

WILLAMETTE VALLEY VINEYARDS INC
Form 10-Q
November 13, 2012

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 September 30, 2012

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

Commission File Number 000-21522

WILLAMETTE VALLEY VINEYARDS, INC.

(Exact name of registrant as specified in charter)

Oregon	93-0981021
(State or other jurisdiction	(I.R.S. Employer Identification No.)
of incorporation or organization)	

8800 Enchanted Way, S.E., Turner, Oregon	97392
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including	(503)
area code:	588-9463

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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

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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:

- | | |
|---|--|
| <input type="radio"/> Large accelerated filer | <input type="radio"/> Accelerated filer |
| <input type="radio"/> Non-accelerated filer | <input checked="" type="radio"/> Smaller reporting company |

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): YES NO

Number of shares of common stock outstanding as of October 31, 2012: 4,815,193 shares

WILLAMETTE VALLEY VINEYARDS, INC.
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PART I: FINANCIAL INFORMATION

Item 1 – Financial Statements

WILLAMETTE VALLEY
VINEYARDS, INC.
BALANCE SHEETS

ASSETS

	September 30, 2012 (unaudited)	December 31, 2011 (audited)
CURRENT ASSETS		
Cash and cash equivalents	\$ 4,477,848	\$ 3,411,292
Accounts receivable, net	1,096,695	986,591
Inventories (Note 3)	8,565,028	8,843,813
Prepaid expenses and other current assets	57,998	138,382
Current portion of note receivable	53,509	61,492
Current portion of distribution agreement receivable	500,000	250,000
Current portion of assets from discontinued operations, net	23,944	847,053
Income tax receivable	-	229,337
Total current assets	14,775,022	14,767,960
Vineyard development costs, net	1,586,793	1,643,546
Property and equipment, net (Note 4)	7,765,078	7,238,437
Assets from discontinued operations, net	25,601	62,300
Debt issuance costs	48,215	50,752
Distribution agreement receivable, net of current portion	250,000	500,000
Note receivable	-	19,276
Other assets	-	4,456
TOTAL ASSETS	\$ 24,450,709	\$ 24,286,727
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current portion of long-term debt	207,207	197,936
Accounts payable	738,404	301,168
Accrued expenses	368,617	438,983
Income taxes payable	31,508	-
Deferred income taxes	351,000	351,000
Current portion of deferred revenue-distribution agreement	142,857	142,857
Grapes payable	-	389,233
Total current liabilities	1,839,593	1,821,177

Long-term debt, net of current portion	3,869,635	4,010,654
Deferred rent liability	199,943	208,047
Deferred revenue-distribution agreement, net of current portion	702,378	809,523
Deferred gain	225,575	249,646
Deferred income taxes	754,000	754,000
Total liabilities	7,591,124	7,853,047

COMMITMENTS AND CONTINGENCIES

SHAREHOLDERS' EQUITY

Common stock, no par value, 10,000,000 shares authorized,
4,818,450 and 4,892,977 issued and outstanding at

September 30, 2012 and December 31, 2011, respectively	8,646,648	8,632,746
Retained earnings	8,472,692	7,800,934
Less: Common stock held in treasury, at cost, 74,527 and 0, respectively		
September 30, 2012 and December 31, 2011	(259,755)	-
Total shareholders' equity	16,859,585	16,433,680

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 24,450,709	\$ 24,286,727
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The accompanying notes are an integral part of this financial statement

WILLAMETTE VALLEY VINEYARDS, INC.
STATEMENTS OF OPERATIONS

Three months ended		Nine months ended	
September 30,		September 30,	
2012	2011	2012	2011
(unaudited)	(unaudited)	(unaudited)	(unaudited)

SALES