

C & F FINANCIAL CORP  
Form 10-Q  
November 08, 2012

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 10-Q

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(Mark One)

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

For the quarterly period ended September 30, 2012

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: 000-23423

C&F Financial Corporation  
(Exact name of registrant as specified in its charter)

Virginia  
(State or other jurisdiction of incorporation or organization)

54-1680165  
(I.R.S. Employer Identification No.)

802 Main Street West Point, VA  
(Address of principal executive offices)

23181  
(Zip Code)

(804) 843-2360  
(Registrant's telephone number, including area code)

N/A  
(Former name, former address and former fiscal year, if changed since last report)

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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

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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.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company) 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

At November 1, 2012, the latest practicable date for determination, 3,233,059 shares of common stock, \$1.00 par value, of the registrant were outstanding.

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## PART I - FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS  
(In thousands, except for share and per share amounts)

	September 30, 2012 (Unaudited)	December 31, 2011
<b>ASSETS</b>		
Cash and due from banks	\$6,100	\$ 5,787
Interest-bearing deposits in other banks	7,649	4,723
Federal funds sold	—	997
Total cash and cash equivalents	13,749	11,507
Securities-available for sale at fair value, amortized cost of \$131,438 and \$137,575, respectively	140,608	144,646
Loans held for sale, net	78,072	70,062
Loans, net of allowance for loan losses of \$34,990 and \$33,677, respectively	646,236	616,984
Federal Home Loan Bank stock, at cost	3,744	3,767
Corporate premises and equipment, net	27,627	28,462
Other real estate owned, net of valuation allowance of \$4,547 and \$3,927, respectively	4,621	6,059
Accrued interest receivable	5,594	5,242
Goodwill	10,724	10,724
Other assets	30,844	30,671
<b>Total assets</b>	<b>\$961,819</b>	<b>\$ 928,124</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Deposits</b>		
Noninterest-bearing demand deposits	\$ 116,636	\$ 95,556
Savings and interest-bearing demand deposits	254,976	242,917
Time deposits	292,600	307,943
<b>Total deposits</b>	<b>664,212</b>	<b>646,416</b>
Short-term borrowings	17,371	7,544
Long-term borrowings	132,987	132,987
Trust preferred capital notes	20,620	20,620
Accrued interest payable	921	1,111
Other liabilities	27,231	23,356
<b>Total liabilities</b>	<b>863,342</b>	<b>832,034</b>
<b>Shareholders' equity</b>		
Preferred stock (\$1.00 par value, 3,000,000 shares authorized, 0 and 10,000 shares issued and outstanding, respectively)	—	10
Common stock (\$1.00 par value, 8,000,000 shares authorized, 3,227,311 and 3,178,510 shares issued and outstanding, respectively)	3,134	3,091
Additional paid-in capital	4,861	13,438

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Retained earnings	85,747	76,167
Accumulated other comprehensive income, net	4,735	3,384
Total shareholders' equity	98,477	96,090
Total liabilities and shareholders' equity	\$961,819	\$ 928,124

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

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## CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(In thousands, except for share and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Interest income				
Interest and fees on loans	\$18,284	\$17,611	\$53,584	\$51,000
Interest on money market investments	2	7	15	38
Interest and dividends on securities				
U.S. government agencies and corporations	49	50	158	156
Tax-exempt obligations of states and political subdivisions	1,141	1,222	3,514	