

**THE BANK OF FINCASTLE AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS**

	September 30, 2020	September 30, 2019
ASSETS		
Cash and cash equivalents	\$ 3,420,786	\$ 3,945,406
Interest-bearing deposits with banks	16,094,202	20,943,522
Federal funds sold	138,000	120,000
Investment securities available for sale, at fair value	15,251,880	20,926,617
Restricted investment securities	254,050	241,350
Loans held for sale	808,227	173,500
Loans, net of allowance for loan losses of \$2,919,332 at 2020 and \$2,544,658 at 2019	213,689,750	158,496,634
Premises and equipment, net	4,635,100	5,246,550
Accrued interest receivable	1,273,254	581,629
Other real estate owned	696,268	2,010,458
Bank owned life insurance	5,763,886	5,641,995
Other assets	4,935,131	3,874,894
Total assets	\$ 266,960,533	\$ 222,202,556
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Deposits		
Noninterest-bearing demand deposits	\$ 89,929,375	\$ 64,225,654
Interest-bearing deposits	135,569,759	128,911,804
Total deposits	225,499,134	193,137,459
Accrued interest payable	107,324	159,609
Other borrowings	10,027,152	-
Reserve for losses on letters of credit	668,952	999,236
Other liabilities	1,192,798	1,482,930
Total liabilities	237,495,359	195,779,235
Stockholders' equity		
Common stock, \$0.04 par value; 25,000,000 shares authorized, 10,199,999 shares at 2020 and 9,999,999 shares at 2019, issued and outstanding	408,000	400,000
Surplus	18,725,977	18,119,152
Retained earnings	10,162,219	7,945,390
Accumulated other comprehensive income (loss)	168,978	(41,221)
Total stockholders' equity	29,465,174	26,423,322
Total liabilities and stockholders' equity	\$ 266,960,533	\$ 222,202,556

THE BANK OF FINCASTLE AND SUBSIDIARY
CONSOLIDATED STATEMENT OF INCOME

	3 Months Ended	
	September 30, 2020	September 30, 2019
INTEREST INCOME		
Interest and fees on loans	\$ 2,351,002	\$ 2,072,535
Interest on investment securities, taxable	80,780	101,437
Interest on interest bearing deposits in banks	4,509	106,147
Total interest income	2,436,291	2,280,119
INTEREST EXPENSE		
Interest on deposits	238,316	332,709
Interest on borrowings	1,125	-
Total interest expense	239,441	332,709
Net interest income	2,196,850	1,947,410
PROVISION FOR LOAN LOSSES	100,000	-
Net interest income after provision for loan losses	2,096,850	1,947,410
NONINTEREST INCOME		
Service charges on deposit accounts	21,059	33,881
Rental income	34,029	36,550
Debit and credit card fees	120,015	113,384
Other income	169,682	98,924
Total noninterest income	344,785	282,739
NONINTEREST EXPENSE		
Salaries and employee benefits	934,999	916,125
Occupancy and equipment	166,462	185,280
Data processing expenses	376,789	260,268
Legal and professional fees	54,370	93,197
Postage, stationery and supplies	16,532	21,303
FDIC insurance assessment	14,944	28,647
Losses (gains) on sale and write-downs of other real estate owned, net	(24,489)	14,007
Expenses of adversely classified items	18,470	45,367
Other expenses	252,040	285,699
Total noninterest expense	1,810,117	1,849,893
INCOME BEFORE INCOME TAXES	631,518	380,256
INCOME TAX EXPENSE	119,055	79,573
NET INCOME	\$ 512,463	\$ 300,683