

FIRST COMMUNITY CORP /SC/  
Form 10QSB  
May 13, 2004

## U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

### FORM 10-QSB

(Mark One)

**Quarterly report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 2004**

**Transition report under Section 13 or 15(d) of the Exchange Act for the transition period from        to**

Commission File No. 33-86258

## FIRST COMMUNITY CORPORATION

(Exact Name of Small Business Issuer as Specified in its Charter)

**South Carolina**  
(State of Incorporation)

**57-1010751**  
(I.R.S. Employer Identification)

**5455 Sunset Boulevard, Lexington, South Carolina 29072**

(Address of Principal Executive Offices)

**(803) 951-2265**

(Issuer's Telephone Number, Including Area Code)

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date:

1,606,851 shares of common stock, par value \$1.00 per share, were issued and outstanding as of April 30, 2004

Transitional Small Business Disclosure Format (check one): Yes  No

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TABLE OF CONTENTS

**PART I - FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

Consolidated Balance Sheets

Consolidated Statements of Income

Consolidated Statements of Shareholders Equity and Comprehensive Income

Consolidated Statements of Cash Flows

Notes to Consolidated Financial Statements

**Item 2. Managements Discussion and Analysis of Operations**

**Item 3. Controls and Procedures**

**PART II OTHER INFORMATION**

**Item 1. Legal Proceedings**

**Item 2. Changes in Securities**

**Item 3. Defaults Upon Senior Securities**

**Item 4. Submission of Matters to a Vote of Security Holders**

**Item 5. Other Information**

**Item 6. Exhibits and Reports of Form 8-K**

**INDEX TO EXHIBITS**

**SIGNATURES**

**EX-31.1 Rule 13a-14(a) Certification of the Chief Executive Officer**

**EX-31.2 Rule 13a-14(a) Certification of the Chief Financial Officer**

**EX-32 Section 1350 Certifications**

## PART I

## FINANCIAL INFORMATION

## Item 1. Financial Statements.

## FIRST COMMUNITY CORPORATION

## CONSOLIDATED BALANCE SHEETS

	March 31, 2004 (Unaudited)	December 31, 2003
<b>ASSETS</b>		
Cash and due from banks	\$ 6,605,673	\$ 6,926,341
Interest-bearing bank balances	2,897,407	2,221,397
Federal funds sold and securities purchased under agreements to resell	20,982,559	17,335,461
Investment securities - available for sale	48,901,674	53,958,799
Investment securities - held to maturity (market value of \$5,249,900 and \$5,160,669 at March 31, 2004 and December 31, 2003, respectively)	4,987,410	4,994,896
Loans	127,008,866	121,008,673
Less, allowance for loan losses	1,789,617	1,705,082
Net loans	125,219,249	119,303,591
Property, furniture and equipment - net	8,411,971	7,981,611
Intangible assets	719,057	763,585
Other assets	1,488,446	1,543,008
Total assets	\$ 220,213,446	\$ 215,028,689
<b>LIABILITIES</b>		
Deposits:		
Non-interest bearing demand	\$ 39,671,287	\$ 37,043,600
NOW and money market accounts	52,909,485	57,015,473
Savings	13,210,250	11,222,761
Time deposits less than \$100,000	45,561,870	45,125,843
Time deposits \$100,000 and over	36,051,872	34,850,195
Total deposits	187,404,764	185,257,872
Federal Home Loan Bank Advances	5,000,000	5,000,000
Securities sold under agreements to repurchase	6,396,800	3,941,000
Other borrowed money	149,631	160,076
Other liabilities	1,208,322	1,160,927
Total liabilities	200,159,517	195,519,875
<b>SHAREHOLDERS EQUITY</b>		
Preferred stock, par value \$1.00 per share, 10,000,000 shares authorized; none issued and outstanding		
Common stock, par value \$1.00 per share; 10,000,000 shares authorized; issued and outstanding 1,598,401 at March 31, 2003 and 1,597,224 at December 31, 2003.	1,598,401	1,597,224
Additional paid in capital	12,889,167	12,862,715

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Retained earnings	5,251,741	4,909,742
Accumulated other comprehensive income	314,620	139,133
Total shareholders' equity	20,053,929	19,508,814
Total liabilities and shareholders' equity	\$ 220,213,446	\$ 215,028,689

**FIRST COMMUNITY CORPORATION**  
**CONSOLIDATED STATEMENTS OF INCOME**

	<b>Three Months ended March 31,</b>	
	<b>2004</b>	<b>2003</b>
<b>Interest income:</b>		
Loans, including fees	\$ 2,001,792	\$ 1,820,480
Investment securities	543,413	642,866
Federal funds sold and securities purchased under resale agreements	29,421	43,857
Other	433	2,648
<b>Total interest income</b>	<b>2,575,059</b>	<b>2,509,851</b>
<b>Interest expense:</b>		
Deposits	517,905	646,695
Federal funds sold and securities sold under agreement to repurchase	6,000	8,727
Other borrowed money	27,701	201
<b>Total interest expense</b>	<b>551,606</b>	<b>655,623</b>
<b>Net interest income</b>	<b>2,023,453</b>	<b>1,854,228</b>
Provision for loan losses	66,000	52,000
<b>Net interest income after provision for loan losses</b>	<b>1,957,453</b>	<b>1,802,228</b>
<b>Non-interest income:</b>		
Deposit service charges	189,053	154,591
Mortgage origination fees	57,717	93,334
Other	130,985	61,294
<b>Total non-interest income</b>	<b>377,755</b>	<b>309,219</b>
<b>Non-interest expense:</b>		
Salaries and employee benefits	901,441	756,668
Occupancy	100,975	95,981
Equipment	223,739	162,314
Marketing and public relations	98,326	76,828
Amortization of intangibles	44,528	45,126
Other	330,382	