

STARRETT L S CO  
Form 10-Q  
November 04, 2015  
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, 2015

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 1-367

**THE L. S. STARRETT COMPANY**

(Exact name of registrant as specified in its charter)

MASSACHUSETTS 04-1866480  
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

121 CRESCENT STREET, ATHOL, MASSACHUSETTS 01331-1915  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code 978-249-3551

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 (§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  
definitions of  
“accelerated filer,”  
“large  
accelerated filer”  
and “smaller  
reporting  
company” in  
Rule 12b-2 of  
the Exchange  
Act. (Check  
One):

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

Common Shares outstanding as of   October 31, 2015

Class A Common Shares                      6,240,805

Class B Common Shares                      777,520

THE L. S. STARRETT COMPANY

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**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS**

## THE L. S. STARRETT COMPANY

## Consolidated Balance Sheets

(in thousands except share data)

	September 30, 2015  (unaudited)	June 30, 2015
<b>ASSETS</b>		
Current assets:		
Cash	\$ 12,939	\$ 11,108
Short-term investments	7,565	7,855
Accounts receivable (less allowance for doubtful accounts of \$609 and \$612, respectively)	29,172	40,311
Inventories	60,090	63,003
Current deferred income tax assets	4,253	4,554
Prepaid expenses and other current assets	6,777	6,582
Total current assets	120,796	133,413
Property, plant and equipment, net	42,867	44,413
Income taxes receivable	3,209	3,383
Deferred income tax assets, net of current portion	18,715	18,803
Intangible assets, net	6,954	7,125
Goodwill	3,034	3,034
Other assets	2,149	2,101
Total assets	\$ 197,724	\$ 212,272
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Notes payable and current maturities of long-term debt	\$ 1,534	\$ 1,552
Accounts payable	8,853	9,471
Accrued expenses	5,227	7,011
Accrued compensation	4,325	5,565
Total current liabilities	19,939	23,599

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Long-term debt, net of current portion	18,773	18,552
Other income tax obligations	4,785	4,607
Deferred income tax liabilities	1,520	1,548
Postretirement benefit and pension obligations	48,838	49,536
Total liabilities	93,855	97,842
Stockholders' equity:		
Class A Common stock \$1 par (20,000,000 shares authorized; 6,238,575 outstanding at September 30, 2015 and 6,223,558 outstanding at June 30, 2015)	6,238	6,224
Class B Common stock \$1 par (10,000,000 shares authorized; 780,776 outstanding at September 30, 2015 and 789,069 outstanding at June 30, 2015)	781	789
Additional paid-in capital	54,964	54,869
Retained earnings	97,282	98,164
Accumulated other comprehensive loss		