

PEOPLES FINANCIAL SERVICES CORP/  
Form 10-Q  
August 09, 2007

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 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 **June 30, 2007** or

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

No. 0-23863  
(Commission File Number)

PEOPLES FINANCIAL SERVICES CORP.  
(Exact Name of Registrant as Specified in its Charter)

Pennsylvania  
(State of Incorporation)

23-2391852  
(IRS Employer ID Number)

50 Main Street  
Hallstead, PA  
(Address of Principal Executive Offices)

18822  
(Zip Code)

(570) 879-2175  
(Registrant's Telephone Number)

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Number of shares outstanding as of July 31, 2007

COMMON STOCK (\$2 Par Value)  
(Title of Class)

3,136,512  
(Outstanding Shares)



PEOPLES FINANCIAL SERVICES CORP.  
FORM 10-Q

For the Quarter Ended June 30, 2007

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**PART I FINANCIAL INFORMATION****Item 1. Financial Statements**PEOPLES FINANCIAL SERVICES CORP.  
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

June 30, 2007 and December 31, 2006

**(In thousands, except share and per share data)**

	<i>June 2007</i>	<i>Dec 2006</i>
<b>ASSETS:</b>		
Cash and due from banks	\$ 6,589	\$ 7,527
Interest bearing deposits in other banks	98	2,626
Federal funds sold	0	2,227
Cash and cash equivalents	6,687	12,380
Securities available for sale	109,071	110,302
Loans	276,323	271,175
Allowance for loan losses	(2,015)	(1,792)
Loans, net	274,308	269,383
Bank premises and equipment, net	6,097	6,183
Accrued interest receivable	1,962	1,855
Intangible assets	1,206	1,331
Other real estate owned	5,137	5,062
Bank owned life insurance	7,468	7,317
Other assets	2,845	2,455
<b>Total assets</b>	<b>\$ 414,781</b>	<b>\$ 416,268</b>
<b>LIABILITIES:</b>		
Deposits:		
Non-interest bearing	\$ 53,386	\$ 50,940
Interest bearing	272,176	272,673
Total deposits	325,562	323,613
Accrued interest payable	665	703
Short-term borrowings	14,665	12,574
Long-term borrowings	31,447	36,525
Other liabilities	1,522	1,613
<b>Total liabilities</b>	<b>373,861</b>	<b>375,028</b>
<b>STOCKHOLDERS' EQUITY:</b>		
Common Stock, par value \$2 per share; authorized 12,500,000 shares; issued 3,341,251 shares; outstanding 3,136,512 shares and 3,133,874 shares June 30, 2007 and December 31, 2006, respectively	6,683	6,683
Surplus	3,078	3,046
Retained earnings	37,557	36,336
Accumulated other comprehensive loss	(1,968)	(395)
Treasury stock at cost 204,739 and 207,377 shares at June 30, 2007 and December 31, 2006, respectively	(4,430)	(4,430)
<b>Total stockholders' equity</b>	<b>40,920</b>	<b>41,240</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 414,781</b>	<b>\$ 416,268</b>

See Notes to Consolidated Financial Statements



PEOPLES FINANCIAL SERVICES CORP.  
 CONSOLIDATED STATEMENTS OF INCOME  
 (UNAUDITED)

(In thousands, except per share data)

	Six Months Ended		Three Months Ended	
	June 30 2007	June 30 2006	June 30 2007	June 30 2006
<b>INTEREST INCOME:</b>				
Loans receivable, including fees	\$ 9,482	\$ 8,741	\$ 4,805	\$ 4,471
Securities:				
Taxable				