

HARRODSBURG FIRST FINANCIAL BANCORP INC
Form 10QSB
May 13, 2004
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

(Mark One)

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

For the quarterly period ended March 31, 2004.

OR

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

Commission File Number: 0-26570

Harrodsburg First Financial Bancorp, Inc.

(Exact name of registrant as specified in its charter)

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Delaware
(State or other jurisdiction of

61-1284899
(I.R.S. Employer

incorporation or organization)

Identification No.)

104 South Chiles Street, Harrodsburg, Kentucky
(Address of principal executive offices)

40330-1620
(Zip Code)

Registrant's telephone number, including area code: **(859) 734-5452**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 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 ninety days. Yes No

As of May 1, 2004, 1,222,978 shares of the registrant's common stock were issued and outstanding.

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	As of	
	March 31,	As of
	2004	September 30,
	(unaudited)	2003
ASSETS		
Cash and due from banks	\$ 2,606,966	\$ 2,027,407
Federal funds sold	230,000	482,000
Interest-bearing deposits in banks	5,898,814	6,028,852
	<u>8,735,780</u>	<u>8,538,259</u>
Cash equivalents	8,735,780	8,538,259
Interest bearing deposits	496,000	596,000
Securities available-for-sale at fair value	34,440,469	31,689,002
Securities held-to-maturity, fair value of \$2,985,000 and \$4,400,000 at March 31, 2004 and September 30, 2003, respectively	2,966,536	4,404,376
Federal Home Loan Bank stock, at cost	1,986,200	1,945,800
Loans receivable, net of allowance for loan losses of \$953,282 and \$1,006,286 March 31, 2004 and September 30, 2003	120,278,509	117,655,048
Interest receivable	789,999	770,806
Premises and equipment, net	2,813,808	2,171,449
Cash surrender value of life insurance	2,912,936	2,825,948
Equity method investment	2,146,062	2,135,346
Goodwill	356,064	356,064
Real estate owned	558,154	
Other assets	914,928	521,327
	<u>\$ 179,395,445</u>	<u>\$ 173,609,425</u>
LIABILITIES AND STOCKHOLDERS EQUITY		
Deposits	\$ 143,529,093	\$ 141,744,891
Advances from Federal Home Loan Bank	5,752,508	2,706,669
Trust preferred securities	5,155,000	5,000,000
Deferred Federal income tax	1,363,190	1,113,684
Interest payable and other liabilities	513,498	507,638
	<u>156,313,289</u>	<u>151,072,882</u>
Total liabilities	156,313,289	151,072,882
Commitments and contingencies		
Minority interests	1,784,396	1,764,484
Stockholders equity		
Common stock, \$0.10 par value, 5,000,000 shares authorized; 1,222,978 shares issued and outstanding as of March 31, 2004 and September 30, 2003, respectively	218,213	218,213
Additional paid-in capital	21,383,711	21,314,754
Retained earnings, substantially restricted	11,461,313	11,491,935
Accumulated other comprehensive income	3,160,054	2,746,618
Treasury stock, 959,147 shares, at cost, as of March 31, 2004 and September 30, 2003, respectively	(14,389,080)	(14,377,599)

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Unallocated employee stock ownership plan (ESOP) shares	(536,451)	(621,862)
Total stockholders' equity	21,297,760	20,772,059
Total liabilities and stockholders' equity	\$ 179,395,445	\$ 173,609,425

See accompanying notes to condensed consolidated financial statements.

Table of Contents**HARRODSBURG FIRST FINANCIAL BANCORP, INC. AND SUBSIDIARY****CONDENSED CONSOLIDATED STATEMENTS OF INCOME****(Unaudited)**

	For the Three-Month Periods		For the Six-Month Periods	
	Ended March 31		Ended March 31	
	2004	2003	2004	2003
Interest income:				
Interest on loans	\$ 1,840,909	\$ 1,902,722	\$ 3,697,324	\$ 3,882,157
Interest and dividends on securities	343,932	186,514	696,644	318,555
Other interest income	10,915	48,415	20,743	99,406
Total interest income	2,195,756	2,137,651	4,414,711	4,300,118
Interest expense:				
Interest on deposits	930,115	1,015,781	1,897,168	2,075,512
FHLB advances	37,218	17,363	69,480	33,797
Trust preferred securities	88,997		178,684	
Total interest expense	1,056,330	1,033,144	2,145,332	2,109,309
Net interest income	1,139,426	1,104,507	2,269,379	2,190,809
Provision for loan losses	23,000	61,600	51,500	90,700
Net interest income after provision for loan losses	1,116,426	1,042,907	2,217,879	2,100,109
Non-interest Income:				
Loan and other service fees, net	95,173	97,928	201,918	180,586
Earnings in equity method investee	5,455	47,359	30,137	47,359
Increase in cash value of life insurance	42,271	44,886	86,989	89,236
Gain on sale of investments			(2,812)	18,326
Gain on sale of premises and equipment				118,496
Other	21,477	8,515	32,892	19,586
	164,376	198,688	349,124	473,591
Non-interest Expense:				
Compensation and benefits	581,127	501,807	1,099,339	955,540
Occupancy expenses, net	108,825	85,822	205,036	172,464
Data processing expenses	85,947	79,460	169,036	155,845
State franchise tax	38,545	40,316	92,679	74,144
Other operating expenses	322,833	226,292	583,020	439,410
	1,137,277	933,697	2,149,110	1,797,403
Income before income tax expense	143,525	307,898	417,893	776,297
Income tax expense	(14,917)	12,613	(90,449)	(151,379)

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Net income before minority interests	128,608	320,511	327,444	624,918
Minority interests	5,024	17,890	(10,885)	24,046
Net income	\$ 133,632	\$ 338,401	\$ 316,559	\$ 648,964
Basic earnings per common share	\$ 0.11	\$ 0.27	\$ 0.27	\$ 0.52
Diluted earnings per common share	\$ 0.11	\$ 0.27	\$ 0.27	\$ 0.52
Weighted average common shares outstanding	1,167,407	1,259,822	1,165,042	1,257,896
Weighted average common shares outstanding after dilutive effect	1,167,407	1,259,822	1,165,042	1,257,896

See accompanying notes to condensed consolidated financial statements.

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For the Six Month Periods Ended March 31, 2004 and 2003

(unaudited)

	<u>Common Stock</u>	<u>Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Additional Comprehensive Income</u>	<u>Accumulated Other Treasury Stock</u>	<u>Unearned ESOP Shares</u>	<u>Total Stockholders Equity</u>
Balance, September 30, 2003	\$ 218,213	\$ 21,314,754	\$ 11,491,935	\$ 2,746,618	\$ (14,377,599)	\$ (621,862)	\$ 20,772,059

A savings
association
as defined
in Section
(h) / 3(b) of the
Federal
Deposit
Insurance
Act.

CUSIP NO. G07021101

(i) // A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act.

(j) // Group, in accordance with Rule 13d-1(b)(1)(ii)(J).

(k) // Group, in accordance with Rule 240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with Rule 240.13d-1(b)(1)(ii)(J), please specify the type of institution: _____

Item 4. Ownership

(a) Amount beneficially owned:

As of the close of business on July 29, 2014, (i) Credit Opportunities beneficially owned 1,225,282 shares of Common Stock, (ii) OC I Master beneficially owned 2,082,403 shares of Common Stock, (iii) Select Opportunities beneficially owned 1,219,529 shares of Common Stock and (iv) Admiral Master beneficially owned 155,797 shares of Common Stock.

Capital, as the investment advisor of each of Credit Opportunities, OC I Master, Select Opportunities and Admiral Master, and Steinberg, as the manager of Capital, may be deemed to beneficially own 4,683,011 shares of Common Stock beneficially owned in the aggregate by Credit Opportunities, OC I Master, Select Opportunities and Admiral Master.

The foregoing should not be construed in and of itself as an admission by any Reporting Person as to beneficial ownership of any shares of Common Stock owned by another Reporting Person. Each of Capital and Steinberg disclaims beneficial ownership of the shares of Common Stock beneficially owned by Credit Opportunities, OC I Master, Select Opportunities and Admiral Master, and the filing of this statement shall not be construed as an admission that any such person or entity is the beneficial owner of any such securities.

(b) Percent of class:

The following percentages are based on 80,519,484 shares of Common Stock outstanding as of July 8, 2014, which is the total number of shares of Common Stock outstanding as reported in the Issuer's Annual Report on Form 10-K filed with the Securities and Exchange Commission on July 10, 2014.

As of the close of business on July 29, 2014, (i) Credit Opportunities beneficially owned approximately 1.5% of the outstanding shares of Common Stock, (ii) OC I Master beneficially owned approximately 2.6% of the outstanding shares of Common Stock, (iii) Select Opportunities beneficially owned approximately 1.5% of the outstanding shares of Common Stock, (iv) Admiral Master beneficially owned less than 1% of the outstanding shares of Common Stock and (v) each of Capital and Steinberg may be deemed to beneficially own approximately 5.8% of the outstanding shares of Common Stock.

CUSIP NO. G07021101

- (c) Number of shares as to which such person has:
 - (i) Sole power to vote or to direct the vote
See Cover Pages Items 5-9.
 - (ii) Shared power to vote or to direct the vote
See Cover Pages Items 5-9.
 - (iii) Sole power to dispose or to direct the disposition of
See Cover Pages Items 5-9.
 - (iv) Shared power to dispose or to direct the disposition of
See Cover Pages Items 5-9.

Item 5. Ownership of Five Percent or Less of a Class.

Not Applicable

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

Capital and Steinberg have voting and dispositive power over the shares of Common Stock beneficially owned by Credit Opportunities, OC I Master, Select Opportunities and Admiral Master.

Item 7. Identification and Classification of the Subsidiary That Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

Not Applicable

Item 8. Identification and Classification of Members of the Group.

See Exhibit 99.1.

Item 9. Notice of Dissolution of Group.

Not Applicable

Item 10. Certifications.

By signing below each of the undersigned certifies that, to the best of its knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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SIGNATURE

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: August 1, 2014

MAST CREDIT OPPORTUNITIES I MASTER FUND LIMITED

By: /s/ David J. Steinberg
Name: David J. Steinberg
Title: Authorized Signatory

MAST OC I MASTER FUND L.P.

By: Mast OC I IA, LLC, its general partner

By: /s/ David J. Steinberg
Name: David J. Steinberg
Title: Authorized Signatory

MAST SELECT OPPORTUNITIES MASTER FUND L.P.

By: Mast Select Opportunities GP, LLC, its general partner

By: /s/ David J. Steinberg
Name: David J. Steinberg
Title: Authorized Signatory

MAST CAPITAL MANAGEMENT, LLC

By: /s/ David J. Steinberg
Name: David J. Steinberg
Title: Manager

MAST ADMIRAL MASTER FUND L.P.

By: Mast Admiral GP, LLC, its general partner

/s/ David J. Steinberg
DAVID J. STEINBERG

By: /s/ David J. Steinberg
Name: David J. Steinberg
Title: Authorized Signatory

