

QCR HOLDINGS INC
Form 10-Q
May 09, 2011

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ending March 31, 2011

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 0-22208

QCR HOLDINGS, INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

42-1397595
(I.R.S. Employer ID Number)

3551 7th Street, Moline, Illinois 61265

(Address of principal executive offices)

(309) 736-3580

(Registrant's telephone number, including area code)

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 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 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 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 Act). Yes No

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Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date: As of May 2, 2011, the Registrant had outstanding 4,729,163 shares of common stock, \$1.00 par value per share.

QCR HOLDINGS, INC. AND SUBSIDIARIES

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QCR HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

As of March 31, 2011 and December 31, 2010

	March 31, 2011	December 31, 2010
ASSETS		
Cash and due from banks	\$35,738,911	\$42,030,806
Federal funds sold	69,260,000	61,960,000
Interest-bearing deposits at financial institutions	28,374,628	39,745,611
Securities held to maturity, at amortized cost	300,000	300,000
Securities available for sale, at fair value	491,257,812	424,546,767
Total securities	491,557,812	424,846,767
Loans receivable held for sale	1,268,230	14,084,859
Loans/leases receivable held for investment	1,154,499,741	1,158,453,744
Gross loans/leases receivable	1,155,767,971	1,172,538,603
Less allowance for estimated losses on loans/leases	(20,730,016)	(20,364,656)
Net loans/leases receivable	1,135,037,955	1,152,173,947
Premises and equipment, net	30,852,151	31,118,744
Goodwill	3,222,688	3,222,688
Accrued interest receivable	6,535,666	6,435,989
Bank-owned life insurance	33,909,801	33,565,390
Prepaid FDIC insurance	4,739,932	5,361,314
Restricted investment securities	15,421,400	16,668,700
Other real estate owned, net	8,357,604	8,534,711
Other assets	10,685,566	10,970,549
Total assets	\$1,873,694,114	\$1,836,635,216
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Noninterest-bearing	\$281,236,549	\$276,827,205
Interest-bearing	913,621,337	837,988,652
Total deposits	1,194,857,886	1,114,815,857
Short-term borrowings	134,871,743	141,154,499
Federal Home Loan Bank advances	210,250,000	238,750,000
Other borrowings	143,629,848	150,070,785
Junior subordinated debentures	36,085,000	36,085,000
Other liabilities	21,041,501	23,188,367
Total liabilities	1,740,735,978	1,704,064,508
STOCKHOLDERS' EQUITY		

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Preferred stock, \$1 par value; shares authorized 250,000	63,237	63,237
March 2011 and December 2010 - 63,237 shares issued and outstanding		
Common stock, \$1 par value; shares authorized 20,000,000	4,833,562	4,732,428
March 2011 - 4,833,562 shares issued and 4,712,316 outstanding		
December 2010 - 4,732,428 shares issued and 4,611,182 outstanding		
Additional paid-in capital	86,913,069	86,478,269
Retained earnings	41,643,489	40,550,900
Accumulated other comprehensive income (loss)	(641,389)	704,165
Noncontrolling interests	1,752,678	1,648,219
	134,564,646	134,177,218
Treasury Stock, March 2011 and December 2010 - 121,246 common shares, at cost	1,606,510	1,606,510
Total stockholders' equity	132,958,136	132,570,708
Total liabilities and stockholders' equity	1,873,694,114	\$1,836,635,216

See Notes to Consolidated Financial Statements

QCR HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
Three Months Ended March 31,

	2011	2010
Interest and dividend income:		
Loans/leases, including fees	\$ 15,734,640	\$ 17,513,489
Securities:		
Taxable	2,336,239	2,462,680
Nontaxable	239,346	228,724
Interest-bearing deposits at financial institutions	111,149	144,918
Restricted investment securities	163,520	105,479
Federal funds sold	66,338	21,287
Total interest and dividend income	18,651,232	20,476,577
Interest expense:		
Deposits	2,425,554	3,375,009
Short-term borrowings	113,666	168,846
Federal Home Loan Bank advances	2,143,376	2,244,077
Other borrowings	1,279,179	1,389,119
Junior subordinated debentures	480,655	478,958
Total interest expense	6,442,430	7,656,009
Net interest income	12,208,802	12,820,568
Provision for loan/lease losses	1,067,664	1,603,229
Net interest income after provision for loan/lease losses	11,141,138	11,217,339
Noninterest income:		
Trust department fees	950,802	905,788
Investment advisory and management fees, gross	531,218	434,695
Deposit service fees	872,672	822,768
Gains on sales of loans, net	759,693	168,954
Securities gains	880,312	-
Losses on sales of other real estate owned, net	(25,098)	(342,546)
Earnings on bank-owned life insurance	344,411	334,506
Credit card issuing fees, net of processing costs	141,160	86,142
Other	601,954	421,330
Total noninterest income	5,057,124	2,831,637
Noninterest expense:		
Salaries and employee benefits	7,473,503	6,891,004
Occupancy and equipment expense	1,289,455	1,371,346
Professional and data processing fees	1,124,522	1,157,398
FDIC and other insurance	882,730	803,526
Loan/lease expense	276,228	569,015
Advertising and marketing	224,729	166,241
Postage and telephone	230,185	262,740

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Stationery and supplies	134,643	120,398
Bank service charges	161,178	61,251
Prepayment fees on Federal Home Loan Bank advances	832,099	-
Losses on lease residual values	-	617,000
Other	382,999	422,003
Total noninterest expense	13,012,271	12,441,922
Net income before income taxes	3,185,991	1,607,054
Federal and state income tax expense	954,507	392,121
Net income	\$2,231,484	\$1,214,933
Less: Net income (loss) attributable to noncontrolling interests	106,524	(77,076)
Net income attributable to QCR Holdings, Inc.	\$2,124,960	\$1,292,009