



### Letter From The President



## Our First Cash Dividend!

Dear Shareholder:

Not to be overlooked in our building construction and year-end profitability news is the fact that the Board of Directors declared our first cash dividend. This Special Cash Dividend of \$0.03 per share will be paid on April 25, 2014 to all shareholders of record on April 11, 2014. Management and the Board of Directors have been committed from day one to provide a return to our shareholders in addition to being a growth opportunity stock. As I was preparing this newsletter, I pulled out some of our original planning documents from 2004 which referenced paying a cash dividend. We are happy to achieve this long-term goal.

If you have not had a chance to review the Annual Report in detail, I will give you the highlights and a brief look at my Annual Meeting presentation below:

- Net Income was over \$1.0 Million for 2013
- Locked in one percent (1%) SBLF Dividend Rate
- Total Assets \$165 Million at year-end with 10% year over year growth
- Total Loans \$140 Million at year-end with 9% year over year growth
- Total Deposits \$140 Million at year-end with 7% year over year growth

Proxy materials have been mailed to all shareholders. Please remember to vote your shares. Please see the complete Press Release on our website under the News button with the details of our Special Cash Dividend and our most recent financial results.

Thank you for your continued support of First Resource Bank.

Sincerely,

Glenn B. Marshall, President and CEO  
First Resource Bank

## Financial Highlights

### Balance Sheet

	Mar. 31, 2014	Dec. 31, 2013
Cash and due from banks	\$ 3,150,945	\$ 606,230
Investments	11,422,073	16,317,779
Loans	139,802,485	139,998,461
Allowance for loan losses	(1,342,124)	(1,252,853)
Premises & equipment	3,799,488	3,515,038
Other assets	5,665,148	6,458,705
<b>Total assets</b>	<b>\$ 162,498,015</b>	<b>\$ 165,643,360</b>
Deposits	138,952,814	139,871,392
Borrowings	5,599,000	8,154,000
Other liabilities	682,281	610,372
<b>Total liabilities</b>	<b>145,234,095</b>	<b>148,635,764</b>
Preferred stock	5,083,000	5,083,000
Common stock	1,609,547	1,608,595
Surplus	9,509,762	9,505,069
Accumulated other comprehensive income	117,939	102,015
Retained earnings	943,672	708,917
<b>Total stockholders' equity</b>	<b>17,263,920</b>	<b>17,007,596</b>
<b>Total Liabilities &amp; Stockholders' Equity</b>	<b>\$ 162,498,015</b>	<b>\$ 165,643,360</b>

### Income Statement

	Quarter Ended Mar. 31, 2014	Quarter Ended Mar. 31, 2013
Interest income	\$ 1,806,125	\$ 1,668,867
Interest expense	347,475	348,115
<b>Net interest income</b>	<b>1,458,650</b>	<b>1,320,752</b>
Provision for loan losses	97,250	131,787
<b>Non interest income</b>	<b>95,967</b>	<b>93,033</b>
<b>Non interest expense</b>	<b>1,025,833</b>	<b>933,381</b>
<b>Pre-tax income</b>	<b>431,534</b>	<b>348,617</b>
Tax expense	135,785	108,913
<b>Net income</b>	<b>\$ 295,749</b>	<b>\$ 239,704</b>
Preferred stock dividends	(12,708)	(12,707)
<b>Net income available to common shareholders</b>	<b>\$ 283,041</b>	<b>\$ 226,997</b>

### First Resource Bank

101 Marchwood Road  
Exton, PA 19341



Follow Our Construction



**Construction Will be Completed  
June 2014**