

PRUDENTIAL BANCORP INC OF PENNSYLVANIA
Form 10-Q
August 14, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 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 June 30, 2009
- 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: 000-51214

Prudential Bancorp, Inc. of Pennsylvania
(Exact Name of Registrant as Specified in Its Charter)

Pennsylvania	68-0593604
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
1834 Oregon Avenue	
Philadelphia, Pennsylvania	19145
(Address of Principal Executive Offices)	(Zip Code)
(215) 755-1500	
(Registrant's Telephone Number, Including Area Code)	

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 whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or smaller reporting company. See definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if smaller reporting company)	Smaller reporting company <input checked="" type="checkbox"/>

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Indicate by check mark whether the registrant is a shell company (as defined in 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 practical date: as of August 7, 2009, 10,331,866 shares were issued and outstanding

PRUDENTIAL BANCORP, INC. OF PENNSYLVANIA

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PRUDENTIAL BANCORP, INC. OF PENNSYLVANIA AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

	June 30, 2009	September 30, 2008 (as restated See Note 10)
(Dollars in Thousands)		
ASSETS		
Cash and amounts due from depository institutions	\$ 5,164	\$ 4,318
Interest-bearing deposits	11,010	5,136
Total cash and cash equivalents	16,174	9,454
Investment and mortgage-backed securities held to maturity (estimated fair value—June 30, 2009, \$166,447; September 30, 2008, \$160,522)	166,346	163,303
Investment and mortgage-backed securities available for sale (amortized cost—June 30, 2009, \$59,217; September 30, 2008, \$56,152)	56,926	55,106
Loans receivable—net of allowance for loan losses (June 30, 2009, \$2,502; September 30, 2008, \$1,591)	252,615	243,969
Accrued interest receivable:		
Loans receivable	1,335	1,291
Mortgage-backed securities	384	393
Investment securities	1,623	1,493
Real estate owned	4,444	1,488
Federal Home Loan Bank stock—at cost	3,545	2,620
Office properties and equipment—net	1,953	2,182
Prepaid expenses and other assets	7,047	7,147
Deferred tax asset-net	2,338	1,091
TOTAL ASSETS	\$ 514,730	\$ 489,537

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES:

Deposits:

Noninterest-bearing	\$ 2,766	\$ 4,327
Interest-bearing	429,451	372,503
Total deposits	432,217	376,830
Advances from Federal Home Loan Bank	19,670	31,701
Accrued interest payable	3,100	3,471
Advances from borrowers for taxes and insurance	1,919	1,348
Accounts payable and accrued expenses	2,761	7,169
Accrued dividend payable	491	531
Total liabilities	460,158	421,050

COMMITMENTS AND CONTINGENCIES (Note 8)

STOCKHOLDERS' EQUITY:

Preferred stock, \$.01 par value, 10,000,000 shares authorized, none issued	—	—
Common stock, \$.01 par value, 40,000,000 shares authorized, issued 12,563,750; outstanding - 10,331,866 at June 30, 2009: 11,069,866 at September 30, 2008	126	126
Additional paid-in capital	52,775	54,925
Unearned ESOP shares	(3,513)	(3,680)
Treasury stock, at cost: 2,231,884 shares at June 30, 2009: 1,493,884 shares at September 30, 2008	(28,652)	(19,481)
Retained earnings	35,348	37,288
Accumulated other comprehensive loss	(1,512)	(691)
Total stockholders' equity	54,572	68,487
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 514,730	\$ 489,537

See notes to unaudited consolidated financial statements.

PRUDENTIAL BANCORP, INC. OF PENNSYLVANIA AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended June 30, 2008 (as restated see Note 10)		Nine Months Ended June 30, 2008 (as restated see Note 10)	
	2009		2009	
	(Dollars in Thousands Except Per Share Amounts)		(Dollars in Thousands Except Per Share Amounts)	
INTEREST INCOME:				
Interest on loans	\$ 3,806	\$ 3,539	\$ 11,396	\$ 10,764
Interest on mortgage-backed securities	1,329	895	4,648	2,375
Interest and dividends on investments	1,485	2,031	4,708	6,552
Total interest income	6,620	6,465	20,752	19,691
INTEREST EXPENSE:				
Interest on deposits	2,972	3,247	9,333	10,220
Interest on borrowings	216	256	743	945
Total interest expense	3,188	3,503	10,076	11,165
NET INTEREST INCOME	3,432	2,962	10,676	8,526
PROVISION FOR LOAN LOSSES	810	112	1,173	262
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	2,622	2,850	9,503	8,264