

FIRST COMMUNITY CORP /SC/

Form 10-Q

November 12, 2008

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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 September 30, 2008

or

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

For the Transition Period from to

FIRST COMMUNITY CORPORATION

(Exact name of registrant as specified in its charter)

South Carolina

(State or other jurisdiction of incorporation or organization)

57-1010751

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

5455 Sunset Boulevard, Lexington, South Carolina 29072

(Address of principal executive offices) (Zip Code)

(803) 951-2265

(Registrant's telephone number, including area code)

(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 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 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: On October 31, 2008, 3,221,199 shares of the issuer's common stock, par value \$1.00 per share, were issued and outstanding.

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PART I
FINANCIAL INFORMATION

Item 1. Financial Statements.

FIRST COMMUNITY CORPORATION
CONSOLIDATED BALANCE SHEETS

	September 30, 2008 (Unaudited)	December 31, 2007
ASSETS		
Cash and due from banks	\$ 9,594,427	\$ 9,439,159
Interest-bearing bank balances	5,981,546	48,196
Federal funds sold and securities purchased under agreements to resell	2,011,500	4,194,276
Investment securities - available for sale	140,517,912	160,908,253
Investment securities - held to maturity (market value of \$68,887,402 and \$6,360,733 at September 30, 2008 and December 31, 2007)	71,679,191	6,316,570
Trading securities	2,545,284	2,876,086
Other investments, at cost	7,111,194	5,156,595
Loans	324,333,357	310,028,490
Less, allowance for loan losses	3,663,694	3,530,328
Net loans	320,669,663	306,498,162
Property, furniture and equipment - net	19,484,999	19,701,466
Bank owned life insurance	10,184,268	9,919,728
Goodwill	27,761,219	27,761,219
Intangible assets	2,226,741	1,983,280
Other assets	13,901,747	10,809,810
Total assets	\$ 633,669,691	\$ 565,612,800
LIABILITIES		
Deposits:		
Non-interest bearing demand	\$ 72,788,876	\$ 79,508,510
NOW and money market accounts	99,039,568	88,038,360
Savings	23,013,391	24,272,030
Time deposits less than \$100,000	154,361,651	122,435,709
Time deposits \$100,000 and over	84,114,687	91,599,759
Total deposits	433,318,173	405,854,368
Securities sold under agreements to repurchase	27,351,800	23,334,200
Federal Home Loan Bank Advances	92,689,279	49,299,478
Federal Home Loan Bank Advances, at fair value	2,493,787	1,532,541
Junior subordinated debentures	15,464,000	15,464,000
Other borrowed money	137,168	190,386
Other liabilities	5,395,858	5,942,207
Total liabilities	576,850,065	501,617,180
SHAREHOLDERS EQUITY		
Preferred stock, par value \$1.00 per share; 10,000,000 shares authorized; none issued and outstanding		

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Common stock, par value \$1.00 per share; 10,000,000 shares authorized; issued and outstanding 3,221,199 and 3,211,011 at September 30, 2008 and December 31, 2007, respectively	3,221,199	3,211,011
Nonvested restricted stock	(195,000)	
Additional paid in capital	48,687,061	48,616,512
Retained earnings	7,079,704	14,564,054
Accumulated other comprehensive income (loss)	(1,973,338)	(2,395,957)
Total shareholders' equity	56,819,626	63,995,620
Total liabilities and shareholders' equity	\$ 633,669,691	\$ 565,612,800

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FIRST COMMUNITY CORPORATION
CONSOLIDATED STATEMENTS OF INCOME (LOSS)

	Nine Months Ended September 30, 2008 (Unaudited)	Nine Months Ended September 30, 2007 (Unaudited)
Interest income:		
Loans, including fees	\$ 16,263,431	\$ 16,493,118
Taxable securities	7,902,663	5,695,640
Non-taxable securities	305,725	