

Consolidated Annual Report

2019



Our Mission

To provide the finest quality financial, trust, mortgage, insurance, and investment products coupled with excellent service. To promote economic growth and stability within our communities and offer a supportive working environment for our employees. It is our express desire to remain an independent, community bank.

Our Values

Merchants and Planters Bank was founded on and operates by the following core values:

- Honesty - in every instance
- Integrity - never sacrificed
- Service - we want to help others
- Accountability - we take responsibility
- Commitment - to excellence in all we do

Our Future

We are so thankful to our historic founders for creating an organization that centers around community. We promise to keep this focus and continue to operate as a people-oriented, service-centered, home-town institution. While we look for growth and expansion, we will only pursue options that align with our company philosophy and will allow us to expertly focus on our customers' needs. When you choose to do business with Merchants and Planters, you are growing with a company that promises to never outgrow you.

**M&P Community Bancshares, Inc.
and Subsidiaries**

**CONSOLIDATED
FINANCIAL STATEMENT
(DOLLAR AMOUNTS IN THOUSANDS)**

ASSETS	DECEMBER 31,	
	2019	2018
Cash and Due from banks	\$ 10,051	\$ 9,563
Interest-Bearing Deposits with Banks	\$ 23,291	\$ 4,424
Federal Funds Sold	\$ -	\$ 3,725
Investment securities		
Federal Agencies & Corporations	\$ 12,833	\$ 14,722
State and Political Subdivisions	\$ 35,729	\$ 32,525
Other	\$ 3,369	\$ 3,330
Loans-Net of Allowance for Loan Losses	\$ 163,019	\$ 174,537
Bank Premises and Equipment, Net	\$ 12,712	\$ 12,913
Other Real Estate and Repossessed Assets	\$ 1,502	\$ 1,044
Accrued Interest Receivable & Other Assets	\$ 12,916	\$ 9,972
TOTAL ASSETS	\$ 275,422	\$ 266,755
 LIABILITIES AND EQUITY CAPITAL		
DEPOSITS		
Non-Interest Bearing Deposits	\$ 58,880	\$ 52,739
Interest Bearing Deposits	\$ 177,041	\$ 177,682
Total Deposits	\$ 235,921	\$ 230,421
Accrued Interest Payable & Other Liabilities	\$ 4,617	\$ 3,475
Borrowings, FHLB and Other	\$ 11,746	\$ 12,291
TOTAL LIABILITIES	\$ 252,284	\$ 246,187
EQUITY CAPITAL		
Common Stock	\$ 235	\$ 235
Capital Surplus	\$ 4,905	\$ 4,905
Retained Earnings	\$ 27,149	\$ 25,711
Treasury Stock, at Cost	\$ (9,180)	\$ (9,180)
Accumulated Other Comprehensive Income (Loss)		
Unrealized in Securities Portfolio	\$ 29	\$ (1,103)
TOTAL EQUITY CAPITAL	\$ 23,138	\$ 20,568
TOTAL LIABILITIES AND EQUITY CAPITAL	\$ 275,422	\$ 266,755

**CONSOLIDATED INCOME
STATEMENT**
(DOLLAR AMOUNTS IN THOUSANDS)

	DECEMBER 31,	
	2019	2018
INTEREST INCOME		
Loans, Including Fees	\$ 10,528	\$ 10,068
Federal Funds Sold	\$ 12	\$ 12
Investment Securities		
Federal Agencies and Corporations	\$ 336	\$ 346
State and Political Subdivisions	\$ 675	\$ 649
Other	\$ 48	\$ 39
Deposits in Banks	\$ 111	\$ 70
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TOTAL INTEREST INCOME	\$ 11,710	\$ 11,184
INTEREST EXPENSE		
Deposits	\$ 2,136	\$ 1,427
Other	\$ 567	\$ 604
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TOTAL INTEREST EXPENSE	\$ 2,703	\$ 2,031
NET INTEREST INCOME	\$ 9,007	\$ 9,153
Provision for Loan Losses	\$ 475	\$ 490
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NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	\$ 8,532	\$ 8,663
OTHER INCOME		
Customer Service Charges	\$ 1,254	\$ 1,203
Other	\$ 3,843	\$ 3,339
Gain (Loss) on Sale of ORE	\$ 51	\$ 75
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TOTAL NON-INTEREST INCOME	\$ 5,148	\$ 4,617
OTHER EXPENSES		
Salaries	\$ 4,972	\$ 4,903
Employee Benefits	\$ 730	\$ 765
Occupancy	\$ 1,076	\$ 984
Equipment Expense	\$ 1,194	\$ 1,155
Other	\$ 4,024	\$ 3,213
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TOTAL NON-INTEREST EXPENSE	\$ 11,996	\$ 11,020
INCOME BEFORE INCOME TAXES	\$ 1,684	\$ 2,260
Provision for Federal & State Income Taxes	\$ 396	\$ (589)
NET INCOME	\$ 2,080	\$ 1,671
EARNINGS PER SHARE	\$ 11.94	\$ 9.59

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Merchants and Planters Bank
www.mandp.bank

**Come grow with a bank that
will never outgrow you.**

Newport Main
120 Hazel Street
Newport, Arkansas 72112
(870) 523-3601

Des Arc
416 Main Street
Des Arc, Arkansas 72040
(870) 256-3600

Batesville
555 East Main Street
Batesville, Arkansas 72501
(870) 307-0222

Newport North
915 Highway 367 North
Newport, Arkansas 72112
(870) 523-9831

McCrary
218 North Edmonds
McCrary, Arkansas 72101
(870) 731-5426

Batesville
3801 Harrison Street
Batesville, Arkansas 72501
(870) 793-3600

M&P Solutions Center
320 Front Street
Newport, Arkansas 72112
(870) 523-3601

Swifton
201 Main Street
Swifton, Arkansas 72471
(870) 485-2070

Southside
851 Batesville Blvd.
Batesville, Arkansas 72501
(870) 251-3800

Tuckerman
101 East Walnut
Tuckerman, Arkansas 72473
(870) 349-1333

Searcy
1621 W. Beebe Capps Expressway
Searcy, Arkansas 72143
(501) 278-5502

Newark
595 Vine Street
Newark, Arkansas 72562
(870) 799-2000



105 Laurel Street • Newport, AR 72112
(870) 523-6771
www.mpinsureme.com

*NOT A DEPOSIT · NOT FDIC INSURED · NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY · NOT GUARANTEED BY THE BANK ·

M&P Community Bancshares, Inc.

Board of Directors

Jim S. Gowen, Sr.
Chairman of the Board

R.M. Bledsoe Benjy Harris
Terry L. Dillon Mary K. Stewart
Jim S. Gowen, Jr. Dr. Larry Williams
Jennifer James

Senior Management

Jim S. Gowen, Sr. Jim S. Gowen, Jr.
Leslie Lowery Randy Cross
Nate Watson

Market Presidents

Beth Breckenridge
Lee Conditt
Paul Dickson
Linda Holcombe

Officers

Josh Brandt Dan Larson
Andrew Brock Jake Millikin
Elizabeth Canard Fletcher O'Cain
Jill Coles Randy D. Ramsey
Waverle Doyle Tristan Rudd
Martha Edwards Tara Salinas
Tammara Ford Carol Smith
Jerry Henderson Stacy Wagner
Regina Lake Thelma R. Welch