

GUARANTY FEDERAL BANCSHARES INC
Form 10-Q
August 10, 2017
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 June 30, 2017

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 organization) (IRS Employer Identification No.)

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

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, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period of complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

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.

<u>Class</u>	<u>Outstanding as of August 8, 2017</u>
Common Stock, Par Value \$0.10 per share	4,421,775 Shares

GUARANTY FEDERAL BANCSHARES, INC.

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PART I FINANCIAL INFORMATION**Item 1. Financial Statements****GUARANTY FEDERAL BANCSHARES, INC.****CONDENSED CONSOLIDATED BALANCE SHEETS****JUNE 30, 2017 (UNAUDITED) AND DECEMBER 31, 2016**

	6/30/17	12/31/16
ASSETS		
Cash and due from banks	\$3,531,188	\$3,769,478
Interest-bearing deposits in other financial institutions	7,216,159	5,318,963
Cash and cash equivalents	10,747,347	9,088,441
Available-for-sale securities	85,006,043	92,399,235
Held-to-maturity securities	20,954	27,528
Stock in Federal Home Loan Bank, at cost	4,577,500	4,611,000
Mortgage loans held for sale	1,903,062	2,183,633
Loans receivable, net of allowance for loan losses of June 30, 2017 - \$6,640,164 - December 31, 2016 - \$5,742,449	608,159,460	538,273,640
Accrued interest receivable	2,060,646	1,947,063
Prepaid expenses and other assets	3,487,669	2,961,336
Foreclosed assets held for sale	1,302,012	2,682,353
Premises and equipment, net	11,717,390	10,871,039
Bank owned life insurance	19,505,622	19,272,893
Deferred and income taxes receivable	3,231,501	3,661,658
	\$751,719,206	\$687,979,819

LIABILITIES AND STOCKHOLDERS' EQUITY**LIABILITIES**

Deposits	\$567,013,636	\$505,362,750
Federal Home Loan Bank advances	93,800,000	95,700,000
Subordinated debentures	15,465,000	15,465,000
Advances from borrowers for taxes and insurance	374,878	192,460
Accrued expenses and other liabilities	1,528,647	1,077,396
Accrued interest payable	213,907	207,833
	678,396,068	618,005,439

COMMITMENTS AND CONTINGENCIES

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STOCKHOLDERS' EQUITY

Capital Stock:

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Common stock, \$0.10 par value; authorized 10,000,000 shares; issued June 30, 2017 and December 31, 2016 - 6,875,503 shares	687,550	687,550
Additional paid-in capital	50,569,054	50,552,077
Retained earnings, substantially restricted	59,484,791	57,347,282
Accumulated other comprehensive loss	(292,716)	(1,309,241)
	110,448,679	107,277,668
Treasury stock, at cost; June 30, 2017 and December 31, 2016 - 2,453,728 and 2,465,476 shares, respectively	(37,125,541)	(37,303,288)
	73,323,138	69,974,380
	\$751,719,206	\$687,979,819

See Notes to Condensed Consolidated Financial Statements.

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GUARANTY FEDERAL BANCSHARES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2017 AND 2016 (UNAUDITED)

	Three months ended		Six months ended	
	6/30/2017	6/30/2016	6/30/2017	6/30/2016
Interest Income				
Loans	\$6,743,613	\$5,628,133	\$12,990,123	\$11,330,025
Investment securities	454,040	525,713	929,509	983,564
Other	43,855	50,468	93,278	95,770
	7,241,508	6,204,314	14,012,910	12,409,359
Interest Expense				