

COMMUNITY BANCSHARES INC /DE/

Form 8-K/A

February 16, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

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

Date of Report (Date of earliest event reported): February 16, 2006

COMMUNITY BANCSHARES, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

0-16461
(Commission File Number)

63-0868361
(IRS Employer
Identification No.)

68149 Main Street, Blountsville, Alabama 35031
(Address of Principal Executive Offices, including Zip Code)

(205) 429-1000

(Registrant's Telephone Number, including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 4.02. Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review.

On February 1, 2006, Community Bancshares, Inc. (the Company) announced that it will restate its previously reported quarterly and year end results for 2004 and the first three quarters of 2005 as a result of its conclusion that an interest rate swap which the Company entered into in December 2003 did not qualify for an abbreviated method of fair value hedge accounting. The anticipated effects of these restatements, which the Chairman of the Audit Committee of the Company s Board of Directors had discussed with the Company s independent accountants, were described in our February 1, 2006 earnings release. These restatements resulted from a reevaluation of our documentation of one interest rate swap under SFAS No. 133. Our financial statements as of and for the year ended December 31, 2004 and as of and for the quarters ended March 31, June 30 and September 30, 2005 should not be relied upon until restated.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COMMUNITY BANCSHARES, INC.

/s/ Patrick M. Frawley

Patrick M. Frawley
Chairman, Chief Executive Officer and
President

Date: February 16, 2006