

SUSSEX BANCORP
Form 10-Q
November 14, 2006

**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, 2006

Or

**☐ 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 0-29030

SUSSEX BANCORP

(Exact name of registrant as specified in its charter)

New Jersey
(State of other jurisdiction of
incorporation or organization)

22-3475473
(I. R. S. Employer
Identification No.)

200 Munsonhurst Road, Franklin, New Jersey
(Address of principal executive offices)

07416
(Zip Code)

Issuer's telephone number, including area code) (973) 827-2914

(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 and 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, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12-b-2 of the Exchange Act. (Check one):

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Large accelerated filer:

Accelerated filer:

Non-accelerated filer:

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of November 9, 2006 there were 3,149,733 shares of common stock, no par value, outstanding.

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Index**PART I - FINANCIAL INFORMATION****Item 1. Financial Statements**

SUSSEX BANCORP
CONSOLIDATED BALANCE SHEETS
(Dollars In Thousands)

<u>ASSETS</u>	September 30, 2006 <i>(Unaudited)</i>	December 31, 2005
Cash and due from banks	\$ 12,958	\$ 11,395
Federal funds sold	3,110	13,385
Cash and cash equivalents	16,068	24,780
Interest bearing time deposits with other banks	100	500
Securities available for sale	59,632	61,180
Federal Home Loan Bank Stock, at cost	964	1,025
Loans receivable, net of unearned income	254,211	211,335
Less: allowance for loan losses	3,166	2,615
Net loans receivable	251,045	208,720
Premises and equipment, net	7,484	6,619
Accrued interest receivable	1,638	1,778
Other assets	9,580	8,580
Total Assets	\$ 346,511	\$ 313,182
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Liabilities:		
Deposits:		
Non-interest bearing	\$ 42,147	\$ 42,142
Interest bearing	249,408	214,705
Total Deposits	291,555	256,847
Borrowings	13,264	16,300
Accrued interest payable and other liabilities	2,422	1,956
Junior subordinated debentures	5,155	5,155
Total Liabilities	312,396	280,258
Stockholders' Equity:		

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Common stock, no par value, authorized 5,000,000 shares;

issued shares 3,149,631 in 2006 and 3,153,004 in 2005;

outstanding shares 3,143,181 in 2006 and 3,153,004 in 2005

	27,176	27,300
Retained earnings	7,003	5,842
Accumulated other comprehensive loss	(64)	(218)
Total Stockholders' Equity	34,115	32,924
Total Liabilities and Stockholders' Equity	\$ 346,511	\$ 313,182

See Notes to Consolidated Financial Statements

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SUSSEX BANCORP
CONSOLIDATED STATEMENTS OF INCOME
(Dollars In Thousands Except Per Share Data)
(Unaudited)

	Three Months Ended September		Nine Months Ended September	
	2006	2005	2006	2005
INTEREST INCOME				
Loans receivable, including fees	\$ 4,374	\$ 3,259	\$ 12,404	\$ 8,748
Securities:				
Taxable	365	400	1,067	1,280
Tax-exempt	263	285	783	877
Federal funds sold				