

TASTY BAKING CO
Form 10-Q
August 07, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

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

For the twenty-six weeks ended July 1, 2006

- 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 1-5084

TASTY BAKING COMPANY

(Exact name of Company as specified in its charter)

Pennsylvania
(State of Incorporation)

23-1145880
(IRS Employer Identification Number)

2801 Hunting Park Avenue, Philadelphia, Pennsylvania 19129

(Address of principal executive offices including Zip Code)

215-221-8500

(Company'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 xNO o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one): Large accelerated Filer o Accelerated Filer x Non-accelerated Filer o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES o NO x

There were 8,235,121 shares of Common Stock outstanding as of August 1, 2006.

TASTY BAKING COMPANY AND SUBSIDIARIES

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Part I. FINANCIAL INFORMATION**Item 1. Financial Statements****TASTY BAKING COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS**

(Unaudited)

(000's)

	July 1, 2006	December 31, 2005
Assets		
Current assets:		
Cash	\$ 140	\$ 251
Receivables, less allowance of \$2,552 and \$3,272, respectively	20,389	18,389
Inventories	6,461	6,472
Deferred income taxes	2,127	2,127
Prepayments and other	1,227	1,769
Total current assets	30,344	29,008
Property, plant and equipment:		
Land	1,433	1,433
Buildings and improvements	42,946	42,282
Machinery and equipment	138,963	136,392
	183,342	180,107
Less accumulated depreciation	116,834	113,859
	66,508	66,248
Other assets:		
Long-term receivables from independent sales distributors	11,069	10,700
Deferred income taxes	13,113	13,251
Other	2,476	2,100
	26,658	26,051
Total assets	\$ 123,510	\$ 121,307
Liabilities		
Current liabilities:		
Current obligations under capital leases	\$ 549	\$ 534
Notes payable, banks	631	631
Book overdraft	2,168	3,482
Accounts payable	4,614	3,934
Accrued payroll and employee benefits	7,074	6,810
Reserve for restructures	45	247
Other	4,762	3,734
Total current liabilities	19,843	19,372
Long-term obligations under capital leases, less current portion	256	534
Long-term debt	23,592	22,558
Accrued pensions and other liabilities	24,562	24,599
Postretirement benefits other than pensions	16,244	16,955
Total liabilities	84,497	84,018
Shareholders' equity		

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Common stock	4,558	4,558
Capital in excess of par value of stock	28,982	28,910
Retained earnings	23,742	22,472
	57,282	55,940
Less:		
Accumulated other comprehensive loss	5,987	6,287
Treasury stock, at cost	12,282	11,912
Stock compensation arrangements, receivables and deferrals	—	452
Total shareholders' equity	39,013	37,289
Total liabilities and shareholders' equity	\$ 123,510	\$ 121,307

See Notes to Consolidated Financial Statements.

TASTY BAKING COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(000's, except per share amounts)

	For the Thirteen Weeks Ended		For the Twenty-Six Weeks Ended	
	July 1, 2006	June 25, 2005	July 1, 2006	June 25, 2005
Gross sales	\$ 67,909	\$		