

VALUE LINE INC  
Form 10-Q  
December 15, 2009

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 October 31, 2009

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: 0-11306

VALUE LINE, INC.

(Exact name of registrant as specified in its charter)

New York

(State or other jurisdiction of incorporation or organization)

13-3139843

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

220 East 42nd Street, New York, New York

(Address of principal executive offices)

10017-5891

(Zip Code)

(212) 907-1500

(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 Website, 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  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.

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Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a 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 issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at October 31, 2009
Common stock, \$.10 par value	9,981,600 Shares

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## VALUE LINE INC.

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EX-31.1 (Certifications required under Section 302 of the Sarbanes-Oxley Act of 2002)

EX-31.2 (Certifications required under Section 302 of the Sarbanes-Oxley Act of 2002)

EX-32.1 (Certifications required under Section 906 of the Sarbanes-Oxley Act of 2002)

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Part I - Financial Information  
Item 1. Financial Statements

Value Line, Inc.  
Consolidated Condensed Balance Sheets  
(in thousands, except share amounts)

	Oct. 31, 2009 (unaudited)	Apr. 30, 2009
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents (including short term investments of \$60,575 and \$42,068, respectively)	\$ 60,968	\$ 42,936
Trading securities	7,035	17,203
Securities available for sale	37,753	46,526
Accounts receivable, net of allowance for doubtful accounts of \$47 and \$47, respectively	2,317	2,353
Receivable from affiliates	1,670	1,312
Prepaid and refundable income taxes	1,920	-
Prepaid expenses and other current assets	804	1,047
Deferred income taxes	5,326	493
<b>Total current assets</b>	<b>117,793</b>	<b>111,870</b>
<b>Long term assets</b>		
Property and equipment, net	4,373	4,474
Capitalized software and other intangible assets, net	658	1,211
Deferred income taxes	4,847	-
<b>Total long term assets</b>	<b>9,878</b>	<b>5,685</b>
<b>Total assets</b>	<b>\$ 127,671</b>	<b>\$ 117,555</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued liabilities	\$ 3,986	\$ 2,865
Accrued salaries	1,510	1,438
Dividends payable	1,996	2,994
Accrued taxes payable	-	392
Reserve for settlement	47,706	-
Unearned revenue	20,281	23,742
<b>Total current liabilities</b>	<b>75,479</b>	<b>31,431</b>
<b>Long term liabilities</b>		
Unearned revenue	4,556	5,255
<b>Total long term liabilities</b>	<b>4,556</b>	<b>5,255</b>
<b>Shareholders' Equity:</b>		
Common stock, \$.10 par value; authorized 30,000,000 shares; issued 10,000,000 shares	1,000	1,000
Additional paid-in capital	991	991
Retained earnings	45,744	78,935
Treasury stock, at cost (18,400 shares on 10/31/09 and 4/30/09)	(354)	(354)
Accumulated other comprehensive income, net of tax	255	297
<b>Total shareholders' equity</b>	<b>47,636</b>	<b>80,869</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 127,671</b>	<b>\$ 117,555</b>

The accompanying notes are an integral part of these consolidated condensed financial statements.

Part I - Financial Information  
Item 1. Financial Statements

Value Line, Inc.  
Consolidated Condensed Statements of Income/(Loss)  
(in thousands, except share & per share amounts)  
(unaudited)

	Three months ended October 31,		Six months ended October 31,	
	2009	2008	2009	2008
<b>Revenues:</b>				
Investment periodicals and related publications	\$ 9,156	\$ 9,956	\$ 18,477	\$ 20,293
Copyright data fees	828	1,239	1,595	2,920
Investment management fees & services	4,882	7,132	9,582	15,327
<b>Total revenues</b>	<b>14,866</b>	<b>18,327</b>	<b>29,654</b>	<b>38,540</b>
<b>Expenses:</b>				
Advertising and promotion	2,412	3,328	4,492	6,569
Salaries and employee benefits	4,264	4,809	8,551	9,666
Production and distribution	1,389	1,459	2,566	2,989
Office and administration	3,366	2,465	5,690	5,585
Provision for settlement	-	-	47,706	-
<b>Total expenses</b>	<b>11,431</b>	<b>12,061</b>	<b>69,005</b>	<b>24,809</b>
<b>Income/(loss) from operations</b>	<b>3,435</b>	<b>6,266</b>	<b>(39,351)</b>	<b>13,731</b>
Income from securities transactions, net	151	10,084	369	10,716
<b>Income/(loss) before income taxes</b>	<b>3,586</b>	<b>16,350</b>	<b>(38,982)</b>	<b>24,447</b>
Provision for income taxes/(benefit)	1,205	5,808	(9,783)	8,843
<b>Net income/(loss)</b>	<b>\$ 2,381</b>	<b>\$ 10,542</b>	<b>\$ (29,199)</b>	<b>\$ 15,604</b>
<b>Earnings/(loss) per share, basic &amp; fully diluted</b>	<b>\$ 0.23</b>	<b>\$ 1.05</b>	<b>\$ (2.93)</b>	<b>\$</b>