

BUCKHEAD COMMUNITY BANCORP INC

Form 10-Q

May 14, 2008

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U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2008

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 000-53197

BUCKHEAD COMMUNITY BANCORP, INC.

(Exact name of small business issuer as specified in its charter)

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Georgia
(State or other jurisdiction of
incorporation or organization)

58-2265980
(IRS Employer

Identification No.)

415 East Paces Ferry Road

Atlanta, Georgia 30305

(Address of principal executive offices)

(404) 504-2557

(Issuer's telephone number)

(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

State the number of shares outstanding of each of the issuer's classes of common equity, as of May 9, 2008: Common Stock, \$0.01 par value 6,313,813 shares outstanding.

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BUCKHEAD COMMUNITY BANCORP, INC.

AND SUBSIDIARY

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Table of Contents**PART I - FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****BUCKHEAD COMMUNITY BANCORP, INC. AND SUBSIDIARY****CONSOLIDATED BALANCE SHEETS**

(Dollars in thousands)	March 31 2008 (Unaudited)	December 31 2007	March 31 2007 (Unaudited)
ASSETS			
Cash and due from banks	\$ 8,511	\$ 19,157	\$ 7,242
Interest-bearing deposits in other banks	317	2,264	389
Federal funds sold	32,774	23,428	50,364
Securities available for sale, at fair value	146,496	109,647	98,698
Restricted equity securities, at cost	2,508	1,761	1,419
Total investment securities	149,004	111,408	100,117
Loans held for sale	3,406	1,232	4,663
Loans, net of unearned income	689,922	676,119	403,251
Allowance for loan losses	(11,167)	(9,787)	(5,021)
Net loans	678,755	666,332	398,230
Bank premises and equipment	10,809	10,949	6,251
Accrued interest receivable	4,696	4,696	3,232
Goodwill	32,660	32,655	
Other intangible assets	2,297	2,367	
Other real estate owned	14,051	13,437	3,624
Other assets	7,202	11,020	4,038
Total assets	\$ 944,482	\$ 898,945	\$ 578,150
LIABILITIES			
Noninterest-bearing demand deposits	\$ 77,346	\$ 46,496	\$ 33,284
Interest-bearing deposits	713,052	709,252	473,435
Total deposits	790,398	755,748	506,719
Short-term borrowings	25,159	19,570	10,690
Long-term debt	19,000		
Junior subordinated debt	15,465	15,465	15,465
Accrued interest payable	3,760	3,885	2,788
Accrued expenses and other liabilities	1,470	14,805	1,002
Total liabilities	855,252	809,473	536,664
SHAREHOLDERS EQUITY			
Special stock, no par value; 1,000,000 shares authorized; none issued			

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Common stock, par value \$0.01; 10,000,000 shares authorized; 6,313,813, 6,315,813 and 4,571,166 shares issued and outstanding, respectively	63	63	46
Capital surplus	72,536	72,584	27,404
Retained earnings	16,366	17,285	14,596
Accumulated other comprehensive income/(loss)	393	(279)	(522)
Deferred compensation	(128)	(181)	(38)
Total shareholders' equity	89,230	89,472	41,486
Total liabilities and shareholders' equity	\$ 944,482	\$ 898,945	\$ 578,150

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

Table of Contents**BUCKHEAD COMMUNITY BANCORP, INC. AND SUBSIDIARY****CONSOLIDATED STATEMENTS OF OPERATIONS**

(Dollars in thousands, except share and per share data)(Unaudited)	Three Months Ended March 31	
	2008	2007
INTEREST INCOME		
Loans, including fees	\$ 12,673	\$ 9,417
Securities:		
Taxable	1,048	998
Tax-exempt	235	223
Federal funds sold and short-term investments	284	585
Dividends	30	20
Total interest income	14,270	11,243
INTEREST EXPENSE		
Deposits	8,246	5,577
Short-term borrowings	207	94
Junior subordinated debt	250	288
Long-term debt	28	
Total interest expense	8,731	5,959
NET INTEREST INCOME	5,539	5,284
Provision for loan losses	2,122	475
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	3,417	4,809
NONINTEREST INCOME		
(Loss) gain on sale of loans held for sale	(34)	336
Gain (loss) on sale of securities available for sale	1	
Other noninterest income	248	154
Total noninterest income	215	490
NONINTEREST EXPENSE		
Salaries and employee benefits	2,899	2,056
Occupancy expenses	583	423
Advertising and marketing	156	133
Legal and other professional services	228	117
Other operating expenses	1,353	522
Total noninterest expense	5,219	3,251
(LOSS) INCOME BEFORE INCOME TAXES	(1,587)	2,048
Income tax (benefit)/expense	(668)	709
NET (LOSS) INCOME	\$ (919)	\$ 1,339
(LOSS) EARNINGS PER SHARE		
Basic	\$ (0.15)	\$ 0.29

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Diluted	\$ (0.14)	\$ 0.29
WEIGHTED-AVERAGE SHARES OUTSTANDING		
Basic	6,305,751	4,564,344
Diluted	6,421,209	4,608,537
CASH DIVIDENDS PER SHARE	\$	\$

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

Table of Contents**BUCKHEAD COMMUNITY BANCORP, INC. AND SUBSIDIARY****CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

(Dollars in thousands)(Unaudited)	Three Months Ended	
	March 31	
	2008	2007
Net (loss) income	\$ (919)	\$ 1,339
Other comprehensive income (loss):		
Unrealized holding gains (losses) arising during period on securities available for sale, net of tax (benefits) of \$351, and \$216, respectively	673	352
Reclassification adjustment for (gains) losses realized in net income, net of tax (benefits) of \$0 and \$0, respectively	(1)	
Other comprehensive income	672	352
Comprehensive (loss) income	\$ (247)	\$ 1,691

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

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BUCKHEAD COMMUNITY BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY

(Dollars in thousands, except share data)	Common Stock			Retained Earnings	Accumulated	Deferred Compensation	Total Shareholders Equity
	Shares	Par Value	Capital Surplus		Other Comprehensive Income (Loss)		
Balance, December 31, 2006	4,567,344	\$ 46	\$ 27,403	\$ 13,257	\$ (874)	\$ (41)	\$ 39,791
Net income				1,339			1,339
Stock-based compensation			1			3	4
Other comprehensive income (loss)					352		352
Balance, March 31, 2007 (Unaudited)	4,567,344	\$ 46	\$ 27,404	\$ 14,596	\$ (522)	\$ (38)	\$ 41,486