

CONSUMERS BANCORP INC /OH/  
Form 10-Q  
May 15, 2013

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

**FORM 10-Q**

Quarterly Report Pursuant to Section 13 or 15 (d) or the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2013

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 No. 033-79130

**CONSUMERS BANCORP, INC.**

(Exact name of registrant as specified in its charter)

OHIO  
(State or other jurisdiction  
of incorporation or organization)

34-1771400  
(I.R.S. Employer Identification No.)

614 East Lincoln Way, P.O. Box 256, Minerva, Ohio 44657  
(Address of principal executive offices) (Zip Code)

(330) 868-7701

(Registrant's telephone number)

Not applicable

(Former name, former address and former fiscal year, if changed since last report)

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 (232.05 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 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 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 Exchange Act). Yes  No

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

Common Stock, no par value Outstanding at May 14, 2013  
2,066,399 Common Shares

**CONSUMERS  
BANCORP,  
INC.**

**FORM 10-Q**

**QUARTER  
ENDED  
March 31,  
2013**

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## PART I – FINANCIAL INFORMATION

## Item 1 – Financial Statements

**CONSUMERS BANCORP, INC.**  
**CONSOLIDATED BALANCE SHEETS (Unaudited)**

(Dollars in thousands, except per share data)	March 31, 2013	June 30, 2012
<b>ASSETS</b>		
Cash on hand and noninterest-bearing deposits in financial institutions	\$7,530	\$6,663
Federal funds sold and interest-bearing deposits in financial institutions	9,391	7,082
Total cash and cash equivalents	16,921	13,745
Certificates of deposit in other financial institutions	5,645	5,645
Securities, available-for-sale	101,630	105,335
Federal bank and other restricted stocks, at cost	1,186	1,186
Loans held for sale	192	377
Total loans	212,614	197,430
Less allowance for loan losses	(2,377 )	(2,335 )
Net loans	210,237	195,095
Cash surrender value of life insurance	5,744	5,605
Premises and equipment, net	5,738	5,752
Accrued interest receivable and other assets	2,114	2,021
Total assets	\$349,407	\$334,761
<b>LIABILITIES</b>		
Deposits		
Non-interest bearing demand	\$72,014	\$65,915
Interest bearing demand	38,587	35,055
Savings	108,214	99,041
Time	80,459	84,470
Total deposits	299,274	284,481
Short-term borrowings		
Federal Home Loan Bank advances	12,483	13,722
Accrued interest and other liabilities	6,389	6,446
Total liabilities	2,067	2,222
Commitments and contingent liabilities	320,213	306,871
	—	—
<b>SHAREHOLDERS' EQUITY</b>		
Preferred stock (no par value, 350,000 shares authorized, none outstanding)	—	—
Common stock (no par value, 3,500,000 shares authorized; 2,196,144 and 1,186,791 shares issued as of March 31, 2013 and June 30, 2012,		

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respectively)	5,354	5,205
Retained earnings	23,986	22,740
Treasury stock, at cost (129,745 and 130,442 common shares as of March 31, 2013, 2012 and June 30, 2012, respectively)	(1,650 )	(1,659 )
Accumulated other comprehensive income	1,504	1,604
Total shareholders' equity	29,194	27,890
Total liabilities and shareholders' equity	\$349,407	\$334,761

See accompanying notes to consolidated financial statements



**CONSUMERS BANCORP, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME (Unaudited)**

(Dollars in thousands, except per share amounts)	Three Months ended		Nine Months ended	
	March 31, 2013	2012	March 31, 2013	2012
Interest income				
Loans, including fees	\$2,587	\$2,540	\$7,897	\$7,637
Securities, taxable	293	445	1,010	1,400
Securities, tax-exempt	318	267	937	761
Federal funds sold and other interest bearing deposits	15	12	46	42
Total interest income	3,213	3,264	9,890	9,840
Interest expense				
Deposits	236	289	768	924
Short-term borrowings	5	5	16	23
Federal Home Loan Bank advances	49	51	149	180
Total interest expense	290	345	933	1,127
Net interest income	2,923	2,919	8,957	8,713
Provision for loan losses	90	11	171	170
Net interest income after provision for loan losses	2,833	2,908	8,786	8,543
Non-interest income				
Service charges on deposit accounts	301	338	979	1,061
Debit card interchange income	190	187	589	545
Bank owned life insurance income	43	48	139	148
Securities gains (losses), net	101	(37 )	124	118
Loss on sale of other real estate owned	—	—	—	(53 )
Other	98	49	244	135
Total non-interest income	733	585	2,075	1,954
Non-interest expenses				
Salaries and employee benefits	1,548	1,421	4,591	4,060
Occupancy and equipment	321	268	965	784
Data processing expenses	138	143	360	422
Professional and director fees	83	80	258	271
FDIC assessments	51	48	150	147
Franchise taxes	68	69	207	198
Marketing and advertising	66	81	228	210
Telephone and network communications	75	60	220	176
Debit card processing expenses	90	97	291	284
Amortization of intangible	—	8	—	89
Other	359	336	1,124	1,032
Total non-interest expenses	2,799	2,611	8,394	7,673

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Income before income taxes	767	882	2,467	2,824
Income tax expense	139	196	477	660
Net Income	\$628	\$686	\$1,990	\$2,164
Basic and diluted earnings per share	\$0.30	\$0.33	\$0.96	\$1.06

See accompanying notes to consolidated financial statements

**CONSUMERS  
BANCORP,  
INC.**

Consolidated  
statements of  
comprehensive  
income

**(Unaudited)**

(Dollars in thousands)

	Three Months ended March 31,		Nine Months ended March 31,	
	2013	2012	2013	2012
Net income	\$628	\$686	\$1,990	\$2,164
Other comprehensive income (loss), net of tax:				