

Edgar Filing: ALPHA PRO TECH LTD - Form 10-Q

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 (as defined in Rule 12b-2 of the Exchange Act).

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding November 2, 2015
Common Stock, \$0.01 par value	18,159,454 shares

Alpha Pro Tech, Ltd.

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Alpha Pro Tech, Ltd.**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****Condensed Consolidated Balance Sheets (Unaudited)**

	September 30, 2015	December 31, 2014 (1)
Assets		
Current assets:		
Cash	\$6,574,000	\$5,495,000
Investments	826,000	2,840,000
Accounts receivable, net of allowance for doubtful accounts of \$50,000 and \$60,000 as of September 30, 2015 and December 31, 2014, respectively	5,125,000	5,333,000
Accounts receivable, related party	84,000	333,000
Inventories	17,861,000	16,544,000
Prepaid expenses and other current assets	2,711,000	4,472,000
Deferred income tax assets	486,000	486,000
Total current assets	33,667,000	35,503,000
Property and equipment, net	2,993,000	3,315,000
Goodwill	55,000	55,000
Definite-lived intangible assets, net	56,000	71,000
Equity investments in unconsolidated affiliate	3,058,000	3,008,000
Total assets	\$39,829,000	\$41,952,000
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$793,000	\$1,099,000
Accrued liabilities	1,422,000	1,195,000
Total current liabilities	2,215,000	2,294,000
Deferred income tax liabilities	1,023,000	1,752,000
Total liabilities	3,238,000	4,046,000

Commitments

Shareholders' equity:

Common stock, \$.01 par value: 50,000,000 shares authorized; 18,159,456 and 18,348,556 shares outstanding as of September 30, 2015 and December 31, 2014, respectively	182,000	183,000
Additional paid-in capital	17,099,000	17,833,000
Accumulated other comprehensive income	54,000	1,375,000
Retained earnings	19,256,000	18,515,000
Total shareholders' equity	36,591,000	37,906,000
Total liabilities and shareholders' equity	\$39,829,000	\$41,952,000

(1) The condensed consolidated balance sheet as of December 31, 2014 has been prepared using information from the audited consolidated balance sheet as of that date.

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

Alpha Pro Tech, Ltd.**Condensed Consolidated Statements of Income (Unaudited)**

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Net sales	\$12,176,000	\$13,213,000	\$34,925,000	\$35,421,000
Cost of goods sold, excluding depreciation and amortization	7,370,000	8,327,000	22,379,000	22,416,000
Gross profit	4,806,000	4,886,000	12,546,000	13,005,000
Operating expenses:				
Selling, general and administrative	3,882,000	3,288,000	10,979,000	9,958,000
Depreciation and amortization	206,000	198,000	527,000	562,000