C & F FINANCIAL CORP
Form 11-K
June 26, 2002

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year end December 31, 2001

OR

[ ] TRANSITION REPORT PUSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________________ to ___________________

Commission file number 000-23423

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Virginia Bankers Association Defined Contribution Plan for Citizens and Farmers Bank
802 Main Street
West Point, Virginia 23181

Virginia Bankers Association Defined Contribution Plan for C&F Mortgage Corporation
1400 Alverser Drive
Midlothian, Virginia 23113

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

C & F Financial Corporation
802 Main Street
West Point, Virginia 23181

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Virginia Bankers Association Defined
Contribution Plan for Citizens and
Farmers Bank

Virginia Bankers Association Defined Contribution Plan for C & F Mortgage Corporation

(Name of Plans)

Date June 25, 2002

/s/ Thomas F. Cherry

Thomas F. Cherry
Chief Financial Officer

VIRGINIA BANKERS ASSOCIATION DEFINED
CONTRIBUTION PLAN FOR
CITIZENS AND FARMERS BANK

West Point, Virginia

FINANCIAL REPORT

DECEMBER 31, 2001

CONTENTS

INDEPENDENT AUDITOR'S REPORT

Virginia Bankers Association Defined Contribution
Plan for Citizens and Farmers Bank

West Point, Virginia

We have audited the accompanying statements of net assets available for benefits of the Virginia Bankers Association Defined Contribution Plan for Citizens and Farmers Bank as of December 31, 2001 and 2000, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Virginia Bankers Association Defined Contribution Plan for Citizens and Farmers Bank as of December 31, 2001 and 2000, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes as of December 31, 2001 is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the United States Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ YOUNT, HYDE & BARBOUR, P.C.

Winchester, Virginia
April 4, 2002

1

VIRGINIA BANKERS ASSOCIATION DEFINED CONTRIBUTION PLAN
FOR CITIZENS AND FARMERS BANK

Statements of Net Assets Available for Benefits
December 31, 2001 and 2000

	2001	2000
Assets		
Investments, at fair value	$ 4,293,524	$ 4,154,313
Receivables:		
Employer contribution	$ 194,215	$ 173,649
Other	941	809
Total receivables	$ 195,156	$ 174,458
Cash	$ 18,686	$ 28,517
Total assets	$ 4,507,366	$ 4,357,288

Liabilities		
Excess contribution refund	$ 3,604	$ --
Net assets available for benefits	$ 4,503,762	$ 4,357,288

See Notes to Financial Statements.

VIRGINIA BANKERS ASSOCIATION DEFINED CONTRIBUTION PLAN
FOR CITIZENS AND FARMERS BANK

Statements of Changes in Net Assets
Available for Benefits
For the Years Ended December 31, 2001 and 2000

	2001	2000
Additions to net assets attributed to:		
Investment income (loss):		
Net depreciation in fair value of investments	$ (323,087)	$ (264,653)
Interest and dividends	20,173	24,239
	$ (302,914)	$ (240,414)
Contributions:		
Employer	$ 384,360	$ 337,840
Participant	280,544	248,819
Rollover contributions	19,248	44,884
	$ 684,152	$ 631,543
Total additions	$ 381,238	$ 391,129
Deductions from net assets attributed to:		
Benefits paid to participants	$ 212,707	$ 283,555
Administrative expenses	22,057	22,239
	$ 234,764	$ 305,794
Net increase	$ 146,474	$ 85,335
Net assets available for benefits:		
Beginning of period	4,357,288	4,271,953
End of period	$ 4,503,762	$ 4,357,288

See Notes to Financial Statements.

VIRGINIA BANKERS ASSOCIATION DEFINED CONTRIBUTION PLAN
FOR CITIZENS AND FARMERS BANK

Notes to Financial Statements

Note 1. Description of the Plan

The following description of the Virginia Bankers Association Defined Contribution Plan for Citizens and Farmers Bank (Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan maintained by Citizens and Farmers Bank pursuant to the provisions of Section 401(k) of the Internal Revenue Code (Code) established for the benefit of substantially all full time employees electing to participate in the Plan. Employees are eligible to participate in the Plan on the first day of the calendar quarter after completing three months of service and must be eighteen years old or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Each participant may elect to defer from 1% to 20% of their pretax annual compensation, as defined in the Plan. The Bank makes a matching contribution to the Plan on behalf of each participant who makes a pretax contribution. The amount the Bank contributes is 100% of the first 5% of compensation. The Bank may also make a discretionary profit sharing contribution, determined annually by the Board of Directors. This contribution is allocated in proportion of a participant's covered compensation to covered compensation of all participants. Discretionary contributions declared or made by the Bank were $194,215 and $175,481 during the plan years ended December 31, 2001 and 2000, respectively. Participants entering the Plan may roll over contributions from other plans. Contributions are subject to certain limitations as established by the Code.

Participants' Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Bank's contributions (b) Plan earnings and (c) forfeitures. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes to Financial Statements

Vesting

The Plan's vesting provision provides that participants are immediately vested in their elective contributions and earnings thereon. Vesting in the Bank's contributions occurs as follows:

Number of Years of Vesting Service	Vested Interest
Less than 3 years	0%
3 years but less than 4 years	20%
4 years but less than 5 years	40%
5 years but less than 6 years	60%
6 years but less than 7 years	80%
7 years or more	100%

Investment Options

All assets in the Plan are directed by individual participants. Participants are given the option to direct account balances and all contributions made into any of 24 separate investment options consisting of managed, indexed or individual equity or fixed income funds.

A participant may choose to invest up to 25% (in increments of 5%) of their account balance and future contributions in the common stock of C&F Financial Corporation (Employer Stock), the remaining balance and future contributions may be invested in the other investment fund options.

Participants Notes Receivable

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. Loan transactions are treated as a transfer to (from) the investment fund from (to) the Participants Notes Fund. Loan terms are limited to 5 years or up to 30 years for the purchase of a primary residence. The loans are fully secured by the balance in the participant's account and bear interest at 1/4 of 1% over the Corporation's prime rate and will remain unchanged for the life of the loan. Principal and interest is paid ratably through monthly payroll deductions.

Payment of Benefits

Upon retirement or termination of service a participant may elect to receive either a lump sum amount equal to the value of the participant's vested interest in his or her account, periodic installments for a period of up to 10 years or a combination of both. A written election must be made with the administrator at least 30 days before the benefit payment date. Participants whose vested account balance has never exceeded $5,000 must be paid out in the form of a lump sum distribution.

Notes to Financial Statements

Forfeited Accounts

As of December 31, 2001 and 2000, forfeited nonvested account balances totaled $127,424 and $58,886, respectively.

Reclassifications

Certain reclassifications have been made to prior period amounts to conform to current year presentation.

Note 2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year end. Participant notes receivable are valued at cost which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

In accordance with the policy of stating investments at current value, net realized and unrealized appreciation (depreciation) for the year is reflected in the statements of changes in net assets available for benefits.

Benefit Payments

Benefit payments are recorded when paid.

Note 3. Plan Termination

Although it has not expressed any intent to do so, the Bank has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants would become 100 percent vested in their employer contributions.

Note 4. Investments

The following table presents investments that represent 5 percent or more of the Plan's net assets.

	December 31, 2001
Spartan U.S. Equity Fund	$ 332,093
Spartan U.S. Treasury Money Market Fund	440,814
Davis New York Venture Class A Fund	719,022
Dreyfus Short Term Income Fund	274,844
Franklin Small-Mid Cap Growth A Fund	272,386
Janus Fund	717,783
PIMCO Renaissance Class D Fund	385,854
Third Avenue Value Fund	267,234

	December 31, 2000
Spartan U.S. Equity Fund	$ 434,111
Spartan U.S. Treasury Money Market Fund	312,351
American Century Income and Growth Fund	715,770
Franklin Small Cap Growth A Fund	224,081
Janus Fund - Mid	730,605
Janus Worldwide Fund	221,327
PIMCO Total Return II Administrative Fund	442,835
Weitz Value Fund	237,662

During the Plan years ending December 31, 2001 and 2000, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by $(323,087) and $(264,653) as follows:

	December 31,	
	2001	2000
Common Collective Trust Funds	$ --	$ (40,844)
Employer Common Stock	36,627	(10,795)
Registered Investment Companies	(359,714)	(213,014)
	$ (323,087)	$ (264,653)

Note 5. Tax Status

The Internal Revenue Service has determined and informed the trustee/administrator by a letter dated December 23, 1997, that the master Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and Plan sponsor believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC.

Note 6. Related-Party Transactions

The Plan allows funds to be invested in the common stock of C & F Financial Corporation, the parent company of Citizens and Farmers Bank, the Plan Sponsor. Therefore, C & F Financial Corporation is a party-in-interest. Employer securities are allowed by ERISA and the Department of Labor and the fair value of the common stock is based on quotes from an active market.

Note 7. Administrative Expenses

Certain administrative expenses are absorbed by Citizens and Farmers Bank, the Plan Sponsor.

Note 8. Significant Amendments and Events

The Plan was amended and restated effective as of March 15, 2000. The restatement of the Plan and the subsequent issuance of a new Summary Plan Description to participants as of March 2000, included various changes to the Plan. The most significant changes included a revision of Plan investment options to include managed, indexed and self-directed portfolios and a change in the asset custodian to Reliance Trust Company. Reliance Trust Company has been appointed as investment manager by the Plan's Trustee, Virginia Bankers Association Benefits Corporation, for all investment funds other than the Employer Stock Fund. The Fiduciary, with respect to employer stock, is Citizens and Farmers Bank.

VIRGINIA BANKERS ASSOCIATION DEFINED CONTRIBUTION PLAN
FOR CITIZENS AND FARMERS BANK

Schedule of Assets Held for Investment Purposes
December 31, 2001

Description of Asset/Identity of Issue	Fair Value
Registered Investment Companies	
Fidelity U.S. Bond Index Fund	$ 9,168
Spartan U.S. Equity Index Fund	332,093
Spartan Total Market Index Fund	68,051
Managers Bond Fund	141
Fidelity Cash Reserves Fund	1,818
Fidelity Instl Cash Portfolio Fund	4,434
Spartan U.S. Treasury Money Market Fund	440,814
Davis New York Venture Class A Fund	719,022
Dreyfus Short-Term Income Fund	274,844
First Eagle Sogen Overseas Class A Fund	175,600
Franklin Small-Mid Cap Growth A Fund	272,386
Janus Fund	717,783

Janus Worldwide Fund	125,075
PIMCO Renaissance Class D Fund	385,854
PIMCO Total Return II Administrative Fund	223,881
Strong Advantage Fund	147,296
Third Avenue Value Fund	267,234
	$ 4,165,494
Common Stock	
C&F Financial Corporation - Employer Stock	$ 115,580
Loan	
Participant notes	$ 12,450
Total assets held for investment	$ 4,293,524

9

VIRGINIA BANKERS ASSOCIATION DEFINED
CONTRIBUTION PLAN FOR
C&F MORTGAGE CORPORATION

Richmond, Virginia

FINANCIAL REPORT

DECEMBER 31, 2001

CONTENTS

INDEPENDENT AUDITOR'S REPORT

Virginia Bankers Association Defined Contribution
Plan for C&F Mortgage Corporation
Richmond, Virginia

We have audited the accompanying statements of net assets available for benefits of Virginia Bankers Association Defined Contribution Plan for C&F Mortgage Corporation as of December 31, 2001 and 2000, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2001 and 2000, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule as listed in the accompanying table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ YOUNT, HYDE & BARBOUR, P.C.

Winchester, Virginia
April 5, 2002

VIRGINIA BANKERS ASSOCIATION DEFINED CONTRIBUTION PLAN
FOR C&F MORTGAGE CORPORATION

Statements of Net Assets Available for Benefits
December 31, 2001 and 2000

	2001	2000
Assets		
Investments, at fair value	$ 2,063,061	$ 1,701,020
Receivables:		
Employer contribution	$ 299,183	$ 41,533
Dividends	1,174	875
Total receivables	$ 300,357	42,408

Cash	$ 17,485	$ 14,844
Net assets available for benefits	$ 2,380,903	$ 1,758,272

See Notes to Financial Statements.

VIRGINIA BANKERS ASSOCIATION DEFINED CONTRIBUTION PLAN
FOR C&F MORTGAGE CORPORATION

Statements of Changes in Net Assets
Available for Benefits
For the Years Ended December 31, 2001 and 2000

	2001	2000
Additions to net assets attributed to:		
Investment (loss):		
Net (depreciation) in fair value of investments	$ (190,003)	$ (172,321)
Interest and dividends	4,588	4,180
	$ (185,415)	$ (168,141)
Contributions:		
Employer	$ 299,183	$ 48,650
Participant	501,618	403,268
Rollover and other contributions	55,150	16,268
	$ 855,951	$ 468,186
Total additions	$ 670,536	$ 300,045
Deductions from net assets attributed to:		
Benefits paid to participants	$ 34,567	$ 287,707
Administrative expenses	13,338	12,969
Total deductions	$ 47,905	$ 300,676
Net increase (decrease)	$ 622,631	$ (631)
Net assets available for benefits:		
Beginning of period	1,758,272	1,758,903
End of period	$ 2,380,903	$ 1,758,272

See Notes to Financial Statements.

VIRGINIA BANKERS ASSOCIATION DEFINED CONTRIBUTION PLAN
FOR C&F MORTGAGE CORPORATION

Notes to Financial Statements

Note 1. Description of the Plan

The following description of the Virginia Bankers Association Defined Contribution Plan for C&F Mortgage Corporation (Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan maintained by C&F Mortgage Corporation pursuant to the provisions of Section 401(k) of the Internal Revenue Code (Code) established for the benefit of substantially all employees electing to participate in the Plan. Employees are eligible to participate in the Plan on the first day of the month following their employment date and must be eighteen years old or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Each participant may elect to defer from 1% to 15% of their pretax annual compensation, as defined in the Plan. The Company may make a discretionary profit sharing contribution, determined annually by the Board of Directors. The contribution is allocated in proportion of a participant's contributions to the total contributions of all participants. Discretionary contributions declared or made by the Company were $308,526 and $65,827 during the plan years ended December 31, 2001 and 2000, respectively. Participants entering the Plan may roll over contributions from other plans. Contributions are subject to certain limitations as established by the Internal Revenue Code.

Participants' Accounts

Each participant's account is credited with the participant's contribution and allocations of the Company's contributions and plan earnings. Allocations are based on participant contributions or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

The Plan's vesting provision provides that participants are immediately vested in their elective contributions and earnings thereon. Vesting in the Company's contributions occurs as follows:

Number of Years of Vesting Service	Vested Interest
Less than 2 years	0%
2 years but less than 3 years	25%
3 years but less than 4 years	50%
4 years but less than 5 years	75%
5 years or more	100%

Investment Options

All assets in the Plan are directed by individual participants. Participants are given the option to direct account balances and all contributions made into over 50 separate investment options. The options include pooled separate accounts, guaranteed interest accounts, money market and managed accounts.

A participant may choose to invest up to 25% (in increments of 5%) of their account balance and future contributions in the common stock of C&F Financial Corporation (Employer Stock). Participants may change their investment options the first day of the month of each quarter.

Payment of Benefits

Upon retirement or termination of service a participant may elect to receive either a lump sum amount equal to the value of the participants vested interest in his or her account, periodic installments for a period of up to 10 years or a combination of both. A written election must be made with the administrator at least 30 days before the benefit payment date. Participants whose vested account balance has never exceeded $5,000 must be paid out in the form of a lump sum distribution.

Forfeited Accounts

At December 31, 2001 and 2000, forfeited nonvested accounts totaling $9,343 and $17,177, respectively, were used to reduce employer contributions.

Notes to Financial Statements

Note 2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of

America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments in pooled separate accounts of Manufacturers Life Insurance Company represents ownership of units of participation in various mutual funds. The value of a unit of participation is the total value of each mutual fund within the separate accounts divided by the number of units outstanding. The investments in the pooled separate accounts are stated at fair value and are based on quoted redemption values of the underlying mutual funds on the last day of the year. The Plan's Guaranteed Interest Accounts, guarantee a rate of return for a defined term. The assets are commingled with other assets of Manufacturers Life Insurance Company's general account and are reported at fair value as determined by Manufacturers Life Insurance Company. Common stock is stated at the fair value determined by quoted market prices.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

In accordance with the policy of stating investments at current value, net realized and unrealized appreciation (depreciation) for the year is reflected in the statements of changes in net assets available for benefits.

Benefit Payments

Benefit payments are recorded when paid.

Note 3. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in the portion of their account not previously vested.

Notes to Financial Statements

Note 4. Investments

The Plan's investment assets are currently held by the custodians, Manulife Financial Corporation and Raymond James Financial Services, Inc. The following table presents investments for the years ended December 31, 2001 and 2000 that represent 5 percent or more of the Plan's net assets.

	December 31,	
	2001	2000

Manulife Lifestyle Fund - Aggressive Portfolio	$ 407,650	$ 371,861
Manulife Lifestyle Fund - Balanced Portfolio	193,013	144,490
Manulife Lifestyle Fund - Growth Portfolio	665,742	620,245
C&F Financial Corporation Stock	156,480	90,698

During the years ended December 31, 2001 and 2000, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by $(190,003) and $(172,321), respectively as follows:

	December 31,	
	2001	2000
Pooled separate accounts	$(229,622)	$(157,669)
Common stock	39,606	(14,664)
Guaranteed investment contracts	13	12
	$(190,003)	$(172,321)

Note 5. Tax Status

The Internal Revenue Service has determined and informed the trustee/administrator by a letter dated December 23, 1997, that the Master Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan administrator and Plan sponsor believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC.

Notes to Financial Statements

Note 6. Related Party Transactions

Certain Plan investments are units of pooled separate accounts managed in part by Manufacturers Advisor Corporation. Group annuity contracts for guaranteed interest accounts are issued by Manufacturers Life Insurance Company. Both Manufacturers Advisor Corporation and the Manufacturers Life Insurance Company are affiliates of Manulife Financial Corporation, the Plan asset custodian. Therefore, transactions in these investments qualify as party-in-interest. Fees charged for services by the party-in-interest are based on customary rates for such services.

The Plan allows funds to be invested in the common stock of C&F Financial Corporation, the parent company of C&F Mortgage Corporation, the Plan Sponsor. Therefore C&F Financial Corporation is a party-in-interest. Employer securities are allowed by ERISA and the Department of Labor and the fair value of common stock is based on quotes from an active market.

Note 7. Administrative Expenses

Certain administrative expenses are absorbed by C&F Mortgage

Corporation, the Plan sponsor.

Note 8. Significant Amendments & Events

Effective January 1, 2001, C&F Title Agency, Inc., an affiliated corporation, adopted the VBA Defined Benefit Contribution Plan for C&F Mortgage Corporation.

Also effective January 1, 2001, the Plan was amended to permit employees filling certain job positions of the Ellicott City, Maryland branch office to become eligible for any Employer matching contributions. These positions include receptionists, set up clerks, administrative assistants, and loan processors.

During 1999, the Plan's trustee was changed from the Virginia Bankers Association Benefits Corporation to the Corporation's Chief Financial Officer and the Human Resource Manager. As of the date of our report, the plan documents had not been finalized to reflect these changes.

VIRGINIA BANKERS ASSOCIATION DEFINED CONTRIBUTION PLAN
FOR C&F MORTGAGE CORPORATION

Schedule of Assets Held for Investment Purposes
December 31, 2001

Description of Asset/Identity of Issue	Fair Value
Pooled Separate Accounts	
Manulife Aggressive Growth Fund	$ 15,599
Manulife Balanced Fund	18,337
Manulife Capital Growth Stock Fund	6,439
Manulife Developing Markets Fund	5,324
Manulife Dividend & Growth Fund	24,354
Manulife Emerging Growth Stock Fund	8,904
Manulife Enterprise Fund	22,007
Manulife Equity Income Fund	4,313
Manulife Foreign Fund	5,603
Manulife Blue Chip Fund	3,400
Manulife Prudential Jennison Growth Fund	2,235
Manulife Large-Cap Fund	30,784
Manulife Fidelity Advisor Dividend Growth Fund	9,912
Manulife Growth Plus Stock Fund	12,650
Manulife High-Core Bond Fund	4,105
Manulife High-Yield Fund	7,792
Manulife Spectrum Income Fund	1,885
Manulife 500 Index Fund	36,616
Manulife International Stock Fund	4,769
Manulife Equity Growth Fund	30,254
Manulife Lifestyle Fund-Aggressive Portfolio	407,650
Manulife Lifestyle Fund-Balanced Portfolio	193,013
Manulife Lifestyle Fund-Conservative Portfolio	8,314
Manulife Lifestyle Fund-Growth Portfolio	665,742
Manulife Lifestyle Fund-Moderate Portfolio	59,131
Manulife Wietz Ptns Fund	36,578
Manulife AIM Constellation Fund	7,264
Manulife Beacon Fund	12,643

Carried Forward	$ 1,645,617

VIRGINIA BANKERS ASSOCIATION DEFINED CONTRIBUTION PLAN
FOR C&F MORTGAGE CORPORATION

Schedule of Assets Held for Investment Purposes
(Continued)
December 31, 2001

Description of Asset/Identity of Issue	Fair Value
Carried Forward	$ 1,645,617
Pooled Separate Accounts (cont'd)	
Manulife Overseas Fund	5,481
Manulife Science & Technology Fund	74,705
Manulife Select Twenty Fund	46,158
Manulife Quantitative Mid Cap Fund (VS)	26,271
Manulife Lord Abbett Develop Growth Fund	11,469
Manulife Small-Mid-Cap Growth Fund	27,615
Manulife Dominion Social Equity Fund	3,072
Manulife Value & Restructuring Fund	35,389
Manulife Worldwide Fund	10,061
Manulife Short Term Fund	428
Manulife Total Return Fund	2,418
Manulife New York Venture Fund	3,768
Manulife Balance Sheet Fund	2,228
Manulife Capital Opportunities Fund	3,874
Manulife Global Equities Fund	172
Manulife Passport Fund	757
Manulife Net Net Fund	3,320
Manulife Index Total Fund	82
	$ 1,902,885
Common Stock	
C&F Financial Corporation	$ 156,480
Guaranteed Interest Accounts	
Guaranteed Investment Contract	$ 3,696
Total assets held for investment purposes	$ 2,063,061