Cheviot Financial Corp.
Form 11-K
June 27, 2014

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT
PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

[X] ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended December 31, 2013

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from _______________ to _______________

Commission File Number 001-35399

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Cheviot Savings Bank 401(k) Plan & Trust

B: Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Cheviot Financial Corp.
3723 Glenmore Avenue
Cheviot, Ohio 45211

Cheviot Savings Bank 401(k) Plan & Trust

Financial Statements and Supplemental Schedule

December 31, 2013 and 2012

With
Report of Independent Registered
Public Accounting Firm

THE CHEVIOT SAVINGS BANK 401(K) PLAN & TRUST

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Independent Registered Public Accounting Firm

To the Audit Committee of
The Cheviot Savings Bank 401(k) Plan & Trust

We have audited the accompanying statements of net assets available for benefits of the Cheviot Savings Bank 401(k) Plan & Trust as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2013 and 2012, and the changes in net assets available for benefits for the year ended December 31, 2013, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2013 is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 24, 2014

Cheviot Savings Bank 401(k) Plan & Trust
Statements of Net Assets Available for Benefits
December 31, 2013 and 2012

	2013	2012
Assets:		
Investments at fair value	$ 8,496,523	$ 7,011,302
Receivables:		
Employer contribution	166,444	178,208
Participant contributions	-	2,785
	166,444	180,993
Net assets available for benefits	$ 8,662,967	$ 7,192,295

See accompanying notes to the financial statements

Cheviot Savings Bank 401(k) Plan & Trust
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2013

Additions:	
Additions to net assets attributed to:	
Investment income:	
Net appreciation in fair value of investments	$ 913,664
Interest	30,037
Dividends	249,911
	1,193,612
Contributions:	
Employer	280,266
Participants	344,544
	624,810
Total additions	1,818,422
Deductions:	
Deductions from net assets attributed to:	
Benefits paid to participants	347,750
Total deductions	347,750
Net increase	1,470,672
Net assets available for benefits:	
Beginning of year	7,192,295
End of year	$ 8,662,967

See accompanying notes to the financial statements

1. DESCRIPTION OF PLAN:

The following description of the Cheviot Savings Bank 401(k) Plan & Trust provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General
Cheviot Savings Bank (the Bank) maintains the Cheviot Savings Bank 401(k) Plan & Trust which is a qualified, tax-exempt profit sharing plan with a salary deferral feature under Section 401(k) of the Internal Revenue Code (the "Code"). Employees who have attained age 21 and have completed one year of employment are eligible to participate. Employees are entitled to enter the 401(k) Plan on the first January 1 or July 1 occurring after the employee becomes eligible to participate in the 401(k) Plan.

Contributions
Under the 401(k) Plan participants may elect to defer a percentage of their compensation each year instead of receiving that amount in cash equal to the lesser of (i) a maximum percentage of compensation as indicated in a notice received from the 401(k) Plan administrator or (ii) an indexed dollar amount set by the Internal Revenue Service, which was $17,500 for 2013. In addition, for participants that are age 50 or older by the end of any taxable year, the participant may elect to defer additional amounts (called "catch-up contributions") to the 401(k) Plan. The additional amounts may be deferred regardless of any other limitations on the amount that a participant may defer to the 401(k) Plan. The maximum "catch-up contribution" that a participant can make in 2013 was $5,500.

Each plan year (a calendar year), Cheviot Savings Bank will contribute to the 401(k) Plan the following amounts: (a) the total amount of the salary reduction a participant elected to defer; (b) in the discretion of Cheviot Savings Bank, a matching contribution equal to a percentage of the amount of the salary reduction a participant elected to defer; and (c) a discretionary amount equal to 3% of a participant's plan compensation (generally the sum of a participant's Form W-2 wages and other compensation for the year plus a participant's before-tax contributions to the 401(k) Plan and any other benefit plans of Cheviot Savings Bank, up to a legal limit (which was $255,000 for 2013)) for the year plus 3% of a participant's plan compensation for the year in excess of 50% of the Social Security Taxable Wage Base for old-age retirement benefits for the year ($56,850 for 2013) plus any additional amount that does not match a participant's salary reduction and that is determined by Cheviot Savings Bank in its discretion.

Participant accounts
Each participant's account is credited with the participant's contributions and the Bank matching contributions, as well as allocations of the Bank's additional discretionary contribution and Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting
Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Bank's contribution portion of their accounts is based on years of continuous service. A participant is 100 percent vested after six years of credited service.

Payment of benefits
Plan benefits will be paid to each participant in the form of a single cash payment at normal retirement age unless earlier payment is selected. If a participant dies prior to receipt of the entire value of his or her 401(k) Plan accounts, payment will generally be made to the beneficiary in a single cash payment as soon as possible following the participant's death. Payment will be deferred if the participant had previously elected a later payment date. If the beneficiary is not the participant's spouse, payment will be made within one year of the date of death. If the spouse is the designated beneficiary, payment will be made no later than the date the participant would have attained age 70 1/2. Normal retirement age under the 401(k) Plan is age 65. Early retirement age is age 59.5 with six years of service.

Forfeited Accounts
At December 31, 2013 and 2012, forfeited nonvested accounts totaled $15,917 and $5,445, respectively. These balances are added to the employer discretionary contribution allocated to eligible participants in the Plan after the end of the plan year.

2. SUMMARY OF ACCOUNTING POLICIES:

Basis of accounting
The financial statements of the plan are prepared on the accrual basis of accounting.

Use of estimates
The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment valuation and income recognition
Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisers and custodians.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of benefits
Benefits are recorded when paid.

Expenses
Certain expenses of maintaining the Plan are paid directly by the Bank and are excluded from these financial statements. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent events
The plan has evaluated subsequent events through the report date, the date the financial statements were available to be issued.

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3. INVESTMENTS:

The following presents investments that represent 5% or more of the Plan's net assets at December 31:

	2013	2012
American Funds Money Market Fund	*	418,819
Income Fund of America	510,840	400,789
Growth Fund of America	846,890	539,814
American Balanced Fund	574,425	*
Target Date 2020	447,568	*
Cheviot Financial Corp. common stock	2,254,536	1,928,002
Cheviot Savings Bank certificate of deposit fund	1,205,042	1,220,171

* Investment was less than 5% of net assets at year end.

During 2013, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $913,664 as follows.

Mutual funds	$ 731,004
Certificate of deposit fund	37,787
Common stock	144,873
	$ 913,664

4. FAIR VALUE MEASUREMENTS:

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access

Level 2: Inputs to the valuation methodology include: Quoted prices for similar assets or liabilities in active markets; Quoted prices for identical or similar assets or liabilities in inactive markets; Inputs other than quoted prices that are observable for the asset or liability; Inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Cheviot Savings Bank 401(k) Plan & Trust
Notes to the Financial Statements
December 31, 2013 and 2012

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Certificate of deposit fund: The fair value of certificates of deposit fund was calculated using a discounted cash flow analysis that calculates the present value of the projected cash flows from the portfolio. Interest rates used were based on current market rates of comparable instruments.

The following table sets forth by level, within the fair value hierarchy, the plan's investments at fair value as of December 31, 2013 and 2012:

	Investments at fair value as of December 31, 2013			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Cash funds	$ 137,429	—	—	137,429
Bond funds	250,716	—	—	250,716
Balanced funds	574,425	—	—	574,425
Growth and Income funds	1,242,564	—	—	1,242,564
Growth funds	1,834,366	—	—	1,834,366
Blended funds	997,445	—	—	997,445
Total mutual funds	5,036,945	—	—	5,036,945
Common stocks:				
Financial institutions	2,254,536	—	—	2,254,536
Total common stocks	2,254,536	—	—	2,254,536
Certificate of deposit fund	—	1,205,042	—	1,205,042
Total investments at fair value	$ 7,291,481	$ 1,205,042	—	8,496,523

	Investments at fair value as of December 31, 2013			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Cash funds	$ 435,404	—	—	435,404
Bond funds	256,903	—	—	256,903
Balanced funds	343,128	—	—	343,128
Growth and Income funds	925,594	—	—	925,594
Growth funds	1,240,629	—	—	1,240,629
Blended funds	661,471	—	—	661,471
Total mutual funds	3,863,129	—	—	3,863,129
Common stocks:				
Financial institutions	1,928,002	—	—	1,928,002
Total common stocks	1,928,002	—	—	1,928,002
Certificate of deposit fund	—	1,220,171	—	1,220,171
Total investments at fair value	$ 5,791,131	1,220,171	—	7,011,302

5. RELATED PARTY TRANSACTIONS AND PARTY IN INTEREST TRANSACTIONS:

In 2013, the Plan purchased 19,266 common shares of the Cheviot Financial Corp. at a cost of $209,985. Cheviot Financial Corp. is the holding company of Cheviot Savings Bank.

The Plan sold 7,691 common shares of the Cheviot Financial Corp. for $84,009 with a realized gain of $8,694 in 2013.

The Plan has an investment in a certificate of deposit fund (“CD’s”) in which participants can invest in certificates of deposit of the Cheviot Savings Bank. The CDs are held in safe keeping at Cheviot Savings Bank. The Plan sponsor charges no fees on this fund.

Certain Plan investments are shares of mutual funds managed by American Funds and Capital Bank and Trust Company. Capital Bank and Trust Company is the custodian of the mutual funds as defined by the Plan and, therefore, these transactions qualify as party in interest transactions. Fees incurred by the plan for the investment management services are included in net appreciation in fair value of the investment. The Plan Sponsor pays directly any other fees related to the plan's operations.

6. PLAN TERMINATION:

Although it has not expressed any intent to do so, the Bank has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their employer contributions.

7. TAX STATUS:

The Bank adopted a prototype non-standardized profit sharing plan with a cash or deferral arrangement which received a favorable opinion letter from the Internal Revenue Services (IRS) dated March 31, 2008. The IRS stated in the letter that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has since been amended. While the Bank has not obtained its own determination letter on the Plan, management believes that the Plan currently is designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

8. RISKS AND UNCERTAINTIES:

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

CHEVIOT SAVINGS BANK 401(k)
PLAN & TRUST

Date: June 24, 2014 By: /s/ Thomas J. Linneman
Thomas J. Linneman
Trustee