

MVB FINANCIAL CORP
Form 10-Q/A
May 16, 2014

**United States
Securities and Exchange Commission**

Washington, D.C. 20549

FORM 10-Q/A

(Mark One)

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

For the quarterly period ended March 31, 2014

OR

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

For the transition period from to .

Commission File number 000-50567

MVB Financial Corp.

(Exact name of registrant as specified in its charter)

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West Virginia

(State or other jurisdiction of incorporation or organization)

20-0034461

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

301 Virginia Avenue

Fairmont, West Virginia 26554-2777

(Address of principal executive offices)

304-363-4800

(Registrant's telephone number, including area code)

Not Applicable

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

Indicate by check mark whether the registrant has (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 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

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

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As of May 15, 2014, the number of shares outstanding of the issuer's only class of outstanding common stock was 8,025,409.

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Explanatory Note

MVB Financial Corp. (the Company) is filing this Form 10-Q/A as an amendment (the Amendment) to the Company s Current Report on Form 10-Q which reported quarterly results and activities pursuant for the period ending March 31, 2014, which was filed with the Securities and Exchange Commission on May 15, 2014 (the Original 10-Q). This Amendment No. 1 to the Original 10-Q is being filed to update Part II, Item 2 (Unregistered Sales of Equity Securities and Use of Proceeds) with the information contained in the Original 10-Q in Note 7 of Part I, Item 2 (Financial Statements), as this information for Part II, Item 2, which should have been identical to Note 7 of Part I, Item 2, was inadvertently omitted in the initial filing.

Except for the foregoing, this Amendment does not amend the Original 10-Q in any way and does not modify or update any other disclosures contained in the Original 10-Q. Accordingly, this Amendment should be read in conjunction with the Original 10-Q.

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MVB Financial Corp.

Part I. Financial Information

Item 1. Financial Statements

The unaudited interim consolidated financial statements of MVB Financial Corp. (the Company or MVB) and subsidiaries (Subsidiaries) including MVB Bank, Inc. (the Bank or MVB Bank) and its wholly-owned subsidiary MVB Mortgage and MVB Insurance, LLC (MVB Insurance) listed below are included on pages 3-27 of this report.

Consolidated Balance Sheets as of March 31, 2014 and December 31, 2013

Consolidated Statements of Income for the Three Months ended March 31, 2014 and 2013

Consolidated Statements of Comprehensive Income for the Three Months ended March 31, 2014 and 2013

Consolidated Statements of Cash Flows for the Three Months ended March 31, 2014 and 2013

Notes to Consolidated Financial Statements

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations are included on pages 28-41 of this report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Item 4. Controls and Procedures

Part II. Other Information

Item 1. Legal Proceedings

Item 1A. Risk Factors

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Item 3. Defaults Upon Senior Securities

Item 4. Mine Safety Disclosures

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Part I. Financial Information

Item 1. Financial Statements

MVB Financial Corp. and Subsidiaries

Consolidated Balance Sheets

(Dollars in thousands except per share data)

	March 31 2014 (Unaudited)	December 31 2013 (Note 1)
Assets		
Cash and cash equivalents:		
Cash and due from banks	\$ 17,294	\$ 28,907
Interest bearing balances	15,318	10,936
Total cash and cash equivalents	32,612	39,843
Certificates of deposits in other banks	9,427	9,427
Investment securities:		
Securities available-for-sale	104,592	106,411
Securities held-to-maturity (fair value of \$55,741 for 2014 and \$54,118 for 2013)	56,823	56,670
Loans held for sale	50,201	89,186
Loans:	675,558	622,305
Less: Allowance for loan losses	(5,451)	(4,935)
Net loans	670,107	617,370
Bank premises, furniture and equipment	18,926	16,919
Bank owned life insurance	16,219	16,062
Accrued interest receivable and other assets	20,739	17,393
Goodwill	17,779	17,779
Total assets	\$ 997,425	\$ 987,060
Liabilities		
Deposits		
Non-interest bearing	\$ 56,834	\$ 63,336
Interest bearing	697,806	632,475
Total deposits	754,640	695,811
Accrued interest, taxes and other liabilities	7,372	6,878
Repurchase agreements	71,498	81,578
FHLB and other borrowings	60,480	104,647
Subordinated debt	4,124	4,124
Total liabilities	898,114	893,038
Stockholders equity		
Preferred stock, par value \$1,000, 20,000 shares authorized and 8,500 shares issued	8,500	8,500
Common stock, par value \$1, 10,000,000 shares authorized; 7,946,818 and 7,705,894 shares issued; and 7,844,664 and 7,603,740 shares outstanding in 2014 and 2013, respectively	7,947	7,706
Additional paid-in capital	73,190	69,601
Retained earnings	14,480	13,343

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Accumulated other comprehensive loss	(2,639)	(2,961)
Treasury stock, 102,154 shares, at cost	(2,167)	(2,167)
Total stockholders equity	99,311	94,022
Total liabilities and stockholders equity	\$ 997,425	\$ 987,060

See accompanying notes to unaudited consolidated financial statements.

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MVB Financial Corp. and Subsidiaries

Consolidated Statements of Income

(Unaudited) (Dollars in thousands except per share data)

	Three Months Ended March 31	
	2014	2013
Interest income		
Interest and fees on loans	\$ 7,039	\$ 5,370
Interest on deposits with other banks	46	45
Interest on investment securities taxable	411	279
Interest on tax exempt loans and securities	754	482
Total interest income	8,250	6,176
Interest expense		
Deposits	1,098	907
Repurchase agreements	126	123
FHLB and other borrowings	263	262
Subordinated debt	19	20
Total interest expense	1,506	1,312
Net interest income	6,744	4,864
Provision for loan losses	519	1,000
Net interest income after provision for loan losses	6,225	3,864
Noninterest income		
Service charges on deposit accounts	120	137
Gain on bank owned life insurance	128	92
Visa debit card income	152	123
Gain on loans held for sale	3,784	4,928
Capitalized servicing retained income	156	338
Insurance income	958	
Gain on sale of securities		1
Gain on derivative	335	877
Other operating income	374	488
Total noninterest income	6,007	6,984
Noninterest expense		
Salary and employee benefits	6,797	6,220
Occupancy expense	617	430
Equipment depreciation and maintenance	372	328
Data processing	380	205
Mortgage processing	546	507
Visa debit card expense	138	102
Advertising	280	236
Legal and accounting fees	220	202
Printing, stationery and supplies	115	88
Consulting fees	211	120
FDIC insurance	150	139
Travel	154	85
Other operating expenses	856	743
Total noninterest expense	10,836	9,405
Income before income taxes	1,396	1,443

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Income tax expense		238		255
Net income	\$	1,158	\$	1,188
Preferred dividends		21		21
Net income available to common shareholders	\$	1,137	\$	1,167
Earnings per share - basic	\$	0.15	\$	0.20
Earnings per share - diluted	\$	0.15	\$	0.19
Weighted average shares outstanding - basic		7,606,661		5,851,094
Weighted average shares outstanding - diluted		7,828,143		5,986,684

See accompanying notes to unaudited consolidated financial statements.

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MVB Financial Corp. and Subsidiaries

Consolidated Statements of Comprehensive Income

(Unaudited)(Dollars in thousands)

	Three Months Ended March 31	
	2014	2013
Net Income	\$ 1,158	\$ 1,188
Other comprehensive income (loss):		
Unrealized holding gains (losses) during the year	537	(33)
Income tax effect	(215)	13
Reclassification adjustment for gain recognized in income		(1)
Income tax effect		
Other comprehensive income (loss)	322	(21)
Comprehensive income	\$ 1,480	\$ 1,167

See accompanying notes to unaudited consolidated financial statements.

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MVB Financial Corp. and Subsidiaries

Consolidated Statements of Cash Flows

(Unaudited) (Dollars in thousands)

Three Months Ended	
March 31	March 31
2014	2013

Operating activities