

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1995-05-10** | Period of Report: **1995-03-26**  
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FILER

**CEDAR FAIR L P**

CIK: **811532** | IRS No.: **341560655** | State of Incorpor.: **DE** | Fiscal Year End: **1231**  
Type: **10-Q** | Act: **34** | File No.: **001-09444** | Film No.: **95536092**  
SIC: **7990** Miscellaneous amusement & recreation

Business Address  
*P O BOX 5006*  
*SANDUSKY OH 44871*  
*4196260830*

3  
FORM 10 - Q  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 26, 1995

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 1-9444

CEDAR FAIR, L.P.

(Exact name of registrant as specified in its charter)

DELAWARE  
(State or other jurisdiction of  
incorporation or organization)

34-1560655  
(I.R.S. Employer  
Identification No.)

P.O. BOX 5006, Sandusky, Ohio 44871-8006  
(Address of principal executive offices)  
(zip code)

(419) 626-0830  
(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 X No

Title of Class	Units Outstanding As Of
Depository Units	May 5, 1995
(Representing Limited Partner Interests)	22,240,208

CEDAR FAIR, L.P.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CEDAR FAIR, L.P.  
CONSOLIDATED BALANCE SHEETS  
(In thousands)

<CAPTION>

	3/26/95	12/31/94
<S>	<C>	<C>
ASSETS		
Current Assets:		
Cash	\$ 714	\$ 350
Receivables	244	1,350
Inventories	7,046	3,416
Prepays	3,076	3,082
	11,080	8,198
Land, Buildings and Equipment:		

Land	22,675	22,675
Land improvements	31,366	31,366
Buildings	70,259	70,259
Rides and equipment	174,450	174,450
Construction in progress	11,599	4,503
	310,349	303,253
Less accumulated depreciation	(98,930)	(98,922)
	211,419	204,331
Intangibles, net of amortization	11,365	11,453
	\$233,864	\$223,982

LIABILITIES AND PARTNERS' EQUITY

Current Liabilities:

Accounts payable	\$ 11,826	\$ 5,728
Distribution payable to partners	12,636	12,636
Accrued interest	599	1,595
Accrued taxes	2,748	2,751
Accrued salaries, wages and benefits	2,445	3,241
Self insurance reserves	5,909	6,087
Other accrued liabilities	1,748	1,588
	37,911	33,602

Other Liabilities 3,383 3,926

Long-Term Debt:

Revolving credit loans	52,500	21,400
Term debt	50,000	50,000
	102,500	71,400

Partners' Equity:

Special L.P. interests	5,290	5,290
General partners	139	389
Limited partners, 22,240,208 units outstanding	84,641	109,375
	90,070	115,054
	\$233,864	\$223,982

The accompanying Notes to Consolidated Financial Statements are an integral part of these balance sheets.

</TABLE>

<TABLE>

CEDAR FAIR, L.P.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(In thousands except per unit data)

<CAPTION>

	Three months ended		Twelve months ended	
	3/26/95	3/27/94	3/26/95	3/27/94

<S>	<C>	<C>	<C>	<C>
Net revenues	\$ 382	\$ 358	\$198,382	\$179,009
Costs and expenses:				
Cost of products sold	142	112	21,143	19,544
Operating expenses	8,882	8,076	73,730	67,108
Selling, general and administrative	1,984	2,082	21,247	20,909
Depreciation and amortization	96	112	14,944	14,467
	11,104	10,382	131,064	122,028
Operating income (loss)	(10,722)	(10,024)	67,318	56,981
Insurance claim settlements	--	1,600	502	1,600
Interest expense, net	1,626	1,615	7,304	6,552
Deferred tax credit	--	--	--	11,000
Net income (loss)	(12,348)	(10,039)	60,516	63,029
Net income (loss) allocated to general partners	(123)	(100)	605	630
Net income (loss) allocated to limited partners	\$ (12,225)	\$ (9,939)	\$59,911	\$ 62,399
Weighted average limited partner units outstanding	22,292	22,262	22,274	22,255
Net income (loss) per limited partner unit	\$ (.55)	\$ (.45)	\$ 2.69	\$ 2.80

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

</TABLE>

<TABLE>

CEDAR FAIR, L.P.  
CONSOLIDATED STATEMENTS OF PARTNERS' EQUITY  
(In thousands)

<CAPTION>

	Special L.P.	General Partners	Limited Partners	Total Partners
	Interest	Equity	Equity	Equity
	s			
<S>	<C>	<C>	<C>	<C>
Balance at December 31, 1994	\$ 5,290	\$ 389	\$109,375	\$115,054
Allocation of net loss	--	(123)	(12,225)	(12,348)

Distribution declared -- (127) (12,509) (12,636)  
(\$ .5625 per limited partner unit)

Balance at March 26, 1995 \$ 5,290 \$ 139 \$ 84,641 \$ 90,070

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

</TABLE>

<TABLE>

CEDAR FAIR, L.P.  
CONSOLIDATED STATEMENTS OF CASH FLOW  
(In thousands)

<CAPTION>

	Three months ended		Twelve months ended	
	3/26/95	3/27/94	3/26/95	3/27/94
<S>	<C>	<C>	<C>	<C>
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES				
Net income (loss)	\$(12,348)	\$(10,039)	\$ 60,516	\$ 63,029
Adjustments to reconcile net income to net cash from (for) operating activities				
Depreciation and amortization	96	112	14,944	14,467
Deferred tax credit	--	--	--	(11,000)
Change in assets and liabilities				
Decrease (increase) in inventories	(3,630)	(3,294)	(250)	3
Decrease in current and other assets	1,112	823	1,007	712
Increase (decrease) in accounts payable	6,098	5,050	1,743	(91)
Increase (decrease) in self-insurance reserves	(178)	(207)	1,932	1,176
Increase (decrease) in other current liabilities	(1,611)	(19)	(1,244)	1,092
Increase (decrease) in other liabilities	(543)	14	1,029	1,281
Net cash from (for) operating activities	(11,004)	(7,560)	79,677	70,669
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES				
Capital expenditures	(7,096)	(5,693)	(22,668)	(24,780)
Net cash (for) investing activities	(7,096)	(5,693)	(22,668)	(24,780)

CASH FLOWS FROM (FOR) FINANCING  
ACTIVITIES

Net borrowings (payments) on revolving credit loans	31,100	25,100	(9,400)	(2,000)
Distributions paid to partners	(12,636)	(11,232)	(47,738)	(43,245)
Net cash from (for) financing activities	18,464	13,868	(57,138)	(45,245)

Cash and cash equivalents:

Net increase (decrease) for the period	364	615	(129)	644
Balance, beginning of period	350	228	843	199
Balance, end of period	\$ 714	\$ 843	\$ 714	\$ 843

SUPPLEMENTAL INFORMATION

Cash payments for interest expense	\$ 3,784	\$ 549	\$ 9,112	\$ 6,575
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The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

CEDAR FAIR, L.P.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTERS ENDED  
MARCH 26, 1995 AND MARCH 27, 1994

The accompanying consolidated financial statements have been prepared from the financial records of Cedar Fair, L.P. (the Partnership) without audit and reflect all adjustments which are, in the opinion of management, necessary to fairly present the results of the interim periods covered in this report.

Due to the highly seasonal nature of the Partnership's amusement park operations, the results for the interim periods are not indicative of the results to be expected for the full year. Accordingly, the Partnership has elected to present financial information regarding operations for the preceding twelve month periods ended March 26, 1995 and March 27, 1994 to accompany the quarterly results. Because amounts for the 12 months ended March 26, 1995 include actual 1994 season operating results, they are not necessarily indicative of 1995 full calendar year operations.

The operating results for the three and twelve months ended March 27, 1994, include a gain of \$1.6 million relating to an insurance claim for flood damage and business interruption losses at the Partnership's Minnesota park in 1993. Operating results for the twelve-month period ended March 27, 1994, also includes a one-time, non-cash credit for deferred taxes of \$11 million resulting from 1993 changes in federal tax laws.

## (1) Significant Accounting and Reporting Policies

The Partnership's consolidated financial statements for the quarters ended March 26, 1995 and March 27, 1994 included in this Form 10-Q report have been prepared in accordance with the accounting policies described in the Notes to Consolidated Financial Statements for the year ended December 31, 1994, which were included in the Form 10-K filed on March 29, 1995. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission. These financial statements should be read in conjunction with the financial statements and the notes thereto included in the Form 10-K referred to above.

## (2) Interim Reporting

The Partnership operates three amusement parks (Cedar Point in Sandusky, Ohio, Valleyfair in Shakopee, Minnesota and Dorney Park & Wildwater Kingdom near Allentown, Pennsylvania), all of which are open to the public from early May to early October. These parks generate virtually all of the Partnership's annual revenue with the major portion concentrated in the third quarter during the peak vacation months of July and August.

To assure that these highly seasonal operations will not result in misleading comparisons of current and subsequent interim periods, the Partnership has adopted the following reporting procedures: (a) depreciation, advertising and certain seasonal operating costs are expensed ratably during the operating season, including certain costs incurred prior to the season and amortized over the season and (b) all other costs are expensed as incurred or ratably over the entire year.

## Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Results of Operations

The Partnership's amusement parks are open to the public from early May to early October. Therefore, net revenues for the first quarter are historically minimal and are generated primarily from restaurant operations and marina rentals. Net revenues for the quarter ended March 26, 1995 were \$382,000 compared to \$358,000 for the quarter ended March 27, 1994.



Operating results for the first quarter include normal off-season operating, maintenance and administrative expenses for the three parks. Net loss for the quarter was \$12.3 million or \$.55 per limited partner unit, compared with a loss of \$10.0 million, or \$.45 per unit, in 1994. Operating results for the prior period include a final insurance settlement of \$1.6 million, or \$.07 per unit, relating to a claim for flood damage and business interruption at the Partnership's Minnesota park in 1993.

Included in costs and expenses are approximately \$930,000 of incentive fees payable to the managing general partner relating to the 1995 first quarter distribution, which exceeded the minimum distribution as defined in the partnership agreement by 23 cents per unit, or \$5,167,000 in the aggregate. This compares to \$718,000 of incentive fees in the 1994 first quarter.

#### Financial Condition

The Partnership has available through April, 1997 a \$95 million revolving credit facility, of which \$52.5 million was borrowed and in use as of March 26, 1995. This credit facility is adequate to meet seasonal working capital needs, planned capital expenditures and distribution requirements.

In our highly seasonal business with investment heavily concentrated in property and equipment, the negative working capital ratio of 3.4 at March 26, 1995 is financially advantageous. Current assets are at normal seasonal levels and credit facilities are in place to fund current liabilities as required.

#### PART II - OTHER INFORMATION

##### Item 6. Exhibits and Reports on Form 8-K

###### Exhibits:

- (a) Exhibits: None
- (b) Reports on Form 8-K: None

#### 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 thereunto duly authorized.

CEDAR FAIR, L.P.

(Registrant)

By Cedar Fair Management Company  
Managing General Partner

Date: May 5, 1995

By Bruce A. Jackson  
Bruce A. Jackson  
Vice President  
(Chief Financial Officer)

By Charles M. Paul  
Charles M. Paul  
Controller  
(Chief Accounting Officer)

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