

WINMARK CORP
Form 8-K
July 11, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): **July 5, 2006**

WINMARK CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Minnesota

(State or Other Jurisdiction of Incorporation)

000-22012
(Commission File Number)

41-1622691
(IRS Employer
Identification No.)

4200 Dahlberg Drive, Suite 100, Minneapolis, MN 55422-4837
(Address of Principal Executive Offices) (Zip Code)

(763) 520-8500
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 4.01. Change in Registrant's Certifying Accountant

(a) Dismissal of Independent Accountant

KPMG LLP (KPMG) was previously the principal accountants for Winmark Corporation (the Company). On July 5, 2006, Company dismissed KPMG as its independent registered public accounting firm. The decision to dismiss KPMG was approved by the Audit Committee of the Company's Board of Directors.

The audit reports of KPMG on the Company's consolidated financial statements as of and for the years ended December 31, 2005 and December 25, 2004 did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles.

In connection with the audits of the Company's two most recent fiscal years ended December 31, 2005 and December 25, 2004, and the subsequent interim period through July 5, 2006, there have been no disagreements with KPMG on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of KPMG, would have caused KPMG to make reference in connection with their opinion to the subject matter of the disagreement.

In connection with the audits of the Company's two most recent fiscal years ended December 31, 2005 and December 25, 2004, and the subsequent interim period through July 5, 2006, there were no reportable events, as defined in Item 304(a)(1)(v) of Regulation S-K.

The Company has requested that KPMG furnish it a letter addressed to the Securities and Exchange Commission stating whether or not it agrees with the above statements. A copy of that letter dated July 11, 2006 is filed as Exhibit 16.1 to this report.

(b) Appointment of New Independent Accountant

On July 5, 2006, the Company engaged Grant Thornton LLP (Grant Thornton), to audit its consolidated financial statements for the fiscal year ending December 30, 2006. The decision to engage Grant Thornton was approved by the Audit Committee of the Company's Board of Directors.

During the Company's two most recent fiscal years and through July 5, 2006, the Company has not consulted with Grant Thornton regarding either (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's financial statements, or (ii) any matter that was either the subject of a disagreement, as that term is defined in Item 304(a)(1)(v) of Regulation S-K and the related instructions to Item 304 of Regulation S-K, or a reportable event, as that term is defined in Item 304(a)(1)(v) of Regulation S-K.

Item 9.01. Financial Statements and Exhibits.

(a) Financial statements: None.

(b) Pro forma financial information: None.

(c) Shell company transactions: None.

(d) Exhibits:

16.1 Letter from KPMG to the Securities and Exchange Commission, dated July 11, 2006

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

WINMARK CORPORATION

Date: July 11, 2006

By: /s/ Catherine P. Heaven
Catherine P. Heaven
General Counsel

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EXHIBIT INDEX
to
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Exhibit No.

ITEM

16.1

Letter from KPMG LLP to the Securities and Exchange Commission, dated July 11, 2006
