

COFFEE HOLDING CO INC
Form 10-Q
June 11, 2010

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: April 30, 2010

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: 001-32491

Coffee Holding Co., Inc.
(Exact name of registrant as specified in its
charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

11-2238111
(I.R.S. Employer Identification No.)

3475 Victory Boulevard, Staten
Island, New York
(Address of principal executive
offices)

10314
(Zip Code)

(718) 832-0800
(Registrant's telephone number including area
code)

N/A
(Former name, former address and former
fiscal year, if changed from last report)

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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 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. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” 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.

5,490,823 shares of common stock, par value \$0.001 per share, are outstanding at June 7, 2010.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

COFFEE HOLDING CO., INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
APRIL 30, 2010 AND OCTOBER 31, 2009

	April 30, 2010 (unaudited)	October 31, 2009
- ASSETS -		
CURRENT ASSETS:		
Cash and cash equivalents	\$835,564	\$1,367,933
Commodities held at broker	904,428	482,746
Accounts receivable, net of allowances of \$165,078 for 2010 and 2009	8,150,398	10,174,221
Inventories	5,158,328	4,800,143
Prepaid expenses and other current assets	401,972	419,740
Prepaid and refundable income taxes	57,778	36,068
Deferred income tax assets	310,000	286,000
TOTAL CURRENT ASSETS	15,818,468	17,566,851
Property and equipment, at cost, net of accumulated depreciation of \$4,906,891 and \$4,681,558 for 2010 and 2009, respectively	1,565,241	1,648,214
Deposits and other assets	604,770	588,573
TOTAL ASSETS	\$17,988,479	\$19,803,638
- LIABILITIES AND STOCKHOLDERS' EQUITY -		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$4,342,224	\$6,655,916
Line of credit	-	791,628
Income taxes payable	261,581	453,512
Deferred income tax liabilities	-	121,000
TOTAL CURRENT LIABILITIES	4,603,805	8,022,056
Deferred income tax liabilities	207,000	14,500
Deferred rent payable	111,912	99,067
Deferred compensation payable	536,638	489,782
TOTAL LIABILITIES	5,459,355	8,625,405
STOCKHOLDERS' EQUITY:		
Coffee Holding Co., Inc. stockholders' equity:		
Preferred stock, par value \$.001 per share; 10,000,000 shares authorized; none issued	-	-
Common stock, par value \$.001 per share; 30,000,000 shares authorized, 5,529,830 shares issued; 5,440,823 shares outstanding for 2010 and 2009	5,530	5,530
Additional paid-in capital	7,327,023	7,327,023
Retained earnings	5,454,097	4,095,671
Less: Treasury stock, 89,007 common shares, at cost for 2010 and 2009	(295,261)	(295,261)
Total Coffee Holding Co., Inc. Stockholders' Equity	12,491,389	11,132,963
Noncontrolling interest	37,735	45,270
TOTAL EQUITY	12,529,124	11,178,233
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$17,988,479	\$19,803,638

The accompanying notes are an integral part of these condensed consolidated financial statements.

COFFEE HOLDING CO., INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Six Months Ended April 30,		Three Months Ended April 30,	
	2010	2009	2010	2009
NET SALES	\$41,276,459	\$36,730,739	\$19,917,308	\$17,872,065
COST OF SALES (including \$11.6 and \$14.2 million of related party costs for the six months ended April 30, 2010 and 2009, respectively)	35,790,325	32,411,343	17,068,938	15,667,758
GROSS PROFIT	5,486,134	4,319,396	2,848,370	2,204,307