

NORTHEAST BANCORP /ME/
Form 10-Q
February 13, 2007

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

FORM 10 Q

Quarterly report pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

For the quarterly period ended December 31, 2006

Or

Transition report pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

For the transition period for _____ to _____

Commission File Number 1-14588

Northeast Bancorp

(Exact name of registrant as specified in its charter)

Maine

01-0425066

(State or other jurisdiction of incorporation or organization)

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

500 Canal Street, Lewiston, Maine

04240

(Address of Principal executive offices)

(Zip Code)

(207) 786-3245

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 (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 subjected 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 12b-2 of the Exchange Act. (check one): Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined by 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. As of February 12, 2007, the registrant had outstanding 2,452,632 shares of common stock, \$1.00 stated value per share.

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Item 1. Financial Statements

NORTHEAST BANCORP AND SUBSIDIARIES

Consolidated Balance Sheets

(Unaudited)

	December 31, 2006	June 30, 2006
Assets		
Cash and due from banks	\$ 9,460,561	\$ 9,573,908
Interest bearing deposits	1,375,285	1,099,813
Federal Home Loan Bank overnight deposits	1,415,000	1,430,000
Total cash and cash equivalents	12,250,846	12,103,721
Available for sale securities, at market value	82,425,867	86,137,707
Loans held for sale	946,276	681,143
Loans receivable	434,624,100	435,662,529
Less allowance for loan losses	5,758,000	5,496,000
Net loans	428,866,100	430,166,529
Premises and equipment, net	7,125,627	7,315,881
Acquired assets - net	4,384	10,384
Accrued interest receivable - loans	2,014,147	2,011,391
Accrued interest receivable - investments	581,817	667,167
FHLB and FRB stock, at cost	5,436,000	5,957,800
Goodwill	1,906,538	407,897
Intangible assets, net of accumulated amortization of \$2,519,665 at 12/31/06 and \$2,366,564 at 6/30/06	3,291,564	1,919,665
Bank owned life insurance (BOLI)	9,069,691	8,895,326
Other assets	5,588,870	6,643,191
Total assets	\$ 559,507,727	\$ 562,917,802
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits		
Demand	\$ 35,274,873	\$ 38,137,357
NOW	53,918,098	54,432,157
Money market	10,200,061	9,430,378
Regular savings	20,914,148	24,247,324
Brokered time deposits	32,312,435	51,859,091
Certificates of deposit	218,651,333	217,187,070
Total deposits	371,270,948	395,293,377

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FHLB advances	80,475,592	75,888,598
Obligation under capital lease agreement	2,718,641	2,781,046
Other borrowings	1,595,169	57,129
Securities sold under repurchase agreements	42,469,409	29,637,426
Junior subordinated notes issued to affiliated trusts	16,496,000	16,496,000
Other liabilities	3,326,617	3,668,101
Total liabilities	518,352,376	523,821,677

Commitments and contingent liabilities

Stockholders' equity

Preferred stock, cumulative, \$1 par value, 1,000,000 shares authorized and none issued and outstanding	-	-
Common stock, at stated value, 15,000,000 shares authorized; 2,452,632 and 2,447,132 shares outstanding at December 31, 2006 and June 30, 2006, respectively	2,452,632	2,447,132
Additional paid in capital	4,779,308	4,675,258
Retained earnings	35,027,249	34,596,204
Accumulated other comprehensive loss		