BUCKLE INC
Form 11-K
July 30, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

(Mark One)

x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED JANUARY 31, 2007

OR

o TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 001-12951

A. Full title of the Plan and the address of the Plan, if different from that of the issuer named below:

BUCKLE 401(K) PLAN

B. Name of issuer of the securities held pursuant to the Plan and the address of its principal executive office

THE BUCKLE, INC.
2407 WEST 24TH STREET
P.O. BOX 1480
KEARNEY, NEBRASKA 68848-1480

REQUIRED INFORMATION

Plan financial statements and schedules are prepared in accordance with the financial reporting requirements of ERISA (Employee Retirement Income Security Act of 1974) and are included herein as listed in the table of contents below.

Table of Contents

All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Buckle 401(k) Plan
Kearney, Nebraska

We have audited the accompanying statements of net assets available for benefits of the Buckle 401(k) Plan (the "Plan") as of January 31, 2007 and 2006, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Buckle 401(k) Plan as of January 31, 2007 and 2006, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule listed in the Table of Contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosures under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. Such supplemental schedule has been subjected to the auditing procedures applied in our audit of the basic fiscal 2006 financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ DELOITTE & TOUCHE LLP

Omaha, Nebraska
July 27, 2007

BUCKLE 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF JANUARY 31, 2007 AND 2006

	2007	2006
ASSETS:		
Participant directed investments (Note D)	$ 33,622,459	$ 28,056,787
Receivables:		
Participant contributions	66,562	61,757
Employer contribution	699,954	590,496
Total receivables	766,516	652,253
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	34,388,975	28,709,040
Adjustments from fair value to contract value for fully benefit-responsive investment contracts	46,053	39,693
NET ASSETS AVAILABLE FOR BENEFITS	$ 34,435,028	$ 28,748,733

See notes to financial statements.

BUCKLE 401(K) PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED JANUARY 31, 2007 AND 2006

	2007	2006
ADDITIONS:		
Investment income:		
Net appreciation in fair value of investments (Note D)	$ 3,609,820	$ 2,073,979
Interest and dividends	1,633,713	1,115,249
	5,243,533	3,189,228
Contributions:		
Participant contributions	1,877,464	1,611,308
Employer contributions	704,652	590,478
	2,582,116	2,201,786
Total additions	7,825,649	5,391,014
DEDUCTIONS:		
Benefits paid to participants	2,112,115	2,009,599
Administrative expenses	27,239	24,931
Total deductions	2,139,354	2,034,530
INCREASE IN NET ASSETS	5,686,295	3,356,484
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	28,748,733	25,392,249
End of year	$ 34,435,028	$ 28,748,733

See notes to financial statements.

BUCKLE 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED JANUARY 31, 2007 AND 2006

A. DESCRIPTION OF THE PLAN

The following description of the Buckle 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan provisions. The Plan's fiscal year ends on January 31. References to years in this report relate to fiscal years as defined below:

Fiscal Year	Year Ended
2006	January 31, 2007
2005	January 31, 2006

General - The Plan is a defined contribution plan covering all employees working 1,000 hours or more per year who have one year of service and are at least age twenty. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. It was established February 1, 1986 and last amended September 28, 2006. The Plan administrator is The Buckle, Inc. (the "Company"). Wells Fargo Bank, N.A. serves as the Plan trustee and recordkeeper.

Contributions - Participants may contribute from 2% to 50% of their salary, as defined in the Plan. The Company may contribute to the Plan at its discretion. In fiscal 2006 and 2005, the Company contributed 50% of employees' contributions on deferrals up to 6% of their eligible salary. The Company contributions to the Plan were $704,652 and $590,478 during the years ended January 31, 2007 and 2006, respectively. Participants direct the investment of all contributions into various investment options by the Plan. Contributions are subject to certain Internal Revenue Code ("IRC") limitations.

Participant Accounts - Individual accounts are maintained for each plan participant. Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's discretionary contribution, (b) Plan earnings (losses), and (c) forfeiture of terminated participants' nonvested account balances and is charged with withdrawals and an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined in the Plan. Administrative expenses were allocated to participant's vested balances at an annual rate of $30 ($7.50 per quarter) for the first quarter of the fiscal 2005 plan year and at an annual rate of $25 ($6.25 per quarter) for the second, third and fourth quarters of the fiscal 2005 plan year and each quarter of the fiscal 2006 plan year. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Participants are immediately vested in their voluntary contributions plus actual earnings (losses) thereon. The Company's discretionary contributions vest over a six-year period, which is as follows:

Years of Service	**Percent Vested**
Two	20%
Three	40%
Four	60%
Five	80%
Six	100%

Years of service for vesting purposes requires working 1,000 hours or more during the Plan year.

Participant Loans - Participants may borrow from their individual accounts a minimum of $1,000 up to a maximum equal to the lessor of $50,000 or 50% of their vested account balance. Loan terms range from one to five years or up to thirty years for the purchase of a primary residence. The loans are secured by the vested balance in the participant's account and bear interest at a rate based on the published prime rate plus 1%. At January 31, 2007, interest rates range from 5.00% to 10.50%. Principal and interest are paid ratably through bi-weekly payroll deductions.

Payment of Benefits - On termination of service, a participant may elect to receive either a lump-sum amount equal to the value of his or her vested account, annual installments over a five-year period, or payment in the form of an annuity.

Forfeited Accounts - Forfeitures of terminated participants' nonvested accounts are allocated annually as an additional Company matching contribution to the individual accounts of participants remaining in the Plan in the plan year in which the forfeiture occurs, and were $18,849 and $73,654, respectively, during the years ended January 31, 2007 and 2006. At January 31, 2007 and 2006, forfeited nonvested accounts were $119,325 and $61,603, respectively.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The financial statements of the Plan are prepared in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties - The Plan utilizes various investment instruments, including mutual funds. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment Valuation and Income Recognition - The Plan's mutual funds and Buckle Stock Fund are stated at fair value. Shares of mutual funds are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year end. Common collective trust funds are stated at fair market value as determined by the issuer of the common/collective trust funds based on the fair market value of the underlying investments. Common collective trust funds with underlying investments in investment contracts are valued at fair market value of the underlying investments and then adjusted by the issuer to contract value. Participant loans are valued at the outstanding loan balances.

The net appreciation (depreciation) in the fair value of investments is based on the fair value of the investments at the beginning of the year or cost, if purchased during the year.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

The Wells Fargo Collective Stable Return Fund invests in a stable value fund that is a collective investment trust designed for retirement trusts to earn a high level of return, consistent with and providing for stability of investment returns, preservation of capital, liquidity to pay plan benefits, high credit quality, and reasonable tracking of interest rates. The fund may invest in conventional, synthetic, and separate account investment contracts issued by life insurance companies, banks, and other financial institutions. Characteristics of these contracts allow for their principal value to remain stable regardless of the volatility of the bond markets. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. Contract value represents invested principal plus accrued interest thereon.

Administrative Expenses - Administrative expenses are paid by either the Company or the Plan, in accordance with the terms of the Plan Services Agreement.

Payment of Benefits - Benefit payments to participants are recorded upon distribution.

Adoption of New Accounting Guidance - The financial statements reflect the retroactive adoption of Financial Accounting Standards Board Staff Position (FSP) AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the “FSP”). As required by the FSP, the statements of net assets available for benefits present investment contracts at fair value as well as an additional line item showing an adjustment from fair value to contract value for fully benefit-responsive investment contracts. The statement of changes in net assets available for benefits is presented on a contract value basis and was not affected by the adoption of the FSP. The adoption of the FSP did not impact the amount of net assets available for benefits at January 31, 2006.

In September 2006, the Financial Accounting Standards Board issued Statement on Financial Accounting Standards No. 157 (“SFAS 157”), *Fair Value Measurements*. SFAS 157 establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company does not believe the adoption of SFAS 157 with have a material impact on the Plan’s financial statements.

C. FEDERAL INCOME TAX STATUS

The Plan uses a prototype non-standardized plan document sponsored by Wells Fargo Bank Nebraska NA (“WFBN”). WFBN received an opinion letter from the Internal Revenue Service (the “IRS”), dated August 30, 2001, which states that the prototype document satisfies the applicable provisions of the IRC. The Plan itself has not received a determination letter from the IRS. The prototype plan document has been amended since receiving the determination letter. However, the Plan’s management believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income tax has been included in the Plan’s financial statements.

The Plan’s management is aware of certain operating or administrative issues that, if not corrected, could affect the tax qualified status of the Plan and its related trust and is in the process of correcting the matters identified. Accordingly, Plan management believes the Plan will retain its tax qualified status and, therefore, no tax liability has been accrued.

D. INVESTMENTS

The following table presents the fair value of Plan investments which exceed 5% of net assets available for benefits as of January 31, 2007 and 2006.

	2007	**2006**