



**INCOME STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2016 AND 2015**

	2016	% OF TOTAL	2015	% OF TOTAL
	DECEMBER	INCOME	DECEMBER	INCOME
<b>INTEREST INCOME</b>				
INTEREST ON LOANS	\$3,027,841	73.31%	\$3,210,222	75.49%
INCOME FROM INVESTMENT	702,860	17.02%	582,345	13.69%
<b>TOTAL INTEREST INCOME</b>	<b>3,730,701</b>	<b>90.33%</b>	<b>3,792,567</b>	<b>89.18%</b>
<b>NON-INTEREST INCOME</b>				
LATE FEES	88,049	2.13%	99,781	2.35%
SERVICE FEES	116,406	2.82%	136,878	3.22%
MISCELLANEOUS OPERATING INCOME	194,755	4.72%	223,561	5.26%
TOTAL NON-INTEREST INCOME	399,210	9.67%	460,220	10.82%
<b>TOTAL GROSS INCOME</b>	<b>4,129,911</b>	<b>100.00%</b>	<b>4,252,788</b>	<b>100.00%</b>
<b>OPERATING EXPENSE</b>				
COMPENSATION	928,497	22.48%	812,116	19.10%
EMPLOYEE BENEFITS	175,004	4.24%	175,481	4.13%
TRAVEL & CONFERENCE EMPLOYEES	211	0.01%	10,000	0.24%
DIRECTORS & COMMITTEE EXPENSES	18,716	0.45%	16,937	0.40%
ASSOCIATION DUES	5,597	0.14%	14,832	0.35%
OFFICE OCCUPANCY	182,229	4.41%	195,181	4.59%
OFFICE OPERATION	491,680	11.91%	528,874	12.44%
EDUCATIONAL & PROMOTIONAL	59,115	1.43%	50,000	1.18%
LOAN SERVICING	205,883	4.99%	229,582	5.40%
PROFESSIONAL & OUTSIDE SERVICES	446,054	10.80%	352,012	8.28%
FEDERAL SUPV. EXAMINATION	23,892	0.58%	23,443	0.55%
CASH OVER & SHORT	-	0.00%	84	0.00%
ANNUAL MEETING	31,355	0.76%	37,684	0.89%
MISCELLANEOUS OPERATING	25,126	0.61%	31,090	0.73%
<b>TOTAL OPERATING EXPENSES</b>	<b>2,593,359</b>	<b>62.79%</b>	<b>2,477,316</b>	<b>58.25%</b>
PROVISION FOR LOAN LOSSES	305,000	7.39%	476,000	11.19%
<b>NET INCOME AFTER OPERATING EXPENSES AND PROVISION FOR LOAN LOSSES</b>	<b>1,231,552</b>	<b>29.82%</b>	<b>1,299,472</b>	<b>30.56%</b>
DIVIDENDS	938,191	22.72%	1,015,441	23.88%
<b>NON-OPERATING INCOME</b>				
GAIN (LOSS) ON DISPOSITION OF ASSETS	\$21,073	0.51%	(76,095)	-1.84%
<b>NET INCOME (LOSS)</b>	<b><u>\$314,434</u></b>	<b>7.61%</b>	<b><u>\$207,936</u></b>	<b>4.89%</b>

Income statement data for year ended 2016 and 2015 is derived from our audited financial statement