

SOUTHERN MISSOURI BANCORP, INC.
Form 10-Q
November 09, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q
(Mark One)

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

For the quarterly period ended September 30, 2018
OR

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 0-23406
Southern Missouri Bancorp, Inc. (Exact name of registrant as specified in its charter)

Missouri 43-1665523
(State or jurisdiction of incorporation) (IRS employer id. no.)

2991 Oak Grove Road, Poplar Bluff, MO 63901
(Address of principal executive offices) (Zip code)

(573) 778-1800 Registrant's telephone number, including area code

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 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data file required to be submitted pursuant to Rule 405 of regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

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 definition of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12 b-2 of the Exchange Act)

Yes No X

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date:

Class	Outstanding at November 8, 2018
Common Stock, Par Value \$.01	8,995,884 Shares

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PART I: Item 1: Condensed Consolidated Financial StatementsSOUTHERN MISSOURI BANCORP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2018 AND JUNE 30, 2018

(dollars in thousands)	September 30, 2018	June 30, 2018
<u>Assets</u>	(unaudited)	
Cash and cash equivalents	\$22,130	\$26,326
Interest-bearing time deposits	1,956	1,953
Available for sale securities	144,625	146,325
Stock in FHLB of Des Moines	7,441	5,661
Stock in Federal Reserve Bank of St. Louis	3,566	3,566
Loans receivable, net of allowance for loan losses of \$18,790 and \$18,214 at September 30, 2018 and June 30, 2018, respectively	1,624,156	1,563,380
Accrued interest receivable	9,612	7,992
Premises and equipment, net	54,669	54,832
Bank owned life insurance – cash surrender value	37,794	37,547
Goodwill	13,078	13,078
Other intangible assets, net	6,556	6,918
Prepaid expenses and other assets	18,045	18,537
Total assets	\$1,943,628	\$1,886,115
<u>Liabilities and Stockholders' Equity</u>		
Deposits	\$1,591,126	\$1,579,902
Securities sold under agreements to repurchase	3,631	3,267
Advances from FHLB of Des Moines	118,307	76,652
Note payable	3,000	3,000
Accounts payable and other liabilities	5,142	6,449
Accrued interest payable	1,391	1,206
Subordinated debt	14,969	14,945
Total liabilities	1,737,566	1,685,421
Common stock, \$.01 par value; 12,000,000 shares authorized; 8,995,884 and 8,996,584 shares issued, respectively, at September 30, 2018 and June 30, 2018	90	90
Additional paid-in capital	83,437	83,413
Retained earnings	125,167	119,536
Accumulated other comprehensive income (loss)	(2,632)	(2,345)
Total stockholders' equity	206,062	200,694
Total liabilities and stockholders' equity	\$1,943,628	\$1,886,115

See Notes to Condensed Consolidated Financial Statements

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SOUTHERN MISSOURI BANCORP, INC
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2018 AND 2017 (Unaudited)

	Three months ended September 30, 2018 2017	
(dollars in thousands except per share data)		
INTEREST INCOME:		
Loans	\$20,916	\$17,455
Investment securities	517	529
Mortgage-backed securities	584	417
Other interest-earning assets	25	10
Total interest income	22,042	18,411
INTEREST EXPENSE:		
Deposits	4,009	2,862
Securities sold under agreements to repurchase	8	14
Advances from FHLB of Des Moines	599	226
Note payable	35	28
Subordinated debt	224	178
Total interest expense	4,875	3,308
NET INTEREST INCOME	17,167	15,103
PROVISION FOR LOAN LOSSES	682	868
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	16,485	14,235
NONINTEREST INCOME:		
Deposit account charges and related fees	1,224	1,168
Bank card interchange income	1,063	869
Loan late charges	94	113
Loan servicing fees	159	180
Other loan fees	337	388
Net realized gains on sale of loans	179	203
Earnings on bank owned life insurance	246	233
Other income	128	117
Total noninterest income	3,430	3,271
NONINTEREST EXPENSE:		
Compensation and benefits	6,047	5,932
Occupancy and equipment, net	2,470	2,309
Deposit insurance premiums	138	119
Legal and professional fees	256	252
Advertising	315	238
Postage and office supplies	152	197
Intangible amortization	396	348
Bank card network expense	495	367

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Other operating expense	1,180	993
Total noninterest expense	11,449	10,755
INCOME BEFORE INCOME TAXES	8,466	6,751
INCOME TAXES	1,666	1,889
NET INCOME	\$6,800	\$4,862
Basic earnings per common share	\$0.76	\$0.57
Diluted earnings per common share	\$0.76	\$0.56
Dividends per common share	\$0.13	\$0.11

See Notes to Condensed Consolidated Financial Statements

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SOUTHERN MISSOURI BANCORP, INC
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2018 AND 2017 (Unaudited)

Three months
ended
September 30,
2018 2017

(dollars in thousands)

Net income	\$6,800	\$4,862
Other comprehensive income (loss):		