

GOLDEN ENTERPRISES INC
Form 10-Q
January 13, 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 (twenty-six weeks) period ended November 26, 2010

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 0-4339

GOLDEN ENTERPRISES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

63-0250005

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

One Golden Flake Drive
Birmingham, Alabama
(Address of Principle Executive Offices)

35205
(Zip Code)

(205) 458-7316

(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

Edgar Filing: GOLDEN ENTERPRISES INC - Form 10-Q

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 (as defined in Rule 12b-2 of the Act). (Check one):

Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company
_____	_____	_____	X

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of December 31, 2010.

Class	Outstanding at December 31, 2010
Common Stock, Par Value \$0.66 2/3	11,734,632

EXCHANGE ACT REPORTS AVAILABLE ON COMPANY WEBSITE

Under "SEC Filings" on the "Financial" page of the Company's website located at www.goldenflake.com, links to the following filings are made available as soon as reasonably practicable after they are electronically filed with or furnished to the Securities and Exchange Commission (the "SEC") the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Proxy Statement on Schedule 14A related to the Company's Annual Shareholders Meeting, and any amendments to those reports or statements filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Act of 1934. You may also read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet website located at <http://www.sec.gov> that contains the information we file or furnish electronically with the SEC.

GOLDEN ENTERPRISES, INC.

INDEX

<u>Part I.</u>	<u>FINANCIAL INFORMATION</u>	Page No.
<u>Item 1</u>	<u>Financial Statements (unaudited)</u>	
	<u>Condensed Consolidated Balance Sheets</u> <u>November 26, 2010 (unaudited) and May 28, 2010</u>	4
	<u>Condensed Consolidated Statements of Income (unaudited)</u> <u>Thirteen Weeks and Twenty-Six Weeks Ended November 26, 2010 and November 27, 2009</u>	5
	<u>Condensed Consolidated Statements of Cash Flows</u> <u>(unaudited)- Twenty-Six Weeks Ended November 26, 2010 and November 27, 2009</u>	6
	<u>Notes to Condensed Consolidated Financial</u> <u>Statements (unaudited)</u>	8
	<u>Report of Independent Registered Public Accounting Firm</u>	10
<u>Item 2</u>	<u>Management's Discussion and Analysis of Financial</u> <u>Condition and Results of Operations</u>	11
<u>Item 3</u>	<u>Quantitative and Qualitative</u> <u>Disclosure About Market Risk</u>	14
<u>Item 4</u>	<u>Controls and Procedures</u>	14
<u>Part II.</u>	<u>OTHER INFORMATION</u>	15
<u>Item 1</u>	<u>Legal Proceedings</u>	15
<u>Item 1-A</u>	<u>Risk Factors</u>	15
<u>Item 2</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	15
<u>Item 3</u>	<u>Defaults Upon Senior Securities</u>	16
<u>Item 4</u>	<u>Submission of Matters to a Vote of Security Holders</u>	16
<u>Item 5</u>	<u>Other Information</u>	16
<u>Item 6</u>	<u>Exhibits</u>	17

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
GOLDEN ENTERPRISES, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS

	(Unaudited) November 26, 2010	(Audited) May 28, 2010
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,439,426	\$ 1,443,801
Receivables, net	9,963,850	9,534,542
Inventories:		
Raw materials and supplies	1,705,445	1,580,379
Finished goods	4,307,994	3,320,286
	6,013,439	4,900,665
Prepaid expenses	2,357,365	1,573,253
Deferred income taxes	580,154	580,154
Total current assets	20,354,234	18,032,415
Property, plant and equipment, net	23,940,247	22,279,624
Other assets	2,404,372	2,431,321
Total	\$ 46,698,853	\$ 42,743,360
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Checks outstanding in excess of bank balances	\$ 836,529	\$ 1,083,512
Accounts payable	9,419,241	6,137,412
Accrued income taxes	-	238,031
Current portion of long-term debt	357,901	350,304
Other accrued expenses	4,232,414	4,465,977
Salary continuation plan	161,109	154,812
Line of credit outstanding	2,543,326	1,781,996
Total current liabilities	17,550,520	14,212,044
LONG-TERM LIABILITIES		
Notes payable - bank, non-current	3,299,218	3,479,879
Salary continuation plan	1,264,180	1,317,251
Deferred income taxes	1,586,833	1,586,833
Total long-term liabilities	6,150,231	6,383,963
STOCKHOLDER'S EQUITY		
Common stock - \$.66-2/3 par value: 35,000,000 shares authorized Issued 13,828,793 shares	9,219,195	9,219,195

Edgar Filing: GOLDEN ENTERPRISES INC - Form 10-Q

Additional paid-in capital	6,497,954	6,497,954
Retained earnings	18,206,712	17,319,003
	33,923,861	33,036,152
Less: Cost of common shares in treasury (2,094,161 shares at November 26, 2010 and 2,082,161 shares at May 28, 2010)	(10,925,759)	(10,888,799)
Total stockholder's equity	22,998,102	22,147,353
Total	\$ 46,698,853	\$ 42,743,360