

The Freedom Bank of Virginia
Statements of Operations
(UNAUDITED)

For the three months ended
March 31,

	2016	2015
Interest Income		
Interest and fees on loans	\$ 4,324,296	\$ 3,720,202
Interest on investment securities	284,377	144,552
Interest on Federal funds sold	7,082	7,314
Total Interest Income	4,615,755	3,872,068
Interest Expense		
Interest on deposits	830,066	680,349
Interest on borrowed funds	18,218	-
Total Interest Expense	848,284	680,349
Net Interest Income	3,767,471	3,191,719
Provision for Possible Loan Losses		
	143,000	300,000
Net Interest Income after Provision for Possible Loan Losses	3,624,471	2,891,719
Other Income		
Gain on sale of mortgage loans	570,386	167,216
Service charges and other income	65,488	53,879
Increase in cash surrender value of bank-owned life insurance	15,320	15,574
Total Other Income	651,194	236,669
Operating Expenses		
Officers and employee compensation and benefits	2,453,682	1,824,622
Occupancy expense	242,317	197,111
Equipment and depreciation expense	127,215	108,583
Insurance expense	78,597	69,875
Professional fees	226,066	231,708
Data and item processing	236,847	233,881
Business development	43,085	51,361
Franchise tax	75,201	65,915
Other operating expenses	182,405	129,308
Total Operating Expenses	3,665,415	2,912,364
Income before Income Taxes	610,250	216,024
Provision for Income Taxes	207,800	73,500
Net Income	\$ 402,450	\$ 142,524

The Notes to Financial Statements are an integral part of these statements.