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**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): July 27, 2007

COLONIAL VIRGINIA BANK

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction of
incorporation or organization)

75-3093106
(IRS Employer
Identification No.)

6720 Sutton Road
Gloucester, Virginia 23061
(Address of principal executive offices)

(804) 695-9300
(Issuer's telephone number)

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 (see General Instruction A.2. below):

- 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 13e-4© under the Exchange Act (17 CFR 240.13e-4(c))

INFORMATION TO BE INCLUDED IN THE REPORT

Section 2 – Financial Information

Item 2.02 Results of Operations and Financial Condition.

On July 27, 2007, Colonial Virginia Bank issued a news release announcing its financial results for the quarter ended June 30, 2007. 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.

Section 9 – Financial Statements and Exhibits

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>
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99.1	Press release issued by the Registrant dated July 27, 2007.
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SIGNATURES

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

Colonial Virginia Bank

(Registrant)

Date: July30, 2007

(Signature)*

Kenneth E. Smith
Executive V P / Chief Financial Officer

*Print name and title of the signing officer under his signature.

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release issued by the Registrant dated July 27, 2007

Colonial Virginia Bank Announces Second Quarter 2007 Earnings

GLOUCESTER, Va., Jul 27-- Colonial Virginia Bank (OTCBB: CNVB) (“the Bank”), today reported net income of \$83,654 or \$0.14 per share assuming dilution, for the quarter ended June 30, 2007, compared with \$117,375, or \$0.19 per share assuming dilution, for the same period in 2006.. The 2007 figure reflects an increase of \$40,419 in pension expense over the 2006 amount under the Bank’s Supplemental Executive Retirement Plan (“SERP”). This increase was prompted by an accounting rules change associated with FAS 158, which became effective December 15, 2006. The accounting statement issued by the Financial Accounting Standards Board (“FASB”) addressed the accounting periods in which pension expenses and corresponding accrued liabilities are recognized. The total expense during the working life of the plan does not change, but only the accounting periods in which they are recorded. Therefore, more of the total expense will now be recorded in the earlier years than under previous accounting rules. Conversely, expense in the later years of the plan will be less than under previous accounting rules.

Several other factors contributed to the earnings decline, primarily the following increases in operating expenses. First, the Bank made a strategic decision to expand a formalized advertising / marketing campaign to more rapidly grow its market share through brand identification and public visibility. In the current quarter, this campaign resulted in an increase of \$13,437 over the \$17,234 expensed in the same quarter in 2006. This effort has contributed to positive balance sheet growth (discussed below), albeit in the deposits area initially, with projected growth in loans in the future. Secondly, the Bank experienced an increase of \$9,878 (\$11,562 June 30, 2007 compared to \$1,684 June 30, 2006) in its FDIC deposit insurance premium for the current quarter as a result of strong deposit growth. Third, the Bank expensed \$7,500 in the current quarter to bolster the Allowance for Loan Losses, compared to \$0 for the same period in 2006. This was the result of growth in loan volume and not an identification of any losses imbedded in the loan portfolio. Lastly, the Bank expensed \$21,750 in audit fees in the current quarter compared to \$14,850 during the same period in 2006 resulting from increased audit coverage required by the Sarbanes-Oxley Act, with which the Bank must comply in 2007 for the first time. These combined expense increases total \$78,134

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 June 30, 2007 was \$769,943 compared to \$721,341 for the same period in 2006. The Bank expects improvement in net interest income in the second half of the year as a result of its current asset liability mix and upcoming re-pricing opportunities. Non-interest income for the second quarter 2007 of \$65,604 represented a 38.9% increase over the \$47,219 level for the same period in 2006, boosted by increased fees on a growing base of deposit accounts. Non-interest expense reflected a 14.3% increase for the second quarter 2007 compared to the same period in 2006, increasing from \$650,135 in 2006 to \$743,343 for the current quarter. The predominant factors in this increase are discussed above. The Bank’s return on average total assets was .38% for the current quarter-ended compared to .67% for the same quarter 2006.

The Bank's balance sheet reflected continued positive growth trends. Total assets were \$89.2 million at June 30, 2007, compared to \$81.2 million at December 31, 2006, (a 9.00% increase) and \$72.7 million at June 30, 2006, (a 22.7% increase). Net loans of \$49.4 million represented increases of 3.04% and 14.5% for the same periods, respectively. Total deposits for the current quarter end totaled \$77.2 million compared to \$69.4 million at year-end 2006, and \$61.7 million June 30, 2006.

As of June 30, 2007, there was one loan totaling \$67,600, carried in a non-accrual status. Subsequent to the quarter-end, a portion of the collateral was sold resulting in a curtailment of the loan in the amount of \$32,000. The Bank expects only a modest loss possibility after the balance of collateral is liquidated.

Bill Farinholt, President and CEO, stated, "We continue to be pleased with the steady growth and operating performance of the Bank. The growth of the balance sheet continues in a positive direction. Loan demand has continued to strengthen. The Bank's philosophy not to compromise its underwriting standards and sound credit quality for the sake of growth continues to be the underpinnings of stable earnings without interruptions of unexpected loan losses. We look forward to a positive second half for 2007, anticipating increased earnings enhanced by improved net interest income."

The Bank operates two full service retail bank offices, both located in Gloucester County, Virginia and offers full investment services through its investment division under the name of Colonial Virginia Investment Services. The Bank also offers mortgage services through Colonial Virginia Mortgage, LLC ("the mortgage company"), a 50% owned subsidiary joint with Johnson Mortgage Company, LLC ("JMC"). The services are offered through the Bank's two banking offices. JMC is headquartered in Newport News, Virginia.

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	
	2007 Q2	2006 Q2	Ch (%)	2007 Q1	Ch (%)
<u>Loans Held for Investment, before Reserves</u>	49,426,970	43,160,957	14.52	47,845,623	3.31
<u>Loan Loss Reserve</u>	344,573	326,047	5.68	336,722	2.33
<u>Net Loans Receivable</u>	49,082,397	42,834,910	14.59	47,508,901	3.31
<u>Total Assets</u>	89,202,595	72,700,736	22.70	86,198,003	3.49
<u>Deposits</u>	77,159,952	61,669,778	25.12	74,205,931	3.98
<u>Common Equity</u>	11,163,557	10,679,701	4.53	11,135,399	0.25
<u>Total Shareholders' Equity</u>	11,163,557	10,679,701	4.53	11,135,399	0.25
<u>Shares Outstanding (actual)</u>	610,175	607,675	0.41	607,675	0.41
Income Statement (\$)			Y-Y	Q-Q	
	2007 Q2	2006 Q2	Ch (%)	2007 Q1	Ch (%)
<u>Net Interest Income</u>	769,943	721,341	6.74	741,316	3.86
<u>Provision for Loan Losses</u>	8,550	1,050	714.29	6,050	41.32
<u>Noninterest Income</u>	65,604	47,219	38.94	57,532	14.03
<u>Noninterest Expense</u>	743,343	650,135	14.34	717,904	3.54
<u>Net Income Before Taxes</u>	83,654	117,375	(28.73)	74,894	11.70
<u>Provision for Taxes</u>	0	0	--	0	--
<u>Net Income</u>	83,654	117,375	(28.73)	74,894	11.70
Per Share Items (\$)			Y-Y	Q-Q	
	2007 Q2	2006 Q2	Ch (%)	2007 Q1	Ch (%)
<u>Book Value Per Share</u>	18.30	17.57	4.10	18.32	(0.13)
<u>Diluted EPS Before Extra</u>	0.14	0.19	(26.32)	0.12	16.67
<u>Diluted EPS After Extra</u>	0.14	0.19	(26.32)	0.12	16.67
<u>Dividends Declared</u>	0.00	0.00	--	0.00	--

Performance Ratios (%)			Y-Y		Q-Q
	2007 Q2	2006 Q2	Ch (bp)	2007 Q1	Ch (bp)
<u>ROAA</u>	0.38	0.67	(29)	0.36	2
<u>ROAE</u>	3.00	4.41	(141)	2.71	29
<u>Net Interest Margin</u>	3.87	4.65	(78)	3.91	(4)
<u>Loans / Deposits</u>	64.06	69.99	(593)	64.48	(42)
<u>Efficiency Ratio</u>	88.96	84.59	437	89.87	(91)
Balance Sheet Ratios (%)			Y-Y		Q-Q
	2007 Q2	2006 Q2	Ch (bp)	2007 Q1	Ch (bp)
<u>Tangible Equity / Tangible Assets</u>	12.51	14.69	(218)	12.92	(41)
<u>Equity / Assets</u>	12.51	14.69	(218)	12.92	(41)
Asset Quality Ratios (%)			Y-Y		Q-Q
	2007 Q2	2006 Q2	Ch (bp)	2007 Q1	Ch (bp)
<u>Nonperforming Assets / Assets</u>	0.08	0.00	8	0.01	7
<u>Loan Loss Reserves / Gross Loans</u>	0.70	0.75	(5)	0.70	0
<u>Loan Loss Reserves / NPAs</u>	NM	NM	NM	NM	NM
<u>Net Charge-offs / Avg Loans</u>	0.00	0.01	(1)	0.00	0
Regulatory Capital Ratios (%)			Y-Y		Q-Q
	2007 Q2	2006 Q2	Ch (bp)	2007 Q1	Ch (bp)
<u>Tier 1 Capital Ratio</u>	18.89	21.51	(262)	19.57	(68)

SOURCE Colonial Virginia Bank

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