

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

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

Date of Report (Date of earliest event reported) May 4, 2009

Colonial Virginia Bank

(Exact name of registrant as specified in its charter)

VIRGINIA
(State or other jurisdiction
of incorporation)

(Commission File Number)

75-3093106
(I.R.S. Employer
Identification No.)

6720 Sutton Road, Gloucester, VA
(Address of principal executive offices)

23061
(Zip Code)

Registrant's telephone number, including area code (804) 695-9300

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition

On May 1, 2009 Colonial Virginia Bank issued a news release announcing its financial results for the quarter ended March 31, 2009. A copy of the press release is being furnished as an exhibit to this report and is incorporated by reference into this Item 2.02.

Item 9.01 Financial Statements and Exhibits

- (d) Exhibits. The following exhibit is being furnished pursuant to Item 2.02 above.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release issued by the Registrant dated May 1, 2009.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Colonial Virginia Bank

/s/ Kenneth E. Smith _____

Date: May 4, 2009

By: Kenneth E. Smith

Executive Vice President & Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release issued by the Registrant dated May 1, 2009

Colonial Virginia Bank

Gloucester, VA

NEWS RELEASE

Colonial Virginia Bank
6720 Sutton Rd.
Gloucester, VA 23061

Contact: Kenneth E. Smith
Exec. V.P. & Chief Financial Officer
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May 1, 2009

For Immediate Release

Company Release – 05/01/2009

Colonial Virginia Bank Announces 1st Quarter 2009 Earnings

GLOUCESTER, Va., May 1-- Colonial Virginia Bank (OTCBB: CNVB) (“the Bank”), today reported net income of \$53,848 or \$0.09 per share assuming dilution, for the quarter ended March 31, 2009, compared to \$66,228, or \$0.11 per share assuming dilution, for the same period in 2008.

The Bank relies primarily on net interest income (interest income on loans and investment minus interest expense on deposits) for its overall net income. Net interest income for the quarter-ended March 31, 2009 was \$859,731, compared to \$736,536 for the same period in 2008, a 16.7% increase. The Bank has been able, in the most recent quarter, to decrease its overall cost of funds through re-pricing maturing CDs in a lower rate environment. Many of the recently re-priced certificates of deposit (“CDs”) had original maturities of 13 – 17 months and were priced prior to the drastic rate cuts; thus, the Bank’s ability to reduce rates, even in an environment of declining rates, was restricted. Additionally, the Bank has taken advantage of lower cost loan advances from the Federal Home Loan Bank of Atlanta, as well as positions in brokered deposits. After the unprecedented rate cuts in 2008 by the Federal Open Market Committee of the Federal Reserve System (“FOMC”) the Bank had experienced dramatic decreases in yield on its loan and bond portfolios, significantly compressing net interest income. The more recent reduction in the cost of funds has arrested the net interest compression.

Non-interest income for the first quarter 2009 of \$99,693 represented a 36.5% decrease from the \$157,084 level for the same period in 2008. The primary cause for the decrease was a reduction in gains on securities of \$58,482. These gains were not from sales of securities, but were the result of bonds, purchased previously at a discount price, being called prior to maturity at par value. Non-interest expense reflected a 6.8% increase for the first quarter 2009 compared to the same period in 2008, increasing from \$806,342 in 2008 to \$860,826 for the current quarter. The Bank’s return on average total assets of .20% for the current quarter reflected a 7 basis points decline from the .27% for the same quarter 2008.

The Bank’s balance sheet reflected continued positive growth trends. Total assets were \$111.1 million at March 31, 2009, compared to \$110.8 million at December 31, 2008, (a .3% increase) and \$104.2 million at March 31, 2008, (a 6.6% increase). Net loans of \$65.0 million represented increases of 4.7% and 18.2% for the same periods, respectively. Total deposits for the current quarter end totaled \$89.4 million compared to \$86.8 million at year-end 2008, (a 3.0% increase) and \$87.3 million at March 31, 2008, (a 2.4% increase).

Non-performing assets (“NPAs”) as a percentage of total assets as of March 31, 2009, were 0.06% compared to 0.03% at March 31, 2008. Although a slight increase, the Bank considers the volume of NPAs

to be at a manageable level and in no way reflects the credit crises in the overall banking and financial sectors of the economy. The Bank considers itself adequately protected from current credit risk with an Allowance for Loan and Lease Losses (“ALLL”) of \$625,577 at March 31, 2009, .95% of total loans and 964% of NPAs. These compare to \$501,972, .90%, and 1,434%, respectively for March 31, 2008.

Bill Farinholt, President and CEO, stated, “the banking / financial sectors of the economy continue to experience oppressive pressure from weak public confidence and general consumer anxiety. However, we, at Colonial Virginia Bank, are enjoying local market confidence and sound financial operating results, supported by strong asset quality and a minimum of problem loans. We cannot avoid the affect of negative media attention directed at banks, but we believe we are poised for positive results and a bright future for our Bank. We continue to be committed to our community partnership and have not been a part of any global ‘credit freeze!’ We are lending money as we always have – simultaneously in an aggressive, yet prudent manner.”

The Bank operates two full service retail bank offices, both located in Gloucester County, Virginia, with a third full service office scheduled to open before the end of the second quarter 2009. The office will be located in the Maidstone Village development at New Kent courthouse. The Bank offers full investment services through its investment division under the name of Colonial Virginia Investment Services and mortgage services through Colonial Virginia Mortgage, LLC (“the mortgage company”), a 50% owned subsidiary joint with Johnson Mortgage Company, LLC (“JMC”).

The Bank’s stock is listed for trading on the Over the Counter Bulletin Board (OTCBB) under the symbol CNVB. The bank’s primary market maker is Davenport & Company LLC, Richmond, VA.

Additional information regarding the bank's products and services, as well as access to its regulatory filings, are available on the bank’s web site at <http://www.colonialvabank.com>.

Use of Certain Non-GAAP Financial Measures. In addition to results presented in accordance with United States generally accepted accounting principles (GAAP), this earnings release includes certain non-GAAP financial measures, which are reconciled to their equivalent GAAP financial measures below. Management believes these non-GAAP financial measures provide information useful to investors in understanding the corporation's performance trends and facilitate comparisons with its peers. Specifically, management believes the exclusion of a significant recovery of income recognized in a single accounting period permits a comparison of results for ongoing business operations, and it is on this basis that management internally assesses the corporation's performance and establishes goals for future periods.

Although the corporation's management believes the non-GAAP financial measures presented in this earnings release enhance investors' understandings of its performance, these non-GAAP financial measures should not be considered an alternative to GAAP-basis financial statements.

Forward-Looking Statements. The statements contained in this press release that are not historical facts may constitute "forward-looking statements" as defined by the federal securities laws. These statements may address issues that involve estimates and assumptions made by management; risks and uncertainties, and actual results could differ materially from historical results or those anticipated by such statements. Factors that could have a material adverse effect on the operations and future prospects of the corporation include, but are not limited to, changes in: (1) interest rates, (2) general economic conditions, (3) demand for loan products, (4) the legislative/regulatory climate, (5) monetary and fiscal policies of the U.S. Government, including policies of the U.S. Treasury and the Federal Reserve Board, (6) the quality or composition of the loan or investment portfolios, (7) deposit flows, (8) competition, (9) demand for financial services in the Bank's market area, (10) technology, (11) reliance on third parties for key services, and (12) accounting principles, policies and guidelines. These risks and uncertainties should be considered in evaluating the forward-looking statements contained herein, and readers are cautioned not to place undue reliance on such statements, which speak only as of their dates.

Balance Sheet (\$)			Y-Y		Q-Q
	2009 Q1	2008 Q1	Ch (%)	2008 Q4	Ch (%)
<u>Loans Held for Investment, before Reserves</u>	65,620,277	55,547,806	18.13	62,742,194	4.59
<u>Loan Loss Reserve</u>	625,577	501,972	24.62	622,068	0.56
<u>Net Loans Receivable</u>	64,994,700	55,045,834	18.07	62,120,126	4.63
<u>Total Assets</u>	111,056,813	104,178,576	6.60	110,771,902	0.26
<u>Deposits</u>	89,372,615	87,298,746	2.38	86,788,963	2.98
<u>Common Equity</u>	11,995,672	11,788,327	1.76	11,901,772	0.79
<u>Total Shareholders' Equity</u>	11,995,672	11,788,327	1.76	11,901,772	0.79
<u>Shares Outstanding (actual)</u>	610,175	610,175	0.00	610,175	0.00
Income Statement (\$)			Y-Y		Q-Q
	2009 Q1	2008 Q1	Ch (%)	2008 Q4	Ch (%)
<u>Net Interest Income</u>	859,731	736,536	16.73	863,852	(0.48)
<u>Provision for Loan Losses</u>	41,050	21,050	95.01	131,050	(68.68)
<u>Noninterest Income</u>	99,693	157,084	(36.54)	203,443	(51.00)
<u>Noninterest Expense</u>	860,826	806,342	6.76	839,033	2.60
<u>Net Income Before Taxes</u>	57,548	66,228	(13.11)	97,212	(40.80)
<u>Provision for Taxes</u>	3,700	0	--	51,674	(92.84)
<u>Net Income</u>	53,848	66,228	(18.69)	45,538	18.25
Per Share Items (\$)			Y-Y		Q-Q
	2009 Q1	2008 Q1	Ch (%)	2008 Q4	Ch (%)
<u>Book Value Per Share</u>	19.66	19.32	1.76	19.51	0.77
<u>Diluted EPS Before Extra</u>	0.09	0.11	(18.18)	0.07	28.57
<u>Diluted EPS After Extra</u>	0.09	0.11	(18.18)	0.07	28.57
<u>Dividends Declared</u>	0.00	0.00	--	0.00	--
Performance Ratios (%)			Y-Y		Q-Q
	2009 Q1	2008 Q1	Ch (bp)	2008 Q4	Ch (bp)
<u>ROAA</u>	0.20	0.27	(7)	0.17	3
<u>ROAE</u>	1.84	2.28	(44)	1.58	26
<u>Net Interest Margin</u>	3.39	3.28	11	3.58	(19)
<u>Loans / Deposits</u>	73.42	63.63	979	72.29	113
<u>Efficiency Ratio</u>	90.12	90.23	(11)	90.52	(40)
Balance Sheet Ratios (%)			Y-Y		Q-Q
	2009 Q1	2008 Q1	Ch (bp)	2008 Q4	Ch (bp)
<u>Tangible Equity / Tangible Assets</u>	10.80	11.32	(52)	10.74	6
<u>Equity / Assets</u>	10.80	11.32	(52)	10.74	6

Asset Quality Ratios (%)			Y-Y		Q-Q
	2009 Q1	2008 Q1	Ch (bp)	2008 Q4	Ch (bp)
<u>Nonperforming Assets / Assets</u>	0.06	0.03	3	0.05	1
<u>Loan Loss Reserves / Gross Loans</u>	0.95	0.90	5	0.99	(4)
<u>Loan Loss Reserves / NPAs</u>	964.03	1434.21	(47,018)	1049.57	(8,554)
<u>Net Charge-offs / Avg Loans</u>	0.06	0.02	4	0.14	(8)
Regulatory Capital Ratios (%)			Y-Y		Q-Q
	2009 Q1	2008 Q1	Ch (bp)	2008 Q4	Ch (bp)
<u>Tier 1 Capital Ratio</u>	15.09	16.90	(181)	15.48	(39)

SOURCE Colonial Virginia Bank

Contact: Kenneth E. Smith, Executive Vice President & CFO of Colonial Virginia Bank, 1-804-695-9300