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OMB Number 7100-0297
Approval expires December 31, 2015
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Board of Governors of the Federal Reserve System

MAR 30 2015



Annual Report of Holding Companies

Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844 (c)(1)(A)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11(a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); Section 211.13(c) of Regulation K (12 C.F.R. § 211.13(c)); and Section 225.5(b) of Regulation Y (12 C.F.R. § 225.5(b)) and section 10(c)(2)(H) of the Home Owners' Loan Act. Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

This report form is to be filed by all top-tier bank holding companies and top-tier savings and loan holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

NOTE: The Annual Report of Holding Companies must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report.

I, Ronald K. Earnest
Name of the Holding Company Director and Official
President
Title of the Holding Company Director and Official

attest that the Annual Report of Holding Companies (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Ronald K. Earnest Pres.
Signature of Holding Company Director and Official
MARCH 27, 2015
Date of Signature

For holding companies not registered with the SEC—
Indicate status of Annual Report to Shareholders:
 is included with the FR Y-6 report
 will be sent under separate cover
 is not prepared

For Federal Reserve Bank Use Only
RSSD ID 2929833
C.I. _____

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2014

Month / Day / Year
NA
Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address
GrandSouth Bancorporation
Legal Title of Holding Company
PO Box 6548
(Mailing Address of the Holding Company) Street / P.O. Box
Greenville SC 29606
City State Zip Code
381 Halton Rd., Greenville, SC 29607
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
JB Garrett CFO
Name Title
864-527-7170
Area Code / Phone Number / Extension
864-527-7120
Area Code / FAX Number
jb.garrett@grandsouth.com
E-mail Address
www.grandsouth.com
Address (URL) for the Holding Company's web page

Does the reporter request confidential treatment for any portion of this submission?
 Yes Please identify the report items to which this request applies:
 In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.
 The information for which confidential treatment is sought is being submitted separately labeled "Confidential."
 No

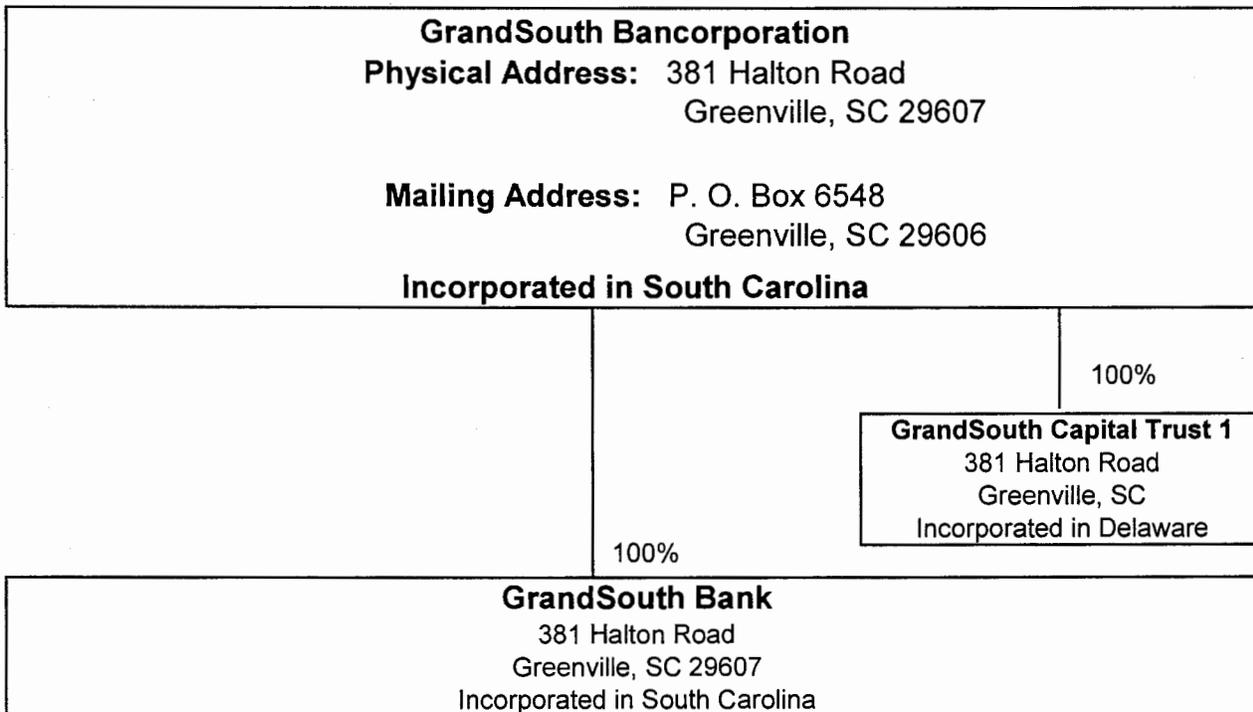
Form FR Y-6

GrandSouth Bancorporation, Inc.
381 Halton Road
Greenville, South Carolina 29607
Fiscal Year Ending December 31, 2014

Report Item

1: The BHC does not prepare form 10K with the SEC.
Enclosed are two copies of the company's audited financial statements.

2a: Organizational Chart



2b: Domestic branches

Main Office: 381 Halton Road
Greenville, SC 29607 (2728661)

Full service branch: 325 South Main Street
Fountain Inn, SC 29644 (3281958)

Full service branch: 1601 North Fant Street
Anderson, SC 29621 (3678491)

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 GrandSouth Bancorporation, Inc.
 December 31, 2014

Report Item 3: Securities holdres

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of 12/31/2014			Shareholders not listed in (3)(1)(a) through (3)(1)(c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12/31/2014.								
<table border="0"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">City, State</th> <th style="text-align: left;">Percentage of Voting Shares in Bank Holding Company</th> </tr> </thead> <tbody> <tr> <td>Mason Y. Garrett</td> <td>Belton, SC United States Citizen</td> <td>898,719 - 27.0% Common Stock 82,597 - 2.5% Options on Common Stock</td> </tr> <tr> <td>Ronald K. Earnest</td> <td>Simpsonville, SC United States Citizen</td> <td>164,471 - 4.9% Common Stock 82,597 - 2.5% Options on Common Stock</td> </tr> </tbody> </table>	Name	City, State	Percentage of Voting Shares in Bank Holding Company	Mason Y. Garrett	Belton, SC United States Citizen	898,719 - 27.0% Common Stock 82,597 - 2.5% Options on Common Stock	Ronald K. Earnest	Simpsonville, SC United States Citizen	164,471 - 4.9% Common Stock 82,597 - 2.5% Options on Common Stock	None	
Name	City, State	Percentage of Voting Shares in Bank Holding Company									
Mason Y. Garrett	Belton, SC United States Citizen	898,719 - 27.0% Common Stock 82,597 - 2.5% Options on Common Stock									
Ronald K. Earnest	Simpsonville, SC United States Citizen	164,471 - 4.9% Common Stock 82,597 - 2.5% Options on Common Stock									

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GrandSouth Bancorporation, Inc.
December 31, 2014

Report Item 4: Insiders

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (include partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
S. Blanton Phillips Simpsonville, SC	CEO, SB Phillips Company, Inc.	Director	Director GrandSouth Bank	Owner and Chief Executive Officer BPS, Inc.	11,874 - 0.4% Common Stock 5,500 - 0.2% Options on Common Stock	N/A	N/A
Ronald K. Earnest Simpsonville, SC	N/A	Director, President, & COO	Director, President, & CEO GrandSouth Bank	N/A	164,471 - 4.9% Common Stock 82,597 - 2.5% Options on Common Stock	N/A	N/A
Harold E. Garrett Fountain Inn, SC	Owner, Garrett's Discount Golf Cars	Director	Director GrandSouth Bank	Owner, Garrett's Discount Golf Cars	139,904 - 4.2% Common Stock 5,500 - 0.2% Options on Common Stock	N/A	Garrett's Discount Golf Cars (100%)
Mason Y. Garrett Pelzer, SC	N/A	Director, Chairman, & CEO	Director & Chairman GrandSouth Bank	N/A	898,719 - 27.0% Common Stock 82,597 - 2.5% Options on Common Stock	N/A	N/A
Michael L. Gault Fountain Inn, SC	Owner, Gault Service Center	Director	Director GrandSouth Bank	Owner, Gault Service Center	64,431 - 1.9% Common Stock 5,500 - 0.2% Options on Common Stock	N/A	Gault Service Center (100%) Upstate Investors (25%)
Baety O. Gross Simpsonville, SC	Attorney, Simpsonville, SC	Director	Director & Secretary GrandSouth Bank	Attorney, Simpsonville, SC	30,745 - 0.9% Common Stock 5,500 - 0.2% Options on Common Stock	N/A	Baety O Gross, Attorney at Law (100%)
S. Hunter Howard Columbia, SC	Of counsel, Scott and Company, LLC	Director	Director GrandSouth Bank	President and CEO, SC Chamber of Commerce	22,937 - 0.7% Common Stock 5,500 - 0.2% Options on Common Stock	N/A	Curtis Group (30%)
J. Calhoun Pruitt Anderson, SC	Attorney, Anderson, SC	Director	Director GrandSouth Bank	Attorney, Pruitt & Pruitt	1,000 - 0.0% Common Stock 5,500 - 0.2% Options on Common Stock	N/A	Pruitt & Pruitt, Attorneys (100%) Palmetto Executive Suites, LLC (50%) Palmetto Development Partners (50%)
John B. Garrett Greenville, SC	N/A	Chief Financial Officer	Chief Financial Officer	N/A	115,367 - 3.5% Common Stock 25,500 - 0.8% Options on Common Stock	N/A	N/A