

RICKS CABARET INTERNATIONAL INC
Form 10-Q
February 17, 2009

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 period ended December 31, 2008

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number: 0-26958

RICK'S CABARET INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction of incorporation or
organization)

76-0458229
(I.R.S. Employer Identification No.)

10959 Cutten Road
Houston, Texas 77066
(Address of principal executive offices) (Zip Code)

(281) 397-6730
(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 is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. Large accelerated filer Accelerated filer Non-accelerated filer 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

As of February 2, 2009, 9,344,325 shares of the Registrant's Common Stock were outstanding.

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

RICK'S CABARET INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

ASSETS

	DECEMBER 31, 2008 (UNAUDITED)	SEPTEMBER 30, 2008
CURRENT ASSETS:		
Cash and cash equivalents	\$ 2,978,133	\$ 5,602,645
Accounts receivable		
Trade, net	785,558	637,035
Other, net	199,537	230,298
Inventories	2,050,885	1,717,237
Prepaid expenses and other current assets	557,424	568,599
Total current assets	6,571,537	8,755,814
PROPERTY AND EQUIPMENT:		
Buildings, land and leasehold improvements	44,538,122	44,239,727
Furniture and equipment	14,045,908	13,731,346
	58,584,030	57,971,073
Accumulated depreciation	8,714,434	7,932,809
Total property and equipment, net	49,869,596	50,038,264
OTHER ASSETS:		
Goodwill and indefinite lived intangibles	76,506,045	76,457,694
Definite lived intangibles, net	1,247,240	1,335,509
Other	570,450	481,525
Total other assets	78,323,735	78,274,728
Total assets	\$ 134,764,868	\$ 137,068,806

See accompanying notes to consolidated financial statements.

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RICK'S CABARET INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

	DECEMBER 31, 2008 (UNAUDITED)	SEPTEMBER 30, 2008
CURRENT LIABILITIES:		
Accounts payable – trade	\$ 845,669	\$ 1,203,555
Accrued liabilities	2,873,587	4,579,918
Current portion of long-term debt	2,245,532	2,644,541
Total current liabilities	5,964,788	8,428,014
Deferred tax liability	17,115,054	16,894,256
Other long-term liabilities	563,925	537,967
Long-term debt, less current portion	30,239,192	30,312,865
Long-term debt-related parties	-	600,000
Total liabilities	53,882,959	56,773,102
COMMITMENTS AND CONTINGENCIES		
MINORITY INTERESTS	3,356,596	3,358,096
TEMPORARY EQUITY – Common stock, subject to put rights (611,740 shares)	13,935,020	13,935,020
PERMANENT STOCKHOLDERS' EQUITY:		
Preferred stock, \$.10 par, 1,000,000 shares authorized; none issued and outstanding	-	-
Common stock, \$.01 par, 15,000,000 shares authorized; 9,689,315 shares issued	96,893	96,893
Additional paid-in capital	53,968,216	53,948,172
Accumulated other comprehensive income	-	(13,347)
Retained earnings	11,055,482	10,264,650
Less 956,730 and 908,530 shares of common stock held in treasury, at cost, respectively	(1,530,298)	(1,293,780)
Total permanent stockholders' equity	63,590,293	63,002,588
Total liabilities and stockholders' equity	\$ 134,764,868	\$ 137,068,806

See accompanying notes to consolidated financial statements.

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RICK'S CABARET INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE THREE MONTHS
ENDED DECEMBER 31,