

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K/A

Current report filing [amend]

Filing Date: **1995-07-28** | Period of Report: **1995-05-30**
SEC Accession No. **0000892569-95-000352**

([HTML Version](#) on secdatabase.com)

FILER

CKE RESTAURANTS INC

CIK: **919628** | IRS No.: **330602639** | State of Incorporation: **DE** | Fiscal Year End: **0130**
Type: **8-K/A** | Act: **34** | File No.: **001-11313** | Film No.: **95556707**

Business Address
1200 N HARBOR BLVD
ANAHEIM CA 92801
7147745796

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

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

Date of Report (Date of earliest event reported) May 30, 1995

CKE RESTAURANTS, INC.

(Exact name of registrant as specified in charter)

----- Delaware ----- (State or other jurisdiction of incorporation)	----- 1-13192 ----- (Commission File Number)	----- 33-0602639 ----- (IRS Employer Identification No.)
---	--	--

----- 1200 North Harbor Boulevard, Anaheim, California ----- (Address of principal executive offices)	----- 92801 ----- (Zip Code)
--	---------------------------------------

Registrant's telephone number, including area code (714) 774-5796

(Former name or former address, if changed since last report)

2

Item 7. Financial Statements and Exhibits.

(a) Financial statements of business acquired.

Not applicable.

(b) Pro forma financial information.

<TABLE>

<S>	Page
1. Pro Forma Consolidated Financial Information	F-1
2. Unaudited Pro Forma Consolidated Balance Sheets	F-2
3. Unaudited Pro Forma Consolidated Statements of Operations	F-3
4. Notes to Pro Forma Consolidated Financial Information	F-4

</TABLE>

(c) Exhibits.

Exhibit No.	Description of Document
(2) (a)	Agreement to Contribute Assets dated April 5, 1995 between Boston Pacific, Inc. and Boston West, L.L.C. (together with a list briefly identifying the omitted exhibits, schedules and appendices thereto). The Registrant agrees to provide copies of such exhibits, schedules and appendices to the Commission upon request. [Previously Filed]

SIGNATURES

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

CKE RESTAURANTS, INC.

Date: July 27, 1995

By: /s/ JOSEPH N. STEIN

Joseph N. Stein,
Chief Financial Officer

-3-

4

PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

This pro forma financial information should be read in conjunction with the information contained in the Form 8-K filed on May 30, 1995, the date the transaction described below occurred.

The pro forma consolidated balance sheet information set forth below as of January 30, 1995 and May 22, 1995 is based on historical consolidated financial statements of CKE Restaurants, Inc. (the "Company"), adjusted to give effect to the sale of certain Boston West L.L.C. ("Boston West") Class A Membership Units to third party investors as if the sale had occurred on January 30, 1995 and May 22, 1995, respectively. These tables present selected historical consolidated balance sheet items of the Company in the first column, pro forma adjustments in the second column and the pro forma balance sheet amounts in the last column.

The pro forma consolidated statements of operations set forth below are based on the historical consolidated financial statements of the Company, adjusted to give effect to the sale of Boston West Class A Membership Units to third party investors as if the sale had occurred on February 1, 1994. These tables present the historical results of operations of the Company in the first column, pro forma adjustments in the second column and the pro forma results of operations in the last column.

The pro forma financial information does not purport to represent what the Company's financial position or results of operations would actually have been had such transaction actually occurred on February 1, 1994, January 30, 1995, May 22, 1995, or at any future period or date.

F-1

5

CKE RESTAURANTS, INC.
UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEETS
(In thousands)

<TABLE>
<CAPTION>

	January 30, 1995			May 22, 1995		
	Historical CKR	Pro forma Adjustments (a)	Pro forma	Historical CKR	Pro forma Adjustments (a)	Pro forma
<S>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS						
Current assets:						
Cash and investments	\$ 18,262	\$ (10,044)	\$ 8,218	\$ 8,916	\$ (1,266)	\$ 7,650
Accounts receivable (including related party receivables of \$1,509 and \$1,597, respectively)	13,920	(849)	13,071	13,455	(1,947)	11,508
Other current assets	24,642	(2,941)	21,701	27,031	(3,205)	23,826
Total current assets	56,824	(13,834)	42,990	49,402	(6,418)	42,984
Property and equipment, net	133,248	(20,162)	113,086	140,001	(19,417)	120,584
Property under capital leases, net	30,515	--	30,515	29,767	--	29,767
Long-term investments	--	21,732 (b)	21,732	--	21,732 (b)	21,732
Notes receivable and other assets						

(including related party notes receivable of \$2,109 and \$2,166, respectively)	23,774	(2,540)	21,234	23,940	(2,852)	21,088
	-----	-----	-----	-----	-----	-----
	\$244,361	\$ (14,804)	\$229,557	\$243,110	\$ (6,955)	\$236,155
	=====	=====	=====	=====	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY						
Current liabilities:						
Current portion of long-term debt and capital lease obligations						
	\$ 11,749	\$ --	\$ 11,749	\$ 11,993	\$ --	\$ 11,993
Accounts payable	29,754	(13,374)	16,380	16,488	(2,822)	13,666
Other current liabilities	30,065	(632)	29,433	33,211	(1,161)	32,050
	-----	-----	-----	-----	-----	-----
Total current liabilities	71,568	(14,006)	57,562	61,692	(3,983)	57,709
	-----	-----	-----	-----	-----	-----
Long-term debt						
	27,178	440	27,618	36,918	(1,306)	35,612
Capital lease obligations	42,691	--	42,691	41,892	--	41,892
Other long-term liabilities	14,450	--	14,450	13,397	189	13,586
Stockholders' equity:						
Preferred stock	--	--	--	--	--	--
Common stock	188	--	188	188	--	188
Additional paid-in capital	35,119	--	35,119	35,119	--	35,119
Retained earnings	57,725	(1,238)	56,487	59,013	(1,855)	57,158
Treasury stock	(4,558)	--	(4,558)	(5,109)	--	(5,109)
	-----	-----	-----	-----	-----	-----
Total stockholders' equity	88,474	(1,238)	87,236	89,211	(1,855)	87,356
	-----	-----	-----	-----	-----	-----
	\$244,361	\$ (14,804)	\$229,557	\$243,110	\$ (6,955)	\$236,155
	=====	=====	=====	=====	=====	=====

</TABLE>

F-2

6

CKE RESTAURANTS, INC.
UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands except per share data)

<TABLE>

<CAPTION>

	Fiscal Year Ended January 30, 1995			Sixteen Weeks Ended May 22, 1995		
	Historical CKR	Pro forma Adjustments (c)	Pro forma	Historical CKR	Pro forma Adjustments (c)	Pro forma
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues:						
Retail sales	\$370,045	\$ (5,767)	\$364,278	\$116,027	\$ (4,272)	\$111,755
Franchised and licensed restaurants	73,702	--	73,702	21,593	--	21,593
	-----	-----	-----	-----	-----	-----
Total revenues	443,747	(5,767)	437,980	137,620	(4,272)	133,348
	-----	-----	-----	-----	-----	-----
Operating costs and expenses:						
Retail operations:						
Food and packaging	111,985	(2,296)	109,689	35,889	(1,572)	34,317
Payroll and other employee benefits	112,177	(2,191)	109,986	33,813	(1,395)	32,418
Occupancy and other operating expenses	82,172	(1,411) (g)	80,761	25,053	(827) (g)	24,226
	-----	-----	-----	-----	-----	-----
	306,334	(5,898)	300,436	94,755	(3,794)	90,961
Franchised and licensed restaurants						
Advertising expenses	69,871	--	69,871	20,656	--	20,656
General and administrative expenses	20,148	(332)	19,816	6,263	(255)	6,008
	38,792	(2,548)	36,244	10,682	(1,569)	9,113
	-----	-----	-----	-----	-----	-----
Total operating costs and expenses	435,145	(8,778)	426,367	132,356	(5,618)	126,738
	-----	-----	-----	-----	-----	-----
Operating income	8,602	3,011	11,613	5,264	1,346	6,610
Interest expense	(9,202)	75 (d)	(9,127)	(2,832)	92 (d)	(2,740)
Other income, net	2,998	(1,024) (e)	1,974	707	(528) (e)	179
	-----	-----	-----	-----	-----	-----
Income before income tax expense	2,398	2,062	4,460	3,139	910	4,049
Income tax expense	1,134	825 (f)	1,959	1,224	364 (f)	1,588
	-----	-----	-----	-----	-----	-----
Net income	\$ 1,264	\$ 1,237	\$ 2,501	\$ 1,915	\$ 546	\$ 2,461

	=====	=====	=====	=====	=====	=====
Net income per common share	\$ 0.07	\$ 0.06	\$ 0.13	\$ 0.11	\$ 0.03	\$ 0.14
Weighted average shares outstanding	18,717	18,717	18,717	18,199	18,199	18,199

F-3

7

NOTES TO PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The pro forma consolidated balance sheets give effect to the following pro forma adjustments:

- a. to eliminate the accounts of Boston West, except for the assets retained by the Company and leased to Boston West totaling \$2.4 million and \$11.8 million as of January 30, 1995 and May 22, 1995, respectively; and
- b. to record the Company's investment in Boston West.

The pro forma consolidated statements of operations give effect to the following pro forma adjustments:

- c. to eliminate the accounts of Boston West;
- d. to adjust interest expense related to the reduction in indebtedness by \$75,000 and \$92,000 for the fiscal year ended January 30, 1995 and the 16-week period ended May 22, 1995, respectively, that would otherwise not have been incurred if the Company had not funded operations of Boston Pacific/Boston West. It is assumed that a portion of the debt incurred by the Company was borrowed to fund portions of the operating cash flow deficits incurred by Boston West. The pro forma consolidated statements of operations were prepared assuming the transaction occurred as of February 1, 1994 and that Boston West funded its development and operations through loans available from Boston Chicken, Inc. As such the Company's related borrowings were eliminated. Interest on the indebtedness is assumed to be at an effective rate of 10% per annum;
- e. to record the Company's 33% share of Boston West's operations totaling \$1.022 million and \$528,000 for the fiscal year ended January 30, 1995 and the 16-week period ended May 22, 1995, respectively, until the third parties unaffiliated with the Company have satisfied their obligations under the terms of the financing of the purchase of the Class A Membership Units;
- f. to adjust the provision for income taxes, using the estimated rate of 40%, to reflect the adjusted consolidated results of operations; and
- g. to record depreciation expense of \$87,000 and \$254,000 for the fiscal year ended January 30, 1995 and the 16-week period ended May 22, 1995, respectively, on the assets leased to Boston West.

The Company has not reflected the impact of the dividends, if any, to be earned on the Boston West Class B Membership Units or any income earned on the equipment and real property to be leased to Boston West.

F-4