

Citi Trends Inc
Form 10-Q
June 10, 2014
Table of Contents

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 May 3, 2014

OR

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

Commission File Number 000-51315

CITI TRENDS, INC.

(Exact name of registrant as specified in its charter)

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DELAWARE
(State or other jurisdiction of
incorporation or organization)

52-2150697
(I.R.S. Employer
Identification No.)

104 Coleman Boulevard
Savannah, Georgia
(Address of principal executive offices)

31408
(Zip Code)

Registrant's telephone number, including area code **(912) 236-1561**

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 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. 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

Non-Accelerated Filer (Do not check if a smaller reporting company)

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

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Class
Common Stock, \$.01 par value

Outstanding as of May 19, 2014
15,579,397 shares

Table of Contents

CITI TRENDS, INC.

FORM 10-Q

TABLE OF CONTENTS

	PAGE NUMBER	
<u>PART I</u>	<u>FINANCIAL INFORMATION</u>	
<u>Item 1</u>	<u>Financial Statements</u>	
	<u>Condensed Consolidated Balance Sheets (unaudited) May 3, 2014 and February 1, 2014</u>	3
	<u>Condensed Consolidated Statements of Income (unaudited) Thirteen weeks ended May 3, 2014 and May 4, 2013</u>	4
	<u>Condensed Consolidated Statements of Cash Flows (unaudited) Thirteen weeks ended May 3, 2014 and May 4, 2013</u>	5
	<u>Notes to the Condensed Consolidated Financial Statements (unaudited)</u>	6
<u>Item 2</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	10
<u>Item 3</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	13
<u>Item 4</u>	<u>Controls and Procedures</u>	13
<u>PART II</u>	<u>OTHER INFORMATION</u>	
<u>Item 1</u>	<u>Legal Proceedings</u>	14
<u>Item 1A</u>	<u>Risk Factors</u>	14
<u>Item 2</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	14
<u>Item 3</u>	<u>Defaults Upon Senior Securities</u>	14
<u>Item 4</u>	<u>Mine Safety Disclosures</u>	14
<u>Item 5</u>	<u>Other Information</u>	14
<u>Item 6</u>	<u>Exhibits</u>	15
	<u>SIGNATURES</u>	16

Table of Contents**PART I - FINANCIAL INFORMATION****Item 1. Financial Statements.****Citi Trends, Inc.****Condensed Consolidated Balance Sheets****May 3, 2014 and February 1, 2014****(Unaudited)****(in thousands, except share data)**

	May 3, 2014	February 1, 2014
Assets		
Current assets:		
Cash and cash equivalents	\$ 81,433	\$ 58,928
Short-term investment securities	7,345	6,004
Inventory	112,720	126,501
Prepaid and other current assets	12,713	11,221
Income tax receivable		394
Deferred tax asset	4,172	4,711
Total current assets	218,383	207,759
Property and equipment, net of accumulated depreciation of \$167,005 and \$161,868 as of May 3, 2014 and February 1, 2014, respectively	52,960	56,154
Long-term investment securities	19,096	19,777
Deferred tax asset	6,810	6,932
Other assets	673	686
Total assets	\$ 297,922	\$ 291,308
Liabilities and Stockholders Equity		
Current liabilities:		
Accounts payable	\$ 51,603	\$ 60,037
Accrued expenses	15,825	14,651
Accrued compensation	10,385	9,548
Income tax payable	3,724	
Layaway deposits	1,434	515
Total current liabilities	82,971	84,751
Other long-term liabilities	6,814	7,686
Total liabilities	89,785	92,437
Stockholders equity:		
Common stock, \$0.01 par value. Authorized 32,000,000 shares; 15,745,797 shares issued as of May 3, 2014 and 15,604,805 shares issued as of February 1, 2014; 15,580,047 shares outstanding as of May 3, 2014 and 15,439,055 outstanding as of February 1, 2014	151	150
Paid-in-capital	83,001	82,815

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Retained earnings	125,150	116,071
Treasury stock, at cost; 165,750 shares as of May 3, 2014 and February 1, 2014	(165)	(165)
Total stockholders' equity	208,137	198,871
Commitments and contingencies (note 9)		
Total liabilities and stockholders' equity	\$ 297,922	\$ 291,308

See accompanying notes to the condensed consolidated financial statements (unaudited).

Table of Contents

Citi Trends, Inc.

Condensed Consolidated Statements of Income

Thirteen Weeks Ended May 3, 2014 and May 4, 2013

(Unaudited)

(in thousands, except per share data)

	Thirteen Weeks Ended	
	May 3, 2014	May 4, 2013
Net sales	\$ 188,016	\$ 181,828
Cost of sales (exclusive of depreciation shown separately below)	(114,767)	(114,505)
Selling, general and administrative expenses	(53,975)	(51,908)
Depreciation	(5,160)	(5,595)
Asset impairment		(27)
Income from operations	14,114	9,793
Interest income	53	68
Interest expense	(48)	(47)
Income before income tax expense	14,119	9,814
Income tax expense	5,040	3,650
Net income	\$ 9,079	\$ 6,164