

**CITIZENS COMMERCE BANCSHARES, INC**  
**CONSOLIDATED BALANCE SHEETS**  
December 31

**CITIZENS COMMERCE BANCSHARES, INC**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
Years Ended December 31

	Audited <u>2014</u>	Audited <u>2013</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 20,934,169	\$ 16,901,171
Securities:		
Available for sale	65,823,056	71,639,823
Loans held for sale	216,812	251,910
Loans, net of \$2,617,556 and \$2,854,643 in allowance for loan losses in 2014 and 2013	114,582,768	108,641,725
Bank premises and equipment, net	5,574,556	4,549,381
Federal Home Loan Bank stock	1,310,900	1,310,900
Federal Reserve Bank stock	271,700	165,650
Other real estate owned	1,799,806	1,479,716
Cash surrender value of bank owned life insurance	2,015,449	1,982,205
Interest receivable	825,840	951,834
Other assets	<u>501,369</u>	<u>692,169</u>
<b>Total assets</b>	<b><u>\$213,856,425</u></b>	<b><u>\$208,566,484</u></b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Deposits		
Demand - noninterest bearing	\$ 18,185,120	\$ 15,761,405
Savings, NOW and money market	80,441,847	82,123,759
Time	<u>75,699,310</u>	<u>75,052,026</u>
Total deposits	174,326,277	172,937,190
Securities sold under agreements to repurchase	4,735,801	4,242,441
Federal Home Loan Bank advances	24,000,000	24,000,000
Obligations under capital leases	-	1,230,000
Note payable	2,562,400	2,536,000
Subordinated debentures	3,500,000	3,500,000
Interest payable	1,169,222	891,751
Other liabilities	<u>3,244,647</u>	<u>2,946,909</u>
Total liabilities	213,538,347	212,284,291
Stockholders' equity (deficit)		
Preferred stock, no par value; 25,000 shares authorized, 6,300 Series A shares and 315 shares of Series B, issued and outstanding with a liquidation preference of \$6,615,000	6,615,000	6,603,013
Common stock, no par value; 25,000,000 shares authorized, 1,731,272 (2014) and 1,732,241 (2013) shares issued and outstanding	3,314,110	3,314,401
Additional paid in capital	1,808,119	1,808,119
Accumulated deficit	(10,180,210)	(9,422,628)
Accumulated other comprehensive income (loss)	<u>(1,238,941)</u>	<u>(6,020,712)</u>
Total stockholders' equity (deficit)	318,078	(3,717,807)
<b>Total liabilities and stockholders' equity (deficit)</b>	<b><u>\$213,856,425</u></b>	<b><u>\$208,566,484</u></b>

	Audited <u>2014</u>	Audited <u>2013</u>
<b>Interest income</b>		
Loans, including fees	\$ 5,759,596	\$ 5,403,378
Securities		
U. S. Treasury, government agencies and other	1,220,408	1,421,269
Municipal bonds	1,091,049	1,215,056
Federal funds sold	3,201	4,702
Other	<u>131,495</u>	<u>116,846</u>
	8,205,749	8,161,251
<b>Interest expense</b>		
Deposits	874,787	954,297
Subordinated debentures	148,722	145,382
Other borrowings	<u>1,302,529</u>	<u>1,237,278</u>
	<u>2,326,038</u>	<u>2,336,957</u>
Net interest income	5,879,711	5,824,294
(Credit) provision for loan losses	<u>-</u>	<u>(1,500,000)</u>
Net interest income after (credit) provision for loan losses	5,879,711	7,324,294
<b>Other income</b>		
Service charges and fees	834,498	844,361
Net gains on sale of securities	123,652	777,625
Gain on sale of loans held for sale	68,977	108,285
Other	<u>420,468</u>	<u>214,800</u>
	1,447,595	1,945,071
<b>Other expenses</b>		
Salaries and benefits	3,881,452	3,912,818
Occupancy and equipment	755,591	828,169
Data processing	592,355	641,931
Professional fees	403,213	405,667
FDIC Insurance	471,408	466,813
Other real estate owned, net of gain from sale or writedowns and other expenses	104,422	162,478
Other	<u>1,300,610</u>	<u>1,525,949</u>
	<u>7,509,051</u>	<u>7,943,825</u>
Net income (loss)	<b><u>\$ (181,745)</u></b>	<b><u>\$ 1,325,540</u></b>
Dividend and accretion on preferred shares	<u>575,837</u>	<u>407,155</u>
Net income (loss) available to common shareholders	<b><u>\$ (757,582)</u></b>	<b><u>\$ 918,385</u></b>
<b>Earnings (loss) per share</b>		
Basic	\$ (0.44)	\$ 0.53
Diluted	(0.44)	0.50