

TREATY OAK BANCORP INC
Form 10QSB
August 13, 2007

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-QSB

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2007

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

Commission File Number: 333-112325

Treaty Oak Bancorp, Inc.

(Exact name of registrant as specified in its charter)

Texas

(State or other jurisdiction of
corporation or organization)

20-0413144

(I.R.S. Employer Identification Number)

101 Westlake Drive, Austin, Texas

(Address of Principal Executive Offices)

78746

(Zip Code)

(512) 617-3600

(Registrant's telephone number, including area code)

Indicate by check mark whether the issuer (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 x

No o

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

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Yes ☐

No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the close of business on August 9, 2007.

\$0.01 Par Value Common Stock

2,902,393 shares

Transitional Small Business Disclosure Format (Check one):

Yes ☐

No ☒

QUARTERLY REPORT ON FORM 10-QSB

FOR THE PERIOD ENDED JUNE 30, 2007

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This Form 10-QSB contains forward-looking statements consisting of estimates with respect to the financial condition, results of operations, and other business of Treaty Oak Bancorp, Inc., that are subject to various factors which could cause actual results to differ materially from those estimates. Factors that could influence the estimates include changes in the national, regional, and local market conditions, legislative and regulatory conditions, and an adverse interest rate environment.

Treaty Oak Bancorp, Inc.

Consolidated Balance Sheets (unaudited)

June 30, 2007 and September 30, 2006

(Dollars In Thousands, Except Par Value and Share Amounts)

	June 30, 2007	September 30, 2006(1)
ASSETS		
Cash and cash items	\$ 332	\$ 267
Due from banks	2,962	2,312
Federal funds sold	21,443	23,775
Total cash and cash equivalents	24,737	26,354
Securities available for sale	11	16
Securities held to maturity, fair value of \$1,450 and \$2,001, respectively	1,451	2,006
Investment in Federal Home Loan Bank stock, at cost	224	224
Investment in Independent Bankers Financial Corporation stock, at cost	102	102
Loans, net	78,001	59,620
Premises and equipment, net	5,627	5,593
Note receivable from affiliate		2,821
Accrued interest receivable	529	484
Due from affiliates		192
Goodwill and other intangibles, net	1,199	1,205
Other assets	1,297	474
Total assets	\$ 113,178	\$ 99,091
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Noninterest-bearing demand	\$ 27,134	\$ 28,091
NOW, money market and savings	35,893	32,401
Time deposits	31,765	20,526
Total deposits	94,792	81,018
Accounts payable and accrued expenses	342	352
Accrued interest payable	284	160
Property mortgage	2,619	2,667
Notes payable		2,483
Minority interest - PGI Equity Partners, LP		1,106
Other liabilities	23	33
Total liabilities	98,060	87,819
Shareholders' equity:		
Preferred stock, \$0.01 par value; 1,000,000 shares authorized; none issued		
Common stock, \$0.01 par value; 20,000,000 shares authorized; 2,908,396 and 2,640,226, respectively, issued	29	26
Paid-in capital	18,651	14,989
Accumulated deficit	(3,512)	(3,693)
Less shares held in treasury, at cost (6,003 shares)	(50)	(50)
Total shareholders' equity	15,118	11,272
Total liabilities and shareholders' equity	\$ 113,178	\$ 99,091

See Notes to Consolidated Financial Statements (unaudited)

(1) Derived from Audited Consolidated Financial Statements

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Treaty Oak Bancorp, Inc.

Consolidated Statements of Operations (unaudited)

Three Months and Nine Months Ended June 30, 2007 and 2006

(Dollars In Thousands, Except Share and Per Share Amounts)

	Three Months Ended June 30, 2007	Three Months Ended June 30, 2006	Nine Months Ended June 30, 2007	Nine Months Ended June 30, 2006
Interest income:				
Loans, including fees				