

Oak Ridge Financial Services, Inc.  
Form 10-K/A  
May 15, 2009

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-K/A**

Amendment No. 1

(Mark One)

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

For the fiscal year ended December 31, 2008

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: 000-52640

**OAK RIDGE FINANCIAL SERVICES, INC**

(Exact name of registrant as specified in its charter)

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**North Carolina**  
(State or other jurisdiction of  
incorporation or organization)

**20-8550086**  
(I.R.S. Employer  
Identification No.)

**Post Office Box 2**

**2211 Oak Ridge Road**

**Oak Ridge, North Carolina 27310**

(Address of principal executive offices)

**(336) 644-9944**

(Registrant's telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**

<b>Title of each class</b>	<b>Name of each exchange on which registered</b>
<b>None</b>	<b>None</b>
<b>Securities registered pursuant to Section 12(g) of the Act: Common Stock, no par value</b>	

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes  No

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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.

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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

The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant, based on the last sale price of common stock as of March 17, 2009 (\$5.55), was \$8,427,992.

The number of shares outstanding of each of the registrant's classes of common stock, as of March 17, 2009, was as follows:

Class	Number of Shares
Common Stock, no par value	1,791,474

**EXPLANATORY NOTE**

This Amendment No. 1 on Form 10-K/A (the Amended 10-K ) amends the Oak Ridge Financial Services, Inc. Annual

Report on Form 10-K for the fiscal year ended December 31, 2008 that was filed with the Securities and Exchange Commission on March 31, 2009 (the Original 10-K ). The Amended 10-K is being filed solely to revise the second paragraph of Part II, Item 9A(T) of the Original 10-K. In the second paragraph of Part II, Item 9A(T) of the Original 10-K, the statement that the Company s management has evaluated and concluded that the Company s internal control over financial reporting was effective as of December 31, 2008 except as it relates to our adoption of SFAS 159, which we have restated the financial statements as of and for the three-month periods ending March 31, 2007, June 30, 2007, September 30, 2007, and as of and for the year ended December 31, 2007, has been revised. After consultation with the Securities and Exchange Commission, its external auditors, and its legal counsel, the Company has concluded that the Company s internal control over financial reporting was ineffective as of December 31, 2008, as a result of a material weakness related to our early adoption of SFAS 159.

For the convenience of the reader, this Amended 10-K sets forth Part II, Item 9A in its entirety. Other than the revisions referred to above, all other information included in the Original 10-K remains unchanged. As a consequence of these changes, Oak Ridge Financial Services is also filing new certifications of its Chief Executive Officer and Chief Financial Officer, with conforming changes, as Exhibits 31.1 and 31.2. This Amended 10-K is not intended to, nor does it, reflect events occurring after the filing of the Original 10-K. It does not modify or update the disclosures in the Original 10-K in any way other than as required to reflect the changes described above.

**ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

Not applicable.

**ITEM 9A. CONTROLS AND PROCEDURES**

The Company's management, under the supervision and with the participation of the Chief Executive Officer and the Chief Financial Officer of the Company (its principal executive officer and principal financial officer, respectively) have carried out their evaluation as of the end of the period covered by this Report, to determine if the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in the reports filed or submitted by it under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms, and include controls and procedures designed to ensure that information required to be disclosed by the Company in such reports is accumulated and communicated to the Company's management, including the Chief Executive Officer and the Chief Financial Officer of the Company, as appropriate to allow timely decisions regarding required disclosure.

Our management, including our principal executive officer and principal financial officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2008 and concluded that the disclosure controls and procedures were not effective as a whole, and that the deficiency involving internal controls constituted a material weakness as discussed below. The material weakness resulted in the restatement of the previously reported financial statements and other related financial disclosures.

**ITEM 9A(T). CONTROLS AND PROCEDURES**

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in the Exchange Act Rules 13a-15(f). A system of internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Under the supervision and with the participation of management, including the principal executive officer and the principal financial officer, the Company's management has evaluated the effectiveness of its internal control over financial reporting as of December 31, 2008 based on the criteria established in a report entitled "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission and the interpretive guidance issued by the SEC in Release No. 34-55929. Based on this evaluation, the Company's management has evaluated and concluded that the Company's internal control over financial reporting was ineffective as of December 31, 2008 as a result of a material weakness. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

The material weakness related to our early adoption of SFAS 159 on April 30, 2007. We had previously reported our 2007 financial results in our 2007 Form 10-KSB, which included early adoption of SFAS 159 for our investment portfolio. In 2008, based on an SEC comment letter and further evaluation by management of the Company, we amended our 2007 financial results in our 2008 Form 10-K and reversed our early adoption of SFAS 159.

The Company has implemented new procedures to mitigate the risk of ineffective internal controls related to accounting for the adoption of new accounting standards in the future that include a thorough review of all applicable guidance, consultation with our external auditors and legal counsel and other experts, including consultation with the Securities and Exchange, if necessary. The Company is continuously seeking to improve the efficiency and effectiveness of its operations and of its internal controls. This results in modifications to its processes throughout the Company. However, there has been no change in its internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

This annual report does not include an attestation report of the Company's independent registered public accounting firm regarding internal control over financial reporting. The Company's registered public accounting firm was not required to issue an attestation on its internal controls over financial reporting pursuant to temporary rules of the SEC.

**Changes in Internal Control Over Financial Reporting.**

There was no change in the Company's internal control over financial reporting that occurred during the fourth quarter of 2008 that has materially affected or is reasonably likely to materially affect, the Company's internal control over financial reporting.

**ITEM 9B. OTHER INFORMATION**

Not applicable.

**SIGNATURES**

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

OAK RIDGE FINANCIAL SERVICES, INC.

Dated: May 15, 2009

By: /s/ Ronald O. Black  
 Ronald O. Black  
 President and Chief Executive Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ Ronald O. Black Ronald O. Black	President, Chief Executive Officer and Director	<u>May 15, 2009</u>
/s/ Thomas W. Wayne Thomas W. Wayne	Senior Vice President and Chief Financial Officer	<u>May 15, 2009</u>
/s/ L. William Vasaly, III L. William Vasaly, III	Senior Vice President and Chief Credit Officer	<u>May 15, 2009</u>
/s/ Douglas G. Boike Douglas G. Boike	Director	<u>May 15, 2009</u>
/s/ Herbert M. Cole Herbert M. Cole	Director	<u>May 15, 2009</u>
/s/ Francis R. Disney Francis R. Disney	Director	<u>May 15, 2009</u>
/s/ Craig Fleming Craig Fleming	Director	<u>May 15, 2009</u>
/s/ James W. Hall James W. Hall	Director	<u>May 15, 2009</u>
/s/ Billy R. Kanoy Billy R. Kanoy	Director	<u>May 15, 2009</u>
/s/ Lynda J. Anderson Lynda J. Anderson	Director	<u>May 15, 2009</u>
/s/ Stephen S. Neal Stephen S. Neal	Director	<u>May 15, 2009</u>
/s/ John S. Olmsted John S. Olmsted	Director	<u>May 15, 2009</u>
/s/ Manuel L. Perkins Manuel L. Perkins	Director	<u>May 15, 2009</u>

