

SOUTHERN MISSOURI BANCORP INC  
Form 11-K  
December 27, 2012

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: June 30, 2012

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 000-23406

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Southern Bank 401(k) Retirement Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Southern Missouri Bancorp, Inc.  
531 Vine Street  
Poplar Bluff, MO 63901

SOUTHERN BANK 401(k) RETIREMENT PLAN

Required Information

The Southern Bank 401(k) Retirement Plan (the “Plan”) is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and for purposes of satisfying the requirements of Form 11-K has included for filing herewith the Plan financial statements and schedules prepared in accordance with the financial reporting requirements of ERISA. Attached to this report as Exhibit 23 is the consent of BKD, LLP.

Southern Bank 401(k) Retirement Plan

EIN 43-0462350 PN001

Accountants' Report and Financial Statements

June 30, 2012 and 2011

Southern Bank 401(k) Retirement Plan

June 30, 2012 and 2011

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Report of Independent Registered Public Accounting Firm

Audit Committee  
Southern Bank 401(k) Retirement Plan  
Poplar Bluff, Missouri

We have audited the accompanying statements of net assets available for benefits of Southern Bank 401(k) Retirement Plan as of June 30, 2012 and 2011, and the related statement of changes in net assets available for benefits for the year ended June 30, 2012. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits also included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Southern Bank 401(k) Retirement Plan as of June 30, 2012 and 2011, and the changes in its net assets available for benefits for the year ended June 30, 2012, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of assets (held at end of year) is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information is the responsibility of the Plan's management. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

/s/ BKD, LLP

St. Louis, Missouri  
December 27, 2012

Federal Employer Identification Number: 44-0160260

Southern Bank 401(k) Retirement Plan

Statements of Net Assets Available for Benefits

June 30, 2012 and 2011

	2012	2011
Investments, At Fair Value	\$6,392,095	\$5,273,400
Receivables		
Notes receivable from participants	111,451	76,542
Participants' contributions	10,040	8,836
Employer's contributions	262,600	373,663
	384,091	459,041
Net Assets Available for Benefits	\$6,776,186	\$5,732,441

See Notes to Financial Statements

Southern Bank 401(k) Retirement Plan

Statement of Changes in Net Assets Available for Benefits

Year Ended June 30, 2012

Investment Income	
Net appreciation in fair value of investments	\$63,629
Interest and dividends	118,074
Net investment income	181,703
Interest Income on Notes Receivable from Participants	3,264
Contributions	
Participants	261,515
Employer	415,768
Rollovers	256,276
Total contributions	933,559
Total additions	1,118,526
Deductions	
Benefits paid to participants	74,513
Administrative fees	268
Total deductions	74,781
Net Increase	1,043,745
Net Assets Available for Benefits, Beginning of Year	5,732,441
Net Assets Available for Benefits, End of Year	\$6,776,186

See Notes to Financial Statements

Southern Bank 401(k) Retirement Plan

Notes to Financial Statements

June 30, 2012 and 2011

Note 1: Description of the Plan

The following description of Southern Bank 401(k) Retirement Plan (Plan) provides only general information. Participants should refer to the Plan Document and Summary Plan Description for a more complete description of the Plan's provisions, which are available from the Plan Administrator.

General

The Plan is a defined contribution plan sponsored by Southern Bank (the Bank), a wholly-owned subsidiary of Southern Missouri Bancorp, Inc. (the Company), for the benefit of its employees who have at least one year of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Bank also maintained a qualified Employee Stock Ownership Plan (ESOP). The Bank merged the ESOP into the Plan effective October 1, 2010. Participant accounts under the ESOP are maintained as a separate source (ESOP Source) under the Plan with ESOP provisions concerning matters such as vesting, withdrawals, loans, dividends, and distributions remaining in effect.

The Plan is administered by the Bank. Capital Bank and Trust is the trustee of the Plan. American Funds serves as Plan custodian.

Contributions

The Plan permits eligible employees to make voluntary contributions to the Plan up to the annual limit set by the Internal Revenue Service (IRS). Employee rollover contributions are also permitted.

Effective July 1, 2011, the Plan was modified such that the Bank makes safe harbor matching contributions of 100% of employees' salary deferral amounts on the first 3% of employees' compensation, and 50% of employees' salary deferral amounts on the next 2% of employees' compensation. Prior to the July 1, 2011 amendment, the Plan provided for safe harbor non-elective contributions of 3% of employees' compensation. The Bank also makes profit-sharing contributions. Bank profit-sharing contributions are discretionary as determined by the Bank's Board of



Directors. Contributions are subject to certain limitations. Forfeitures are used to reduce Bank contributions.

#### Participant Investment Account Options

Investment account options available include various funds and common stock of the Company. Each participant has the option of directing his contributions into any of the separate investment accounts and may change the allocation daily.

Southern Bank 401(k) Retirement Plan

Notes to Financial Statements (continued)

June 30, 2012 and 2011

### Participant Accounts

Each participant's account is credited with the participant's contribution, the Bank's contribution, and plan earnings, and is charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefits to which a participant is entitled is the benefit that can be provided from the participant's vested account.

### Vesting

Participants are immediately vested in their voluntary contributions plus earnings thereon. Bank matching contributions and ESOP Source contributions are vested at a rate of 20% per year of service beginning with completion of the second year of service. A participant becomes fully vested with completion of their sixth year of service. The nonvested balance is forfeited upon termination of service. Forfeitures are used to reduce Bank contributions.

### Payment of Benefits

Under the terms of the Plan, participants are entitled to receive the amount credited to their accounts upon normal retirement at the age of 65 or disability retirement. Participants terminating employment prior to retirement are entitled to receive that portion of their account that is vested. In the event of death, the participant's account becomes fully vested and is paid to the designated beneficiary. Distributions under the Plan are payable in a lump sum or through installments. Payments through installments are only available to Participants with a vested account balance in excess of \$5,000 who terminate at normal retirement age or later. At June 30, 2012 and 2011, Plan assets included no amounts allocated to accounts of terminated or retired participants who have elected to withdraw from the Plan but which had not yet been paid.

### Forfeited Accounts

At June 30, 2012 and 2011, forfeited nonvested accounts totaled \$72,076 and \$60,642, respectively. These accounts will be used to reduce future Bank contributions. The forfeitures totaling \$72,076 were used to reduce employer contributions made in 2013 related to the 2012 employer contributions receivable.

## Participant Loans

The Plan Document includes provisions authorizing loans from the Plan to active eligible participants. Loans are made to any eligible participant demonstrating a qualifying need. The minimum amount of a loan shall be \$1,000. The maximum amount of a participant's loans is determined by the available loan balance restricted to the lesser of \$50,000 or 50% of the participant's vested account balance. All loans are covered by demand notes and are repayable over a period not to exceed five years through payroll withholdings unless the participant is paying the loan in full. Interest on the loans is fixed for the term of the loan at a rate one percentage point above the Wall Street Journal's published prime rate of interest on the first day of the month in which the loan was made.

Southern Bank 401(k) Retirement Plan

Notes to Financial Statements (continued)

June 30, 2012 and 2011

Plan Termination

Although it has not expressed an intention to do so, the Bank has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets and changes in net assets and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Valuation of Investments and Income Recognition

Quoted market prices, if available, are used to value investments. Common stock is valued at the closing price reported on the active market on which the individual security is traded. Mutual funds and the money market fund are valued at the net asset value (NAV) of shares held by the plan at year end.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on

investments bought and sold as well as held during the year.

#### Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

#### Plan Tax Status

The Plan operates under a non-standardized adoption agreement in connection with a prototype 401(k) profit-sharing plan and trust sponsored by American Funds Distributors, Inc. This prototype plan document has been filed with the appropriate agency and has obtained a determination letter from the Internal Revenue Service stating that the prototype constitutes a qualified plan under Section 401 of the Internal Revenue Code and that the related trust was tax exempt as of the financial statement date.

Southern Bank 401(k) Retirement Plan

Notes to Financial Statements (continued)

June 30, 2012 and 2011

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Administrative expenses may be paid by the Bank or the Plan, at the Bank's discretion.

Note 3: Investments

The fair value of the Plan's investments at the end of the year is as follows:

	2012	2011
Mutual funds		
Bond funds	\$ 200,504	\$ 132,402
Balanced funds	37,117	2,594
Growth & income funds	425,045	291,331
Growth funds	962,887	693,421
Target date funds	202,425	27,759
Company security – Southern Missouri Bancorp, Inc. Common Stock	4,346,995	3,997,620
Money market fund	217,111	128,265
Cash – Southern Missouri Bancorp Awaiting Stock Purchase Fund	11	8
	\$ 6,392,095	\$ 5,273,400

The Plan's investments (including investments bought, sold and held during the year) appreciated (depreciated) in fair value as follows:

	2012
Mutual funds	\$(4,236 )
Company security	67,865
	\$63,629

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Southern Bank 401(k) Retirement Plan

Notes to Financial Statements (continued)

June 30, 2012 and 2011

The fair value of individual investments that represented 5% or more of the Plan's net assets available for benefits were as follows:

	2012	2011
Southern Missouri Bancorp, Inc. Common Stock	\$ 4,346,995	\$ 3,997,620

Interest and dividends realized on the Plan's investments for the year ended June 30, 2012 were \$118,074.

Note 4: Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, a person who owns 50 percent or more of such an employer, or relatives of such persons.

The Plan allows participants to invest their account balances in shares of the Company. The number of shares of common stock held by the Plan at June 30, 2012 and 2011 was 204,564 shares and 192,378 shares, respectively, and the Plan received dividends of \$94,341 during the year ended June 30, 2012.

The plan incurs expenses related to general administrative and record keeping. The Company pays certain administrative expenses and accounting and auditing fees relating to the Plan and provides certain administrative services at no cost to the plan.

Note 5: Fair Value of Plan Assets

ASC Topic 820, Fair Value Measurements, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Topic 820



also specifies a fair value hierarchy which requires a plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1      Quoted prices in active markets for identical assets
  
- Level 2      Observable inputs other than Level 1 prices, such as quoted prices for similar assets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets
  
- Level 3      Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets

## Southern Bank 401(k) Retirement Plan

## Notes to Financial Statements (continued)

June 30, 2012 and 2011

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy.

## Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. All of the Plan investments are considered Level 1 investments and consist of common stock of the Company, mutual funds, and the money market fund.

The following tables present the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2012 and 2011:

	June 30, 2012			
	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Company security - financials	\$ 4,346,995	\$ 4,346,995	\$ -	\$ -
Mutual funds				
Bond funds	200,504	200,504	-	-
Balanced funds	37,117	37,117	-	-
Growth & income funds	425,045	425,045	-	-
Growth funds	962,887	962,887	-	-
Target date funds	202,425	202,425	-	-
Money market fund	217,111	217,111	-	-



Southern Bank 401(k) Retirement Plan

Notes to Financial Statements (continued)

June 30, 2012 and 2011

	June 30, 2011			
	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Company security - financials	\$ 3,997,620	\$ 3,997,620	\$ -	\$ -
Mutual funds				
Bond funds	132,402	132,402	-	-
Balanced funds	2,594	2,594	-	-
Growth & income funds	291,331	291,331	-	-
Growth funds	693,421	693,421	-	-
Target date funds	27,759	27,759	-	-
Money market fund	128,265	128,265	-	-

Note 6: Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at June 30, 2012 and 2011, to Form 5500:

	2012	2011
Net assets available for benefits per the financial statements	\$6,776,186	\$5,732,441
Less: participants' contributions receivable	10,040	8,836
Less: employer contributions receivable	262,600	373,663
Net assets available for benefits per Form 5500	\$6,503,546	\$5,349,942



Southern Bank 401(k) Retirement Plan

Notes to Financial Statements (continued)

June 30, 2012 and 2011

The following is a reconciliation of contributions per the financial statements for the year ended June 30, 2012, to Form 5500:

	2012	
Contributions per the financial statements	\$933,559	
Add: Employer contributions receivable at June 30, 2011	373,663	
Add: Participant contributions receivable at June 30, 2011	8,836	
Less: Employer contributions receivable at June 30, 2012	(262,600	)
Less: Participant contributions receivable at June 30, 2012	(10,040	)
Contributions per Form 5500	\$1,043,418	

Note 7:

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the participants' account balances and the amounts reported in the statements of net assets available for benefits.

The current protracted economic decline presents employee benefit plans with difficult circumstances and challenges, which in some cases have resulted in large and unanticipated declines in the fair value of investments. The financial statements have been prepared using values and information currently available to the Plan.

Given the volatility of current economic conditions, the values of assets recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values that could negatively impact the Plan.



Supplemental Schedule



## Southern Bank 401(k) Retirement Plan

## Schedule H, Line 4i – Schedule of Assets (held at end of year)

June 30, 2012

(a)	Investment Type and Issuer (b)	Description of Investment (c)	Cost (d)	Current Value (e)
*	American Funds Money Market Fund	217,111 Shares	**	\$ 217,111
	Mutual Funds			
*	American Funds Bond Fund of America	1,957 Shares	**	25,031
*	American Funds Intermediate Bond Fund of America	12,799 Shares	**	175,473
*	American Funds Income Fund of America	606 Shares	**	10,478
*	American Funds 2010 Target Date Fund	1,234 Shares	**	11,584
*	American Funds 2015 Target Date Fund	114 Shares	**	1,074
*	American Funds 2020 Target Date Fund	4,857 Shares	**	45,465
*	American Funds 2025 Target Date Fund	3,174 Shares	**	29,741
*	American Funds 2030 Target Date Fund	4,151 Shares	**	39,726
*	American Funds 2035 Target Date Fund	1,081 Shares	**	10,271
*	American Funds 2040 Target Date Fund	4,410 Shares	**	42,163
*	American Funds 2045 Target Date Fund	928 Shares	**	8,855
*	American Funds 2050 Target Date Fund	1,347 Shares	**	12,623
*	American Funds 2055 Target Date Fund	81 Shares	**	923
*	American Funds American Balanced Fund	1,221 Shares	**	23,617
*	American Funds Investment Company of America	7,974 Shares	**	231,494
*	American Funds Fundamental Investors	2,393 Shares	**	90,284
*	American Funds Growth Fund of America	6,130 Shares	**	190,408
*	American Funds New Perspective Fund	3,813 Shares	**	106,845
*	American Funds New World Fund	2,632 Shares	**	127,111
	Franklin Income Fund	1,419 Shares	**	3,022
	Franklin Small Cap Growth Fund	20,555 Shares	**	247,894
	Invesco Van Kampen Comstock Fund	5,798 Shares	**	95,023
	Putnam Voyager Fund	289 Shares	**	5,917
	Templeton Growth Fund	488 Shares	**	8,244
	Victory Established Value Fund	10,772 Shares	**	284,712
*	Southern Missouri Bancorp, Inc. Common Stock (SMBC)	204,564 Shares	**	4,346,995

* Cash – SMBC Awaiting Purchase Fund		**	11
* Notes Receivable from Participants	Interest rate of 4.25%	**	111,451
		**	\$ 6,503,546

\* Party-in-interest

\*\* Assets are participant-directed investments; therefore, cost information is not required

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

SOUTHERN BANK 401(k) RETIREMENT PLAN

By: Southern Bank, as Plan Administrator

Date: December 27, 2012

By: /s/ Matthew T. Funke  
Name: Matthew T. Funke  
Title: Chief Financial Officer