

DAILY JOURNAL CORP
Form 10-Q
August 14, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2013

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 0-14665

DAILY JOURNAL CORPORATION

(Exact name of registrant as specified in its charter)

South Carolina
(State or other jurisdiction of
incorporation or organization)

95-4133299
(I.R.S. Employer
Identification No.)

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915 East First Street

Los Angeles, California

(Address of principal executive offices)

90012-4050

(Zip code)

(213) 229-5300

(Registrant's telephone number, including area code)

None

(Former name, former address and former fiscal year, if changed since last report)

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.

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.

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Class	Outstanding at July 31, 2013
Common Stock, par value \$.01 per share	1,380,746 shares

Page 1 of 18

DAILY JOURNAL CORPORATION

INDEX

	Page Nos.
PART I Financial Information	
Item 1. Financial Statements	
Consolidated Balance Sheets - June 30, 2013 and September 30, 2012	3
Consolidated Statements of Comprehensive Income (Loss) - Three months ended June 30, 2013 and 2012	4
Consolidated Statements of Comprehensive Income - Nine months ended June 30, 2013 and 2012	5
Consolidated Statements of Cash Flows - Nine months ended June 30, 2013 and 2012	6
Notes to Consolidated Financial Statements	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	13
Item 4. Controls and Procedures	17
Part II Other Information	
Item 6. Exhibits	19

PART I

Item 1. FINANCIAL STATEMENTS
DAILY JOURNAL CORPORATION
CONSOLIDATED BALANCE SHEETS

	June 30	September 30
	2013	2012
	(Unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	\$6,283,000	\$ 985,000
U.S. Treasury Bills	---	800,000
Marketable securities, including common stocks of \$121,104,000 and bonds of \$7,317,000 at June 30, 2013 and common stocks of \$94,061,000 and bonds of \$8,095,000 at September 30, 2012	128,421,000	102,156,000
Accounts receivable, less allowance for doubtful accounts of \$250,000 and \$200,000 at June 30, 2013 and September 30, 2012, respectively	4,813,000	5,709,000
Inventories	47,000	43,000
Prepaid expenses and other assets	545,000	241,000
Income tax receivable	952,000	196,000
Total current assets	141,061,000	110,130,000
Property, plant and equipment, at cost		
Land, buildings and improvements	12,846,000	12,819,000
Furniture, office equipment and computer software	2,692,000	2,263,000
Machinery and equipment	2,014,000	2,072,000
	17,552,000	17,154,000
Less accumulated depreciation	(8,341,000)	(7,911,000)
	9,211,000	9,243,000
Other assets		
Intangibles (net)	8,411,000	---
Goodwill	14,000,000	---
Deferred income taxes	1,068,000	1,591,000
	23,479,000	1,591,000
	\$173,751,000	\$ 120,964,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$1,665,000	\$ 2,201,000
Accrued liabilities	4,217,000	2,738,000
Deferred subscriptions	3,239,000	3,649,000

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Deferred installation contracts	7,915,000	---
Deferred maintenance agreements and others	4,099,000	1,805,000
Deferred income taxes	29,728,000	19,146,000
Total current liabilities	50,863,000	29,539,000

Long term liabilities		
Investment margin account borrowing	14,000,000	---
Accrued liabilities	3,050,000	4,200,000
Total long term liabilities	17,050,000	4,200,000

Commitments and contingencies (Notes 10 and 11)	---	---
--	-----	-----

Shareholders' equity		
Preferred stock, \$.01 par value, 5,000,000 shares authorized and no shares issued	---	---
Common stock, \$.01 par value, 5,000,000 shares authorized; 1,380,746 at June 30, 2013 and September 30, 2012, outstanding	14,000	14,000
Additional paid-in capital	1,755,000	1,755,000
Retained earnings	56,702,000	53,891,000
Accumulated other comprehensive income	47,367,000	31,565,000
Total shareholders' equity	105,838,000	87,225,000

	\$173,751,000	70,800		.367
7/31/2017	80.50	%	7/31/2022	1 22,045 531,338 2.753
7/31/2018	79.99	%	7/31/2023	2 40,109 1,000,816 5.185
			7/31/2024	1 28,634 622,116 3.223
			7/31/2026	1 6,021 169,245 .877
			7/31/2027	1 52,444 796,278 4.126
				10239,075 \$5,275,347 27.333

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Table of Contents

As of July 31, 2018 the federal tax basis is \$13,778,919 with accumulated depreciation of \$8,636,875 for a net carrying value of \$5,142,044. The lives taken for depreciation vary between 15-40 years and the methods used are straight-line and declining balance.

The real estate taxes for this property are \$558,055 per year and the rate used is averaged at \$11.373 per \$100 of assessed valuation.

4. *Fishkill, New York—Route 9 at Interstate Highway 84*

The Company owns the entire property. In October 2013, the Company leased 99,992 square feet to a retail tenant. Occupancy commenced in November 2013 and rent commenced in March 2014. This tenant planned to vacate the space, but in May 2017, an agreement was reached where they will continue occupancy. There are approximately 100,000 square feet of the building available for lease. There are plans to renovate vacant space upon the execution of future leases to tenants, although no assurances can be made as to when or if such leases will be entered into.

Occupancy		Lease Expiration			Rent	
Year		Year	Number of	Area	Annual	Percentage of
Ended	Rate	Ended	Leases	Sq. Ft.	Rent	Rent
7/31/2014	29.62%	7/31/2019	1	99,992	\$299,000	1.549
7/31/2015	47.39%					
7/31/2016	47.39%					
7/31/2017	47.39%					
7/31/2018	47.39%					

As of July 31, 2018 the federal tax basis is \$11,812,241 with accumulated depreciation of \$9,269,613 for a net carrying value of \$2,542,628. The lives taken for depreciation vary between 15-40 years and the methods used are straight-line and declining balance.

The real estate taxes for this property are \$144,763 per year and the rate used is averaged at \$3.22 per \$100 of assessed valuation.

5. *Levittown, New York—Hempstead Turnpike*

The Company owns the entire property. In October 2006, the Company entered into a lease agreement with a restaurant. The restaurant constructed a new 10,000 square foot building, which opened in May 2008. In October 2016, the restaurant extended its lease for an additional five years expiring May 3, 2023. Ownership of the building reverts to the Company at the conclusion of the leasing arrangement, currently May 3, 2023.

Occupancy		Lease Expiration			Rent	
Year		Year	Number of	Area	Annual	Percentage of
Ended	Rate	Ended	Leases	Sq. Ft.	Rent	Rent
7/31/2014	100.00%	7/31/2023	Building	10,000	\$398,950	2.067
7/31/2015	100.00%		Land	75,800		
7/31/2016	100.00%		1	85,800		
7/31/2017	100.00%					
7/31/2018	100.00%					

The real estate taxes for this property are \$162,935 per year and the rate used is averaged at \$1,185.18 per \$100 of assessed valuation.

6. *Massapequa, New York—Sunrise Highway*

The Company is the prime tenant of this leasehold. The lease expired May 14, 2009, and there was one renewal option for twenty-one years, which the Company exercised in April 2008. The leasehold is currently subleased to two tenants; one tenant who occupies 113,400 square feet of the property and the other tenant is a restaurant who occupies 20,000 square feet of the property. The sublease expires in May 2030, with no renewal options.

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Table of Contents

In March 2018, the Company leased the 20,000 square feet of area available at its Massapequa, New York property to a restaurant until May 2030. Rent is anticipated to commence in late 2018.

Occupancy Year		Lease Expiration		Area	Rent Annual	Percentage of Gross Annual Rent
Ended	Rate	Ended	Leases	Sq. Ft.	Rent	
7/31/2014	98.75 %	7/31/2030	2	133,400	\$ 775,256	4.017
7/31/2015	85.01 %					
7/31/2016	85.01 %					
7/31/2017	85.01 %					
7/31/2018	90.63 %					

The real estate taxes for this property are \$276,039 per year and the rate used is averaged at \$961.47 per \$100 of assessed valuation.

The Company does not own this property. Improvements to the property, if any, are made by tenants.

7. *Circleville, Ohio—Tarlton Road*

The Company owns the entire property. The property is currently leased to two tenants. The tenants use these premises for warehouse and distribution facilities. One tenant's lease agreement was executed for a five year period, with a right to cancel after three years, for 75,000 square feet to November 11, 2010 at which time the tenant occupied 30,000 square feet on a month to month basis. In October 2013, the tenant signed a lease agreement for a five year period to occupy 48,000 square feet and in May 2015 signed a modification of lease to occupy 72,000 square feet. In August 2016, this tenant signed a further modification of lease to occupy 84,000 square feet. The other tenant's lease agreement was executed in May 2015, for a five-year period effective June 1, 2015, and allows the tenant to have permanent space of 108,000 square feet.

In April 2018, the Company extended a lease with an existing tenant who occupies 84,000 square feet for warehouse space at the Company's Circleville, Ohio building for an additional three years expiring on October 31, 2021.

Occupancy Year		Lease Expiration		Area	Rent Annual	Percentage of Gross Annual Rent
Ended	Rate	Ended	Leases	Sq. Ft.	Rent	
7/31/2014	78.36 %	7/31/2020	1	108,000	\$ 258,700	1.340
7/31/2015	91.54 %	7/31/2022	1	84,000	221,951	1.150
7/31/2016	96.72 %		2	192,000	\$ 480,651	2.490
7/31/2017	99.04 %					
7/31/2018	99.04 %					

As of July 31, 2018 the federal tax basis is \$4,466,746 with accumulated depreciation of \$3,477,250 for a net carrying value of \$989,496. The lives taken for depreciation vary between 15-40 years and the methods used are straight-line and declining balance.

The real estate taxes for this property are \$35,538 per year and the rate used is averaged at \$4.948 per \$100 of assessed valuation.

8. *Brooklyn, New York—Livingston Street*

The City of New York through its Economic Development Administration constructed a municipal garage at Livingston Street opposite the Company's Brooklyn properties. The Company has a long-term lease with the City of New York and another landlord which expired in 2013. The lease has two renewal options, the last of which expires in 2073. The Company exercised one of the renewal options in July 2012 for an additional thirty year period, expiring in 2043, under which:

- (1) Such garage provided truck bays and passage facilities through a tunnel, both for the exclusive use of the Company, to the structure referred to in (2) below. The truck bays, passage facilities and tunnel, totaling approximately 17,000 square feet, are included in the lease from the City of New York and another landlord referred to in the preceding paragraph.

Table of Contents

On June 16, 2014, the Company entered into a Second Amendment of Lease (the "Amendment") with 33 Bond St. LLC ("Bond"), its landlord, for certain truck bays and approximately 1,000 square feet located at the cellar level within a garage at Livingston and Bond Street ("Premises"). Pursuant to the Amendment, (1) a lease option for the Premises was exercised extending the lease until December 8, 2043, (2) the Company, simultaneously with the execution of the Amendment, vacated the Premises so that Bond may demolish the building in which the Premises is located in order to develop and construct a new building at the location, and (3) Bond agreed to redeliver to the Company possession of the reconfigured Premises after construction.

As consideration under the Amendment, Bond agreed to pay the Company a total of \$3,500,000. Upon execution of the Amendment, the Company recorded \$3,500,000 to deferred revenue to be amortized to revenue to temporarily vacate the premises over the expected vacate period of 36 months. Bond tendered \$2,250,000 simultaneously with the execution of the Amendment, and the balance due of \$1,250,000 on June 16, 2015 had been received by the Company. The Company re-occupied the premises in October 2017.

In connection with the Amendment, the parties also agreed to settle a pending lawsuit in the Supreme Court of the State of New York, Kings County, Index No. 50796/13 (the "Action"), in which the Company sought, among other things, a declaratory judgment that it validly renewed the lease for the Premises, and Bond sought, among other things, a declaratory judgment that the lease expired by its terms on December 8, 2013. Pursuant to a stipulation of settlement, filed on June 16, 2014, the Action, including all claims and counterclaims, has been discontinued with prejudice, without costs or attorneys' fees to any party as against the other. The stipulation of settlement also contains general releases by both parties of all claims.

- (2) The Company constructed a building of six stories and basement on a 20 x 75-foot plot (acquired and made available by the City of New York and leased to the Company for a term expiring in 2013 with renewal options, the last of which expires in 2073). The Company in July 2012, exercised the first renewal option for thirty years, ending in 2043. The plot is adjacent to and connected with the Company's Brooklyn properties.

In the opinion of management, all of the Company's properties are adequately covered by insurance.

See Note 10 to the Consolidated Financial Statements contained in the 2018 Annual Report to Shareholders, which information is incorporated herein by reference, for information concerning the tenants, the rental income from which equals 10% or more of the Company's rental income.

ITEM 3. LEGAL PROCEEDINGS.

Due to defective workmanship and breach of contract, the Company continues to pursue damages and return in full of a \$376,467 deposit paid a contractor when construction commenced to replace a roof and various other work on the Fishkill, New York building. Both the contractor and subcontractors have claimed the Company tortiously interfered with the construction contracts arguing for fees and costs which approximate \$700,000. While the Company strongly disputes the claims, it is possible that the court may rule against the Company and may assess damages in amounts up to approximately \$700,000. It is also possible that the court may rule in favor of the Company and that no damages would be awarded against the Company and the Company could obtain an order for the return of all or a portion of amounts previously paid. A charge to real estate operating expenses in the amount of \$279,213 was recorded for the fiscal year ended July 31, 2016. Following initial court decisions, another \$141,132 was charged to operating expenses on October 31, 2016 and this amount was ordered by the Court to be paid, plus interest, in a judgement dated September 14, 2017. The testimony phase of the trial has been completed and the parties await further decisions and orders of the court.

There are various other lawsuits and claims pending against the Company. It is the opinion of management that the resolution of these matters will not have a material adverse effect on the Company's Consolidated Financial Statements.

If the Company sells, transfers, disposes of or demolishes 25 Elm Place, Brooklyn, New York, then the Company may be liable to create a condominium unit for the loading dock. The necessity of creating the condominium unit and the cost of such condominium unit cannot be determined at this time.

ITEM 4. MINE SAFETY DISCLOSURES.

None

8

Table of Contents**PART II****ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.
COMMON STOCK AND DIVIDEND INFORMATION**

Effective November 8, 1999, the Company's common stock commenced trading on The Nasdaq Capital Market tier of The Nasdaq Stock Market under the Symbol: "Mays". Such shares were previously traded on The Nasdaq National Market. Effective August 1, 2006, NASDAQ became operational as an exchange in NASDAQ-Listed Securities. It is now known as The NASDAQ Stock Market LLC.

The following is the sales price range per share of J. W. Mays, Inc. common stock during the fiscal years ended July 31, 2018 and 2017:

	Three Months Ended	Sales Price	
		High	Low
October 31, 2017		\$ 47.00	\$ 35.30
January 31, 2018		42.45	35.50
April 30, 2018		38.00	37.25
July 31, 2018		43.50	37.70
October 31, 2016		\$ 48.50	\$ 42.50
January 31, 2017		46.50	41.50
April 30, 2017		43.00	38.00
July 31, 2017		41.50	33.55

The quotations were obtained for the respective periods from the National Association of Securities Dealers, Inc. There were no dividends declared in either of the two fiscal years.

On September 1, 2018, the Company had approximately 800 shareholders of record.

RECENT SALES OF UNREGISTERED SECURITIES

During the year ended July 31, 2018 we did not sell any unregistered securities.

RECENT PURCHASES OF EQUITY SECURITIES

During the year ended July 31, 2018 we did not repurchase any of our outstanding equity securities.

Table of Contents**PERFORMANCE GRAPH**

The following graph sets forth a five-year comparison of cumulative total shareholder return for the Company, the Standard & Poor's 500 Stock-Index ("S&P 500"), and a Peer Group. The graph assumes the investment of \$100 at the close of trading July 31, 2013 in the common stock of the Company, the S&P 500 and the Peer Group, and the reinvestment of all dividends, although the Company did not pay a dividend during this five-year period.

Comparison of Five-Year Cumulative Total Return*
J. W. MAYS, INC., Standard & Poor's 500 And Peer Group
(Performance Results Through 7/31/18)

	7/31/2013	7/31/2014	7/31/2015	7/31/2016	7/31/2017	7/31/2018
J. W. MAYS, INC.	\$100.00	\$225.44	\$199.06	\$178.24	\$140.71	\$148.41
Standard & Poor's 500	\$100.00	\$116.94	\$130.05	\$137.35	\$159.38	\$185.27
Peer Group	\$100.00	\$128.92	\$121.74	\$137.65	\$104.64	\$98.17

Assumes \$100 invested at the close of trading 7/31/13 in J. W. MAYS, INC. common stock, Standard & Poor's 500 and Peer Group.

*Cumulative total return assumes reinvestment of dividends.

Source: Value Line Publishing LLC

Factual material is obtained from sources believed to be reliable, but the publisher is not responsible for any errors or omissions contained herein.

The Performance Graph shall not be deemed incorporated by reference by any general statement of incorporation by reference in any filing made under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, and shall not otherwise be deemed filed under such Acts.

Table of Contents

ITEM 6. SELECTED FINANCIAL DATA.

The information appearing under the heading “Summary of Selected Financial Data” on page 2 of the Registrant’s 2018 Annual Report to Shareholders is incorporated herein by reference.

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The information appearing under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 27-31 of the Registrant’s 2018 Annual Report to Shareholders is incorporated herein by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The Company uses fixed-rate debt to finance its capital requirements. These transactions do not expose the Company to market risk related to changes in interest rates. The Company does not use derivative financial instruments. At July 31, 2018, the Company had fixed-rate debt of \$5,467,111.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The Registrant’s Consolidated Financial Statements, together with the report of D’Arcangelo & Co., LLP, independent registered public accounting firm, dated October 4, 2018, appearing on pages 4 through 25 of the Registrant’s 2018 Annual Report to Shareholders is incorporated herein by reference. With the exception of the aforementioned information and the information incorporated by reference in Items 2, 6, and 7 hereof, the 2018 Annual Report to Shareholders is not to be deemed filed as part of this Form 10-K Annual Report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

There are no disagreements between the Company and its accountants relating to accounting or financial disclosures.

ITEM 9A. CONTROLS AND PROCEDURES.

(A) EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES.

The Company’s management reviewed the Company’s internal controls and procedures and the effectiveness of these controls. As of July 31, 2018, the Company carried out an evaluation, under the supervision of, and with the participation of the Company’s management, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company’s disclosure controls and procedures pursuant to Rules 13a-14(c) and 15d-14(c) of the Securities Exchange Act of 1934. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company’s disclosure controls and procedures are effective in timely alerting them to material information relating to the Company required to be included in its periodic SEC filings.

(B) CHANGE TO INTERNAL CONTROLS OVER FINANCIAL REPORTING.

There was no change in the Company’s internal controls over financial reporting or in other factors during the Company’s last fiscal quarter that materially affected, or is reasonably likely to materially affect, the Company’s internal controls over financial reporting. There were no significant deficiencies or material weaknesses noted, and therefore there were no corrective actions taken.

Table of Contents**(C) MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING.**

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined in Rule 13(a)-15(f). Our internal control system has been designed to provide reasonable assurance to the Company's management and its Board of Directors regarding the preparation and fair presentation of published financial statements. All internal control systems, no matter how well designed, have inherent limitations. Even those systems that have been determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. The Company's management assessed the effectiveness of our internal control over financial reporting as of July 31, 2018. In making this assessment, the Company's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – Integrated Framework published in 2013. Based on the Company's assessments, we believe that, as of July 31, 2018, its internal control over financial reporting is effective based on these criteria.

This Form 10-K Annual Report does not include an attestation report of our independent registered public accounting firm regarding internal controls over financial reporting. Management's report was not subject to attestation by our independent registered public accounting firm pursuant to the permanent exemption for smaller reporting company filers from the internal control audit requirement of Section 404(b) of the Sarbanes-Oxley Act of 2002.

ITEM 9B. OTHER INFORMATION.

Reports on Form 8-K - One report on Form 8-K was filed by the Company during the three months ended July 31, 2018.

Item reported - The Company reported its financial results for the three and nine months ended April 30, 2018.

Date of report filed - June 7, 2018.

PART III**ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.**

The information relating to directors of the Company is contained in the Definitive Proxy Statement for the 2018 Annual Meeting of Shareholders and such information is incorporated herein by reference.

Executive Officers of the Registrant

The following information is furnished with respect to each Executive Officer of the Registrant (each of whose position is reviewed annually but each of whom has a three-year employment agreement, effective August 1, 2011 and renewed August 1, 2014 and August 1, 2017).

Name	Age	Business Experience During the Past Five Years	First Became Such Officer or Director
Lloyd J. Shulman	76	President Co-Chairman of the Board and President Chairman of the Board and President Director	November, 1978 June, 1995 November, 1996 November, 1977
Mark S. Greenblatt	64	Vice President Treasurer Director Assistant Treasurer	August, 2000 August, 2003 August, 2003 November, 1987
Ward N. Lyke, Jr.	67	Vice President Assistant Treasurer	February, 1984 August, 2003
George Silva	68	Vice President	March, 1995

All of the above mentioned officers have been appointed as such by the directors and have been employed as Executive Officers of the Company during the past five years.

Table of Contents**ITEM 11. COMPENSATION.**

The information required by this item appears under the heading “Compensation” in the Definitive Proxy Statement for the 2018 Annual Meeting of Shareholders and such information is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The information required by this item appears under the headings “Security Ownership of Certain Beneficial Owners and Management” and “Information Concerning Nominees for Election as Directors” in the Definitive Proxy Statement for the 2018 Annual Meeting of Shareholders and such information is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information required by this item appears under the headings “Compensation,” “Certain Transactions,” and “Board Interlocks and Insider Participation” in the Definitive Proxy Statement for the 2018 Annual Meeting of Shareholders and such information is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The following table sets forth the fees paid by the Company (on a cash basis) to its independent registered public accounting firm, D’Arcangelo & Co., LLP, for the fiscal years 2018 and 2017.

	Fiscal Year	Fiscal Year
	2018	2017
Audit fees	\$ 168,348	\$ 214,000
Tax fees	60,050	21,653
Other fees	9,000	4,325
Total	\$ 237,398	\$ 239,978

Audit Fees for fiscal year 2018 and fiscal year 2017 were for professional services rendered for the audits of the consolidated financial statements of the Company, interim quarterly reviews of Form 10-Q information and assistance with the review of documents filed with the U. S. Securities and Exchange Commission.

Tax Fees and Other Fees for fiscal year 2018 and fiscal year 2017 were for services related to tax compliance and preparation of federal, state and local corporate tax returns and audit of real estate tax matters.

The officers of the Company consult with, and receive the approval of, the Audit Committee before engaging accountants for any services.

PART IV**ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.**

The following documents are filed as part of this report:

1. The Consolidated Financial Statements and report of D’Arcangelo & Co., LLP, independent registered public accounting firm, dated October 4, 2018, set forth on pages 4 through 25 of the Company’s 2018 Annual Report to Shareholders.
2. See accompanying Index to the Company’s Consolidated Financial Statements and Schedules.

Table of Contents

3. Exhibits:
- (2) Plan of acquisition, reorganization, arrangement, liquidation or succession—not applicable.
 - (3) Articles of incorporation and by-laws:
 - (i) Certificate of Incorporation and certificate of amendment.
 - (ii) By-laws, as amended — incorporated by reference.
 - (4) Instruments defining the rights of security holders, including indentures—see Exhibit (3) above.
 - (9) Voting trust agreement—not applicable.
 - (10) Material contracts:
 - (i) The J.W. Mays, Inc. Retirement Plan and Trust, Summary Plan Description, effective August 1, 2015.
 - (ii) Employment Agreements with Messrs. Shulman, Greenblatt, Lyke and Silva, each dated August 1, 2017 — incorporated by reference.
 - (11) Statement re computation of per share earnings—not applicable.
 - (12) Statement re computation of ratios—not applicable.
 - (13) Annual Report to security holders.
 - (14) Code of ethics—not applicable.
 - (16) Letter re change in certifying auditors—not applicable.
 - (18) Letter re change in accounting principles—not applicable.
 - (21) Subsidiaries of the registrant.
 - (22) Published report re matters submitted to vote of security holders—not applicable.
 - (24) Power of attorney—none.
 - (28) Information from reports furnished to state insurance regulatory authorities—not applicable.
 - (31) Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
 - 31.1—Chief Executive Officer
 - 31.2—Chief Financial Officer
 - (32) Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002; 18 U.S.C. Sec. 1350.

Table of Contents

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

J.W. MAYS, INC.
(Registrant)

October 4, 2018 By: LLOYD J. SHULMAN
Lloyd J. Shulman
Chairman of the Board
Principal Executive Officer
President
Principal Operating Officer

October 4, 2018 By: MARK S. GREENBLATT
Mark S. Greenblatt
Vice President and Treasurer
Principal Financial Officer

October 4, 2018 By: WARD N. LYKE, JR.
Ward N. Lyke, Jr.
Vice President
and Assistant Treasurer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant in the capacities and on the date indicated.

Signature	Title	Date
LLOYD J. SHULMAN Lloyd J. Shulman	<i>Chairman of the Board, Chief Executive Officer, President, Chief Operating Officer and Director</i>	October 4, 2018
MARK S. GREENBLATT Mark S. Greenblatt	<i>Vice President, Treasurer and Director</i>	October 4, 2018
ROBERT L. ECKER Robert L. Ecker	<i>Director</i>	October 4, 2018
STEVEN GURNEY-GOLDMAN Steven Gurney-Goldman	<i>Director</i>	October 4, 2018
JOHN J. PEARL John J. Pearl	<i>Director</i>	October 4, 2018
DEAN L. RYDER Dean L. Ryder	<i>Director</i>	October 4, 2018
JACK SCHWARTZ Jack Schwartz	<i>Director</i>	October 4, 2018

Table of Contents

INDEX TO REGISTRANT'S FINANCIAL STATEMENTS AND SCHEDULES

Reference is made to the following sections of the Registrant's Annual Report to Shareholders for the fiscal year ended July 31, 2018, which are incorporated herein by reference:

Report of Independent Registered Public Accounting Firm (page 25)

Consolidated Balance Sheets (pages 4 and 5)

Consolidated Statements of Income and Retained Earnings (page 6)

Consolidated Statements of Comprehensive Income (page 7)

Consolidated Statements of Cash Flows (page 8)

Notes to Consolidated Financial Statements (pages 9-21)

Financial Statement Schedules

Valuation and Qualifying Accounts (page 22)

Real Estate and Accumulated Depreciation (page 23)

Report of Management (page 24)

All other schedules for which provision is made in the applicable regulations of the U. S. Securities and Exchange Commission are not required under the related instructions or are inapplicable and, accordingly, are omitted.

The separate financial statements and schedules of J.W. Mays, Inc. (not consolidated) are omitted because the Company is primarily an operating company and its subsidiaries are wholly-owned.

Table of Contents

EXHIBIT INDEX TO FORM 10-K

- (2) Plan of acquisition, reorganization, arrangement, liquidation or succession—not applicable
- (3) (i) Certificate of incorporation and certificate of amendment
(ii) By-laws, as amended — incorporated by reference
- (4) Instruments defining the rights of security holders, including indentures—see Exhibit (3) above
- (9) Voting trust agreement—not applicable
- (10) Material contracts:
 - (i) Retirement Plan and Trust, Summary Plan Description
 - (ii) Employment agreements — incorporated by reference
- (11) Statement re computation of per share earnings—not applicable
- (12) Statement re computation of ratios—not applicable
- (13) Annual Report to security holders
- (14) Code of ethics—not applicable
- (16) Letter re change in certifying auditors—not applicable
- (18) Letter re change in accounting principles—not applicable
- (21) Subsidiaries of the registrant
- (22) Published report re matters submitted to vote of security holders—not applicable
- (24) Power of attorney—none
- (28) Information from reports furnished to state insurance regulatory authorities—not applicable
- (31) Certifications Pursuant to Section 302 of the Sarbanes-Oxley Act—1 and 2
 - 31.1—Chief Executive Officer
 - 31.2—Chief Financial Officer
- (32) Certification Pursuant to Section 906 of the Sarbanes-Oxley Act

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EX-101.INS XBRL INSTANCE DOCUMENT

EX-101.SCH XBRL TAXONOMY EXTENSION SCHEMA

EX-101.PRE XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE

EX-101.LAB XBRL TAXONOMY EXTENSION LABEL LINKBASE

EX-101.CAL XBRL TAXONOMY EXTENSION CALCULATION LINKBASE

EX-101.DEF XBRL TAXONOMY EXTENSION DEFINITION LINKBASE

17
