

Village Bank & Trust Financial Corp.
Form 10QSB
November 09, 2007
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

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

For the quarterly period ended September 30, 2007

**TRANSITION REPORT UNDER SECTION 13 OR 15(d)
OF THE EXCHANGE ACT**

For the transition period from _____ to _____

Commission file number: 0-50765

VILLAGE BANK AND TRUST FINANCIAL CORP.

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

Virginia
(State or other jurisdiction of
incorporation or organization)

16-1694602
(I.R.S. Employer
Identification No.)

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1231 Alverser Drive, P.O. Box 330, Midlothian, Virginia 23113

(Address of principal executive offices)

804-897-3900

(Issuer's telephone number)

Check whether the issuer (1) 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.

X No No Yes

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 the latest practicable date:

2,575,985 shares of common stock, \$4.00 par value, outstanding as of October 22, 2007.

Village Bank and Trust Financial Corp.

Form 10-QSB

TABLE OF CONTENTS

Part I Financial Information

Item 1. Financial Statements

Consolidated Balance Sheets September 30, 2007 (unaudited) and December 31, 2006	3
---	---

Consolidated Statements of Income For the Three and Nine Months Ended September 30, 2007 and 2006 (unaudited)	4
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Consolidated Statements of Stockholders' Equity For the Nine Months Ended September 30, 2007 and 2006 (unaudited)	5
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Consolidated Statements of Cash Flows For the Nine Months Ended September 30, 2007 and 2006 (unaudited)	6
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Notes to Condensed Consolidated Financial Statements (unaudited)	7
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Item 2. Management's Discussion and Analysis or Plan of Operation	10
--	----

Item 3. Controls and Procedures	25
--	----

Part II Other Information

Item 1. Legal Proceedings	26
----------------------------------	----

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	26
--	----

Item 3. Defaults Upon Senior Securities	26
Item 4. Submission of Matters to a Vote of Security Holders	26
Item 5. Other Information	26
Item 6. Exhibits	26
Signatures	27

PART I - FINANCIAL INFORMATION**ITEM 1 FINANCIAL STATEMENTS**

Village Bank and Trust Financial Corp. and Subsidiary
Consolidated Balance Sheets
September 30, 2007 (Unaudited) and December 31, 2006

	September 30, 2007 (Unaudited)	December 31, 2006
Assets		
Cash and due from banks	\$ 5,104,759	\$ 5,702,401
Federal funds sold	7,910,374	11,496,102
Investment securities available for sale	22,992,754	12,787,644
Loans held for sale	2,194,186	3,149,178
Loans		
Outstanding	302,036,792	241,389,621
Allowance for loan losses	(3,240,115)	(2,552,607)
Deferred fees	(475,214)	(338,596)
	298,321,463	238,498,418
Premises and equipment, net	15,450,354	11,676,854
Accrued interest receivable	2,963,754	2,301,264
Goodwill	689,108	689,108
Other assets	6,856,692	4,916,791
	\$ 362,483,444	\$ 291,217,760
Liabilities and Stockholders' Equity		
Liabilities		
Deposits		
Noninterest bearing demand	\$ 24,168,767	\$ 22,381,251
Interest checking	11,294,296	9,414,544
Money market	22,783,295	17,941,940
Savings	3,644,180	4,106,949
Time deposits of \$100,000 and over	81,792,226	61,883,307
Other time deposits	168,212,070	137,581,890
	311,894,834	253,309,881
FHLB advances	12,000,000	4,000,000
Long-term debt - trust preferred securities	8,764,000	5,155,000
Other borrowings	1,532,242	704,265
Accrued interest payable	543,237	429,986
Other liabilities	1,183,202	1,974,513
Total liabilities	335,917,515	265,573,645
Stockholders' equity		
Preferred stock, \$1 par value - 1,000,000 shares authorized; no shares issued and outstanding	-	-
Common stock, \$4 par value - 10,000,000 shares authorized; 2,575,985 shares issued and outstanding at September 30, 2007, 2,562,088 shares issued and outstanding at December 31, 2006	10,303,940	10,248,352
Additional paid-in capital	13,704,462	13,588,888
Accumulated other comprehensive income (loss)	(222,689)	(177,759)
Retained earnings	2,780,216	1,984,634
Total stockholders' equity	26,565,929	25,644,115
	\$ 362,483,444	\$ 291,217,760

See accompanying notes to consolidated financial statements.

Village Bank and Trust Financial Corp. and Subsidiary
Consolidated Statements of Income
For the Three and Nine Months Ended September 30, 2007 and 2006
(Unaudited)

	Three Months Ended September 30, 2007		Nine Months Ended September 30, 2007	
	2007	2006	2007	2006
Interest income				
Loans	\$ 6,373,990	\$ 4,800,799	\$ 17,625,793	\$ 12,808,042
Investment securities	225,110	144,872	632,650	220,744
Federal funds sold	199,372	267,834	386,752	522,915
Total interest income	6,798,472	5,213,505	18,645,195	13,551,701
Interest expense				
Deposits	3,481,151	2,353,529	9,371,062	5,687,812
Borrowed funds	250,215	125,795	530,150	391,518
Total interest expense	3,731,366	2,479,324	9,901,212	6,079,330
Net interest income	3,067,106	2,734,181	8,743,983	7,472,371
Provision for loan losses				