

MONARCH CASINO & RESORT INC

Form 10-Q

August 09, 2012

[Table of Contents](#)

**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 June 30, 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 No. 0-22088

MONARCH CASINO & RESORT, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or Other Jurisdiction of
Incorporation or Organization)

88-0300760
(I.R.S. Employer
Identification No.)

3800 S. Virginia St.
Reno, Nevada
(Address of Principal Executive Offices)

89502
(ZIP Code)

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

(775) 335-4600

Registrant's telephone number, including area code:

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** o

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** x **No** o

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 definitions of large accelerated filer, accelerated filer, non-accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

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Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

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

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

Common stock, \$0.01 par value
Class

16,141,492 shares
Outstanding at July 27, 2012

Table of Contents

TABLE OF CONTENTS

	Page Number
<u>PART I - FINANCIAL INFORMATION</u>	
<u>Item 1. Financial Statements</u>	
<u>Condensed Consolidated Statements of Income for the three and six months ended June 30, 2012 and 2011 (unaudited)</u>	3
<u>Condensed Consolidated Balance Sheets at June 30, 2012 (unaudited) and December 31, 2011</u>	4
<u>Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2012 and 2011 (unaudited)</u>	5
<u>Notes to Condensed Consolidated Financial Statements (unaudited)</u>	6
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	18
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	25
<u>Item 4. Controls and Procedures</u>	25
<u>PART II - OTHER INFORMATION</u>	
<u>Item 1. Legal Proceedings</u>	26
<u>Item 1A. Risk Factors</u>	27
<u>Item 6. Exhibits</u>	30

Table of Contents**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS**

MONARCH CASINO & RESORT, INC.

Condensed Consolidated Statements of Income

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Revenues				
Casino	\$ 34,876,560	\$ 26,076,953	\$ 60,048,116	\$ 49,289,639
Food and beverage	12,110,284	10,933,018	22,696,078	21,025,756
Hotel	5,305,178	5,490,621	9,673,620	10,494,662
Other	2,245,285	1,930,784	4,382,641	3,830,046
Gross revenues	54,537,307	44,431,376	96,800,455	84,640,103
Less promotional allowances	(8,695,525)	(7,271,503)	(16,328,581)	(14,194,414)
Net revenues	45,841,782	37,159,873	80,471,874	70,445,689
Operating expenses				
Casino	13,853,725	9,589,732	23,749,312	19,066,039
Food and beverage	5,042,444	4,903,568	9,768,197	9,592,125
Hotel	1,546,694	1,568,538	2,841,888	2,997,491
Other	765,841	719,231	1,492,065	1,453,177
Selling, general and administrative	15,362,510	11,274,007	27,047,891	22,181,235
Depreciation and amortization	4,260,205	3,436,015	7,635,289	6,830,401
Acquisition expense	1,625,930		1,700,521	
Total operating expenses	42,457,349	31,491,091	74,235,163	62,120,468
Income from operations	3,384,433	5,668,782	6,236,711	8,325,221
Other expenses				
Interest expense	(577,000)	(194,746)	(905,661)	(483,268)
Total other expense	(577,000)	(194,746)	(905,661)	(483,268)
Income before income taxes	2,807,433	5,474,036	5,331,050	7,841,953
Provision for income taxes	(1,014,675)	(1,915,900)	(1,896,925)	(2,744,671)
Net income	\$ 1,792,758	\$ 3,558,136	\$ 3,434,125	\$ 5,097,282
Earnings per share of common stock				
Net income				
Basic	\$ 0.11	\$ 0.22	\$ 0.21	\$ 0.32
Diluted	\$ 0.11	\$ 0.22	\$ 0.21	\$ 0.31
Weighted average number of common shares and potential common shares outstanding				
Basic	16,139,074	16,138,158	16,138,616	16,138,158
Diluted				