

TESSCO TECHNOLOGIES INC
Form 10-Q
November 02, 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 September 25, 2011

or

☐ 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: 0-24746
TESSCO Technologies Incorporated
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

52-0729657
(I.R.S Employer
Identification No.)

11126 McCormick Road, Hunt Valley, Maryland
(Address of principal executive offices)

21031
(Zip Code)

(410) 229-1000
(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 submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

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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 p
	Smaller reporting
Non-accelerated filer “	company “

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes o No p

The number of shares of the registrant’s Common Stock, \$0.01 par value per share, outstanding as of October 26, 2011, was 7,769,865.

TESSCO Technologies Incorporated

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

TESSCO Technologies Incorporated
Consolidated Balance Sheets

	September 25, 2011 (unaudited)	March 27, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	\$13,448,300	\$8,178,200
Trade accounts receivable, net	71,195,700	65,708,700
Product inventory, net	56,665,700	45,709,800
Deferred tax assets	5,004,500	5,004,500
Prepaid expenses and other current assets	2,122,900	1,668,900
Total current assets	148,437,100	126,270,100
Property and equipment, net	21,314,600	21,148,100
Goodwill, net	11,684,700	11,684,700
Other long-term assets	1,985,400	2,057,700
Total assets	\$183,421,800	\$161,160,600
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$75,754,600	\$62,913,000
Payroll, benefits and taxes	9,635,100	7,342,500
Income and sales tax liabilities	1,915,000	2,539,300
Accrued expenses and other current liabilities	1,068,100	1,278,400
Current portion of long-term debt	285,800	359,100
Total current liabilities	88,658,600	74,432,300
	3,407,900	3,407,900

Deferred tax liabilities		
Long-term debt, net of current portion	2,832,900	2,959,100
Other long-term liabilities	1,799,900	1,481,200
Total liabilities	96,699,300	82,280,500
Commitments and Contingencies		
Shareholders' equity:		
Preferred stock	--	--
Common stock	86,700	84,100
Additional paid-in capital	42,963,900	40,668,100
Treasury stock	(45,044,100)	(44,388,400)
Retained earnings	88,716,000	82,540,900
Accumulated other comprehensive loss, net of tax	--	(24,600)
Total shareholders' equity	86,722,500	78,880,100
Total liabilities and shareholders' equity	\$ 183,421,800	\$ 161,160,600

See accompanying notes.

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TESSCO Technologies Incorporated
Unaudited Consolidated Statements of Income

Fiscal Quarters Ended		Six Months Ended
September 25, 2011	September 26,	