

LCNB CORP
Form 10-Q
November 08, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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, 2011

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 000-26121

LCNB Corp.
(Exact name of registrant as specified in its charter)

Ohio 31-1626393
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

2 North Broadway, Lebanon, Ohio 45036
(Address of principal executive offices, including Zip Code)

(513) 932-1414
(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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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,

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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.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

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

Yes No

The number of shares outstanding of the issuer's common stock, without par value, as of November 8, 2011 was 6,697,982 shares.

LCNB CORP. AND SUBSIDIARIES

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

LCNB CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	September 30, 2011 (Unaudited)	December 31, 2010
ASSETS:		
Cash and due from banks	\$ 17,577	10,817
Interest-bearing demand deposits	15,080	182
Total cash and cash equivalents	32,657	10,999
Investment securities:		
Available-for-sale, at fair value	268,017	235,882
Held-to-maturity, at cost	11,133	12,141
Federal Reserve Bank stock, at cost	941	939
Federal Home Loan Bank stock, at cost	2,091	2,091
Loans, net	446,295	452,350
Premises and equipment, net	17,496	16,017
Goodwill	5,915	5,915
Bank owned life insurance	14,689	14,242
Other assets	9,325	9,558
TOTAL ASSETS	\$ 808,559	760,134
LIABILITIES:		
Deposits:		
Noninterest-bearing	\$ 102,348	98,994
Interest-bearing	587,349	539,545
Total deposits	689,697	638,539
Short-term borrowings	12,386	21,691
Long-term debt	21,718	23,120
Accrued interest and other liabilities	7,298	6,077
TOTAL LIABILITIES	731,099	689,427
SHAREHOLDERS' EQUITY:		
Preferred shares – no par value, authorized 1,000,000 shares, none outstanding	-	-
Common shares – no par value, authorized 12,000,000 shares, issued 7,453,173 shares at September 30, 2011 and 7,445,514 shares at December 31, 2010	11,081	11,068
Surplus	15,566	15,447
Retained earnings	56,995	54,045
Treasury shares at cost, 755,771 shares at September 30, 2011 and December 31, 2010	(11,698)	(11,698)
Accumulated other comprehensive income, net of taxes	5,516	1,845
TOTAL SHAREHOLDERS' EQUITY	77,460	70,707
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 808,559	760,134

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

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LCNB CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Dollars in thousands, except per share data)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2011	2010	2011	2010
INTEREST INCOME:				
Interest and fees on loans	\$ 6,294	6,748	19,289	20,379
Interest on investment securities –				
Taxable	1,036	913	2,826	2,725
Non-taxable	619	773	1,966	2,364
Other investments	27	38	124	138
TOTAL INTEREST INCOME	7,976	8,472	24,205	25,606