SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

For the Fiscal Year Ended December 31, 2000 — Commission File Number 2-84047

Peoples Bancshares of Pointe Coupee Parish, Inc.
(Exact name of registrant as specified in its charter)

Louisiana	72-0995027
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

805 Hospital Road New Roads, Louisiana	70760
(Address of principal executive offices)	(Zip Code)

Registrant's Telephone Number, including area code: (225) 638-3713

Securities registered pursuant to Section 12(b) of the Act: None
Securities registered pursuant to Section 12(g) of the Act:

Common Stock, $2.50 Par Value
(Title of Class)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months(or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes X No

State the aggregate market value of the voting stock held by nonaffiliates of the registrant:
$8,142,150

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common stock, $2.50 Par Value, 308,977 shares outstanding as of March 31, 2001.

Documents Incorporated by Reference

Document	Part of Form 10-K
"Consolidated Financial Statements for Years Ended December 31, 2000, 1999 and 1998 and Independent Auditors' Report"	Part I and Part II

Item 1: Business

Peoples Bancshares of Pointe Coupee Parish, Inc. (the Corporation) was incorporated under the laws of the State of Louisiana in 1983. On December 9, 1983, Peoples Bank and Trust Company (the Bank) was reorganized as a subsidiary of the Corporation. Prior to December 9, 1983, the corporation had no activity. The Corporation is currently engaged, through its subsidiary, in banking and related business. The Bank is the Corporation's principal asset and primary source of income.

The Bank

The Bank incorporated under the State Banking Laws in 1979 and received its charter on March 31, 1980. It is in the business of gathering funds by accepting checking, savings, and other time-deposit accounts and reemploying these by making loans and investing in securities and other interest bearing assets. The Bank is a full service commercial bank. Some of the major services which it provides include checking, NOW accounts, money market investments, money market checking, savings and other time deposits of various types, loans for business, agriculture, real estate, personal use, home improvement, automobile, and a variety of other types of loans and services including letters of credit, safe deposit rental, bank money orders, cashiers checks, credit cards, and wire transfers.

The State of Louisiana and various agencies of Parish (County) Government deposits public funds with the Bank. As of December 31, 2000, $3,376,491 were on deposit representing 8.79% of total deposits outstanding. Of this total, $1,397,219 represented demand deposits, $1,859,143 were time deposits and $120,129 were savings deposits. The weighted average interest rate on these deposits was 5.87%. The maturity of these deposits range from fifteen days to twelve months.

The Bank's general and primary market area is in Pointe Coupee Parish which has a population of approximately 25,000. Population of Pointe Coupee has experienced little growth since inception of the bank.

The Bank faces keen competition from three other banks operating in nine locations throughout the parish. The largest bank in the parish as of December 31, 2000 was Regions Bank of Alabama, New Roads Branch, which had in excess of $40 billion in assets nationwide. Regions Bank of Alabama acquired the former Bank of New Roads in August of 1994, and it operated as a separate bank until the summer of 1995, at which time it was merged into the Regions Bank of Louisiana system. Regions Bank of Louisiana was merged into Regions Bank of Alabama during 1998. The other banks operating in Pointe Coupee are Guaranty Bank and Trust Company which had total assets of approximately $43 million as of December 31, 2000 and Cottonport Bank, which opened a branch in 1998 with assets of approximately $190 million on December 31, 2000. Additional competition for deposits and loans comes from banks and non-banks (credit unions, brokerage houses, etc.) in Baton Rouge, the capital city of Louisiana, which is 35 miles from New Roads.

Supervision and Regulation

The Bank is subject to regulation and regular examinations by the State Banking Department and by the Federal Deposit Insurance Corporation. Applicable regulations relate to reserves, investments, loans, issuance of securities, establishment of branches and aspects of its operations.

The Corporation is a bank holding company within the meaning of the Bank Holding Company Act of 1956, as amended (the Act), and is thereby subject to the provisions of the Act and to regulation by the Board of Governors of the Federal Reserve System (the Board).

The Act requires the Corporation to file with the Board an annual report containing such information as the Board may require. The Board is authorized by the Act to examine the Corporation and all its activities. The activities that may be engaged in by the Corporation and its subsidiary are limited by the Act to those so closely related to banking or managing or controlling banks, the Board must consider whether its performance by an affiliate of a holding company can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition or gains in efficiency that out-weigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. The Board has adopted regulations implementing the provisions of the Act with respect to the activities of bank holding companies. Such regulations reflect a determination by the Board that the following activities are permissible for bank holding companies: (1) making, for its own account or for the account of others, loans such as would be made, for example, by a mortgage, finance or factoring company; (2) operating as an industrial bank; (3) servicing loans; (4) acting as a fiduciary; (5) acting as an investment trust or a real estate investment trust; (6) leasing personal or real property, where the lease is to serve as the functional equivalent of an extension of credit to the lessee of the property; (7) investing in community welfare corporations or projects; (8) providing bookkeeping and data processing services for a bank holding company and its subsidiaries, or storing and processing certain other banking, financial or related economic data; (9) acting as insurance agent or broker with respect to certain kinds of insurance, principally insurance issued in connection with extensions of credit by the holding company or any of its subsidiaries; (10) underwriting credit life and credit accident and health insurance related to extensions of credit; (11) providing courier services for documents and papers related to banking transactions; (12) providing management consulting advice to non-affiliated banks; and (13) selling money orders, travelers checks and U.S. Savings Bonds. In each case, the Corporation must secure the approval of the Board prior to engaging in any of these activities.

Whether or not a particular non-banking activity is permitted under the Act, the Board is authorized to require a holding company to terminate any activity, or divest itself of any non-banking subsidiary, if in its judgement the activity or subsidiaries would be unsound.

Under the Act the Board's regulations, a bank holding company and its subsidiaries are prohibited from engaging in certain tie-in arrangements in connection with any extension of credit or provision of any property or services.

The Board of Directors of the Corporation has no present plans or intentions to cause the Corporation to engage in any substantial business activity which would be permitted under the Louisiana Act but which is not permitted to the Bank; however, a significant reason for formation of the one-bank holding company is to take advantage of the additional flexibility afforded by that structure if the Board of Directors of the Corporation concludes that such action would be in the best interest of stockholders.

With certain exceptions, the Bank is restricted by Sections 22 and 23A of the Federal Reserve Act and Section 18(j) of the Federal Deposit Insurance Corporation Act from extending credit or making loans to or investments in the Corporation.

Statistical Information

The following tables contain additional information concerning the business and operations of the Registrant and its subsidiary and should be read in conjunction with the Consolidated Financial Statements of the Registrant and Management's Discussion and Analysis of Operations.

I. Distribution of Assets, Liabilities and Stockholders' Equity
Interest Rates and Interest Differential

(In Thousands)

	2000 Average Balance	2000 Amount Earned or Paid	2000 Yield/ Rate	1999 Average Balance	1999 Amount Earned or Paid	1999 Yield/ Rate
Assets:						
Interest earning assets						
Loans and Leases	$ 35,443	$ 3,458	9.76%	$30,891	$2,950	9.55%
Taxable securities	4,491	301	6.70%	4,207	282	6.70%
Tax exempt securities (tax equivalent yields)	600	34	8.50%	645	38	8.98%
Federal funds sold and time deposits with other banks	1,375	87	6.33%	2,363	118	4.99%
Total interest earning assets	$41,909	3,880	9.26%	38,106	3,388	8.89%
Non-interest earnings assets:						
Cash and due from banks	$ 1,278			1,554		
Bank premises and equipment	607			650		
Other assets	1,388			862		
Allowance for Loan Losses	(797)			(828)		
Total assets	$44,385			$40,344		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Interest bearing Liabilities:						
Deposits						
Savings account	$ 5,258	154	2.93%	$6,335	173	2.73%
NOW accounts	2,119	244	11.51%	2,826	95	3.36%
Money market investment accounts	3,238	13	0.40%	1,012	22	2.34%
Other time deposits	16,605	953	5.74%	16,176	773	4.78%
Federal funds purchased and securities sold under agreements to repurchase	177	12	6.78%	30	2	6.67%
Other borrowed funds	2,292	138	6.02%	468	27	5.77%
Total interest bearing Liabilities	$29,689	1,514	5.10%	26,847	1,092	4.07%
Non-interest bearing Liabilities and stockholders' equity:						
Demand deposits	$ 6,513			7,282		
Other Liabilities	435			383		
Stockholders' equity	7,748			5,832		
Total Liabilities and stockholders' equity	$44,385			$40,344		
Net interest income		$2,366			$2,296	
Margin Analysis						
Interest Income/earnings assets			9.26%			8.89%
Interest Expense/earnings assets			5.10%			4.07%
Net interest income/earnings assets			4.16%			4.82%

	2000 Compared with 1999 Variance due to			1999 Compared with 1998 Variance due to		
	Volume	Rate	Net	Volume	Rate	Net
INTEREST INCOME						
Loans	$442	65	507	$ 47	(105)	(58)
Taxable securities	18	1	19	(67)	36	(31)
Tax exempt securities	(4)	-	(4)	(10)	-	(10)
Federal funds sold	(57)	27	(30)	24	(6)	18
Total interest earning assets	399	93	492	(6)	(75)	(81)
INTEREST EXPENSE						
Savings accounts	(30)	12	(18)	11	--	11
NOW accounts	(29)	177	148	(58)	(4)	(62)
Money market	20	(29)	(9)	(2)	--	(2)
Other time deposit	21	159	180	41	(19)	22
Federal funds purchased	10	-	10	(18)	2	(16)
Other borrowed funds	110	1	111	--	3	3
Total interest bearing liabilities	102	320	422	(26)	(18)	(44)
Net interest income	$ 297	(227)	70	$20	(57)	(37)

II. Investment Portfolio

	2000	1999
US Treasury Securities And obligations of other Governmental entities	$ 5,046,013	$ 3,880,668
Mortgage - backed securities	480,452	1,103,345
	$ 5,526,465	$ 4,984,013

For year ended December 31, 2000

Scheduled Maturity	Gov't Agencies & Mtg. backed Securities	Municipal Securities	Total Amort. Cost	Total Fair Mkt. Value
Within one year	$ 1,720,415	$ 40,533	$1,760,948	$ 1,766,662
Greater than one but Within five years	3,048,012	50,182	3,098,194	3,088,572
Greater than five but Within ten years	--	98,690	98,690	101,266
Greater than ten years	151,315	401,128	552,443	569,965
	$ 4,919,742	$ 590,533	$ 5,510,275	$ 5,526,465
Percent of Portfolio (based on amortized cost)	89.28%	10.72%		
Weighted-average Yeild (based on amortized cost)	6.09%	5.66%		

III. Loan Portfolio

Major Classification of loans are summarized as follows:
(in thousands)

For year ended Dec. 31,	2000	1999
Real Estate	$5,785	$5,502
Commercial	16,216	11,085
Agricultural	7,082	6,442
Individual	7,190	6,934
Other	389	589
TOTAL LOANS:	36,662	30,552
Less Unearned Discount	-	-
Net Loans	36,662	30,552

Loan Analysis of Principal Subject to Rate Change
December 31, 2000

	1 Year or Less	Over 1 Year Less than 5	Over 5 Years
1. Commercial, Financial, Agricultural, Real Estate, Consumer and Other	$26,993,477	$ 9,246,484	$ 422,039
Average Rate	9.89%	9.30%	9.66%

Non-performing Loans and Other Problem Assets

It is management's policy to discontinue accrual of interest on loans where there is reasonable doubt as to collectibility. The policy to place loans on non-accrual status is to normally discontinue accrual of interest when the loan is delinquent 90 days or more, or where circumstances indicate that collection of principal or interest is doubtful, unless the obligation is secured (1) by mortgage on real estate or pledge of securities that have a realizable value sufficient to pay the debt in full; or (2) by guarantee of a financially responsible party. The following tables presents the non-performing loans and other problem assets at December 31, 2000 and 1999. Assets acquired through the default of loans are recorded at the lower of the outstanding loan amount or fair market value of the assets acquired at the time of foreclosure. Reductions from outstanding loan amounts to fair market value are charged against the reserve for possible loan losses. Subsequent adjustments to market valuations are charged to operating expense.

	2000	1999
NON-ACCRUAL LOANS	$215,473	$315,579
Restructured Loans	89,282	89,282
Other Real Estate	129,722	144,522
TOTAL NON-ACCRUAL & ORE	$434,477	$549,383

Loans Over 90-days past due and still accruing interest:

	2000	1999
Commercial	$ 308,608	$ 117,467
Agriculture	164,843	-0-
Student	10,196	10,622
Consumer	724,221	-0-
Real Estate	-0-	281,310
TOTAL OVER 90-DAYS	$ 1,207,868	409,399

The effect of non-accruing loans on interest income for 2000 was $24,723. The effect of restructured loans on interest income for 2000 was $2,268.

At December 31, 2000, there were no commitments to lend additional funds to debtors whose loans were considered to be non-performing.

All loans listed above are subject to constant attention by management and their progress is reviewed monthly.

At the present time, management does not track loan concentrations by particular industries, but rather by the grouping of types of loan, i.e., Agriculture, Real Estate, Consumer and Commercial. We attempt to avoid any undue concentration in any particular sector.

IV. Summary of Loan Loss Experience

Changes in the allowance for loan losses were as follows:

	2000	1999
Balance, January 1,	801,545	852,171
Provision charged to Operations	-0-	(57,629)
Loans charged off	(37,871)	(33,424)
Recoveries	61,663	40,427
Balance December 31,	825,337	801,545

In determining the adequacy of the loan loss reserves, management uses the following formulas: 100% of loans classified loss, 50% of doubtful loans, 5% of substandard loans, 0% of savings loans and government guaranteed loans and 1.5% of all other loan types. This analysis is performed on a quarterly basis.

V. Deposits

Deposits are summarized below:

	December 31,	
	2000	1999
Demand deposits accounts	$ 7,079,628	$ 5,701,476
NOW accounts	6,754,120	3,357,017
Savings accounts	5,340,615	6,021,428
Time accounts	19,231,708	15,582,544
	$38,406,071	$30,662,465

Included in deposits are approximately $6,960,000 and $4,383,000 of certificates of deposit in excess of $100,000 at December 31, 2000 and 1999, respectively.

Certificate of Deposit Maturity and Rate Analysis

As of December 31, 2000:

	0-90 Days	91-364 Days	1 Year 5 Years	Over 5 Years
Total Certificates of Deposit	$6,700,285	$9,655,846	$2,875,577	$ -0-
Average Rate	6.01%	6.41%	6.31%	---

VI. Return on Equity and Assets

ITEM 1:	2000	1999
Return on assets	2.1	2.2
Return on equity	11.8	15.2
Dividend payout ratio	.3	.3
Equity to assets ratio	17.5	14.5

VII. Short-Term Borrowings

The bank has established a line-of-credit for approximately $9,000,000 with the Federal Home Loan Bank (FHLB) to provide an additional source of operating capital. The current advances, which totalled $2,371,900 and $1,000,000 at December 31, 2000 and 1999, respectively, bore interest at variable rates ranging from 5.47% to 6.00%.

This line of credit is secured by $402,700 of FHLB stock owned by the Bank and all wholly-owned residential (1-4 units) first mortgage loans.

ITEM 2: Properties

The main office of the Corporation and Bank are presently located in a two-story office building on State Highway 3131, New Roads, Louisiana. The bank owns one branch located on State Highway 78, Livonia, Louisiana, which is approximately 13 miles from the main office. Additionally, in 1994 the bank purchased from its Other Real Estate portfolio the property directly behind the bank for $75,000. This property was formerly an insurance building and lot. It was acquired in an exchange of properties from Farm Bureau Insurance. All locations are owned free of any mortgages or liens.

ITEM 3: Legal Proceedings

There is no threatened or pending litigation against the Corporation, the Bank, or its officers.

ITEM 4: Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this report.

PART II

ITEM 5: Market Price Dividends on the Registrant's Common Equity and Related Stockholder Matters

The primary market area for the Corporation stock is Pointe Coupee Parish with Peoples Bank and Trust Company acting as registrar and transfer agent. There were approximately 575 shareholders of record as of December 31, 2000. The stock of the Corporation is not listed on any security exchange.

Due to lack of an active trading market, the Corporation does not have available information to furnish a high and low sales price on the range of bid and asked quotations for its stock. Based on limited inquiries by management, it is believed that less than 3,000 shares traded in 2000. There can be no assurance that the limited inquiries adequately reflect the marketability of the stock.

In March 2000 Peoples Bancshares declared a special dividend of $.50 per share to all stockholders of record as of March 31, 2000, totaling $154,488. Additionally, In December of 2000, Peoples Bancshares declared a dividend of $.45 per share to all stockholders of record as of November 10, 2000, totaling $139,040.

Management, will for the foreseeable future, approach the payment of dividends on an annual basis and according to the profitability of the bank in that particular year, as well as considering the long-term capital needs of the bank in the future.

ITEM 6: Selected Financial Data

Condensed Consolidated Statement of Income

For Year Ended Dec. 31,	2000	1999	1998	1997	1996
Interest Income	3,879,873	3,387,916	3,465,179	3,371,808	3,268,130
Interest Expense	1,513,905	1,091,748	1,131,970	1,139,117	1,115,370
Net Interest Income	2,365,968	2,296,168	2,333,209	2,232,691	2,152,760
Credit(Provisions)for Loan Losses	-0-	57,629	46,000	-0-	32,000
Other non-interest income and expenses net	(978,898)	(1,049,184)	(1,004,289)	(853,166)	(836,731)
Income Tax (Expense) benefit	(472,658)	(416,321)	(452,387)	(465,439)	(442,004)
Net Income (Loss)	914,412	888,292	922,533	914,086	906,025
Per Share:					
Net (Income)	$2.96	$2.88	$2.99	$2.96	$2.94
Cash Dividend	$293,528	$262,430	$262,288	$200,575	$200,575
Book Value-End of Year	26.35	24.08	22.41	20.21	17.90
Selected Ratios					
Loans to Assets	74.40	77.70	71.17	71.52	58.69
Loans to Deposits	95.46	99.64	87.83	85.47	68.51
Deposits to Assets	77.94	77.98	81.03	83.69	85.66
Capital to Deposits	21.20	24.27	20.85	18.95	16.36

ITEM 7: Management Discussion and Analysis of Financial Condition and Results of Operation

Peoples Bancshares of Pointe Coupee Parish, Inc., (Bancshares) is a one bank holding company whose sole subsidiary is Peoples Bank and Trust Company of Pointe Coupee Parish, Inc., (the Bank). All items discussed below are attributable to the activities of the Bank unless otherwise stated. This section should be read in conjunction with the consolidated financial statements and related notes and the tables presented in an earlier section of this report.

FINANCIAL REVIEW

Summary

Bancshares consolidated net income for 2000 was $914,412. This represents a Return on Average Assets of 2.07%, which we believe is a good return. This is in comparison to 2.26% for 1999 and 2.27% in 1998.

Several factors contributed to this continued success. The most important factors were: 1) good interest rate margins; 2) a low level of classified assets; and 3) elimination of loan loss provisions.

In 2000, charge-offs were $37,871 as compared to $33,424 in 1999. Recoveries for 2000 were $61,663 and provisions were -0-. Provisions for 1999 were ($57,629) and recoveries were $40,427.

The prospects for 2001 remain encouraging. The bank continues to note financial stability and deem our reserves as adequate. As a result, the projections for income are good. Additionally, Peoples Bank is deemed to be a well capitalized institution within the guidelines of the FDIC.

However, we still remain conservative in our view of the economy and current management will maintain that philosophy throughout 2001.

Other Income and Expenses

Other Income, excluding loan related income, increased $ 96,793 or 16.39% in 2000 as compared to 1999. The increase was due to a difference in fee income and rental income.

Other expenses, excluding interest expense increased by $26,507 or 1.62% in 2000 as compared to 1999. Salaries and employee benefits increased $10,235 or 1.15%.

Income Taxes

Bancshares files a consolidated federal income tax return. Deferred income taxes are provided using the liability method on items of income or expenses recognized in different time periods for financial statement and income tax purposes.

Statement of Condition

Total deposits as of December 31, 2000 increased $7,743,606 or 25.25% as compared to year end 1999. Non-interest bearing deposits increased $1,390,120 or 24.43% and interest bearing deposits increased $6,353,486 or 25.44%. Total loans excluding loan reserves increased $6,110,160 or 20.0% and cost of investment securities increased $419,925 or 8.25%. The increase in loans was concentrated primarily in commercial loans.

Liquidity Management

The purpose of liquidity management is to assure the corporation's ability, at an acceptable cost, to raise funds to support asset growth, meet deposit withdrawals, and otherwise operate the Corporation on a continuing basis. The overall liquidity position of the bank is insured by acquisition of additional funds in the form of time deposits, borrowings such as Federal Funds, Federal Home Loan Bank borrowings, and the sale or maturing of investments.

In management's opinion, there are no known trends, commitments or uncertainties that will or should have a material effect on deposits or the liquidity position. Additionally, no trends or events were cited by the regulatory authorities.

Capital Adequacy

The management of capital is a continuous process which consists of providing capital for the current position and the anticipated future growth of the Corporation. The purposes of capital are to serve as a source of funds, protect depositors against losses, and provide a measure of reassurance to the public that the community's needs will continue to be served. Since capital serves a multiplicity of purposes, the evaluation of capital adequacy cannot be made solely in terms of total capital or related ratios.

Traditionally, the source of additional capital has been retained earnings. Due to strong earnings from 1990 - 2000, and large recoveries of charged-off loans, our capital ratio is at an acceptable level. As such, retained earnings should continue to provide needed capital. Additionally, we will concentrate on the following to provide for our capital needs:

1. Increase non-interest income and reduce non-interest expenses
2. Maintain an adequate interest rate spread
3. Actively pursue previous charged-off loans for recoveries
4. Manage our growth rate

Furthermore, the prospects for 2001 continue to be encouraging. Our capital base continued to grow in 2000; our loan loss reserve is adequate; our net income was extremely good with a Return on Average Assets of 2.07%; loan delinquencies continue to be manageable, although there was an increase in delinquencies over 1999; and classified assets have remained at a manageable level.

ECONOMIC CONDITIONS

Current economic conditions are slightly above average compared to the previous (5) five years, but are certainly not great. Our asset/liability management strategy helped produced good margins in 2000. However, our strategies remain conservative; therefore, we are positioned as interest rates continue to fluctuate.

Item 8: Financial Statements (following on next pages)

Item 9: Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

PART III

Item 10: Directors and Executive Officers

Directors of Bancshares are identified in the following table:

Name Principal Occupation	Age	Type of Stock Ownership	Amount Owned	Percent of Total
Joseph Jefferson David	81	Direct	30,638	9.916
Stephen P. David President and CEO of Peoples Bancshares of Pointe Coupee and Peoples Bank & Trust Company	43	Direct Indirect	4,522 19,557	1.464 6.330
Frank Ned Foti	65	Direct	24,561	7.949
C. E. Hebert, III	57	Direct	5,588	1.809
Junies W. Hurst	89	Direct	3,888	1.258
Clyde Walker Kimball	59	Direct	5,014	1.623
Camille N. Laborde	73	Direct	5,028	1.627
Norris A. Melancon, Jr.	73	Direct	20,491	6.632
Thomas W. Montgomery, III	61	Direct	3,588	1.161
Joseph Major Thibaut	47	Direct Indirect	600 1,000	.194 .324
Rodney Fontaine	49	Direct Indirect	500 1,960	.162 .634
Maurice Picard	53	Direct	400	.129
			------	------
All Directors and Principal Officers as a Unit (12 Persons)		Direct Indirect	104,818 22,517	33.924 7.288

MANAGEMENT OF THE BANK AND BANCSHARES

Employees

On December 31, 2000, there were twenty full time employees. This includes the officers of the Corporation and Bank listed below:

Officers

Name	Age	Position Currently Held
Stephen P. David	43	President and CEO of Peoples Bancshares and Peoples Bank and Trust Company
Joyce A. York	53	Senior Vice President and Cashier of Peoples Bank
R. Blain Houston	28	Assistant Vice President and Loan Officer of Peoples Bank
Robin Cashio	50	Branch Manager of Peoples Bank
Kenneth R. Ramagos	45	Assistant Vice President and Loan Officer of Peoples Bank
Melissa Laborde	37	Loan Review Officer of Peoples Bank
Mary Posey	42	Loan Officer and Loan Collections Officer
Annie LeBlanc	67	Customer Account Officer

Ms. York has been with Peoples Bank since inception. Mr. David was elected an officer of the Bank in December of 1983.

Stephen P. David, Director, CEO, and President of Bancshares and the Bank, age 43. Mr. David joined the Bank on August 3, 1981 and has held many positions, including, Loan Officer; Assistant Vice President; Senior Loan Officer; Senior Vice-President and Assistant Secretary to the Board of Directors prior to being named to his current post on February 1, 1990.

Bancshares was formed in 1983 and became the Bank's sole shareholder on December 27, 1983, at which time all directors of the Bank became directors of Bancshares. Dates prior to that time reflects service as a Director of the Bank.

Joseph Jefferson David is the father of Stephen P. David.

Item 11: Executive Compensation

a) Remuneration of Directors and Officers:

All Executive Officers (President David & Senior Vice President York) had direct cash compensation of $206,420, $200,920, and $181,400 excluding board fees, but including bonuses in 2000, 1999, and 1998, respectively.

On September 17, 1981, the Board of Directors of the Bank approved a profit sharing plan which conforms to the Internal Revenue Code, Section 401(a). All employees who have been employed by the Bank for a period of six months or more; who are 25 years of age; and who have at least 1,000 hours of service annually may participate in the profit sharing plan. No contributions were made to the plan in 2000.

In January 1990 the Board of Directors approved a 401(k) savings plan which conforms to the Internal Revenue Code. All employees who have been employed by the bank for a period of six months or more were eligible to participate in the plan. Contributions by the bank in 2000 totaled $16,695. The accrued amount at year end totaled $533,821.46.

The Bank has a deferred compensation plan available to its directors. At present only two directors are participating. Upon retirement, the Bank will pay the directors their deferred compensation plus interest, which accrues at the "low Wall Street rate", in 15 equal annual installments beginning the month after retirement. Upon pre-retirement death, the bank will pay his designated beneficiaries the greater of $8,400 a year for 15 years or his deferred compensation and accrued interest. The bank is the owner and beneficiary of an insurance policy on the life of each director.

The Bank also maintains a supplemental executive retirement plan with its president. Upon retirement, the president will receive $25,000 per year for 20 years, beginning immediately. The bank is the owner and beneficiary of an insurance policy on the life of the president. If employment is terminated "without cause" prior to retirement, the bank will pay the president his accrued benefit, which is based on the number of months of completed service since January, 1996.

The Board of Directors of Bancshares held twelve (12) regular scheduled meetings during 2000. The Board of Directors of the Bank held twelve (12) regularly scheduled meetings. The Bank has a personnel committee which met one (1) times during 2000, and a loan committee which met sixteen (16) times during the year. The Board of Directors held no special meeting during 2000. The Bank also has an audit committee and executive committee which did not meet during 2000.

The Board of Directors of Bancshares and the Bank do not have a nomination committee.

Directors of Bancshares receive no remuneration for serving in that capacity. Each director of the Bank received a fee of $500 for each regular board meeting. Members of each committee receive $75 per meeting attended.

Item 12: Security Ownership of Certain Beneficial Owners and Management

As of March 31, 2001, Peoples Bancshares had authorized 1,000,000 shares of common stock and of this amount, 308,977 shares were outstanding. Additionally, as of this date, Peoples Bancshares had authorized but unissued 500,000 shares of Series A Preferred stock and 500,000 shares of Series B Preferred stock.

As of March 31, 2001 the management of Bancshares knew of no other person or group that owned 5% or more of the outstanding stock of Bancshares other than Mr. N. A. Melancon, Jr., with 20,491 shares representing 6.632%; Mr. Frank N. Foti with 24,561 shares representing 7.949%; Mr. J. Jeff David with 30,638 shares representing 9.916% and William C. David* with 19,477 shares representing 6.304%.

*William C. David has granted a Proxy Authority to his brother, Stephen P. David.

Item 13: Certain Relationships & Related Transactions

b) Transactions with Management:

From time to time the Bank has extended credit to its Officers and Directors and to businesses in which Officers and Directors own an interest; and the Bank intends to continue this policy because of the deposits, business and the income that these activities generate for the Bank. Such loans are made only with the approval of the Board of Directors.

At no time in 2000 did these transactions exceed 10% of the equity capital, except for those matters noted below.

All directors and officers as a group had total loans outstanding at year end 2000 and 1999 of $1,353,120 and $1,441,636 respectively.

PART IV

Item 14: EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

A. (1) Financial Statements

The financial statements are listed under Part II, Item 8 of this Report

(2) Financial Statement Schedules

The financial statement schedules are listed under Part II, Item 8 of this Report.

B. Reports on Form 8-K

None

C. Exhibits

None

Signatures

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the under signed, thereunto duly authorized.

PEOPLES BANCSHARES OF POINTE COUPEE
PARISH, INC.

By:_________________________________
Joseph M. Thibaut, Sr.
Chairman

Pursuant to the Requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

Joseph Jefferson David Director	Clyde Walker Kimball Director
Frank Ned Foti Director	Camille N. LaBorde Director
Norris A. Melancon, Jr. Director	C. E. Hebert, III Director and Secretary
Stephen P. David President/CEO and Director	Junies W. Hurst Director
Thomas W. Montgomery, III Director	Joseph Major Thibaut Director
Rodney G. Fontaine Director	Maurice Picard Director

EXHIBIT A.

PEOPLES BANCSHARES OF POINTE COUPEE PARISH, INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2000 AND 1999

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders
Peoples Bancshares of Pointe Coupee Parish, Inc.
New Roads, Louisiana

We have audited the accompanying consolidated balance sheets of Peoples Bancshares of Pointe Coupee Parish, Inc. and Subsidiary as of December 31, 2000 and 1999, and the related consolidated statements of operations and comprehensive income, changes in stockholders' equity and cash flows for each of the years during the three year period ended December 31, 2000. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Peoples Bancshares of Pointe Coupee Parish, Inc. and Subsidiary as of December 31, 2000 and 1999, and the results of their operations and their cash flows for each of the years during the three year period ended December 31, 2000, in conformity with generally accepted accounting principles.

Postlethwaite & Netterville

Baton Rouge, Louisiana
January 26, 2001

PEOPLES BANCSHARES OF POINTE COUPEE PARISH, INC. AND SUBSIDIARY
NEW ROADS, LOUISIANA

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2000 AND 1999

A S S E T S

	2000	1999
Cash and due from banks	$ 1,769,687	$ 738,632
Interest-bearing deposits in other banks	-	394,000
Federal funds sold	4,300,000	1,625,000
Securities available-for-sale	5,526,465	4,984,013
Other stocks, at cost	402,700	378,400
Loans, less allowances for loan losses of $825,337 and $801,545 at December 31, 2000 and 1999, respectively	35,836,626	29,750,258
Accrued interest receivable	621,319	564,920
Bank premises and equipment, net of accumulated depreciation	587,226	626,639
Foreclosed real estate	129,722	144,522
Other assets	104,543	116,297
TOTAL ASSETS	$ 49,278,288	$ 39,322,681

The accompanying notes are an integral part of these consolidated financial statements.

LIABILITIES AND STOCKHOLDERS' EQUITY

	2000	1999
LIABILITIES		
Deposits:		
Noninterest-bearing	$ 7,079,628	$ 5,689,508
Interest-bearing	31,326,443	24,972,957
Total deposits	38,406,071	30,662,465
Other borrowed funds	2,371,900	1,000,000
Accrued interest payable	213,309	114,376
Other liabilities	144,858	105,442
Total liabilities	41,136,138	31,882,283
COMMITMENTS AND CONTINGENCIES	-	-
STOCKHOLDERS' EQUITY		
Common stock; $2.50 par value; 1,000,000 shares authorized; 309,677 shares issued; and 308,977 shares outstanding	774,193	774,193
Capital surplus	1,530,320	1,530,320
Retained earnings	5,835,228	5,214,344
Accumulated other comprehensive income	10,685	(70,183)
	8,150,426	7,448,674
Less: 700 shares held in treasury - at cost	(8,276)	(8,276)
Total stockholders' equity	8,142,150	7,440,398
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 49,278,288	$ 39,322,681

PEOPLES BANCSHARES OF POINTE COUPEE PARISH, INC. AND SUBSIDIARY
NEW ROADS, LOUISIANA

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2000, 1999, AND 1998

	2000	1999	1998
INTEREST INCOME			
Interest on loans	$ 3,458,406	$ 2,949,718	$ 3,006,132
Interest on available-for-sale securities	334,928	319,632	358,338
Interest on federal funds sold	74,994	98,125	76,353
Interest on deposits in other banks	11,545	20,441	24,356
Total interest income	3,879,873	3,387,916	3,465,179
INTEREST EXPENSE			
Interest on deposits	1,363,628	1,062,992	1,092,939
Interest on federal funds purchased	12,197	1,863	18,085
Interest on other borrowed funds	138,080	26,893	20,946
	1,513,905	1,091,748	1,131,970
NET INTEREST INCOME	2,365,968	2,296,168	2,333,209
Provision (credit) for loan losses	-	(57,629)	(46,000)
NET INTEREST INCOME AFTER PROVISION (CREDIT) FOR LOAN LOSSES	2,365,968	2,353,797	2,379,209
NON-INTEREST INCOME			
Service charges on deposit accounts	161,247	136,122	122,414
Other service charges and fees	394,498	364,313	321,839
Net realized gains on sales of available-for-sale securities	-	8,587	2,505
Other income	131,538	81,468	62,233
Total other income	687,283	590,490	508,991

The accompanying notes are an integral part of these consolidated financial statements.

PEOPLES BANCSHARES OF POINTE COUPEE PARISH, INC. AND SUBSIDIARY
NEW ROADS, LOUISIANA

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2000, 1999, AND 1998

	2000	1999	1998
NON-INTEREST EXPENSES			
Salaries and employee benefits	$ 899,353	$ 889,118	$ 826,312
Occupancy expenses	153,630	166,605	160,318
Data processing expenses	95,342	104,024	107,173
Other operating expenses	517,856	479,927	419,477
Total other expenses	1,666,181	1,639,674	1,513,280
INCOME BEFORE INCOME TAX EXPENSE	1,387,070	1,304,613	1,374,920
Income tax expense	472,658	416,321	452,387
NET INCOME	914,412	888,292	922,533
OTHER COMPREHENSIVE INCOME			
Unrealized holding gains (losses) arising during the period, net of taxes	80,868	(101,752)	21,145
Less: reclassification adjustment for realized gains	-	(8,587)	(2,505)
	80,868	(110,339)	18,640
COMPREHENSIVE INCOME	$ 995,280	$ 777,953	$ 941,173
Per common share data:			
Net income	$ 2.96	$ 2.88	$ 2.99
Cash dividends	$ 0.95	$ 0.85	$ 0.85
Average number of shares outstanding	308,977	308,777	308,577

The accompanying notes are an integral part of these consolidated financial statements.

PEOPLES BANCSHARES OF POINTE COUPEE PARISH, INC. AND SUBSIDIARY
NEW ROADS, LOUISIANA

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2000, 1999, AND 1998

	Common Stock		Capital
	Shares	Amount	Surplus
Balance at December 31, 1997	309,677	$ 774,193	$ 1,525,808
Net income	-	-	-
Net change in unrealized gain (loss) on available-for-sale securities, net of deferred income taxes of $9,602	-	-	-
Cash dividends paid	-	-	-
Balance at December 31, 1998	309,677	774,193	1,525,808
Net income	-	-	-
Net change in unrealized gain (loss) on available-for-sale securities, net of deferred income taxes of $56,841	-	-	-
Sale of 400 shares of common stock held in the treasury	-	-	4,512
Cash dividends paid	-	-	-
Balance at December 31, 1999	309,677	774,193	1,530,320
Net income	-	-	-
Net change in unrealized gain (loss) on available-for-sale securities, net of deferred income taxes of $41,659	-	-	-
Cash dividends paid	-	-	-
Balance at December 31, 2000	309,677	$ 774,193	$ 1,530,320

The accompanying notes are an integral part of these consolidated financial statements.

Retained Earnings		Accumulated Other Comprehensive Income		Treasury Stock Shares	Treasury Stock Amount		Total Stockholders' Equity
$	3,928,237	$	21,516	1,100	$	(13,000)	$ 6,236,754
	922,533		-	-		-	922,533
	-		18,640	-		-	18,640
	(262,288)		-	-		-	(262,288)
	4,588,482		40,156	1,100		(13,000)	6,915,639
	888,292		-	-		-	888,292
	-		(110,339)	-		-	(110,339)
				(400)		4,724	9,236
	(262,430)		-	-		-	(262,430)
	5,214,344		(70,183)	700		(8,276)	7,440,398
	914,412		-	-		-	914,412
	-		80,868	-		-	80,868
	(293,528)		-	-		-	(293,528)
$	5,835,228	$	10,685	700	$	(8,276)	$ 8,142,150

PEOPLES BANCSHARES OF POINTE COUPEE PARISH, INC. AND SUBSIDIARY
NEW ROADS, LOUISIANA

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2000, 1999, AND 1998

	2000	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 914,412	$ 888,292	$ 922,533
Adjustments to reconcile net income to net cash			
Provided by operating activities:			
Gain on sales of other real estate	(54,163)	(9,297)	(2,950)
Loss (gain) on sales of other assets	(100)	526	3,760
Net realized gains from sales and maturities of available-for-sale securities	-	(8,587)	(2,505)
Net accretion of investment security discounts / Amortization of investment security premiums	964	6,815	12,270
Provision (credit) for loan losses	-	(57,629)	(46,000)
Provision for foreclosed real estate	10,200	4,500	-
Depreciation	60,580	62,200	60,714
Net changes in operating assets and liabilities:			
Accrued interest receivable	(56,399)	(51,791)	24,617
Other assets	(12,261)	28,296	(44,204)
Accrued interest payable	98,933	14,007	4,474
Other liabilities	21,771	(10,495)	31,220
Net cash provided by operating activities	983,937	866,837	963,929
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of Available-for-sale securities	1,666,913	2,282,152	6,139,493
Purchases of available-for-sale securities	(2,087,801)	(2,698,132)	(3,660,296)
Net decrease in interest-bearing deposits in other banks	394,000	-	99,000
Purchase of other stocks	(24,300)	(26,800)	(351,600)
Net decrease (increase) in federal funds sold	(2,675,000)	2,400,000	(3,225,000)
Net increase in loans	(6,860,677)	(1,447,140)	(1,122,940)
Expenditures on foreclosed real estate	(30,128)	-	-
Proceeds from sales of foreclosed real estate and other assets	863,300	61,418	30,650
Purchases of bank premises and equipment	(21,167)	(15,961)	(49,212)
Net cash provided by (used in) investing activities	(8,774,860)	555,537	(2,139,905)

The accompanying notes are an integral part of these consolidated financial statements.

PEOPLES BANCSHARES OF POINTE COUPEE PARISH, INC. AND SUBSIDIARY
NEW ROADS, LOUISIANA

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2000, 1999, AND 1998

	2000	1999	1998
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase (decrease) in noninterest-bearing demand Deposit accounts, savings accounts, and NOW accounts	$ 4,094,440	$ (2,628,725)	$ 498,561
Net increase (decrease) in time deposits	3,649,166	134,677	(261,872)
Net increase in other borrowed funds	1,371,900	372,000	628,000
Proceeds from sales of treasury stock	-	9,236	-
Dividends paid	(293,528)	(262,430)	(262,288)
Net cash provided by (used in) financing activities	8,821,978	(2,375,242)	602,401
Net increase (decrease) in cash and due from banks	1,031,055	(952,868)	(573,575)
Cash and due from banks - beginning of year	738,632	1,691,500	2,265,075
Cash and due from banks - end of year	$ 1,769,687	$ 738,632	$ 1,691,500
Supplemental disclosures of cash flow information			
Cash paid for interest	$ 1,414,972	$ 1,077,741	$ 1,127,496
Cash paid for income taxes	$ 466,000	$ 398,793	$ 468,120

The accompanying notes are an integral part of these consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Peoples Bancshares of Pointe Coupee Parish, Inc. (Bancshares) and its subsidiary conform to generally accepted accounting principles and to the prevailing practices within the banking industry. A summary of significant accounting policies is as follows:

Basis of presentation

The consolidated financial statements include the accounts of Bancshares and its wholly owned subsidiary, Peoples Bank and Trust Company (the Bank). All significant intercompany accounts and transactions have been eliminated in consolidation.

Nature of operations

Substantially all of the assets, liabilities, and operations presented in the consolidated financial statements are attributable to Peoples Bank and Trust Company. The Bank provides a variety of banking services to individuals and businesses primarily in and around Pointe Coupee Parish, Louisiana. Its primary deposit products are demand deposits, savings deposits, and certificates of deposits, and its primary lending products are agriculture, commercial, business, real estate, and consumer loans.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The determination of the adequacy of the allowance for loan losses is based on estimates that are particularly susceptible to significant changes in the economic environment and market conditions. In connection with the determination of the estimated losses on loans, management obtains independent appraisals for significant collateral.

The Bank's loans are generally secured by specific items of collateral including real property, consumer assets, and business assets. Although the Bank has a diversified loan portfolio, a substantial portion of its debtors' ability to honor their contracts is dependent on local economic conditions and the agricultural industry.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates (continued)

While management uses available information to recognize losses on loans, further reductions in the carrying amounts of loans may be necessary based on changes in local economic conditions. In addition, regulatory agencies, as an integral part of their examination process, periodically review the estimated losses on loans. Such agencies may require the Bank to recognize additional losses based on their judgments about information available to them at the time of their examination. Because of these factors, it is reasonably possible that the estimated losses on loans may change materially in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

Investment securities

The Bank's investments in securities are classified as available-for-sale securities and consist of bonds, notes, and debentures that are available to meet the Bank's operating needs. These securities are reported at fair value as determined by quoted market prices.

Unrealized holding gains and losses, net of tax, on available-for-sale securities are reported as a net amount in other comprehensive income. Gains and losses on the sale of investment securities are determined using the specific-identification method. Realized gains (losses) on the sales and maturities of investment securities are classified as non-interest income and reported as a reclassification adjustment in other comprehensive income.

Interest bearing deposits in other banks

Interest bearing deposits in other banks mature within one year and are carried at cost, which approximates market.

Loans receivable

Loans receivable that management has the intent and ability to hold for the foreseeable future or until maturity or pay-off are reported at their outstanding principal adjusted for any charge-offs, the allowance for loan losses, and any deferred fees or costs on originated loans and unamortized premiums or discounts on purchased loans.

The accrual of interest on impaired loans is discontinued when, in management's opinion, the borrower may be unable to meet payments as they become due. When interest accrual is discontinued, all unpaid accrued interest is reversed. Interest income is subsequently recognized only to the extent cash payments are received.

The allowance for loan losses is increased by charges to income and decreased by charge-offs (net of recoveries). Management's periodic evaluation of the adequacy of the allowance is based on the Bank's past loan loss experience, known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay, the estimated value of any underlying collateral, and current economic conditions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreclosed real estate

Real estate properties acquired through, or in lieu of, loan foreclosure are to be sold and are initially recorded at fair value at the date of foreclosure, establishing a new cost basis. After foreclosure, valuations are periodically performed by management, and the real estate is subsequently carried at the lower of carrying amount or fair value, less cost to sell. Revenue and expenses from operations and changes in the valuation allowance are included in loss on foreclosed real estate.

Bank premises and equipment

Land is carried at cost. Bank premises and equipment are stated at cost less accumulated depreciation, which is computed using straight-line and accelerated methods over the estimated useful lives of the assets, which range from 3 to 30 years.

Income taxes

Provisions for income taxes are based on taxes payable or refundable for the current year (after exclusion of non-taxable income such as interest on state and municipal securities) and deferred taxes on temporary differences between the amount of taxable income and pretax financial income and between the tax bases of assets and liabilities and their reported amounts in the financial statements. Deferred tax assets and liabilities are included in the financial statements at currently enacted income tax rates applicable to the period in which the deferred tax assets and liabilities are expected to be realized or settled as prescribed in Statement of Financial Accounting Standards No. 109, *Accounting for Income Taxes.* As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes.

Net Income per share

Net income per share of common stock has been computed on the basis of the weighted average number of shares of common stock outstanding.

Comprehensive income

Comprehensive income is the change in stockholders' equity during the period from transactions and other events and circumstances from non-owner sources. Comprehensive income includes the change in unrealized gains (losses), net of taxes, on available-for-sale securities during the period.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

For purposes of presentation in the consolidated statements of cash flows, cash and cash equivalents are defined as those amounts included in the balance sheet caption "cash and due from banks."

Off-balance sheet financial instruments

In the ordinary course of business, the Bank has entered into off-balance sheet financial instruments consisting of commitments to extend credit, commercial letters of credit, and standby letters of credit. Such financial instruments are recorded in the financial statements when they are funded or related fees are incurred or received.

Fair values of financial instruments

Statement of Financial Accounting Standards (SFAS) No. 107, *Disclosures about Fair Value of Financial Instruments*, requires disclosure of fair value information about financial instruments, whether or not recognized in the balance sheet. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. In that regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases, could not be realized in immediate settlement of the instruments from its disclosure requirements. Accordingly, the aggregate fair value amounts presented do not represent the underlying value of Bancshares.

The following methods and assumptions were used by Bancshares in estimating its fair value disclosures for financial instruments:

Cash and cash equivalents - the carrying amounts of cash and cash equivalents approximate their fair values.

Interest-bearing deposits in other banks - fair values for interest-bearing deposits in other banks are estimated using a discounted cash flow analysis that applies interest rates currently being offered on certificates to a schedule of aggregated contractual maturities on such time deposits.

Investment securities - fair values for investment securities are based on quoted market prices, where applicable. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair values of financial instruments (continued)

The following methods and assumptions were used by Bancshares in estimating its fair value disclosures for financial instruments:

Loans receivable - for variable-rate loans that reprice frequently and have no significant change in credit risk, fair values are based on carrying values. Fair values for certain mortgage loans (i.e., one-to-four family residential), credit card loans, and other consumer loans are based on quoted market prices of similar loans sold in conjunction with securitization transactions, adjusted for differences in loan characteristics. Fair values for commercial real estate and commercial loans are estimated using discounted cash flow analyses, using interest rates currently being offered for loans with similar terms to borrowers of similar credit quality. Fair values for impaired loans are estimated using discounted cash flow analyses or underlying collateral values, where applicable.

Deposit liabilities - the fair values disclosed for demand deposits are, by definition, equal to the amount payable on demand at the reporting date (that is, their carrying amounts). The carrying amounts of variable-rate, fixed-term money market accounts and certificates of deposit approximate their fair values at the reporting date. Fair values for fixed-rate certificates of deposit are estimated using a discounted cash flow calculation that applies interest rates currently being offered on certificates to a schedule of aggregated expected monthly maturities on time deposits.

Short-term borrowings - the carrying amounts of other short-term borrowings maturing within 90 days approximate their fair values. Fair values of other short-term borrowings are estimated using discounted cash flow analyses based on the incremental borrowing rates for similar types of borrowing arrangements.

Accrued interest - the carrying amounts of accrued interest approximate their fair values.

Off-balance sheet instruments - fair values for off-balance sheet lending commitments are based on fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements and the counterparties' credit standing.

Reclassification

Certain amounts in the 1999 and 1998 consolidated financial statements have been reclassified to conform with the current year presentation.

2. INVESTMENT SECURITIES

Debt and equity securities have been classified in the consolidated statements of financial condition according to management's intent. Securities classified as available-for-sale consisted of the following:

	December 31, 2000			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities and obligations of other governmental entities	$ 5,021,838	$ 36,730	$ 12,555	$ 5,046,013
Mortgage-backed securities	488,438	-	7,986	480,452
	$ 5,510,276	$ 36,730	$ 20,541	$ 5,526,465

	December 31, 1999			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities and obligations of other governmental entities	$ 3,964,294	$ 1,278	$ 84,904	$ 3,880,668
Mortgage-backed securities	1,126,057	23	22,735	1,103,345
	$ 5,090,351	$ 1,301	$ 107,639	$ 4,984,013

Realized gains on sales of securities during the years ended December 31, 2000, 1999, and 1998 were as follows:

	2000	1999	1998
U.S. Treasury securities and obligations of other governmental entities	$ -	$ 8,587	$ 2,505
Mortgage-backed securities	-	-	-
	$ -	$ 8,587	$ 2,505

2. <u>INVESTMENT SECURITIES</u> (continued)

The amortized costs and estimated market values of debt securities at December 31, 2000, by contractual maturity, are shown below. Expected maturities may differ from contractual maturities because borrowers have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized Cost	Fair Value
Within one year	$ 1,730,071	$ 1,735,873
Greater than one but within five years	2,791,949	2,787,098
Greater than five but within ten years	98,690	101,266
Greater than ten years	401,128	421,776
	5,021,838	5,046,013
Mortgage-backed securities	488,438	480,452
	$ 5,510,276	$ 5,526,465

Investment securities with carrying values of approximately $3,258,885 and $2,250,860 at December 31, 2000 and 1999, respectively, were pledged to secure public deposits and for other purposes as required or permitted by law.

3. <u>LOANS</u>

The components of loans in the consolidated statements of financial condition were as follows:

	2000 (in thousands)	1999 (in thousands)
Agricultural loans	$ 7,082	$ 6,442
Commercial loans	16,216	11,085
Real estate loans	5,785	5,502
Consumer loans	7,190	6,934
Other	389	589
	36,662	30,552
Less: allowance for loan losses	(825)	(802)
Loans, net	$ 35,837	$ 29,750

3. LOANS (continued)

Changes in the allowance for loan losses during the years ended December 31, 2000, 1999, and 1998 were as follows:

	2000	1999	1998
Balance - beginning of year	$ 801,545	$ 852,171	$ 846,958
Provision credited to operations	-	(57,629)	(46,000)
Loans charged-off	(37,871)	(33,424)	(38,571)
Recoveries	61,663	40,427	89,784
Balance - end of year	$ 825,337	$ 801,545	$ 852,171

Impairment of loans having recorded investments of approximately $469,600 at December 31, 2000, and $404,860 at December 31, 1999, has been recognized in conformity with SFAS No. 114, *Accounting by Creditors for Impairment of a Loan*, as amended by SFAS No. 118. The average recorded investment in impaired loans during 2000 and 1999 was approximately $587,800 and $205,570, respectively. The total allowances for loan losses related to these loans was $42,279 and $22,500 at December 31, 2000 and 1999, respectively.

Interest income on impaired loans, which is recognized when cash payments are received, totalled approximately $5,000, $7,000, and $8,000 during the years ended December 31, 2000, 1999, and 1998, respectively.

The Bank transferred $774,308 and $24,024 of real estate acquired in settlements of loans to other real estate owned and other assets during the years ended December 31, 2000 and 1999, respectively.

The Bank is not committed to lend additional funds to debtors whose loans have been modified.

4. BANK PREMISES AND EQUIPMENT

Major classifications of bank premises and equipment are summarized as follows:

	2000	1999
Land	$ 100,081	$ 100,081
Buildings and improvements	894,923	883,473
Equipment	518,950	509,233
	1,513,954	1,492,787
Less: accumulated depreciation	(926,728)	(866,148)
	$ 587,226	$ 626,639

Depreciation expense amounted to $60,580, $62,200, and $60,714 during the years ended December 31, 2000, 1999, and 1998, respectively.

5. DEPOSITS

Deposits are summarized below:

	2000	1999
Demand deposit accounts	$ 7,079,628	$ 5,701,476
NOW accounts	6,754,120	3,357,017
Savings accounts	5,340,615	6,021,428
Time accounts	19,231,708	15,582,544
	$ 38,406,071	$ 30,662,465

At December 31, 2000, the scheduled maturities of all outstanding certificates of deposit were as follows:

During the year ending December 31st	Amount
2001	$ 15,837,865
2002	3,079,670
2003	279,118
2004	35,055
	$ 19,231,708

5. DEPOSITS (continued)

Included in deposits are approximately $6,960,000 and $4,383,000 of certificates of deposit in excess of $100,000 at December 31, 2000 and 1999, respectively. Interest expense on such deposits was approximately $286,500, $239,600, and $198,000 during the years ended December 31, 2000, 1999, and 1998, respectively.

6. OTHER BORROWED FUNDS

The Bank has established a line-of-credit for approximately $4,250,000 with the Federal Home Loan Bank (FHLB) to provide an additional source of operating capital. The current advances, which totalled $2,371,900 and $1,000,000 at December 31, 2000 and 1999, respectively, bore interest at variable rates ranging from 6.00% to 6.76%.

This line of credit is secured by $402,700 of FHLB stock owned by the Bank and all wholly-owned residential (1-4 units) first mortgage loans.

7. INCOME TAXES

The source and tax effect of items reconciling income tax expense to the amount computed by applying the federal income tax rates in effect to income before income tax expense for the years ended December 31, 2000, 1999, and 1998 were as follows:

	2000		1999		1998	
	Amount	%	Amount	%	Amount	%
Income before income tax expense	$1,387,070	100.0%	$1,304,613	100.0%	$ 1,374,920	100.0%
Income tax expense at statutory rate	$ 471,604	34.0%	$ 443,568	34.0%	$ 467,473	34.0%
Tax-exempt interest income and nondeductible interest cost	(9,438)	(0.7)	(9,220)	(0.7)	(29,348)	(2.1)
Other	10,492	0.8	(18,027)	(1.4)	14,262	1.0
	$ 472,658	34.1%	$ 416,321	31.9%	$ 452,387	32.9%

7. INCOME TAXES (continued)

The components of income tax expense during the years ended December 31, 2000, 1999, and 1998 were as follows:

	2000	1999	1998
Current tax expense	$ 486,253	$ 384,604	$ 449,201
Deferred tax expense (benefit)	(13,595)	31,717	3,186
	$ 472,658	$ 416,321	$ 452,387

Bancshares records deferred income taxes on the tax effect of temporary differences. Deferred tax assets are subject to a valuation allowance if their realization is less than fifty percent probable. Deferred tax assets (liabilities) were comprised of the following at December 31, 2000 and 1999:

	2000	1999
Depreciation	($ 120,511)	($ 129,370)
Stock dividends	(17,279)	(8,974)
Unrealized gains on securities	(5,504)	-
Gross deferred tax liability	(143,294)	(138,344)
Reserve for loan losses	77,901	77,901
Write-downs of foreclosed property	24,261	20,793
Unrealized losses on securities	-	36,155
Deferred compensation	37,083	27,510
Gross deferred tax assets	139,245	162,359
Less: deferred tax asset valuation allowance	-	-
Net deferred tax asset (liability)	($ 4,049)	$ 24,015

8. EMPLOYEE BENEFITS

The Bank maintains a 401(k) savings plan for which the majority of its employees are eligible. The employer contributes to the plan based on the discretion of the Board of Directors. The Bank matches 50% of employee contributions up to 6% of each employee's salary. The Bank recognized expenses relating to this plan of approximately $16,700, $16,200, and $13,300 during the years ended December 31, 2000, 1999, and 1998, respectively.

8. EMPLOYEE BENEFITS (continued)

The Bank maintains a deferred compensation agreement with several directors. Upon retirement, the Bank will pay the directors their deferred compensation plus interest. The Bank is the owner and beneficiary of several insurance policies covering the lives of these directors.

The Bank also maintains a supplemental executive retirement plan agreement with its president. Upon retirement, or in the event of death, the president, or his designated beneficiary, will receive the benefit over a 20 year period. The Bank is the owner and beneficiary of an insurance policy covering the life of the president. If employment is terminated "without cause" prior to retirement, the Bank will pay the president his accrued benefit, which is based on the number of months of completed service since January, 1996.

9. FINANCIAL INSTRUMENTS

The Bank is a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. These instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the consolidated statements of financial condition. The contract or notional amounts of these instruments reflect the extent of the Bank's involvement in particular classes of financial instruments.

The Bank's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual notional amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for financial instruments recorded on its balance sheet.

Unless noted otherwise, the Bank does not require collateral or other security to support financial instruments with credit risk.

Commitments to Extend Credit

Commitments to extend credit are agreements to lend to a customer, as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require the payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Bank evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if it is deemed necessary by the Bank upon extension of credit, is based on management's credit evaluation of the counterparty. Collateral held varies but may include accounts receivable; inventory; property, plant and equipment; and income-producing commercial properties. At December 31, 2000, unfunded loan commitments totalled approximately $5,275,000.

9. FINANCIAL INSTRUMENTS (continued)

Commitments to Extend Credit (continued)

Standby letters of credit are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party. Those guarantees are primarily issued to support public and private borrowing arrangements, including commercial paper, bond financing, and similar transactions. At December 31, 2000, commitments under standby letters of credit totalled approximately $112,530. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. Because these instruments have fixed maturity dates, they do not generally present any significant liquidity risk to the Bank.

The Bank has not been required to perform on any financial guarantees during the past three years. The Bank did not incur any losses on such commitments during either 2000, 1999, or 1998.

The estimated fair values of Bancshares's financial instruments at December 31, 2000 and 1999 were as follows (in thousands):

	2000			1999
	Carrying	Fair		
Carrying	Fair			
	Amount	Value	Amount	Value
Financial assets:				
Cash and due from banks, interest bearing deposits in other banks, and federal funds sold	$ 6,070	$ 6,070	$ 2,758	$ 2,758
Securities available-for-sale	5,526	5,526	4,984	4,984
Loans receivable (net)	35,837	35,724	29,750	29,650
Accrued interest receivable	621	621	565	565
Financial liabilities:				
Deposit liabilities	38,406	38,425	30,662	30,597
Other borrowed funds	2,372	2,372	1,000	1,000
Accrued interest payable	213	213	114	114

10. RELATED PARTY TRANSACTIONS

In the ordinary course of business, certain officers and directors of the Bank and companies in which they have 10% or more beneficial ownership maintain a variety of banking relationships with the Bank. An analysis of activity during 2000, 1999, and 1998 with respect to loans to officers and directors of the Bank is as follows:

	2000	1999	1998
Balance - beginning of year	$ 1,441,636	$ 1,382,362	$ 1,213,533
Additions	492,406	1,705,025	897,008
Payments	(580,922)	(1,645,751)	(728,179)
Balance - end of year	$ 1,353,120	$ 1,441,636	$ 1,382,362

Included in deposits are deposits from directors, officers, their immediate families, and related companies. These accounts totalled approximately $1,471,000 and $1,262,252 at December 31, 2000 and 1999, respectively.

11. RESTRICTIONS OF RETAINED EARNINGS

The Bank, as a state chartered Bank, is subject to the dividend restrictions set forth by the Commissioner. Under such restrictions, the Bank may not, without the prior approval of the Commissioner, declare dividends in excess of the sum of the current year's retained net earnings (as defined) plus the retained net earnings (as defined) from the prior year. The Bank can declare, without the approval of the Commissioner, dividends totalling $909,401 more than its retained net earnings during the year ending December 31, 2001.

12. REGULATORY MATTERS

The Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary actions, by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (set forth in the table on the following page) of total and Tier I capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier I capital (as defined) to average assets (as defined). Management believes, as of December 31, 2000, that the Bank meets all capital adequacy requirements to which it is subject.

12. REGULATORY MATTERS (continued)

The most recent notification from the Office of Financial Institutions (as of June 30, 2000) categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To remain as well capitalized the Bank must maintain minimum total risk-based, Tier I risk-based, and Tier I leverage ratios as set forth in the table below (on the following page). There are no conditions or events since that notification that management believes have changed the institution's category.

The Bank’s actual capital amounts and ratios as of December 31, 2000 and 1999 are presented below:

	Actual		For capital adequacy purposes		To be well capitalized under prompt corrective action provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2000:						
Total capital (to risk-weighted assets)	$ 6,499,795	19.6%	$ 2,653,520	≥8.0%	$ 3,316,900	≥10.0%
Tier I capital (to risk-weighted assets)	6,077,073	18.3%	1,326,760	≥4.0%	1,990,140	≥6.0%
Tier I capital (to average assets)	6,077,073	12.8%	1,892,720	≥4.0%	2,365,900	≥5.0%
As of December 31, 1999:						
Total capital (to risk-weighted assets)	$ 5,432,245	20.9%	$ 2,082,080	≥8.0%	$ 2,602,600	≥10.0%
Tier I capital (to risk-weighted assets)	5,102,582	19.6%	1,041,040	≥4.0%	1,561,560	≥6.0%
Tier I capital (to average assets)	5,102,582	12.5%	1,632,120	≥4.0%	2,040,150	≥5.0%

13. SIGNIFICANT GROUP CONCENTRATIONS OF CREDIT RISK

Most of the Bank's business activity is with customers located within Pointe Coupee Parish. As of December 31, 2000, the Bank's receivables from, guarantees of, and obligations from agriculture loans made to sugar cane, cotton, and wheat farmers were considered a concentration. These loans are generally secured by assets or farm crops, and a large majority of these loans are 90% guaranteed by the Farm Service Agency. The loans are expected to be repaid from cash flow or proceeds from the sale of crops. Loan losses arising from lending transactions with farmers compare favorably with the Bank's loan loss experience on its loan portfolio as a whole.

The distribution of commitments to extend credit approximates the distribution of loans outstanding. Commercial and standby letters of credit were granted primarily to commercial borrowers.

The contractual amounts of credit-related financial instruments such as commitments to extend credit, and letters of credit represent the amounts of potential accounting loss should the contract be fully drawn upon, the customer default, and the value of any existing collateral become worthless.

14. SUPPLEMENTAL EXPENSE ITEMS

Supplemental expense items during the years ended December 31, 2000, 1999, and 1998 were as follows:

	2000	1999	1998
Director fees	$ 93,025	$ 79,350	$ 60,000
Professional fees	$ 76,700	$ 76,750	$ 70,250

15. BANK ONLY FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL CONDITION
DECEMBER 31, 2000 AND 1999

ASSETS

	2000	1999
Cash and due from banks	$ 1,769,687	$ 738,632
Interest bearing deposits in other banks	-	394,000
Federal funds sold	4,300,000	1,625,000
Securities available-for-sale	5,395,409	4,529,811
Other stocks, at cost	402,700	378,400
Loans, less allowances for loan losses of $825,337 and $801,545 at December 31, 2000 and 1999, respectively	35,836,626	29,750,258
Bank premises and equipment, net	587,226	626,639
Accrued interest receivable	620,606	561,379
Foreclosed real estate	129,722	144,522
Other assets	107,201	114,348
Total assets	$ 49,149,177	$ 38,862,989

LIABILITIES AND STOCKHOLDER'S EQUITY

	2000	1999
Liabilities:		
Deposits		
Noninterest-bearing	$ 9,003,077	$ 7,567,632
Interest-bearing	31,326,443	24,972,957
Total deposits	40,329,520	32,540,589
Other borrowed funds	2,371,900	1,000,000
Accrued interest payable	213,309	114,376
Other liabilities	145,481	105,442
Total liabilities	43,060,210	33,760,407
Stockholder's equity:		
Common stock; $2.50 par value; 1,000,000 shares authorized; 309,677 shares issued and outstanding	774,193	774,193
Capital surplus	3,225,808	2,225,808
Undivided profits	2,077,072	2,167,671
Accumulated other comprehensive income	11,894	(65,090)
Total stockholder's equity	6,088,967	5,102,582
Total liabilities and stockholder's equity	$ 49,149,177	$ 38,862,989

15. BANK ONLY FINANCIAL STATEMENTS

STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31, 2000, 1999, AND 1998

	2000	1999	1998
INTEREST INCOME			
Interest on loans	$ 3,458,406	$ 2,949,718	$ 3,006,132
Interest on available-for-sale securities	313,749	293,416	326,163
Interest on federal funds sold	74,994	98,125	76,353
Interest on deposits in other banks	11,545	20,441	24,356
Total interest income	3,858,694	3,361,700	3,433,004
INTEREST EXPENSE			
Interest on deposits	1,363,628	1,062,992	1,092,939
Other borrowed funds	138,080	26,893	20,946
Loan from parent company	-	15,107	13,516
Interest on federal funds purchased	12,197	1,863	18,085
Total interest expense	1,513,905	1,106,855	1,145,486
NET INTEREST INCOME	2,344,789	2,254,845	2,287,518
Provision (credit) for loan losses	-	(57,629)	(46,000)
NET INTEREST INCOME AFTER PROVISION (CREDIT) FOR LOAN LOSSES	2,344,789	2,312,474	2,333,518
NONINTEREST INCOME			
Service charges on deposit accounts	161,247	136,122	122,414
Other service charges and fees	394,498	364,313	321,839
Net realized gains on sales of available-for-sale securities	-	8,587	2,505
Other income	131,538	81,468	62,233
	687,283	590,490	508,991

15. BANK ONLY FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL OPERATIONS
YEARS ENDED DECEMBER 31, 2000, 1999, AND 1998

	2000	1999	1998
NONINTEREST EXPENSES			
Salaries and employee benefits	$ 899,353	$ 889,118	$ 826,312
Occupancy expenses	153,630	166,605	160,318
Data processing expenses	95,342	104,024	107,173
Other operating expenses	504,300	432,170	406,910
	1,652,625	1,591,917	1,500,713
INCOME BEFORE INCOME TAX EXPENSE	1,379,447	1,311,047	1,341,796
Income tax expense	470,046	423,607	444,426
NET INCOME	909,401	887,440	897,370
OTHER COMPREHENSIVE INCOME			
Unrealized holding gains (losses) arising during the period, net of taxes	76,984	(97,635)	22,121
Less: reclassification adjustment for realized gains	-	(8,587)	(2,505)
	76,984	(106,222)	19,616
COMPREHENSIVE INCOME	$ 986,385	$ 781,218	$ 916,986

16. PARENT ONLY FINANCIAL STATEMENTS

BALANCE SHEETS
DECEMBER 31, 2000 AND 1999

ASSETS

	2000	1999
Cash in subsidiary bank	$ 1,923,449	$ 1,878,124
Securities available-for-sale	131,056	454,202
Accrued interest receivable	713	3,541
Other assets	1,252	2,624
Investment in subsidiary bank	6,088,967	5,102,582
Total assets	$ 8,145,437	$ 7,441,073

LIABILITIES AND STOCKHOLDERS' EQUITY

	2000	1999
LIABILITIES		
Due to subsidiary bank	$ 3,287	$ 675
Total liabilities	3,287	675
STOCKHOLDERS' EQUITY		
Common stock; $2.50 par value; 1,000,000 shares authorized; 309,677 shares issued; and 308,977 outstanding	774,193	774,193
Capital surplus	1,530,320	1,530,320
Retained earnings	5,835,228	5,214,344
Accumulated other comprehensive income	10,685	(70,183)
	8,150,426	7,448,674
Less: 700 shares held in treasury - at cost	(8,276)	(8,276)
Total stockholders' equity	8,142,150	7,440,398
Total liabilities and stockholders' equity	$ 8,145,437	$ 7,441,073

16. PARENT ONLY FINANCIAL STATEMENTS

STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31, 2000, 1999, AND 1998

	2000	1999	1998
INCOME			
Interest on available-for-sale securities	$ 21,179	$ 26,216	$ 32,175
Interest on loan to subsidiary	-	15,107	13,516
Dividends from subsidiary	-	1,354,040	1,473,394
	21,179	1,395,363	1,519,085
EXPENSES	13,556	47,757	12,567
INCOME BEFORE EQUITY (DEFICIT) IN UNDISTRIBUTED EARNINGS OF SUBSIDIARY	7,623	1,347,606	1,506,518
Equity (deficit) in undistributed earnings of subsidiaries	909,401	(466,600)	(576,024)
INCOME BEFORE INCOME TAX EXPENSE (BENEFIT)	917,024	881,006	930,494
Income tax expense (benefit)	2,612	(7,286)	7,961
NET INCOME	914,412	888,292	922,533
OTHER COMPREHENSIVE INCOME			
Unrealized holding gains (losses) arising during the period, net of taxes	80,868	(101,752)	21,145
Less: reclassification adjustment for realized gains	-	(8,587)	(2,505)
	80,868	(110,339)	18,640
COMPREHENSIVE INCOME	$ 995,280	$ 777,953	$ 941,173

16. PARENT ONLY FINANCIAL STATEMENTS

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2000, 1999, AND 1998

	2000	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 914,412	$ 888,292	$ 922,533
Adjustments to reconcile net income to net cash Provided by operating activities:			
Net accretion of investment security discounts / Amortization of investment security premiums	712	1,404	-
Increase in other assets	(629)	-	-
Decrease (increase) in accrued interest receivable	2,828	462	(4,003)
Increase (decrease) in other liabilities	2,612	(7,285)	7,457
Undistributed earnings of subsidiaries	(909,401)	466,600	576,024
Net cash provided by operating activities	10,534	1,349,473	1,502,011
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of available-for-sale securities	-	-	(5,085,242)
Proceeds from maturities of available-for-sale securities	328,319	85,387	4,537,035
Advancement of funds to subsidiary	-	-	(600,000)
Repayment of funds from subsidiary	-	600,000	-
Net cash provided by (used in) investing activities	328,319	685,387	(1,148,207)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	(293,528)	(262,430)	(262,288)
Proceeds from sales of treasury stock	-	9,236	-
Net cash used in financing activities	(293,528)	(253,194)	(262,288)
Increase in cash	45,325	1,781,666	91,516
Cash – beginning of year	1,878,124	96,458	4,942
Cash – end of year	$ 1,923,449	$ 1,878,124	$ 96,458