

GANDER MOUNTAIN CO
Form 10-Q
June 08, 2006

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 APRIL 29, 2006.**

Commission File Number: 000-50659

GANDER MOUNTAIN COMPANY

(Exact name of Registrant as Specified in its Charter)

Minnesota
(State or Other Jurisdiction of
Incorporation or Organization)

180 East Fifth Street, Suite 1300
Saint Paul, Minnesota 55101
(651) 325-4300
(Address, including zip code, and telephone number,
including area code, of Registrant's Principal Executive
Offices)

41-1990949
(I.R.S. Employer
Identification No.)

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. check large accelerated filer accelerated filer non-accelerated filer

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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, \$.01 par value; 14,285,287 shares outstanding as of June 1, 2006.

GANDER MOUNTAIN COMPANY

QUARTERLY PERIOD ENDED APRIL 29, 2006

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PART I. FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS****Gander Mountain Company****Statements of Operations -Unaudited****(In thousands, except per share data)**

		13 Weeks Ended	
		April 29, 2006	April 30, 2005
Sales	\$	155,581	\$ 135,259
Cost of goods sold		128,589	109,949
Gross profit		26,992	25,310
Operating expenses:			
Store operating expenses		35,855	32,570
General and administrative expenses		9,353	8,384
Gain on contract settlement			(2,500)
Pre-opening expenses		765	2,759
Loss from operations		(18,981)	(15,903)
Interest expense, net		3,986	1,665
Loss before income taxes		(22,967)	(17,568)
Income tax provision			
Net loss	\$	(22,967)	\$ (17,568)
Basic and diluted loss per share	\$	(1.61)	\$ (1.23)
Weighted average common shares outstanding		14,285	14,235

See accompanying notes to unaudited financial statements.

Gander Mountain Company

Balance Sheets

(In thousands)

	April 29, 2006 (Unaudited)	January 28, 2006
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,576	\$ 1,580
Accounts receivable	12,061	7,215
Inventories	332,617	308,395
Prepays and other current assets	7,584	4,557
Total current assets	353,838	321,747
Property and equipment, net	130,708	132,447
Other assets, net	4,884	4,736
Total assets	\$ 489,430	\$ 458,930
Liabilities and shareholders equity		
Current liabilities:		
Borrowings under credit facility	\$ 200,555	\$ 174,936
Accounts payable	66,106	35,465
Accrued and other current liabilities	38,520	41,779
Total current liabilities	305,181	252,180
Unsecured convertible note payable	20,000	20,000
Other long term liabilities	37,096	36,925
Shareholder's equity:		
Preferred stock (\$.01 par value, 5,000,000 shares authorized; no shares issued and outstanding)		
Common stock (\$.01 par value, 100,000,000 shares authorized; 14,285,287 and 14,246,925 shares issued and outstanding)	143	143
Additional paid-in-capital	192,552	192,257
Notes receivable from shareholders	(4,100)	