-13		
Shares auth	4,800,000	4,800,000	635,000	635,000		
Shares o/s *	3,323,223	3,276,727	0	0		
*includes 43,021 in nonvested shares						
Paid in capital					169,293	50,431
Unrealized gains/(losses) on securities available for sale					6,024,194	3,359,046
Unearned ESOP shares					(276,800)	(415,200)
Retained earnings					46,594,327	42,166,811
Total shareholders' equity					68,912,023	61,412,473
Total liabilities and shareholders' equity					\$657,895,234	\$658,644,472

**See accompanying notes to consolidated financial statements



Consolidated Balance Sheet

(Unaudited)

ASSETS					September 2014	December 2013
Cash and due from banks						
Non-Interest Bearing					\$11,848,418	\$13,094,678
Interest Bearing					\$8,127,721	\$46,790,629
Federal funds sold					\$0	\$0
Securities available for sale:						
U.S. Government agencies & Other MBS						
book value of 2014	\$69,321,116	2013	\$56,918,602		70,777,783	57,820,598
Obligations of state and political subdivisions						
book value of 2014	\$113,954,374	2013	\$103,785,800		122,907,632	106,620,359
Other Debt Securities						
book value of 2014	\$2,286,600	2013	\$1,873,400		2,286,600	1,873,400
Loans held for sale					0	0
Loans					390,102,665	380,598,695
Less: Allowance for loan loss					(6,548,824)	(6,323,905)
					383,553,842	374,274,791
Bank premises and equipment, net					16,834,759	15,696,699
Accrued interest receivable					2,515,265	2,737,853
Cash Flow assets					18,147,832	19,720,572
Foreclosed assets					2,809,790	4,015,313
Bank-owned life insurance					10,687,086	10,456,601
Other assets					7,398,507	9,890,339
Total Assets					\$657,895,234	\$662,991,833
LIABILITIES AND SHAREHOLDERS' EQUITY						
Deposits						
Noninterest bearing deposits					\$128,243,326	\$118,876,325
Savings and interest bearing deposits					241,251,073	236,434,565
Certificates of deposits					191,901,061	217,094,273
Total deposits					561,395,459	572,405,164
Federal funds purchased, FHLB Daily & Term borrowing					10,000,000	10,000,000
Accrued interest payable					\$162,544	\$183,897
Other liabilities					6,690,059	2,586,290
Notes payable & TruPS					10,735,149	15,992,460
Total liabilities					588,983,211	601,167,811
Commitments						
Shareholders' equity						
Preferred stock, par value \$1 per share; authorized						
50,000 shares; none outstanding					0	0
Common stock, voting					16,401,010	16,348,915
Common stock, non-voting					0	0
	voting		non-voting			
	09-14	12-13	09-14	12-13		
Shares auth	4,800,000	4,800,000	635,000	635,000		
Shares o/s	3,323,223	3,296,233	0	0		
Paid in capital					169,293	145,903
Unrealized gains/(losses) on securities available for sale					6,024,194	2,466,124
Unearned ESOP shares					(276,800)	(276,800)
Retained earnings					46,594,327	43,139,881
Total shareholders' equity					68,912,023	61,824,023
Total liabilities and shareholders' equity					\$657,895,234	\$662,991,833

**See accompanying notes to consolidated financial statements

Page 2



Consolidated Statements of Earnings

(Unaudited)

Three Months Ended

	Sep 2014	Sep 2013
Interest Income		
Interest and fees on loans	\$5,170,183	\$5,193,149
Interest on federal funds sold	0	0
Interest on time deposits with banks & other	3,701	8,424
Interest on U.S. Agency Obligations & MBS	562,582	686,139
Interest on obligations of state and political subs	1,006,723	907,665
Total interest income	6,743,188	6,795,377
Interest Expense		
Interest on savings and interest bearing deposits	141,334	172,415
Interest on certificates of deposits	578,072	637,036
Interest on federal funds purchased	0	0
Other interest expense	152,549	151,660
Total interest expense	871,955	961,111
Net interest income	5,871,232	5,834,265
Provision for loan losses	150,000	99,999
Net interest income after provision for loan losses	5,721,232	5,734,266
Noninterest Income		
Income from fiduciary activities	571,445	479,621
Service charges on deposit accounts	288,134	372,350
Securities gains (losses)-net	0	(261,359)
Net other-than-temporary impairment losses	(\$103,442)	(\$250,000)
Merchant card income	1,201,389	1,431,308
ATM income	291,692	290,682
Cash Flow income	743,600	967,185
Other income	1,755,198	823,919
Total noninterest income	4,748,016	3,853,706
Noninterest Expense		
Salaries	2,994,077	3,178,756
Employee benefits	829,708	586,713
Occupancy expenses	674,806	705,799
Net gain (loss) on other real estate owned	210,772	62,736
Merchant card expense	725,822	821,818
ATM expense	165,261	190,286
Cash Flow expense	150,000	220,000
Other expenses	2,425,837	1,899,994
Total noninterest expense	8,176,284	7,666,102
Income before income taxes	2,292,964	1,921,871
Income taxes	603,449	410,333
Net income	\$1,689,515	\$1,511,538
Earnings per share, primary	\$0.513	\$0.467
Earnings per share, assuming dilution	\$0.502	\$0.453
Dividends per share	\$0.135	\$0.135

***See accompanying notes to consolidated financial statements.

Page 3



Consolidated Statements of Earnings

(Unaudited)

Nine Months Ended

	Sep 2014	Sep 2013
Interest Income		
Interest and fees on loans	\$15,247,980	\$15,765,152
Interest on federal funds sold	0	0
Interest on time deposits with banks & other	14,087	27,218
Interest on U.S. Agency Obligations & MBS	1,640,584	2,107,130
Interest on obligations of state and political subs	2,911,516	2,716,884
Total interest income	19,814,167	20,616,383
Interest Expense		
Interest on savings and interest bearing deposits	440,808	507,936
Interest on certificates of deposits	1,770,085	2,130,203
Interest on federal funds purchased	0	0
Other interest expense	460,560	546,994
Total interest expense	2,671,453	3,185,134
Net interest income	17,142,714	17,431,250
Provision for loan losses	450,000	850,003
Net interest income after provision for loan losses	16,692,714	16,581,247
Noninterest Income		
Income from fiduciary activities	1,736,021	1,440,815
Service charges on deposit accounts	847,740	949,172
Securities gains (losses)-net	46,237	819,768
Net other-than-temporary impairment losses	(\$262,719)	(\$344,972)
Merchant card income	3,467,797	3,854,180
ATM income	859,372	847,441
Cash Flow income	2,252,464	2,712,714
Other income	3,442,081	2,823,619
Total noninterest income	12,388,994	13,102,738
Noninterest Expense		
Salaries	8,892,151	8,962,640
Employee benefits	2,047,189	1,859,245
Occupancy expenses	1,964,737	1,968,194
Net gain (loss) on other real estate owned	472,529	205,600
Merchant card expense	1,924,767	2,116,210
ATM expense	489,576	551,781
Cash Flow expense	400,000	340,000
Other expenses	6,650,181	5,714,736
Total noninterest expense	22,841,130	21,718,405
Income before income taxes	6,240,577	7,965,580
Income taxes	1,346,342	1,815,207
Net income	\$4,894,235	\$6,150,373
Earnings per share, primary	\$1.489	\$1.908
Earnings per share, assuming dilution	\$1.459	\$1.850
Dividends per share	\$0.405	\$0.375

***See accompanying notes to consolidated financial statements.

Page 4