

GUARANTY FEDERAL BANCSHARES INC
Form 10-Q
May 15, 2009

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 March 31, 2009
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 0-23325

Guaranty Federal Bancshares, Inc.
(Exact name of registrant as specified in its charter)

Delaware 43-1792717
(State or other jurisdiction of incorporation or (IRS Employer Identification No.)
organization)

1341 West Battlefield 65807
Springfield, Missouri (Zip Code)
(Address of principal executive offices)

Registrant's telephone number, including area code: (417) 520-4333

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 or a smaller reporting company. See definitions of "accelerated filer", "large 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 12b-2 of the Exchange Act. Yes No

£ No T

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

Class	Outstanding as of May 6, 2009
Common Stock, Par Value \$0.10 per share	2,620,940 Shares

GUARANTY FEDERAL BANCSHARES, INC.

TABLE OF CONTENTS

	Page
PART I. FINANCIAL INFORMATION	
Item 1.	Financial Statements
Condensed Consolidated Financial Statements (Unaudited):	
	<u>Condensed Consolidated Statements of Financial Condition</u> 3
	<u>Condensed Consolidated Statements of Operations</u> 4
	<u>Condensed Consolidated Statements of Stockholders' Equity</u> 5
	<u>Condensed Consolidated Statements of Cash Flows</u> 7
	<u>Notes to Condensed Consolidated Financial Statements</u> 8
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u> 14
Item 3.	<u>Quantitative and Qualitative Disclosures about Market Risk</u> 19
Item 4.	<u>Controls and Procedures</u> 20
PART II. OTHER INFORMATION	
Item 1.	<u>Legal Proceedings</u> 21
Item 1A.	<u>Risk factors</u> 21
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u> 21
Item 3.	<u>Defaults Upon Senior Securities</u> 21
Item 4.	<u>Submission of Matters to a Vote of Security Holders</u> 21
Item 5.	<u>Other Information</u> 21
Item 6.	<u>Exhibits</u> 21
<u>Signatures</u>	

Table of Contents

PART I

Item 1. Financial Statements

GUARANTY FEDERAL BANCSHARES, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
 MARCH 31, 2009 (UNAUDITED) AND DECEMBER 31, 2008

ASSETS	3/31/09	12/31/08
Cash	\$3,640,524	\$3,826,567
Interest-bearing deposits in other financial institutions	58,740,677	11,270,448
Cash and cash equivalents	62,381,201	15,097,015
Interest-bearing deposits	2,689,000	-
Available-for-sale securities	113,910,498	65,505,339
Held-to-maturity securities	532,450	556,465
Stock in Federal Home Loan Bank, at cost	6,730,100	6,730,100
Mortgage loans held for sale	2,929,264	1,933,798
Loans receivable, net of allowance for loan losses of March 31, 2009 - \$16,233,456 - December 31, 2008 - \$16,728,492	534,575,531	556,393,243
Accrued interest receivable:		
Loans	1,910,180	2,310,062
Investments	410,921	322,388
Prepaid expenses and other assets	3,976,955	4,065,359
Foreclosed assets held for sale	5,897,531	5,655,257
Premises and equipment	11,971,012	11,323,463
Income taxes receivable	900,328	9,091
Deferred income taxes	5,244,633	5,768,813
	\$754,059,604	\$675,670,393
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits	\$530,536,191	\$447,079,469
Federal Home Loan Bank advances	111,436,000	132,436,000
Securities sold under agreements to repurchase	39,750,000	39,750,000
Subordinated debentures	15,465,000	15,465,000
Notes payable	-	1,435,190
Advances from borrowers for taxes and insurance	304,362	166,327
Accrued expenses and other liabilities	838,763	448,226
Accrued interest payable	1,685,812	1,577,279
	700,016,128	638,357,491
COMMITMENTS AND CONTINGENCIES	-	-
STOCKHOLDERS' EQUITY		
Capital Stock:		
Series A preferred stock, \$0.01 par value; authorized 2,000,000 shares; issued and outstanding March 31, 2009 - 17,000 shares	15,668,116	-
Common stock, \$0.10 par value; authorized 10,000,000 shares; issued March 31, 2009 and December 31, 2008 - 6,779,800 shares;	677,980	677,980

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Common stock warrants; March 31, 2009 - 459,459 shares	1,377,811	-
Additional paid-in capital	58,531,989	58,535,159
Unearned ESOP shares	(831,930)	(888,930)
Retained earnings, substantially restricted	38,334,475	39,114,189
Accumulated other comprehensive income		
Unrealized appreciation on available-for-sale securities and effect of interest rate swaps, net of income taxes	2,098,389	1,687,858
	115,856,830	99,126,256
Treasury stock, at cost; March 31, 2009 and December 31, 2008 - 4,077,567 shares	(61,813,354)	(61,813,354)
	54,043,476	37,312,902
	\$754,059,604	\$675,670,393

See Notes to Condensed Consolidated Financial Statements

Table of Contents

GUARANTY FEDERAL BANCSHARES, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 THREE MONTHS ENDED MARCH 31, 2009 AND 2008 (UNAUDITED)

	3/31/2009	3/31/2008
Interest Income		
Loans	\$7,444,709	\$8,602,216
Investment securities	829,396	575,165
Other	49,196	53,652
	8,323,301	9,231,033
Interest Expense		
Deposits	4,035,306	