

CHRISTOPHER & BANKS CORP  
Form 8-K/A  
February 26, 2009

## **UNITED STATES**

# **SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

## **FORM 8-K/A**

(Amendment No. 1)

### **CURRENT REPORT**

### **PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report: December 24, 2008**

(Date of earliest event reported)

## **CHRISTOPHER & BANKS CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation)

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(Commission file number)

(IRS Employer Identification No.)

**2400 Xenium Lane North  
Plymouth, Minnesota 55441**

(Address of principal executive offices, including zip code)

**(763) 551-5000**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**CHRISTOPHER & BANKS CORPORATION**

**CURRENT REPORT ON FORM 8-K**

**EXPLANATORY NOTE**

The purpose of this Amendment No. 1 on Form 8-K/A (the "Form 8-K/A") to the Form 8-K (the "Original Form 8-K") of Christopher & Banks Corporation (the "Company") originally filed on December 31, 2008 is to amend and correct the Unaudited Condensed Pro Forma Statement of Operations for the six-month period ended August 30, 2008. On February 25, 2009, the Company's management and the Audit Committee of the Board of Directors determined that the allocation of income taxes to pro forma adjustments in the Company's Unaudited Condensed Pro Forma Statement of Operations for the six months ended August 30, 2008 required correction. As a result of the correction to the allocation of income taxes attributable to pro forma adjustments, pro forma net income for the six months ended August 30, 2008 was overstated by approximately \$7.1 million, with a corresponding and offsetting adjustment to income tax effects and results of pro forma adjustments. In addition, basic and diluted earnings per share attributable to both pro forma income and pro forma adjustments for the six-month period ended August 30, 2008 also required correction. This amendment has no impact on amounts originally reported in the Original Form 8-K with respect to any other line items in the Unaudited Condensed Pro Forma Statement of Operations for the six months ended August 30, 2008, nor to the previously reported Unaudited Condensed Pro Forma Balance Sheet as of August 30, 2008. In addition, certain changes were made to correct rounding differences on pro forma earnings per share.

For the convenience of the reader, this Form 8-K/A sets forth the Original Form 8-K in its entirety. Except for the restatement of the Unaudited Condensed Pro Forma Statement of Operations for the six months ended August 30, 2008, this filing has not been updated to reflect other events occurring after the Original Filing Date or to modify or update those disclosures affected by subsequent events.

**Item 2.01 Completion of Acquisition or Disposition of Assets.**

On December 24, 2008, Christopher & Banks Corporation (the Company) closed the last of its remaining Acorn stores, thus essentially completing the disposition and abandonment of assets related to the closure of its Acorn division business.

On July 31, 2008, the Company announced its decision to exit its Acorn business when management concluded, after a comprehensive review and evaluation, that the concept had not demonstrated the potential to deliver an acceptable long-term return on the Company's investment. On July 30, 2008, the Company's Board of Directors authorized a plan to close all of the Company's 36 Acorn stores by December 31, 2008, allowing the Company to focus its resources on its two core brands, Christopher & Banks and C.J. Banks. The Company closed 29 of its 36 Acorn stores during its third fiscal quarter ended November 29, 2008 and closed its seven remaining Acorn stores on December 24, 2008.

**Item 9.01 Financial Statements and Exhibits.**

(b) Pro forma financial information.

The Company completed the exit of its Acorn division business by closing its seven remaining Acorn stores on December 24, 2008. The following unaudited pro forma financial statements reflect the exit of the Company's Acorn division business which will be presented as a discontinued operation in the Company's consolidated financial statements in accordance with Statement of Financial Accounting Standards No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets (SFAS No. 144).

The unaudited condensed pro forma balance sheet assumes the Company exited its Acorn business on August 30, 2008. The consolidated, Acorn adjustment and pro forma information is based upon the historical balance sheet data of the Company and Acorn as of that date.

The unaudited condensed pro forma statement of operations reflects the exit of the Acorn business as of February 27, 2005. The consolidated, Acorn adjustment and pro forma information is based upon the historical operating statement data for the Company and for Acorn for the fiscal years ended March 1, 2008, March 3, 2007 and February 25, 2006, and for the six month periods ended August 30, 2008 and September 1, 2007.

No significant estimates or assumptions were utilized in determining the historical balance sheet and operating statement data. These unaudited pro forma financial statements should be read in conjunction with the historical financial statements and notes thereto of the Company.

## CHRISTOPHER &amp; BANKS CORPORATION

## UNAUDITED CONDENSED PRO FORMA BALANCE SHEET

AUGUST 30, 2008

(in thousands)

	Consolidated	Acorn Adjustment	Pro Forma
<b><u>ASSETS</u></b>			
Current assets:			
Cash and cash equivalents	\$ 84,037	\$ (9)	\$ 84,028
Accounts receivable	4,311		4,311
Merchandise inventories	51,531	(1,630)	49,901
Prepaid expenses	12,176		12,176
Other current assets	6,222		6,222
Total current assets	158,277	(1,639)	156,638
Property, equipment and improvements, net	131,771		131,771
Long-term investments	18,536		18,536
Other assets	6,681		6,681
Total assets	\$ 315,265	\$ (1,639)	\$ 313,626
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>			
Current liabilities:			
Accounts payable	\$ 11,290		\$ 11,290
Accrued salaries, wages and related expenses	9,192		9,192
Other accrued liabilities	27,357		27,357
Total current liabilities	47,839		47,839
Non-current liabilities:			
Deferred lease incentives	24,191	(1,499)	22,692
Deferred rent obligations	10,880	(477)	10,403
Other	4,450		4,450
Total non-current liabilities	39,521	(1,976)	37,545
Commitments			
Stockholders' equity:			
Preferred stock \$0.01 par value			
Common stock \$0.01 par value	453		453
Additional paid-in capital	111,511	337	111,848
Retained earnings	229,814		229,814
Common stock held in treasury	(112,859)		(112,859)
Accumulated other comprehensive income (loss)	(1,014)		(1,014)
Total stockholders' equity	227,905	337	228,242
Total liabilities and stockholders' equity	\$ 315,265	\$ (1,639)	\$ 313,626



The accompanying notes are an integral part of these pro forma statements.

**CHRISTOPHER & BANKS CORPORATION**

**UNAUDITED CONDENSED PRO FORMA STATEMENT OF OPERATIONS**

(in thousands, except per share data)

	<b>Six Months Ended August 30, 2008 Acorn Adjustment</b>	
<b>Consolidated</b>		<b>Proforma</b>