

CONTINENTAL MATERIALS CORP

Form 8-K

August 10, 2005

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549



# FORM 8-K



**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

August 3, 2005

Date of Report (Date of earliest event reported)

## CONTINENTAL MATERIALS CORPORATION

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation)

**001-03834**

(Commission File Number)

**36-2274391**

(IRS Employer Identification  
No.)

**200 South Wacker Dr., Suite 4000**  
**Chicago, IL**  
(Address of Principal Executive Offices)

**60606**  
(Zip Code)

**(312) 541-7200**

(Registrant's telephone number,  
including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 4.01 Changes in Registrant's Certifying Accountant.**

In accordance with the requirements of Item 4.01, the following information, as specified by Item 304 of Regulation S-K, is provided:

(a) Previous independent registered public accounting firm

(i) On August 3, 2005, the Board of Directors of Continental Materials Corporation (the "Company"), on the recommendation of the Audit Committee, dismissed PricewaterhouseCoopers LLP as its independent registered public accounting firm.

(ii) The reports of PricewaterhouseCoopers LLP on the financial statements for the fiscal years ended January 1, 2005 and January 3, 2004 contained no adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope, or accounting principle.

(iii) During the two most recent fiscal years and through August 3, 2005, there have been no disagreements with PricewaterhouseCoopers LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements if not resolved to the satisfaction of PricewaterhouseCoopers LLP would have caused them to make reference thereto in their reports on the financial statements for such years.

(iv) During the two most recent fiscal years and through August 3, 2005, there have been no reportable events (as defined in Item 304(a)(1)(v) of Regulation S-K) except as follows. As of January 1, 2005, management identified two material weaknesses related to the Company's internal control over financial reporting. The control weaknesses related to the method used to calculate the accrued liabilities for estimated workers compensation claims and related expense and the calculation of the tax provision. For a more complete discussion, see Item 9A in the 2004 Annual Report on Form 10-K and Item 4 in the Form 10-Q for the three months ended April 2, 2005.

(v) The Company has requested that PricewaterhouseCoopers LLP furnish it with a letter addressed to the SEC stating whether or no it agrees with the above statements. A copy of such letter, dated August 9, 2005, is filed as Exhibit 16 to this Form 8-K.

(b) New independent registered public accounting firm

(i) On August 3, 2005, the Board of Directors of the Company, on the recommendation of the Audit Committee, appointed Deloitte & Touche LLP as the Company's independent accountants to audit its consolidated statements for the year ending December 31, 2005.

**Item 9.01. Financial Statements and Exhibits.**

(c) Exhibits.

16 Letter of PricewaterhouseCoopers LLP regarding change in Registrant's certifying accountant.





**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 hereunto duly authorized.**

CONTINENTAL MATERIALS CORPORATION

By: /s/ Joseph J. Sum  
Name: Joseph J. Sum  
Title: Chief Financial Officer

Date: August 9, 2005