

NOBLE ROMANS INC  
Form 10-Q  
May 05, 2014

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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 March 31, 2014

Commission file number: 0-11104

NOBLE ROMAN'S, INC.  
(Exact name of registrant as specified in its charter)

Indiana 35-1281154  
(State or other (I.R.S.  
jurisdiction of Employer  
organization) Identification  
No.)

One Virginia  
Avenue, Suite  
300  
Indianapolis, 46204  
Indiana  
(Address of  
principal (Zip  
executive Code)  
offices)

(317) 634-3377  
(Registrant'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  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. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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Large Accelerated Filer  Accelerated Filer   
Non-Accelerated Filer  Smaller Reporting Company   
(do not check if 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

As of May 1, 2014, there were 19,801,087 shares of Common Stock, no par value, outstanding.

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PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

The following unaudited condensed consolidated financial statements are included herein:

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Condensed consolidated statements of operations for the three months ended March 31, 2013 and 2014 (unaudited)	4
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Noble Roman's, Inc. and Subsidiaries  
Condensed Consolidated Balance Sheets  
(Unaudited)

	December 31, 2013	March 31, 2014
Assets		
Current assets:		
Cash	\$157,787	\$400,491
Accounts receivable - net	1,268,788	1,352,853
Inventories	337,822	331,351
Prepaid expenses	472,065	513,142
Deferred tax asset - current portion	1,250,000	1,250,000
Total current assets	3,486,462	3,847,837
Property and equipment:		
Equipment	1,361,205	1,364,179
Leasehold improvements	88,718	88,719
	1,449,923	1,452,898
Less accumulated depreciation and amortization	962,502	981,367
Net property and equipment	487,421	471,531
Deferred tax asset (net of current portion)	9,332,024	9,044,243
Other assets including long-term portion of receivables - net	3,067,754	3,079,987
Total assets	\$16,373,661	\$16,443,598
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term notes payable to bank	\$1,216,250	\$1,216,250
Accounts payable and accrued expenses	818,803	743,088
Total current liabilities	2,035,053	1,959,338
Long-term obligations:		
Notes payable to bank – net of current portion	2,635,208	2,331,146
Total long-term liabilities	2,635,208	2,331,146
Stockholders' equity:		
Common stock – no par value (25,000,000 shares authorized, 19,585,089 issued and outstanding as of December 31, 2013 and 19,801,087 issued and outstanding as of March 31, 2014)	23,498,401	23,509,360
Accumulated deficit	(11,795,001)	(11,356,246)
Total stockholders' equity	11,703,400	12,153,114
Total liabilities and stockholders' equity	\$16,373,661	\$16,443,598

See accompanying notes to condensed consolidated financial statements (unaudited).

Noble Roman's, Inc. and Subsidiaries  
Condensed Consolidated Statements of Operations  
(Unaudited)

	Three months ended March 31,	
	2013	2014
Revenue:		
Royalties and fees	\$1,782,306	\$1,814,066
Administrative fees and other	1,276	20,686
Restaurant revenue	107,156	76,952
Total revenue	1,890,738	1,911,704
Operating expenses:		
Salaries and wages	249,203	259,894
Trade show expense	129,549	126,261
Travel expense	44,315	47,118
Other operating expenses	181,363	188,586
Restaurant expenses	105,107	91,428
Depreciation and amortization	28,346	27,821
General and administrative	406,984	394,007
Total expenses	1,144,867	1,135,115
Operating income	745,871	776,589
Interest and other expense	53,157	50,053
Income before income taxes	692,714	726,536
Income tax expense	274,384	287,781
Net income	418,330	438,755
Cumulative preferred dividends	24,953	-
Net income available to common stockholders	\$393,377	\$438,755
Earnings per share – basic:		
Net income	\$.02	\$.02
Net income available to common stockholders	\$.02	\$.02
Weighted average number of common shares outstanding	19,516,589	19,771,765