

UNITED BANCORPORATION OF ALABAMA INC
Form 10-Q
August 13, 2010

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, 2010

Commission file number 000-25917

UNITED BANCORPORATION OF ALABAMA, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

63-0833573
(I.R.S. Employer Identification Number)

200 East Nashville Avenue, Atmore, Alabama
(Address of principal executive offices)

36502
(Zip Code)

(251) 446-6000
(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 report(s), and (2) has been subject to such filing requirements for the 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 (§ 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 definition of "large accelerated filer," "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 define 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 August 13, 2010.

Class A Common Stock.... 2,279,669 Shares

Class B Common Stock.... -0- Shares

UNITED BANCORPORATION OF ALABAMA, INC.

FORM 10-Q

For the Quarter Ended June 30, 2010

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

United Bancorporation of Alabama, Inc.
and Subsidiary
Consolidated Balance Sheets

	June 30, 2010 (Unaudited)	December 31, 2009
Assets		
Cash and due from banks	\$9,963,492	\$13,858,726
Interest bearing deposits in banks	78,351,559	40,809,385
Cash and cash equivalents	88,315,051	54,668,111
Securities available for sale (amortized cost of \$76,226,324 and \$67,627,174 respectively)	77,453,174	68,212,662
Securities held to maturity (market values of \$10,744,514 and \$15,715,993 respectively)	10,398,202	15,659,330
Loans	281,889,405	283,346,171
Less: Allowance for loan losses	7,740,744	7,435,509
Net loans	274,148,661	275,910,662
Premises and equipment, net	17,046,348	17,589,236
Interest receivable	2,494,000	2,858,122
Intangible assets	934,763	934,763
Other assets	21,453,967	21,149,520
Total assets	492,244,166	456,982,406
Liabilities and Stockholders' Equity		
Deposits:		
Non-interest bearing	155,903,953	121,753,295
Interest bearing	283,454,992	283,056,954
Total deposits	439,358,945	404,810,249
Advances from Federal Home Loan Bank of Atlanta	1,362,700	1,445,100
Treasury, tax, and loan account	866,439	624,143
Interest payable	480,146	620,867
Accrued expenses and other liabilities	1,659,910	1,608,243
Note payable to Trust	10,310,000	10,310,000
Total liabilities	454,038,140	419,418,602
Stockholders' equity		
	10,047,138	10,014,985

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Preferred stock of \$.01 par value. Authorized 250,000 shares;10,300 shares, net of discount		
Class A common stock, \$0.01 par value. Authorized 5,000,000 shares; issued and outstanding,2,388,992 and 2,388,992 shares, respectively	23,890	23,890
Class B common stock, \$0.01 par value. Authorized 250,000 shares; no shares issued or outstanding	-	-
Additional paid in capital	6,710,513	6,544,079
Accumulated other comprehensive income net of tax	736,104	351,289
Retained earnings	21,565,011	21,685,478
	39,082,656	38,619,721
Less: 109,323 and 131,678 treasury shares, at cost, respectively	876,630	1,055,917
Total stockholders' equity	38,206,026	37,563,804
Total liabilities and stockholders' equity	\$492,244,166	\$456,982,406

See Notes to Consolidated Financial Statements

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United Bancorporation of Alabama, Inc.
 And Subsidiary
 Consolidated Statements of Operations and Comprehensive Income (Loss)
 (Unaudited)

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2010	2009	2010	2009
Interest income:				
Interest and fees on loans	\$4,233,077	\$4,288,089	\$8,371,846	\$8,413,890
Interest on investment securities available for sale:				
Taxable	396,013	601,793	824,678	1,250,807
Nontaxable	237,282	309,552	495,650	635,473
Total investment income	633,295	911,345	1,320,328	