

Consolidated Balance Sheet

	September 30,	
	2009	2008
Assets		
Cash and due from banks	\$ 6,197,790	\$ 15,393,225
Short term investments	3,510,000	2,665,000
Investment securities available for sale	20,158,207	27,014,599
Investment securities (market value of \$10,542,989 in 2009 and \$8,289,412 in 2008) held to maturity	10,296,184	7,064,855
Federal funds sold and other overnight investments	17,600,000	17,950,000
Loans	165,214,609	160,936,446
Less: Allowance for loan loss	(2,601,566)	(2,368,523)
Loans, Net	162,613,043	158,567,923
Bank premises and equipment, net	6,186,370	6,461,083
Bank owned life insurance	436,201	6,342,968
Accrued interest receivable and other assets	8,677,266	1,752,713
Total Assets	\$ 235,675,061	\$ 243,212,366
Liabilities		
Deposits		
Non-interest bearing	\$ 27,539,693	\$ 33,377,960
Interest bearing	175,552,563	174,050,970
Total Deposits	203,092,256	207,428,930
Accrued interest payable and other liabilities	1,788,867	175,326
Other borrowings	2,000,000	6,000,000
Total Liabilities	\$ 206,881,123	\$ 213,604,256
Shareholders' Equity		
Common stock - \$1 par value;		
Shares authorized: 3,000,000 in 2009 and 2008;		
issued and outstanding: 1,979,460 in 2009		
and 1,981,960 in 2008	\$ 1,979,460	\$ 1,981,960
Paid in capital	19,652,705	19,678,255
Retained earnings	8,494,638	8,828,232
Accumulated other comprehensive loss	(1,332,865)	(880,337)
Total Shareholders' Equity	\$ 28,793,938	\$ 29,608,110
Total Liabilities and Shareholder's Equity	\$ 235,675,061	\$ 243,212,366
Book Value Per Share	\$ 14.55	\$ 14.94

Consolidated Statement of Income

	Nine Months Ended	
	September 30,	
	2009	2008
Interest Income		
Loans, including fees	\$ 6,720,440	\$ 7,951,069
Securities		
Taxable	805,930	1,190,343
Non-Taxable	191,946	193,353
Federal funds sold and other overnight investments	35,221	405,666
Short term investments	94,397	79,954
Total Interest Income	7,847,934	9,820,386
Interest Expense		
Interest on other deposits	981,298	2,057,875
Interest on time deposits over \$100,000	396,091	707,930
Other interest expense	89,719	78,404
Total Interest Expense	1,467,108	2,844,208
Net Interest Income	6,380,826	6,976,177
Provision for Loan Losses	785,000	225,000
Net Interest Income after Provision for Loan Losses	5,595,826	6,751,177
Non-interest Income		
Trust and investment management revenue	994,902	1,035,650
Service charges on deposit accounts	1,014,256	986,651
Gain on sale of mortgage loans	628,488	160,795
Other income	454,250	508,832
Total Non-interest Income	3,091,896	2,691,928
Non-interest Expense		
Salaries	2,240,303	2,324,168
Employee benefits	1,047,978	1,030,040
Occupancy and equipment expense	1,580,409	1,525,455
Other expense	1,937,065	1,507,194
Total Non-interest Expense	6,805,755	6,386,857
Income Before Income Taxes	1,881,967	3,056,248
Income Taxes	434,403	825,459
Net Income	\$ 1,447,564	\$ 2,230,789
Basic Earnings Per Share	\$ 0.73	\$ 1.12
Diluted Earnings Per Share	\$ 0.73	\$ 1.12

Certain amounts in the prior year consolidated financial statements have been reclassified to conform with the current year presentation.