

NEW PEOPLES BANKSHARES INC
Form 10-Q
August 15, 2016

UNITED STATES

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 ended June 30, 2016

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: 000-33411

NEW PEOPLES BANKSHARES, INC.

(Exact name of registrant as specified in its charter)

Virginia

(State or other jurisdiction of
incorporation or organization)

31-1804543

(I.R.S. Employer

Identification No.)

67 Commerce Drive

Honaker, Virginia

24260

(Address of principal executive offices) (Zip Code)

(Registrant's telephone number, including area code) **(276) 873-7000**

n/a

(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[X] No[]

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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, 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. (Check one):

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:

Class	Outstanding at August 12, 2016
Common Stock, \$2.00 par value	23,354,082

NEW PEOPLES BANKSHARES, INC.

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Part I Financial Information

Item 1 Financial Statements

NEW PEOPLES BANKSHARES, INC.**CONSOLIDATED STATEMENTS OF INCOME****FOR THE SIX MONTHS ENDED JUNE 30, 2016 AND 2015**

(IN THOUSANDS EXCEPT SHARE AND PER SHARE DATA)

(UNAUDITED)

INTEREST AND DIVIDEND INCOME	2016	2015
Loans including fees	\$11,178	\$11,706
Federal funds sold	—	2
Interest-earning deposits with banks	44	55
Investments	827	849
Dividends on equity securities (restricted)	64	66
Total Interest and Dividend Income	12,113	12,678
INTEREST EXPENSE		
Deposits		
Demand	24	18
Savings	78	85
Time deposits below \$100,000	535	747
Time deposits above \$100,000	312	522
FHLB advances	64	78
Federal funds purchased	2	—
Trust preferred securities	245	217
Total Interest Expense	1,260	1,667
NET INTEREST INCOME	10,853	11,011
PROVISION FOR LOAN LOSSES	(500)	—
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	11,353	11,011
NONINTEREST INCOME		
Service charges	1,072	1,088
Fees, commissions and other income	1,663	1,537
Insurance and investment fees	301	256
Net realized gains on sale of investment securities	240	35
Life insurance investment income	63	69
Total Noninterest Income	3,339	2,985

NONINTEREST EXPENSES

Salaries and employee benefits	6,549	5,824
Occupancy and equipment expense	1,921	1,862
Advertising and public relations	233	129
Data processing and telecommunications	1,157	1,002
FDIC insurance premiums	270	439
Other real estate owned and repossessed vehicles, net	252	1,066
Other operating expenses	2,731	2,587
Total Noninterest Expenses	13,113	12,909

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INCOME BEFORE INCOME TAXES	1,579	1,087
INCOME TAX EXPENSE (BENEFIT)	(1) 3
NET INCOME	\$1,580	\$1,084
Income Per Share		
Basic	\$0.07	\$0.05
Fully Diluted	\$0.07	\$0.05
Average Weighted Shares of Common Stock		
Basic	23,354,082	22,878,654
Fully Diluted	23,354,082	22,878,654

The accompanying notes are an integral part of this statement.

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