

AMCON DISTRIBUTING CO
Form 10-Q
April 19, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 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 March 31, 2012

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 1-15589

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(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

7405 Irvington Road, Omaha NE
(Address of principal executive offices)

47-0702918
(I.R.S. Employer
Identification No.)

68122
(Zip code)

Registrant's telephone number, including area code: **(402) 331-3727**

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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files) Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

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

The Registrant had 608,271 shares of its \$.01 par value common stock outstanding as of April 16, 2012.

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2nd Quarter

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Table of Contents**PART I FINANCIAL INFORMATION****Item 1. Financial Statements****AMCON Distributing Company and Subsidiaries****Condensed Consolidated Balance Sheets****March 31, 2012 and September 30, 2011**

	March 2012 (Unaudited)	September 2011
ASSETS		
Current assets:		
Cash	\$ 851,114	\$ 1,389,665
Accounts receivable, less allowance for doubtful accounts of \$1.3 million and \$1.2 million at March 2012 and September 2011, respectively	31,985,614	32,963,693
Inventories, net	34,794,458	38,447,982
Deferred income taxes	1,603,345	1,707,889
Prepaid and other current assets	7,382,190	6,073,536
Total current assets	76,616,721	80,582,765
Property and equipment, net	13,361,627	13,713,238
Goodwill	6,349,827	6,349,827
Other intangible assets, net	5,368,476	5,550,978
Other assets	1,287,249	1,238,825
	\$ 102,983,900	\$ 107,435,633
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 16,371,894	\$ 18,439,446
Accrued expenses	5,951,438	7,153,672
Accrued wages, salaries and bonuses	1,867,615	2,460,558
Income taxes payable	831,785	2,100,180
Current maturities of long-term debt	1,917,753	1,384,625
Total current liabilities	26,940,485	31,538,481
Credit facility	19,306,967	20,771,613
Deferred income taxes	3,092,683	2,743,238
Long-term debt, less current maturities	4,928,627	6,194,195
Other long-term liabilities	425,490	429,513
Series A cumulative, convertible preferred stock, \$.01 par value 100,000 shares authorized and issued, and a total liquidation preference of \$2.5 million at both March 2012 and September 2011	2,500,000	2,500,000
Series B cumulative, convertible preferred stock, \$.01 par value 80,000 shares authorized, 62,000 shares outstanding and a total liquidation preference of \$1.6 million at March 2012 and September 2011	1,550,000	1,550,000

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Shareholders' equity:

Preferred stock, \$0.01 par value, 1,000,000 shares authorized, 162,000 shares outstanding and issued in Series A and B referred to above		
Common stock, \$0.01 par value, 3,000,000 shares authorized, 608,271 shares outstanding at March 2012 and 609,320 shares outstanding at September 2011	6,252	6,093
Additional paid-in capital	10,900,041	9,981,055
Retained earnings	34,251,355	31,721,445
Treasury stock, 17,000 shares at cost	(918,000)	
Total shareholders' equity	44,239,648	41,708,593
	\$ 102,983,900	\$ 107,435,633

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

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AMCON Distributing Company and Subsidiaries

Condensed Consolidated Unaudited Statements of Operations

for the three and six months ended March 31, 2012 and 2011

	For the three months ended March		For the six months ended March	
	2012	2011	2012	2011
Sales (including excise taxes of \$86.1 million and \$70.8 million, and \$176.6 million and \$152.1 million, respectively)	\$ 275,829,266	\$ 216,603,039	\$ 559,392,316	\$ 461,560,200
Cost of sales	256,612,867	200,233,927	521,538,240	427,583,366
Gross profit	19,216,399	16,369,112	37,854,076	33,976,834
Selling, general and administrative expenses	15,901,755	12,909,642	31,251,757	26,597,013
Depreciation and amortization	613,927	507,133	1,227,421	1,004,716
	16,515,682	13,416,775	32,479,178	27,601,729
Operating income	2,700,717	2,952,337		