

AMES NATIONAL CORP
Form 10-Q
November 07, 2014
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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 September 30, 2014

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 0-32637

AMES NATIONAL CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

IOWA **42-1039071**
(State or Other Jurisdiction of (I. R. S. Employer
Incorporation or Organization) Identification Number)

405 FIFTH STREET

AMES, IOWA 50010

(Address of Principal Executive Offices)

Registrant's Telephone Number, Including Area Code: **(515) 232-6251**

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 (Section 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, or a non-accelerated filer, or a smaller reporting company. See definition of "accelerated filer", "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

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

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

| | |
|---------------------------------------|------------------|
| COMMON STOCK, \$2.00 PAR VALUE | 9,310,913 |
| (Class) | |

(Shares Outstanding
at October 31, 2014)

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AMES NATIONAL CORPORATION

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| | September 30, 2014 | December 31, 2013 |
|--|-------------------------------|------------------------------|
| ASSETS | | |
| Cash and due from banks | \$25,685,197 | \$24,270,031 |
| Interest bearing deposits in financial institutions | 41,529,118 | 23,628,117 |
| Securities available-for-sale | 568,103,061 | 580,039,080 |
| Loans receivable, net | 615,701,355 | 564,501,547 |
| Loans held for sale | 447,423 | 295,618 |
| Bank premises and equipment, net | 15,984,355 | 11,892,329 |
| Accrued income receivable | 8,589,329 | 7,437,673 |
| Other real estate owned | 10,187,794 | 8,861,107 |
| Deferred income taxes | 1,662,407 | 5,027,103 |
| Core deposit intangible, net | 1,843,857 | 1,029,564 |
| Goodwill | 6,732,216 | 5,600,749 |
| Other assets | 1,695,913 | 501,242 |
| Total assets | \$1,298,162,025 | \$1,233,084,160 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| LIABILITIES | | |
| Deposits | | |
| Demand, noninterest bearing | \$175,656,528 | \$179,946,472 |
| NOW accounts | 294,207,846 | 299,788,852 |
| Savings and money market | 315,650,511 | 289,307,102 |
| Time, \$100,000 and over | 98,705,314 | 97,077,717 |
| Other time | 155,565,574 | 145,683,035 |
| Total deposits | 1,039,785,773 | 1,011,803,178 |
| Securities sold under agreements to repurchase and federal funds purchased | 68,194,012 | 39,616,644 |
| Federal Home Loan Bank (FHLB) advances | 16,986,152 | 14,540,526 |
| Other borrowings | 13,000,000 | 20,000,000 |
| Dividend payable | 1,675,964 | 1,489,746 |
| Accrued expenses and other liabilities | 4,550,116 | 3,527,882 |
| Total liabilities | 1,144,192,017 | 1,090,977,976 |

STOCKHOLDERS' EQUITY

| | | |
|--|------------------------|------------------------|
| Common stock, \$2 par value, authorized 18,000,000 shares; issued 9,432,915 shares as of September 30, 2014 and December 31, 2013; outstanding 9,310,913 shares as of September 30, 2014 and December 31, 2013 | 18,865,830 | 18,865,830 |
| Additional paid-in capital | 22,651,222 | 22,651,222 |
| Retained earnings | 109,239,104 | 102,154,498 |
| Accumulated other comprehensive income - net unrealized gain on securities available-for-sale | 5,230,350 | 451,132 |
| Treasury stock, at cost; 122,002 shares at September 30, 2014 and December 31, 2013 | (2,016,498) | (2,016,498) |
| Total stockholders' equity | 153,970,008 | 142,106,184 |
| Total liabilities and stockholders' equity | \$1,298,162,025 | \$1,233,084,160 |

See Notes to Consolidated Financial Statements.

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AMES NATIONAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(unaudited)

| | Three Months Ended | | Nine Months Ended | |
|--|---------------------------|-------------|--------------------------|-------------|
| | September 30, | | September 30, | |
| | 2014 | 2013 | 2014 | 2013 |

Interest income:

| | | | | |
|-----------------------|-------------|-------------|--------------|--------------|
| Loans, including fees | \$6,722,179 | \$6,569,005 | \$19,708,190 | \$18,874,279 |
|-----------------------|-------------|-------------|--------------|--------------|

Securities: