

AVENTINE RENEWABLE ENERGY HOLDINGS INC

Form 10-Q/A

October 04, 2012

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q/A

Amendment No. 1

x **Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

for the quarterly period ended March 31, 2012

OR

o **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 001-32922

AVENTINE RENEWABLE ENERGY HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

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Delaware
(State of Incorporation)

05-0569368
(IRS Employer Identification No.)

One Lincoln Centre
5400 LBJ Freeway, Suite 450
Dallas, TX
(Address of Principal Executive Offices)

75240
(Zip Code)

(214) 451-6750

(Registrant's Telephone Number, including Area Code)

Indicate by checkmark 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

(Note: As a voluntary filer, not subject to the filing requirements of the Exchange Act of 1934, the registrant has filed all reports under Section 13 or 15(d) of the Exchange Act of 1934 for the preceding 12 months)

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 checkmark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller reporting company)

Smaller reporting company

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

Indicate by checkmark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by the court. YES NO

Indicate the number of shares outstanding of each class of Common Stock, as of the latest practicable date

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Class
Common Stock, \$0.001 Par Value

Outstanding as of April 20, 2012
8,346,271 Shares

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FORM 10-Q

QUARTERLY REPORT

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EXPLANATORY NOTE

Aventine Renewable Energy Holdings, Inc. (the Company) is filing this amendment (the Form 10-Q/A) to its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012 (the Form 10-Q), filed with the U.S. Securities and Exchange Commission (the SEC) on May 9, 2012, to correct a calculation error in the amount disclosed for both the basic and diluted weighted-average number of common and common equivalent shares outstanding as well as both the basic and diluted loss per common share amounts for the three month period ended March 31, 2012. These errors occurred in the Company's Condensed Consolidated Statement of Operations as well as in Note 3 of the Notes to the Condensed Consolidated Financial Statements. The calculation error resulted in the amount disclosed for both the basic and diluted weighted-average number of common and common equivalent shares outstanding to be overstated by approximately 1.1 million shares, thus causing both the basic and diluted loss per common share amounts to be understated by approximately (\$0.29) for the three months ended March 31, 2012. The Condensed Consolidated Statement of Operations and Note 3 of the Notes to the Condensed Consolidated Financial Statements disclosed in this Form 10-Q/A are presented with the correct amounts.

This error was also reflected in the Company's earnings release that was issued on May 9, 2012 and furnished to the SEC on that date. The calculation error had no impact on the Company's Condensed Consolidated Balance Sheets, Condensed Consolidated Statements of Cash Flows or any disclosures included in the Notes to the Condensed Consolidated Financial Statements (other than Note 3) and Management's Discussion and Analysis of Financial Condition and Results of Operations.

In addition to the adjustments to the Condensed Consolidated Statement of Operations and Note 3 of the Notes to the Condensed Consolidated Financial Statements, the Company restated Item 4 - Controls and Procedures to reflect a material weakness identified in financial reporting controls related to these adjustments. The Company also added an additional disclosure in the first table in Note 3 of the Notes to the Condensed Consolidated Financial Statements related to the number of warrants that were outstanding in the respective periods that could potentially dilute basic loss per share in the future but are currently antidilutive.

This Form 10-Q/A should be read in conjunction with the original Form 10-Q, which continues to speak as of the date of the Form 10-Q. Except as specifically noted above, this Form 10-Q/A does not modify or update disclosures in the original Form 10-Q. Accordingly, this Form 10-Q/A does not reflect events occurring after the filing of the Form 10-Q or modify or update any related or other disclosures.

Table of Contents**Aventine Renewable Energy Holdings, Inc. and Subsidiaries****Condensed Consolidated Statements of Operations****(Unaudited)**

| | Three Months Ended March 31, 2012 | Three Months Ended March 31, 2011 |
|---|--|--|
| | (In thousands, except per share amounts) | |
| Net sales | \$ 200,515 | \$ 198,104 |
| Cost of goods sold | (209,472) | (192,736) |
| Gross profit (loss) | (8,957) | 5,368 |
| Selling, general and administrative expenses | (6,687) | (9,417) |
| Other expenses | (700) | (1,196) |
| Operating loss | (16,344) | (5,245) |
| Interest income | 8 | 21 |
| Interest expense | (6,428) | (5,322) |
| Gain (loss) on derivative transactions, net | (89) | 890 |
| Loss on available-for-sale securities | (85) | |
| Loss on early retirement of debt | | (9,399) |
| Other non-operating income (expense) | 153 | (18) |
| Loss before income taxes | (22,785) | (19,073) |
| Income tax benefit (expense) | 286 | (188) |
| Net loss | \$ (22,499) | \$ (19,261) |
| Loss per common share basic, restated see Note 3 | \$ (2.57) | \$ (2.24) |
| Basic weighted-average number of shares, restated see Note 3 | 8,764 | 8,593 |
| Loss per common share diluted, restated see Note 3 | \$ (2.57) | \$ (2.24) |
| Diluted weighted-average number of common and common equivalent shares, restated see Note 3 | 8,764 | 8,593 |

See notes to the condensed consolidated financial statements.

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Aventine Renewable Energy Holdings, Inc. and Subsidiaries
Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

| | Three Months Ended March 31, 2012 | Three Months Ended March 31, 2011 |
|---|--|--|
| | (In thousands) | |
| Net loss | \$ (22,499) | \$ (19,261) |
| Other comprehensive income, net of tax | | |
| Pension and postretirement liability adjustment | 56 | |
| Total comprehensive loss, net of tax | \$ (22,443) | \$ (19,261) |

See notes to the condensed consolidated financial statements.

Table of Contents**Aventine Renewable Energy Holdings, Inc. and Subsidiaries****Condensed Consolidated Balance Sheets****(Unaudited)**

| | March 31, 2012 | December 31, 2011 |
|--|--|------------------------------|
| | (In thousands, except share data) | |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 20,214 | \$ 36,105 |
| Short-term investments | 106 | 191 |
| Accounts receivable, net of allowance for doubtful accounts of \$119 in 2012 and \$174 in 2011 | 15,799 | 16,578 |
| Inventories | 35,885 | 43,297 |
| Income taxes receivable | 245 | 4 |
| Prepaid expenses and other current assets | 7,098 | 7,732 |
| Total current assets | 79,347 | 103,907 |
| Property, plant and equipment, net | 291,577 | 295,599 |
| Other assets | 13,982 | 14,732 |
| Total assets | \$ 384,906 | \$ 414,238 |
| Liabilities and Stockholders Equity | | |
| Current liabilities: | | |
| Current maturities of long-term debt | \$ 2,284 | \$ 2,283 |
| Current obligations under capital leases | 307 | 348 |
| Accounts payable | 11,563 | 14,266 |
| Accrued liabilities | 4,066 | 3,621 |
| Other current liabilities | 8,752 | 12,817 |
| Total current liabilities | 26,972 | 33,335 |
| Long-term debt | 213,823 | 214,051 |
| Deferred tax liabilities | 2,078 | 2,078 |
| Other long-term liabilities | 6,046 | 6,093 |
| Total liabilities | 248,919 | 255,557 |
| Stockholders equity: | | |
| Common stock, par value \$0.001 per share (15,000,000 shares authorized; 8,346,271 shares outstanding, net of 74,841 shares held in treasury at both March 31, 2012 and December 31, 2011) | 8 | 8 |
| Preferred stock (5,000,000 shares authorized; no shares issued or outstanding) | | |
| Additional paid-in capital | 231,493 | 231,744 |
| Accumulated deficit | (91,353) | (68,854) |
| Accumulated other comprehensive loss | (4,161) | (4,217) |
| Total stockholders equity | 135,987 | 158,681 |
| Total liabilities and stockholders equity | \$ 384,906 | \$ 414,238 |

See notes to the condensed consolidated financial statements.

Table of Contents**Aventine Renewable Energy Holdings, Inc. and Subsidiaries****Condensed Consolidated Statements of Stockholders Equity****(Unaudited)**

| | Treasury Shares | Common Shares | Common Stock | Additional Paid-In Capital | Accumulated Deficit | Accumulated Other Comprehensive Loss | Total Stockholders Equity |
|--|--------------------|------------------|-----------------|----------------------------------|------------------------|---|---------------------------------|
| (In thousands, except per share data) | | | | | | | |
| Balance at January 1, 2011 | 7,791 | 7,456,707 | \$ 8 | \$ 227,360 | \$ (25,464) | \$ (246) | \$ 201,658 |
| Repurchases of common stock | 20,980 | | | (557) | | | (557) |
| Warrants exercised | | 130 | | 5 | | | 5 |
| Stock-based compensation | | 32,536 | | 1,702 | | | 1,702 |
| Comprehensive loss: | | | | | | | |
| Net loss | | | | | (19,261) | | (19,261) |
| Total comprehensive loss | | | | | | | (19,261) |
| Balance at March 31, 2011 | 28,771 | 7,489,373 | \$ 8 | \$ 228,510 | \$ (44,725) | \$ (246) | \$ 183,547 |
| Balance at December 31, 2011 | 74,841 | 8,421,112 | \$ 8 | \$ 231,744 | \$ (68,854) | \$ (4,217) | \$ 158,681 |
| Stock-based compensation | | | | (251) | | | (251) |
| Comprehensive loss: | | | | | | | |
| Net loss | | | | | (22,499) | | (22,499) |
| Pension and postretirement liability adjustment, net of tax | | | | | | 56 | 56 |
| Total comprehensive loss | | | | | | | (22,443) |
| Balance at March 31, 2012 | 74,841 | 8,421,112 | \$ 8 | \$ 231,493 | \$ (91,353) | \$ (4,161) | \$ 135,987 |

See notes to the condensed consolidated financial statements.

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