

UNITED COMMUNITY BANKS INC

Form 10-K/A

March 18, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
Amendment No. 1
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2004

Commission File Number 0-21656

UNITED COMMUNITY BANKS, INC.

(Exact name of registrant as specified in its charter)

Georgia

58-180-7304

(State or other jurisdiction
of incorporation)

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

63 Highway 515
Blairsville, Georgia

30512

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: **(706) 781-2265**

Securities registered pursuant to Section 12(b) of the Act: None

Name of exchange on which registered: None

Securities registered pursuant to Section 12(g) of the Act:
Common Stock, \$1.00 par value

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes No

Aggregate market value of the voting stock held by non-affiliates of the Registrant: \$757,280,857 (based on shares held by non-affiliates at \$25.18 per share, the closing stock price on the Nasdaq stock market on June 30, 2004).

As of January 31, 2005, 38,551,078 shares of common stock were issued and outstanding, including 372,000 shares deemed outstanding pursuant to prime plus 1/4% convertible subordinated payable-in-kind debentures due December 31, 2006 and presently exercisable options to acquire 1,259,289 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the Annual Meeting of Shareholders to be held on April 27, 2005 are incorporated herein into Part III by reference.

EXPLANATORY NOTE

United Community Banks, Inc. is filing this amendment on Form 10-K/A to its Form 10-K for the year ended December 31, 2004 to replace the unqualified opinion and consent of its independent registered public accounting firm with an updated opinion and consent. The original opinion did not include the fourth paragraph referencing the independent registered public accounting firm's unqualified opinion on management's assessment of the effectiveness of internal controls over financial reporting. A revised audit opinion and consent (Exhibit 23) referencing the independent registered public accounting firm's unqualified opinion on management's assessment of the effectiveness of internal controls over financial reporting are included as part of this amendment.

United Community Banks, Inc. is filing an unofficial PDF copy of the entire Form 10-K, as amended, with this amendment.

Porter Keadle Moore, LLP

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
United Community Banks, Inc.
Blairsville, Georgia

We have audited the consolidated balance sheets of United Community Banks, Inc. and subsidiaries as of December 31, 2004 and 2003, and the related consolidated statements of income, changes in stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2004. These financial statements are the responsibility of the Company'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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provided a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of United Community Banks, Inc. and subsidiaries as of December 31, 2004 and 2003, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2004, in conformity with generally accepted accounting principles in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of United Community Banks, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2004, based on *criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO)* and our report dated February 16, 2005 expressed an unqualified opinion on management's assessment of the effectiveness of United Community Banks, Inc.'s internal control over financial reporting and an unqualified opinion on the effectiveness of United Community Banks, Inc.'s internal control over financial reporting.

Atlanta, Georgia
February 16, 2005

Certified Public Accountants

Suite 1800 · 235 Peachtree Street NE · Atlanta, Georgia 30303 · Phone 404-588-4200 · Fax 404-588-4222 ·
www.pkm.com

SIGNATURES

Pursuant to the requirements of Section 13 or 15(a) of the Securities Exchange Act of 1934, United has duly caused this Report on Form 10-K, as amended, to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Blairsville, State of Georgia, on the 17th of March, 2005.

**UNITED COMMUNITY BANKS, INC.
(Registrant)**

By: */s/ Jimmy C. Tallent*

Jimmy C. Tallent
President and Chief Executive Officer
(Principal Executive Officer)

By: */s/ Rex S. Schuette*

Rex S. Schuette
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

By: */s/ Alan H. Kumler*

Alan H. Kumler
Senior Vice President, Controller and Chief
Accounting Officer
(Principal Accounting Officer)

/s/ Jimmy C. Tallent

Jimmy C. Tallent
President, Chief Executive Officer and
Director
(Principal Executive Officer)

*

Robert L. Head, Jr.
Chairman of the Board

*

W. C. Nelson, Jr.
Vice Chairman of the Board

*

A. William Bennett
Director

*

Robert Blalock
Director

*

Guy W. Freeman
Director

*

Thomas C. Gilliland
Director

*

Charles E. Hill
Director

*

Hoyt O. Holloway
Director

*

Clarence W. Mason, Sr.
Director

*

Tim Wallis
Director

*By: /s/ *Jimmy C. Tallent*

Jimmy C. Tallent
Attorney-in-fact