

ACNB CORP
Form 10-Q
May 10, 2007

**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, 2007

Commission file number 0-11783

ACNB CORPORATION

(Exact name of Registrant as specified in its charter)

Pennsylvania

(State or other jurisdiction of
incorporation or organization)

23-2233457

(I.R.S. Employer
Identification No.)

16 Lincoln Square, Gettysburg, Pennsylvania

(Address of principal executive offices)

17325-3129

(Zip Code)

Registrant's telephone number, including area code: **(717) 334-3161**

Common Stock, Par Value \$2.50 per Share

(Title of class)

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer:

Accelerated filer:

Non-accelerated filer:

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares of the Registrant's Common Stock outstanding on May 3, 2007, was 5,706,970.

PART I

ACNB CORPORATION

ITEM 1 FINANCIAL INFORMATION

CONSOLIDATED STATEMENTS OF CONDITION

Dollars in thousands, except per share data	Unaudited March 31, 2007	Unaudited March 31, 2006	December 31, 2006
ASSETS			
Cash and due from banks	\$ 14,782	\$ 18,005	\$ 19,764
Interest-bearing deposits in banks	892	893	892
Cash and Cash Equivalents	15,674	18,898	20,656
Securities available for sale	326,931	341,264	336,251
Securities held to maturity, fair value \$15,947; \$18,197; \$16,496	15,990	18,242	16,546
Loans held for sale	950	832	601
Loans, net of allowance for loan losses \$5,515; \$4,717; \$5,375	530,762	513,373	518,843
Premises and equipment	14,654	15,314	14,871
Restricted investment in bank stocks	10,352	10,418	10,263
Investment in bank-owned life insurance	22,104	21,291	21,901
Investments in low-income housing partnerships	5,099	5,543	5,202
Other assets	19,526	19,565	19,623
Total Assets	\$ 962,042	\$ 964,740	\$ 964,757
LIABILITIES AND STOCKHOLDERS EQUITY			
LIABILITIES			
Deposits:			
Non-interest bearing	\$ 79,057	\$ 78,526	\$ 74,919
Interest bearing	603,298	596,279	594,786
Total Deposits	682,355	674,805	669,705
Short-term borrowings	49,900	48,167	59,983
Long-term borrowings	140,451	160,713	145,520
Other liabilities	10,519	7,441	12,245
Total Liabilities	883,225	891,126	887,453
STOCKHOLDERS EQUITY			
Common stock, \$2.50 par value; 20,000,000 shares authorized; 5,706,970, 5,436,101 and 5,706,970 shares issued and outstanding, respectively	14,267	13,590	14,267
Additional paid-in capital	4,741		4,741
Retained earnings	63,560	66,140	62,845
Accumulated other comprehensive loss	(3,751)	(6,116)	(4,549)
Total Stockholders Equity	78,817	73,614	77,304
Total Liabilities and Stockholders Equity	\$ 962,042	\$ 964,740	\$ 964,757

The accompanying notes are an integral part of the consolidated financial statements.

ACNB CORPORATION

CONSOLIDATED STATEMENTS OF INCOME

	Unaudited Three Months Ended March 31,	
	2007	2006
Dollars in thousands, except per share data		
INTEREST INCOME		
Loans, including fees	\$ 8,723	\$ 7,836
Securities:		
Taxable	3,143	3,397
Tax-exempt	309	228
Dividends	170	89
Other	32	40
Total Interest Income	12,377	11,590
INTEREST EXPENSE		
Deposits	4,031	3,418
Short-term borrowings	751	763