

Magyar Bancorp, Inc.
Form 10QSB
February 08, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended December 31, 2006

Commission File Number **000-51726**

MAGYAR BANCORP, INC.
(Exact name of small business issuer as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-4154978
(I.R.S. Employer
Identification Number)

400 Somerset Street
New Brunswick, New Jersey
(Address of principal executive
offices)

08901
(Zip Code)

Issuer's telephone number, including area code (732) 342-7600

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 shell company (as defined in Rule 12b-2 of the Exchange Act).

YES NO

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at February 8, 2007
Common Stock, \$0.01 Par Value	5,923,742

Transitional Small Business Disclosure Format YES NO

MAGYAR BANCORP, INC.

Form 10-QSB Quarterly Report

Table of Contents

PART I. FINANCIAL INFORMATION

	Page Number	
<u>Item 1.</u>	<u>Financial Statements</u>	<u>1</u>
<u>Item 2.</u>	<u>Management's Discussion and Analysis or Plan of Operation</u>	<u>10</u>
<u>Item 3.</u>	<u>Controls and Procedures</u>	<u>19</u>

PART II. OTHER INFORMATION

<u>Item 1.</u>	<u>Legal Proceedings</u>	<u>20</u>
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>20</u>
<u>Item 3.</u>	<u>Defaults Upon Senior Securities</u>	<u>20</u>
<u>Item 4.</u>	<u>Submission of Matters to a Vote of Security Holders</u>	<u>20</u>
<u>Item 5.</u>	<u>Other Information</u>	<u>20</u>
<u>Item 6.</u>	<u>Exhibits</u>	<u>20</u>
<u>Signature Pages</u>		<u>21</u>

Table of Contents

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

MAGYAR BANCORP, INC. AND SUBSIDIARY

Consolidated Balance Sheets
(In Thousands, Except Share Data)

	December 31, 2006	September 30, 2006
	(Unaudited)	
Assets		
Cash	\$ 4,970	\$ 5,912
Interest earning deposits with banks	175	105
Total cash and cash equivalents	5,145	6,017
Investment securities - available for sale, at fair value	17,336	18,169
Investment securities - held to maturity, at cost (fair value of \$22,333 and \$23,358 at December 31, 2006 and September 30, 2006, respectively)	22,790	23,895
Federal Home Loan Bank of New York stock, at cost	2,785	2,870
Loans receivable, net of allowance for loan losses of \$4,059 and \$3,892 at December 31, 2006 and September 30, 2006, respectively	365,246	347,969
Bank owned life insurance	9,700	9,606
Accrued interest receivable	2,290	2,218
Premises and equipment, net	22,186	21,690
Other assets	1,631	1,770
Total assets	\$ 449,109	\$ 434,204
Liabilities and Stockholders' Equity		
Liabilities		
Deposits	\$ 342,318	\$ 325,602
Escrowed funds	1,167	1,158
Federal Home Loan Bank of New York advances	46,124	47,996
Securities sold under agreements to repurchase	5,000	5,000
Accrued interest payable	892	1,141
Accounts payable and other liabilities	5,046	5,095
Total liabilities	400,547	385,992
Stockholders' equity	-	-

Edgar Filing: Magyar Bancorp, Inc. - Form 10QSB

Preferred stock: \$.01 Par Value, 1,000,000 shares
authorized; no shares issued

Common stock: \$.01 Par Value, 8,000,000 shares
authorized; 5,923,742 issued

at December 31, 2006 and September 30, 2006.

	59	59
Additional paid-in capital	25,801	25,786
Unearned shares held by Employee Stock Ownership Plan	(2,075)	(2,133)
Retained earnings	25,273	25,001
Accumulated other comprehensive loss, net	(496)	(501)
Total stockholders' equity	48,562	48,212
Total liabilities and stockholders' equity	\$ 449,109	\$ 434,204

The accompanying notes are an integral part of these statements.

Table of Contents**MAGYAR BANCORP, INC. AND SUBSIDIARY**

Consolidated Statements of Income
(In Thousands, Except Per Share Data)

	For the Three Months Ended December 31,	
	2006	2005
	(Unaudited)	
Interest and dividend income		
Loans, including fees	\$ 6,517	\$ 4,575
Investment securities	440	510
Federal Home Loan Bank of New York stock	44	33
Total interest and dividend income	7,001	5,118
Interest expense		
Deposits	2,944	1,706
Borrowed money	644	564
Total interest expense	3,588	2,270
Net interest and dividend income	3,413	2,848
Provision for loan losses	167	120
Net interest and dividend income after provision for loan losses	3,246	2,728
Other income		
Service charges	214	