

RICKS CABARET INTERNATIONAL INC
Form 10-Q
August 09, 2011

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

FORM 10-Q

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

For the quarterly period ended June 30, 2011

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

Commission File Number: 001-13992

RICK'S CABARET INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction of
incorporation or organization)

76-0458229
(I.R.S. Employer Identification No.)

10959 Cutten Road
Houston, Texas 77066
(Address of principal executive offices) (Zip Code)

(281) 397-6730
(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 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. 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

As of August 2, 2011, 9,873,151 shares of the Registrant's Common Stock were outstanding.

RICK'S CABARET INTERNATIONAL, INC.
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PART I

FINANCIAL INFORMATION

Item 1. Financial Statements.

RICK'S CABARET INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

ASSETS

(in thousands, except per share data)	June 30, 2011	September 30, 2010
	(UNAUDITED)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 12,356	\$18,614
Accounts receivable:		
Trade, net	840	662
Other, net	3,133	207
Marketable securities	500	-
Inventories	1,169	1,093
Deferred tax asset	2,285	2,037
Prepaid expenses and other current assets	1,292	333
Assets of discontinued operations	129	4,629
Total current assets	21,704	27,575
Property and equipment, net	62,507	56,900
Other assets:		
Goodwill and indefinite lived intangibles, net	63,706	61,835
Definite lived intangibles, net	904	1,139
Other	2,987	922
Total other assets	67,597	63,896
Total assets	\$ 151,808	\$148,371

See accompanying notes to consolidated financial statements.

RICK'S CABARET INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

(in thousands, except per share data)	June 30, 2011	September 30, 2010
	(UNAUDITED)	
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 782	\$ 699
Accrued liabilities	3,187	4,313
Texas patron tax liability	6,136	3,955
Current portion of derivative liabilities	1,143	1,276
Current portion of long-term debt	6,238	5,461
Liabilities of discontinued operations	127	2,995
Total current liabilities	17,613	18,699
Deferred tax liability	21,275	15,288
Other long-term liabilities	769	719
Long-term debt	30,699	34,803
Derivative liabilities at fair value, less current portion	238	1,243
Total liabilities	70,594	70,752
Commitments and contingencies		
Temporary equity - Common stock, subject to put rights 84 and 198 shares, respectively	1,932	4,366
PERMANENT STOCKHOLDERS' EQUITY:		
Preferred stock, \$.10 par, 1,000 shares authorized; none issued and outstanding	-	-
Common stock, \$.01 par, 20,000 shares authorized; 9,723 and 9,766 shares issued and outstanding, respectively	97	98
Additional paid-in capital	62,446	62,326
Accumulated other comprehensive loss	(5)	-
Retained earnings	13,401	7,515
Total Rick's permanent stockholders' equity	75,939	69,939
Noncontrolling interests	3,343	3,314
Total permanent stockholders' equity	79,282	73,253
Total liabilities and stockholders' equity	\$ 151,808	\$ 148,371

See accompanying notes to consolidated financial statements.

RICK'S CABARET INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data)	FOR THE THREE MONTHS ENDED JUNE 30,		FOR THE NINE MONTHS ENDED JUNE 30,	
	2011	2010	2011	2010
	(UNAUDITED)		(UNAUDITED)	