

SALISBURY BANCORP INC
Form 10-Q
May 17, 2010

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 March 31, 2010

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

Commission file number 0-24751
SALISBURY BANCORP, INC.

(Exact name of registrant as specified in its charter)

Connecticut
(State or other jurisdiction of incorporation or organization)

06-1514263
(I.R.S. Employer Identification No.)

5 Bissell Street, Lakeville, CT
(Address of principal executive offices)

06039
(Zip code)

(860) 435-9801

(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 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 website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Sec.232.405) 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

The number of shares of Common Stock outstanding as of May 17, 2010, is 1,687,661.

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PART I - FINANCIAL INFORMATION

Salisbury Bancorp, Inc. and Subsidiary
CONSOLIDATED BALANCE SHEETS

(in thousands, except par value) unaudited	March 31, 2010	December 31, 2009
ASSETS		
Cash and due from banks	\$5,878	\$6,248
Interest bearing demand deposits with other banks	13,851	37,050
Total cash and cash equivalents	19,729	43,298
Interest bearing time deposits with other banks	5,000	5,000
Securities		
Available-for-sale at fair value	166,179	145,031
Held-to-maturity at amortized cost (fair value: \$62 and \$62)	60	62
Federal Home Loan Bank of Boston stock at cost	6,032	6,032
Loans held-for-sale	1,178	665
Loans receivable, net (allowance for loan losses: \$3,649 and \$3,473)	329,600	327,257
Investment in real estate	75	75
Other real estate owned	275	275
Bank premises and equipment, net	11,398	10,434
Goodwill	9,829	9,829
Intangible assets (net of accumulated amortization: \$1,135 and \$1,079)	1,409	1,464
Accrued interest receivable	2,093	2,177
Cash surrender value of life insurance policies	3,727	3,685
Deferred taxes	2,957	3,285
Other assets	3,577	3,778
Total Assets	\$563,118	\$562,347
LIABILITIES and SHAREHOLDERS' EQUITY		
Deposits		
Demand (non-interest bearing)	\$68,852	\$70,026
Demand (interest bearing)	50,148	43,845
Money market	68,317	64,477
Savings and other	88,699	86,316
Certificates of deposit	146,473	153,539
Total deposits	422,489	418,203
Repurchase agreements	7,973	11,415
Federal Home Loan Bank of Boston advances	75,356	76,364
Accrued interest and other liabilities	4,277	4,010
Total Liabilities	510,095	509,992
Commitments and contingencies		
	-	-
Shareholders' Equity		
Preferred stock - \$.01 per share par value		
Authorized: 25,000; Shares issued: 8,816;		
Liquidation preference: \$1,000 per share	-	-
Common stock - \$.10 per share par value		
Authorized: 3,000,000 and 3,000,000;		
Issued: 1,686,701 and 1,685,861	168	168
Common stock warrants outstanding	112	112

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Paid-in capital	21,899	21,894
Retained earnings	35,266	35,259
Accumulated other comprehensive loss, net	(4,422)	(5,078)
Total Shareholders' Equity	53,023	52,355
Total Liabilities and Shareholders' Equity	\$563,118	\$562,347

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Salisbury Bancorp, Inc. and Subsidiary
CONSOLIDATED STATEMENTS OF INCOME

Three months ended March 31, (in thousands except per share amounts) unaudited	2010	2009
Interest income		