

VERSAILLES FINANCIAL CORPORATION
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
June 30, 2017 and June 30, 2016

	June 30, <u>2017</u> (Unaudited)	June 30, <u>2016</u>
ASSETS		
Cash and cash equivalents due from financial institutions	\$ 4,162,152	\$ 3,950,475
Overnight deposits	<u>5,000,000</u>	<u>5,000,000</u>
Total cash and cash equivalents	9,162,152	8,950,475
Interest-bearing time deposits in other financial institutions	247,000	982,000
Securities held to maturity (fair value of \$165,910 at June 30, 2017 and \$226,679 at June 30, 2016)	159,573	216,053
Federal Home Loan Bank stock	397,500	397,500
Loans, net of allowance of \$255,432 at June 30, 2017 and June 30, 2016	41,943,638	41,528,086
Premises and equipment, net	1,231,896	1,361,890
Accrued interest receivable	113,704	116,232
Other assets	<u>467,932</u>	<u>737,745</u>
Total assets	<u>\$ 53,723,395</u>	<u>\$ 54,289,981</u>
LIABILITIES		
Savings and checking accounts	\$ 23,557,720	\$ 21,579,811
Certificates of deposit	<u>15,049,746</u>	<u>13,772,254</u>
Total deposits	38,607,466	35,352,065
Federal Home Loan Bank advances	3,000,000	6,000,000
Other liabilities	<u>856,425</u>	<u>1,317,493</u>
Total liabilities	42,463,891	42,669,558
SHAREHOLDERS' EQUITY		
Preferred stock, \$.01 par value, 1,000,000 shares authorized, none issued and outstanding	-	-
Common stock, \$.01 par value, 10,000,000 shares authorized, 387,867 shares issued at June 30, 2017 and 421,667 shares issued at June 30, 2016	3,840	4,146
Additional paid-in capital	3,016,581	3,646,365
Retained earnings	8,807,433	8,914,181
Treasury stock, 35,460 shares, at cost	(354,600)	(354,600)
Unearned employee stock ownership plan shares	(213,750)	(230,850)
Accumulated other comprehensive loss	<u>-</u>	<u>(358,819)</u>
Total shareholders' equity	<u>11,259,504</u>	<u>11,620,423</u>
Total liabilities and shareholders' equity	<u>\$ 53,723,395</u>	<u>\$ 54,289,981</u>

VERSAILLS FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
Twelve months ended June 30, 2017 and 2016

	Twelve months ended	
	June 30, 2017	June 30, 2016
	(Unaudited)	
Interest and dividend income		
Loans, including fees	\$ 1,857,108	\$ 1,863,858
Securities available for sale	-	-
Securities held to maturity	5,587	6,667
FHLB dividends	17,102	15,933
Deposits with banks	40,788	20,457
Total interest and dividend income	1,920,585	1,906,915
Interest expense		
Deposits	137,967	121,756
Federal Home Loan Bank advances	112,904	123,870
Total interest expense	250,871	245,626
Net interest income	1,669,714	1,661,289
Provision for loan losses	-	-
Net interest income after provision for loan losses	1,669,714	1,661,289
Noninterest income		
Other income	14,809	12,990
Loss on sale of other real estate owned	(58,621)	-
Total noninterest income	(43,812)	12,990
Noninterest expense		
Salaries and employee benefits	1,140,424	802,916
Occupancy and equipment	90,328	92,405
Directors' fees	78,500	82,525
Data processing	119,950	128,169
Franchise taxes	91,803	87,522
Legal, accounting and exam fees	121,534	127,740
Federal deposit insurance	16,502	24,435
Other	120,410	119,049
Total noninterest expense	1,779,451	1,464,761
Income before income taxes	(153,549)	209,518
Income tax expense	(46,800)	74,955
Net income	\$ (106,749)	\$ 134,563
Basic and diluted earnings per common share	\$ (0.27)	\$ 0.32