

MONARCH CASINO & RESORT INC

Form 10-Q

November 08, 2013

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United States
Securities and Exchange Commission

Washington, D.C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2013

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 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)

(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):

Large Accelerated Filer o

Accelerated Filer x

Non-Accelerated Filer o

Smaller Reporting Company o

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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

16,476,435 shares
Outstanding at November 5, 2013

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

MONARCH CASINO & RESORT, INC.

Condensed Consolidated Statements of Income

(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Revenues				
Casino	\$ 38,037,571	\$ 36,948,650	\$ 114,824,877	\$ 94,123,947
Food and beverage	12,791,309	12,332,708	37,176,442	34,425,328
Hotel	6,603,181	6,174,337	18,282,758	15,847,957
Other	2,446,565	2,306,289	7,091,298	6,688,929
Gross revenues	59,878,626	57,761,984	177,375,375	151,086,161
Less promotional allowances	(10,889,147)	(11,733,758)	(33,130,165)	(29,687,525)
Net revenues	48,989,479	46,028,226	144,245,210	121,398,636
Operating expenses				
Casino	15,200,678	14,786,460	44,629,703	38,552,122
Food and beverage	5,162,904	4,639,880	15,001,802	13,704,645
Hotel	1,802,479	1,478,601	4,934,913	4,320,489
Other	816,955	784,576	2,381,779	2,276,641
Selling, general and administrative	13,518,287	12,358,945	38,432,152	34,992,456
Depreciation and amortization	3,549,106	4,647,002	12,572,414	12,282,291
Acquisition expenses		455,000		2,155,522
Total operating expenses	40,050,409	39,150,464	117,952,763	108,284,166
Income from operations	8,939,070	6,877,762	26,292,447	13,114,470
Other expenses				
Interest expense	(411,243)	(490,973)	(1,493,570)	(1,396,632)
Total other expense	(411,243)	(490,973)	(1,493,570)	(1,396,632)
Income before income taxes	8,527,827	6,386,789	24,798,877	11,717,838
Provision for income taxes	(3,008,318)	(2,249,708)	(8,897,128)	(4,146,633)
Net income	\$ 5,519,509	\$ 4,137,081	\$ 15,901,749	\$ 7,571,205
Earnings per share of common stock				
Net income				
Basic	\$ 0.34	\$ 0.26	\$ 0.98	\$ 0.47
Diluted	\$ 0.32	\$ 0.25	\$ 0.95	\$ 0.47
Weighted average number of common shares and potential common shares outstanding				
Basic	16,388,835	16,141,492	16,243,555	16,139,582
Diluted	17,180,187			