

SECURITIES AND EXCHANGE COMMISSION

FORM NSAR-B

Annual report for management companies filed on Form N-SAR

Filing Date: **1994-03-01** | Period of Report: **1993-12-31**
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FILER

PRUDENTIAL UTILITY FUND

CIK: **352665** | IRS No.: **133071974** | State of Incorpor.: **MD** | Fiscal Year End: **1231**
Type: **NSAR-B** | Act: **40** | File No.: **811-03175** | Film No.: **94514014**

Mailing Address
*ONE SEAPORT PLZ
ONE SEAPORT PLZ
NEW YORK NY 10292*

Business Address
*199 WATER ST
NEW YORK NY 10292
2122141250*

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000 B000000 12/31/93
000 C000000 0000352665
000 D000000 N
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000 J000000 A
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001 B000000 811-3175
001 C000000 2122141250
002 A000000 199 WATER STREET
002 B000000 NEW YORK
002 C000000 NY
002 D010000 10292
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008 A000001 PRUDENTIAL MUTUAL FUND MANAGEMENT, INC.

008 B000001 A

008 C000001 801-31104

008 D010001 NEW YORK

008 D020001 NY

008 D030001 10292

008 A000002 THE PRUDENTIAL INVESTMENT CORPORATION

008 B000002 S

008 C000002 801-22808

008 D010002 NEWARK

008 D020002 NJ

008 D030002 07101

011 A000001 PRUDENTIAL SECURITIES INCORPORATED

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011 A000002 PRUDENTIAL MUTUAL FUND DISTRIBUTORS, INC.

011 B000002 8-38739

011 C010002 NEW YORK

011 C020002 NY

011 C030002 10292

012 A000001 PRUDENTIAL MUTUAL FUND SERVICES, INC.

012 B000001 84-4110019

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013 A000001 PRICE WATERHOUSE

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014 A000001 PRUDENTIAL SECURITIES INCORPORATED

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015 A000001 STATE STREET BANK AND TRUST COMPANY

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015 D010022 SWITZERLAND

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SIGNATURE SUSAN C. COTE'
TITLE TREASURER

Utility Fund N-SAR

On October 12, 1993, a lawsuit was instituted against the Registrant, Prudential Mutual Fund Management, Inc., The Prudential Investment Corporation, Prudential Securities Incorporated and certain current and former directors of the Registrant. (Merine v. Prudential-Bache Utility Fund, Inc., et. al (93 Civ. 7065 (PKL) - S.D.N.Y.) The suit was brought by plaintiffs both derivatively on behalf of the Registrant and purportedly on behalf of the class of shareholders who purchased their shares prior to 1985. The plaintiffs seek damages on behalf of the Registrant in an unspecified amount for alleged excessive management and distribution fees. The complaint also challenges the Alternative Purchase Plan that was implemented in January 1990 pursuant to a shareholder vote and that provided for the creation of two classes of Registrant shares. The plaintiffs, on behalf of the purported class, seek damages and equitable relief against the Registrant and the named directors to change the classification of the shares of the class and to compel a further vote on such plan. Although the outcome of this litigation cannot be predicted at this time, defendants believe they have meritorious defenses to the claims asserted in the complaint and intend to defend this action vigorously. In any event, because plaintiffs' claims for damages are brought derivatively on behalf of the Registrant, the Registrant is only a nominal defendant with respect to those claims. Only equitable relief is sought from the Registrant.

For the fiscal year ended (a) 12/31/93
File number (c) 811-3175

SUB-ITEM 77 0

EXHIBITS

Transactions Effected Pursuant to Rule 10f-3

1. Name of Issuer
CMS Energy Corporation
2. Date of Purchase
09/29/93
3. Number of Securities Purchased
150,000
4. Dollar Amount of Purchase
\$3,993,750.00
5. Price Per Unit
\$26.625
6. Name(s) of Underwriter(s) or Dealer(s)
From whom Purchased
Morgan Stanley & Co., Incorporated
7. Other Members of the Underwriting Syndicate

Donaldson, Lufkin & Jenrette Securities Corporation
The First Boston Corporation
Goldman, Sachs & Co
Merrill Lynch, Pierce, Fenner & Smith Incorporated
M.R. Beal & Company
Bear, Stearns & Co.
Dillon, Read & Co., Inc
A.G. Edwards & Sons, Inc.
First of Michigan Corporation
Edward D. Jones & Co.
Kemper Securities, Inc.
Kidder, Peabody & Co., Incorporated
McDonald & Company Securities, Inc.
Monness, Crespi, Hardt & Co., Inc.
Paine Webber Incorporated
Roney & Co.
Salomon Brothers Inc.
Smith Barney Shearson Inc.
UBS Securities Inc.

For the fiscal year ended (a) 12/31/93
File number (c) 811-3175

SUB-ITEM 77 0

EXHIBITS

Transactions Effected Pursuant to Rule 10f-3

1. Name of Issuer
PacTel Corporation
2. Date of Purchase
12/2/93
3. Number of Securities Purchased
299,500
4. Dollar Amount of Purchase
\$6,888,500.00
5. Price Per Unit
\$23.00
6. Name(s) of Underwriter(s) or Dealer(s)
From whom Purchased
Lehman/Salomon Brothers
7. Other Members of the Underwriting Syndicate

Goldman, Sachs & Co.
Merrill Lynch, Pierce Fenner & Smith Incorporated
CS First Boston Corporation
Donaldson, Lufkin & Jenrette Securities Corporation
Morgan Stanley & Co., Inc.
Bear, Stearns & Co., Inc.
Alex Brown & Sons Incorporated
Dillon, Read & Co., Inc.
A.G. Edwards & Sons, Inc.
Hambrecht & Quist Incorporated
Kemper Securities, Inc.
Kidder Peabody & Co., Incorporated
Lazard Freres & Co.
WR Lazard, Laidlaw & Mead Inc.
Montgomery Securities

Nomura Securities International, Inc.
Oppenheimer & Co., Inc.
Paine Webber Incorporated
Prudential Securities Incorporated
Pryor, McClendon, Counts & Co., Inc.
Robertson, Stephens & Company, LP
Scotia-McLeod (USA) Inc.
Muriel Seibert & Co., Inc.
Smith Barney Shearson, Inc.
SBCI Swiss Bank Corporation Investment Banking Inc.
UBS Securities Inc.
S.G. Warburg & Co., Inc.
Wertheim Schroder & Co., Incorporated
Dean Witter Reynolds Inc.
Yamaichi International (America), Inc.
Advest, Inc.
Robert W. Baird & Co. Incorporated
Sanford C. Bernstein & Co. Incorporated
Cowen & Company
Crowell, Weedon & Co.
Dain Bosworth Incorporated
Robert Fleming Inc.
Ladenburg, Thalmann & Co., Inc.
C.J. Lawrence/Deutsche Bank Securities Corporation
Legg Mason Wood Walker Incorporated
Moran & Associates, Inc. Securities Brokerage
Needham & Company, Inc.
Neuberger & Berman
Piper Jaffray Inc.
Raymond James & Associates, Inc.
The Robinson-Humphrey Company, Inc.
Stifel, Nicolaus & Company, Incorporated
Sutro & Co., Incorporated
AIBC Investment Services Corporation
Apex Securities, Inc.
M.R. Beal & Co.
Charles A. Bell Securities Corp.
The Buckingham Research Group Incorporated
D.A. Davidson & Co., Incorporated
Doley Securities, Inc.
First Analysis Securities Corporation
Gabelli & Company, Inc.
Gerard Klauer Mattison & Co., Inc.
Grigsby Brandford Powell Inc.
Hanifen, Imhoff Inc.
Janney Montgomery Scott Inc.
Edward D. Jones & Co.
Luther, Smith & Smalls, Inc.
Ragen MacKenzie Incorporated
Samuel A. Ramirez & Co., Inc.
Redwood Securities Group, Inc.

Robert Van Securities, Inc.
The Seidler Companies Incorporated
Sturdivant & Col, Inc.
Utendahl Capital Partners, LP
Wedbush Morgan Securities

For the fiscal year ended (a) 12/31/93
File number (c) 811-3175

SUB-ITEM 77 0

EXHIBITS

Transactions Effected Pursuant to Rule 10f-3

1. Name of Issuer
Niagara Mohawk Power Corporation
2. Date of Purchase
4/28/93
3. Number of Securities Purchased
80,000
4. Dollar Amount of Purchase
\$1,780,000.00
5. Price Per Unit
\$22.25
6. Name(s) of Underwriter(s) or Dealer(s)
From whom Purchased
Merrill Lynch
7. Other Members of the Underwriting Syndicate

A.G Edwards & Sons, Inc.
First Albany Corporation
Bear, Stearns & Co., Inc.
Goldman, Sachs & Co.
Kidder, Peabody & Co., Inc.
Oppenheimer & Co., Inc.
Paine Webber Inc.
Prudential Securities Inc.

Shearson Lehman Brothers Inc.
Smith Barney, Harris Upham & Co., Inc.
UBS Securities Inc.
Dean Witter Reynolds Inc.
Edward D. Jones & Co
NatWest Securities Limited
Advest, Inc.
M.R. Beal & Company
Cowen & Company
Dominick & Dominick, Inc.
Gruntal & Co., Inc.
Janney Montgomery Scott Inc.
Kemper Securities, Inc.
CL King & Associates, Inc.
Legg Mason Wood Walker, Inc.
Muriel Seibert & Co., Inc.

Trubee, Collins & Co.
Tucker Anthony Incorporated
Utendahl Capital Partners, L.P.

For the fiscal year ended (a) 12/31/93
File number (c) 811-3175

SUB-ITEM 77 0

EXHIBITS

Transactions Effected Pursuant to Rule 10f-3

1. Name of Issuer
Pacific Enterprises
2. Date of Purchase
5/19/93
3. Number of Securities Purchased
124,000
4. Dollar Amount of Purchase
\$2,681,500
5. Price Per Unit
\$21.625
6. Name(s) of Underwriter(s) or Dealer(s)
From whom Purchased
Merrill Lynch
7. Other Members of the Underwriting Syndicate

Shearson Lehman Brothers Inc.
Dean Witter Reynolds Inc.
Bear, Stearns & Co., Inc.
The First Boston Corporation
Crowell, Weedon & Co.
Donaldson, Lufkin & Jenrette Securities Corporation
A.G. Edwards & Sons, Inc.
Goldman, Sachs & Co.
Kidder, Peabody & Co., Inc.
J.P. Morgan Securities Inc.
Morgan Stanley & Co., Inc.
Paine Webber Incorporated
Prudential Securities, Inc.
Salomon Brothers, Inc.
Smith Barney, Harris Upham & Co., Incorporated
S.G. Warburg & Co., Inc.
Advest, Inc.
Robert W. Baird & Co., Inc.
M. R. Beal & Company
Dain Bosworth Incorporated
Gruntal & Co., Inc.
Howard, Weil, Labouisse, Friedrichs Inc.
Edward D. Jones & Co.
Kemper Securities, Inc.
Ladenburg, Thalmann & Co., Inc.
C.J. Lawrence Inc.
Legg Mason Wood Walker, Inc.
Neuberger & Berman
Piper Jaffrey Inc.
Ragen MacKenzie Incorporated
Rauscher Pierce Refsnes, Inc.
Raymond James & Associates, Inc.
The Robinson-Humphrey Company, Inc.
Rodman & Renshaw, Inc.
Seidler Amdec Securities, Inc.
Sutro & Co., Inc.
Van Kasper & Company
Wedbush Morgan Securities
Wheat, First Securities, Inc.

For the fiscal year ended (a) 12/31/93
File number (c) 811-3175

SUB-ITEM 77 0

EXHIBITS

Transactions Effected Pursuant to Rule 10f-3

1. Name of Issuer
Panhandle Eastern Corporation
2. Date of Purchase
5/25/93
3. Number of Securities Purchased
179,100
4. Dollar Amount of Purchase
\$3,805,875
5. Price Per Unit
\$21.25

6. Name(s) of Underwriter(s) or Dealer(s)
From whom Purchased
Merrill Lynch, Pierce, Fenner & Smith Inc.

7. Other Members of the Underwriting Syndicate

Dillon Read & Co. Inc.
Kidder, Peabody & Co., Inc.
The First Boston Corporation
Alex Brown & Sons Inc.
A.G. Edwards & Sons Inc.
Goldman, Sachs & Co.
Howard, Weil, Labouisse, Friedrichs Incorporated
Lazard Freres & Co.
Mabon Securities Corp.
J.P. Morgan Securities Inc.
Oppenheimer & Co., Inc.
Prudential Securities Incorporated
Rauscher Pierce Refsnes, Inc.
Salomon Brothers Inc.
Shearson Lehman Brothers Inc.
Smith Barney, Harris Upham & Co., Inc.
UBS Securities Inc.
Dean Witter Reynolds, Inc.
Advest, Inc.
J.C. Bradford & Co.
Cowen & Company
Dain Bosworth Incorporated
First Albany Corporation
First of Michigan Corporation
Janney Montgomery Scott Inc.
Kemper Securities, Inc.
C.J. Lawrence Inc.
Legg Mason Wood Walker, Incorporated
Piper Jaffray Inc.
The Principal/Eppler, Guerin & Turner, Inc.
Raymond James & Associates, Inc.
Stifel, Nicolaus & Company, Incorporated
Wheat, First Securities, Inc.
Brean Murray, Foster Securities Inc.
The Chicago Corporation
Johnston, Lemon & Co., Incorporated
Parker/Hunter Incorporated
Petrie Parkman & Co., Inc.
Roney & Company
Scott & Stringfellow, Inc.

February 8, 1994

To the Board of Directors of
Prudential Utility Fund

In planning and performing our audit of the financial statements of Prudential Utility Fund (the "Fund") for the year ended December 31, 1993, we considered its internal control structure, including procedures for safeguarding securities, in order to determine our auditing procedures for the purposes of expressing our opinion on the financial statements and to comply with the requirements of Form N-SAR, and not to provide assurance on the internal control structure.

The management of the Fund is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. Two of the objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are appropriately safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with generally accepted accounting principles.

Because of inherent limitations in any internal control structure, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that it may become inadequate because of changes in conditions or that the effectiveness of the design and operation may deteriorate.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control structure, including procedures for safeguarding securities, that we consider to be material weaknesses as defined above as of December 31, 1993.

This report is intended solely for the information and use of management and the Securities and Exchange Commission.

PRICE WATERHOUSE
1177 Avenue of the Americas
New York, New York 10036

Board of Directors or Trustees of:

Prudential Adjustable Rate Securities Fund
The BlackRock Government Income Trust
Prudential California Municipal Fund
Prudential Equity Fund
Prudential Equity Income Fund
Prudential FlexiFund (2 Portfolios)
Prudential GNMA Fund
Prudential Global Fund
Prudential Global Genesis Fund
Prudential Global Natural Resources Fund
Prudential Government Plus Fund
Prudential Growth Fund
Prudential Growth Opportunity
Prudential High Yield Fund
Prudential IncomeVertible Fund
Prudential Intermediate Global Income Fund
Prudential Multi-Sector Fund
Prudential Municipal Bond Fund (3 Portfolios)
Prudential Municipal Series Fund (11 Portfolios)
Prudential National Municipals Fund
Prudential Pacific Growth Fund
Prudential Short-Term Global Income Fund (2 Portfolios)
Prudential Strategic Income Fund
Prudential Structured Maturity Fund
Prudential U.S. Government Fund
Prudential Utility Fund
Global Utility Fund, Inc.
Nicholas-Appelgate Fund, Inc.

We have examined the accompanying description of the Prudential Dual Pricing Worksheet (the "Worksheet") application of State Street Bank and Trust Company ("State Street"), custodian and recordkeeper for the Prudential Mutual Funds (the "Funds"). Our examination included procedures to obtain reasonable assurance about whether (1) the accompanying description presents fairly, in all material respects, the aspects of State Street's policies and procedures that may be relevant to a Fund's internal control structure relating to the Worksheet, (2) the control structure policies and procedures included in the description were suitably designed to achieve the control

objectives specified in the description, if those policies and procedures were complied with satisfactorily, and (3) such policies and procedures had been placed in operation as of June 30, 1993. The control objectives were specified by Prudential Mutual Fund Management. Our examination was performed in accordance with standards established by the American Institute of Certified Public Accountants and included those procedures we considered necessary in the circumstances to obtain a reasonable basis for rendering our opinion.

In our opinion, the accompanying description of the aforementioned application presents fairly, in all material respects, the relevant aspects of State Street's policies and procedures that had been placed in operation as of June 30, 1993. Also, in our opinion, the policies and procedures, as described, are suitably designed to provide reasonable assurance that the specified control objectives would be achieved if the described policies and procedures were complied with satisfactorily.

In addition to the procedures we considered necessary to render our opinion as expressed in the previous paragraph, we applied tests to specific policies and procedures, listed in Section I, to obtain evidence about their effectiveness in meeting the control objectives, described in Section I during the period from July 1, 1992 to June 30, 1993. The nature, timing, extent, and results of the tests are listed in Section II. In our opinion the policies and procedures that were tested, as described in Section II, were operating with sufficient effectiveness to provide reasonable, but not absolute, assurance that the control objectives specified in Section I were achieved during the period from

July 1, 1992 to June 30, 1993.

The relative effectiveness and significance of specific policies and procedures at State Street, and their effect on assessments of control risk on the Funds are dependent on their interaction with the policies, procedures, and other factors present at individual Funds. We have performed no procedures to evaluate the effectiveness of policies and procedures at individual Funds in connection with this report.

The description of policies and procedures at State Street is as of June 30, 1993, and information about tests of the operating effectiveness of specified policies and procedures covers the period from July 1, 1992 to June 30, 1993.

Any projection of such information to the future is subject to the risk that, because of change, the description may no longer portray the system in existence. The potential effectiveness of specified policies and procedures at State Street is subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that changes may alter the validity of such conclusions.

This report is intended solely for use by the management and Boards of Directors/Trustees of the Funds, the independent auditors of the Funds and the Securities and Exchange Commission.

DELOITTE & TOUCHE
August 13, 1993

SECTION I

Policies and Procedures Placed in Operation Prudential Dual Pricing Worksheet

Effective January 22, 1990, the Funds, offered by Prudential Securities Incorporated (formerly Prudential-Bache Securities, Inc.) and Prudential Mutual Fund Distributors, Inc., adopted a dual pricing system. The dual pricing system consists of two classes of shares (Class A and Class B) for the Funds. The Class A shares are subject to a front-end sales load and the Class B shares are subject to a contingent deferred sales charge. The two classes of shares represent interests in the same portfolio of investments of the respective Fund and are identical in all respects, except that each class is subject to different distribution expenses and has exclusive voting rights with respect to the Rule 12b-1 distribution plan pursuant to which such distribution expenses are paid.

In order to allocate income and expenses between the two classes of shares, State Street Bank and Trust Company (the Funds' custodian and recordkeeper) utilizes the Prudential Dual Pricing Worksheet (the "Worksheet") (see Exhibit

I). The Worksheet is a manual supplementary application that extracts relevant data from the Funds' primary accounting system, allocates income and expenses between the two classes of shares and computes the daily net asset value and, if applicable, the dividend/distribution for each class of shares. Internal accounting controls that are relevant to the Fund can be divided into two components - controls related to the mutual fund accounting system resident at State Street Bank and Trust Company (the "primary accounting system") and controls related to the Worksheet.

The specific control objectives and policies and procedures relating to the Worksheet are described on pages 4 and 5. A description of the tests of the policies and procedures designed to obtain evidence about the operating effectiveness of those policies and procedures in achieving the specific control objectives is included in Section II.

Control Objectives and Policies and Procedures
Prudential Dual Pricing Worksheet

The Worksheet is a supplementary manual application to the Funds' primary accounting system. Certain data is extracted from the primary accounting system to allocate income and expenses and to calculate the daily net asset value and, if applicable, dividends/distributions for each class of shares. The primary accounting system includes the details of transactions in accordance with the Investment Company Act of 1940, as amended.

The following represents the internal accounting control objectives and policies and procedures for the allocation of income and expenses and the computation of the net asset value and, if applicable, the dividend/distribution for each class of shares utilizing the Worksheet. It does not cover the internal accounting control policies and procedures surrounding the processing of information into the Funds' primary accounting system.

CONTROL OBJECTIVES
PROCEDURES

CONTROL POLICIES AND

A. Capital share activity agent forwards as reported by the Fund's capital share transfer agent is recorded which includes for each class in an accurate and timely manner by the fund. other

"Supersheet"). The shares eligible for the for

1. Daily, the transfer reports of capital share activity for each class a summary of subscriptions, redemptions, exchanges and information (the opening day's balance for outstanding and for shares dividends are recorded on Worksheet. shares eligible dividends are recorded on

share activity
recorded in the
telefax from
recorded for
Worksheet.

B. Net Asset Value ("NAV")
NAV per
and, if applicable, the
class is
dividend/distribution for
Worksheet.
each class are accurately
computed on a daily basis.
stock

the current

Supersheet as

Procedures A.1 and

Class and

by Class are

based upon

day

recorded on

CONTROL OBJECTIVES
PROCEDURES

income between

appropriate asset

2. Estimated interim
for the current day not
Supersheet is received via
the transfer agent and is
each class on the

1. The prior days ending
share (unrounded) for each
agreed to the prior day's

2. The daily net capital
activity for each class for
day is agreed to the
described in Control

2., above.

3. Percentage Assets by
Percentage Dividend Assets
calculated for each class
information from the prior
Worksheet and information
the Supersheet.

CONTROL POLICIES AND

4. Allocate investment
classes based on the

each class.

dividend income,
amortization,
management fees,
gains and

to the
of the Fund.

between classes

(12b-1

calculated
class.

attributable to both
accordance
allocation

and

between the

the

allocation percentage

dividends/distributions to

in the

allocation percentage for

5. Agree composite

interest income, income

income equalization,

other expenses, realized

losses, and unrealized
appreciation/depreciation

primary accounting system

6. Allocate expenses

as follows:

a. Expenses directly
attributable to each class

distribution expenses) are

and recorded to that

b. Expenses

classes are allocated in

with the appropriate asset

percentage for each class.

7. Allocate realized

unrealized gains and losses

classes in accordance with

appropriate asset

of each class.

8. Record

shareholders of each class

assets for each
total net assets
system.

reconcile the
applicable,
to the
each class.

are reviewed
manager.

primary accounting system.

9. Aggregate the net
class and agree to the
per the primary accounting

10. For each class,
current day's NAV and, if
the dividend/distribution
previous day's NAV and
dividend/distribution for

11. The above procedures
by the Fund supervisor or

SECTION II

Tests of Operating Effectiveness Prudential Dual Pricing Worksheet July 1, 1992 to June 30, 1993

We reviewed the methodology and procedures for calculating the
daily net asset
value and, if applicable, the dividends/distributions of the two
classes of
shares and the allocation of income and expenses between the two
classes of
shares.

The following are the detailed procedures which we performed with

respect to
the Worksheet. These procedures were performed for selected days
encompassing
all Funds subject to dual pricing during the year ended June 30,
1993, which we
believe is a representative sample, to test compliance with the
control
policies and procedures as described in Section I.

Prudential Mutual Fund Management, Inc. is the manager of the Funds
and has
represented to us that adequate facilities are in place to ensure
implementation of the methodology and procedures for calculating
the net asset
value and dividends/distributions of the two classes of shares and
the
allocation of income and expenses between the two classes of
shares. Based on
our review of the description of the policies and procedures of the
Worksheet,
as described in Section I, and performance of tests of operating
effectiveness
as described in Section II, we concur with such representation.

Agreed "Prior Day NAV Per Share" to the previous day's
Worksheet and
to the rounded NAV included on the Supersheet for each
class.

Agreed "Shares Outstanding Beginning of the Day" to the
Supersheet
for each class.

Agreed "Activity/Estimate" to the estimated interim share
activity
reported via fax from the transfer agent for each class.

Recalculated "Current Shares Outstanding" by adding
"Shares
Outstanding Beginning of the Day" and "Activity/Estimate"
for each
class.

Recalculated for each class "Adjusted Total Assets" by
multiplying
"Prior Day NAV Per Share" by "Current Shares
Outstanding."

Recalculated "Percentage Assets-Class A/Front End" by

dividing

"Adjusted Total Assets-Class A/Front End" by "Adjusted Total Assets Composite."

Recalculated "Percentage Assets-Class B/Back End" by dividing

"Adjusted Total Assets-Class B/Back End" by "Adjusted Total Assets Composite."

Agreed "Dividend Shares Beginning of Day" to the Supersheet for each class.

Agreed "Activity/Estimate" to the estimated interim share activity reported via fax from the transfer agent for each class.

Recalculated "Current Dividend Shares" by adding "Dividend Shares Beginning of Day" and "Activity/Estimate" for each class.

Recalculated for each class "Adjusted Dividend Assets" by multiplying "Prior Day NAV Per Share" by "Current Dividend Shares."

Recalculated "Percentage Dividend Assets-Class A/Front End" by dividing "Adjusted Dividend Assets-Class A/Front End" by "Adjusted Dividend Assets Composite."

Recalculated "Percentage Dividend Assets-Class B/Back End" by dividing "Adjusted Dividend Assets-Class B/Back End" by "Adjusted Dividend Assets Composite."

Agreed composite total "Dividend Income", "Interest Income", "Amortization" and "Income Equalization" to the primary accounting system.

Recalculated the allocation for each class of "Dividend Income", "Interest Income" and "Amortization" for daily dividend funds by multiplying the composite total by "Percentage Dividend Assets-Class

A/Front End" and "Percentage Dividend Assets-Class B/Back End," and for non-daily dividend funds by multiplying the composite total by "Percentage Assets-Class A/Front End" and "Percentage Assets-Class B/Back End."

Recalculated "Daily Income", composite and for each class, by totaling "Dividend Income", "Interest Income", "Amortization" and "Income Equalization."

Agreed composite total "Management Fee" and "Other Fixed Expenses" to the primary accounting system.

Recalculated the allocation for each class of "Management Fee" and "Other Fixed Expenses" for daily dividend funds by multiplying the composite total by "Percentage Dividend Assets-Class A/Front End" and "Percentage Dividend Assets-Class B/Back End," and non-daily dividend funds by multiplying the composite total by "Percentage Assets-Class A/Front End" and "Percentage Assets-Class B/Back End."

Agreed the "12b-1 Fee-Class A/Front End" and "12b-1 Fee-Class B/Back End" to the respective "PC Expense Worksheet."

Recalculated "Daily Expense", composite and for each class, by totaling "Management Fee", "12b-1 Fee" and "Other Fixed Expenses."

Recalculated "Daily Net Income" for each class by subtracting "Daily Expense" from "Daily Income."

Recalculated "Dividend Rate" for each class for daily dividend funds by dividing "Daily Net Income" by "Dividend Shares Beginning of Day-Class A/Front End" and "Dividend Shares Beginning of Day-Class B/Back End."

Agreed "Daily Income" and "Income Distribution" for each class to the primary accounting system.

Recalculated "Undistributed Net Income" for each Class by subtracting "Income Distribution" from "Income Available for Distribution."

Agreed "Capital Stock Activity" for each Class to the Supersheet.

Agreed the "Capital Gain Distribution" to the amount recorded in the primary accounting system.

Agreed composite total "Realized Gain/Loss", "Unrealized Appreciation/Depreciation", "Unrealized Appreciation/Depreciation - Options" and "Unrealized Appreciation/Depreciation - Futures" to the primary accounting system.

Recalculated the allocation for each class of "Realized Gain/Loss", "Unrealized Appreciation/Depreciation", "Unrealized Appreciation/Depreciation - Options" and "Unrealized Appreciation/Depreciation - Futures" by multiplying the composite amount by the "Percentage Assets-Class A/Front End" and "Percentage Assets-Class B/Back End."

Agreed "Prior Days Net Assets" to the previous day's Worksheet.

Recalculated "Net Assets", composite and for each class, by totaling "Undistributed Net Income", "Capital Stock Activity", "Capital Gain Distribution", "Realized Gain/Loss", "Unrealized Appreciation/Depreciation", "Unrealized Appreciation/Depreciation - Options", "Unrealized Appreciation/Depreciation - Futures", and "Prior Days Net Assets."

Recalculated "NAV Per Share" dividing the "Net Assets-Class A/Front End" and "Net Assets - Class B/Back End" by "Current Shares

Outstanding - Class A/Front End" and 'Current Shares
Outstanding -
Class B/Back End", respectively.

Recalculated "Offering Price" for Class A shares by
applying the
"Load" percentage as stated in the fund's prospectus.