

Dear Shareholder:

First Resource Bank's rebranding of our retail presence continues. Please find the time, when you're in the area, to stop by and see the new look of our Exton Branch for evidence of our progress. We officially cut the ribbon on the new Exton Branch in September with a few of our staff, directors and honored guests.



A few important highlights of the third quarter:

- West Chester Branch construction is in full swing. Demo has been completed with the new foundation work in process. Please follow us on Facebook as the building takes shape. We expect an early March 2015 opening.
- Smart phone check depositing and Mobile Banking has been rolled out to all customers. Early acceptance has been good as we expect volumes and users to build in this next wave of convenient electronic banking products.
- Year to date net income through September 30, 2014 grew 11% from \$764,477 for the nine months ended September 30, 2013 to \$849,686 for the nine months ended September 30, 2014. The loan portfolio grew 7.3% in the nine months ended September 30, 2014 to a record high of \$150.2 million.



As always, if you have any questions about our bank, please feel free to call me on my cell at 610.996.6661. Sincerely,

Glenn B. Marshall, President and CEO
First Resource Bank

The Resource Connection

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1 First Resource Bank

Balance Sheet

	Sept. 30, 2014	Dec. 31, 2013
Cash and due from banks	\$ 837,719	\$ 606,230
Investments	10,004,026	16,317,779
Loans	150,229,923	139,998,461
Allowance for loan losses	(1,301,897)	(1,252,853)
Premises and equipment	5,104,870	3,515,038
Other assets	6,312,360	6,458,705
Total assets	\$ 171,187,001	\$ 165,643,360
Deposits	142,730,212	139,871,392
Borrowings	10,040,500	8,154,000
Other liabilities	593,557	610,372
Total liabilities	153,364,269	148,635,764
Preferred stock	5,083,000	5,083,000
Common stock	1,611,418	1,608,595
Surplus	9,518,862	9,505,069
Accumulated other comprehensive income	137,258	102,015
Retained earnings	1,472,194	708,917
Total stockholders' equity	17,822,732	17,007,596
Total Liabilities & Stockholders' Equity	\$ 171,187,001	\$ 165,643,360

Income Statement

	Quarter Ended Sept. 30, 2014	Quarter Ended Sept. 30, 2013	9 Months Ended Sept. 30, 2014	9 Months Ended Sept. 30, 2013
Interest income	\$ 1,884,326	\$ 1,754,410	\$ 5,535,236	\$ 5,142,593
Interest expense	342,751	362,300	1,029,592	1,058,894
Net interest income	1,541,575	1,392,110	4,505,644	4,083,699
Provision for loan losses	116,176	87,064	240,696	337,853
Non interest income	115,344	86,876	310,257	267,939
Non interest expense	1,173,938	1,006,865	3,339,907	2,897,711
Pre-tax income	366,805	385,057	1,235,298	1,116,074
Tax expense	113,478	121,691	385,612	351,597
Net income	\$ 253,327	\$ 263,366	\$ 849,686	\$ 764,477
Preferred stock dividends	(12,707)	(12,707)	(38,122)	(38,121)
Net income available to common shareholders	\$ 240,620	\$ 250,659	\$ 811,564	\$ 726,356



CONSTRUCTION AT THE FUTURE WEST CHESTER LOCATION

First Resource Bank

800 N. Pottstown Pike
Exton, PA 19341

 Follow our West Chester branch development