

PEOPLES FINANCIAL SERVICES CORP/
Form 10-Q
August 08, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

Form 10-Q

(X) Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **June 30, 2005** 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)

PA Pennsylvania 23-2391852 50 Main Street, Hallstead,
18822
(State of Incorporation) (IRS Employer ID Number) (Address of Principle Executive Offices) (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 X No____

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes X No____

Number of shares outstanding as of June 30, 2005

COMMON STOCK (\$2 Par Value) 3,149,124

(Title of Class) (Outstanding Shares)

PEOPLES FINANCIAL SERVICES CORP.
FORM 10-Q

For the Quarter Ended June 30, 2005

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

June 30, 2005 (UNAUDITED) and December 31, 2004

(In thousands, except share data)

	<i>June 2005</i>		<i>Dec 2004</i>
ASSETS:			
Cash and due from banks	\$ 7,075	\$	5,903
Interest bearing deposits in other banks	103		102
Cash and cash equivalents	7,178		6,005
Securities available for sale	114,263		113,598
Loans	249,189		244,814
Allowance for loan losses	(2,662)		(2,739)
Loans, net	246,527		242,075
Bank premises and equipment, net	5,574		4,904
Accrued interest receivable	1,969		1,987
Intangible assets	1,761		1,892
Other assets	9,037		8,914
Total assets	\$ 386,309	\$	379,375
LIABILITIES:			
Deposits:			
Non-interest bearing	\$ 45,883	\$	42,999
Interest bearing	237,272		231,776
Total deposits	283,155		274,775
Accrued interest payable	618		550
Short-term borrowings	14,138		14,614
Long-term borrowings	48,063		46,034
Other liabilities	687		1,048
Total liabilities	346,661		337,021
STOCKHOLDERS' EQUITY			
Common stock, par value \$2 per share; authorized 12,500,000 shares; issued 3,341,251			
shares; outstanding 3,149,124 shares and 3,155,801 shares at June 30, 2005 and			
December 31, 2004, respectively	6,683		6,683
Surplus	2,871		2,821
Retained earnings	33,781		35,665
Accumulated other comprehensive income	71		618
Treasury stock at cost	(3,758)		(3,433)
Total stockholders' equity	39,648		42,354
Total liabilities and stockholders' equity	\$ 386,309	\$	379,375

See Notes to Consolidated Financial Statements

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

(In thousands, except per share data)

	<u>Six-months Ended</u>		<u>Three-months Ended</u>	
	June 30, 2005	June 30, 2004	June 30, 2005	June 30, 2004
INTEREST INCOME:				
Loans receivable, including fees	\$ 7,796	\$ 7,454	\$ 3,955	\$ 3,717
Securities:				
Taxable	1,585	1,590	804	769
Tax exempt	745	833	368	419
Other	32	22	24	21
Total interest income	10,158	9,899	5,151	4,926
INTEREST EXPENSE:				