

GIGA TRONICS INC
Form 10-K/A
June 19, 2012

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A3

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the fiscal year ended March 26, 2011

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 No. 0-12719

GIGA-TRONICS INCORPORATED
(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of incorporation or
organization)

94-2656341
(I.R.S. Employer Identification No.)

4650 Norris Canyon Road, San Ramon, CA
(Address of principal executive offices)

94583
(Zip Code)

Registrant's telephone number, including area code: (925) 328-4650

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, No par value

Name of each exchange on which registered
The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act.

Yes ☐ No ☒

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 ☐

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Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

[X]

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. (Check one):

Large accelerated []
filer

Accelerated filer []

Non-accelerated filer []

Smaller reporting [X]
company

(Do not check if a smaller
reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2).

Yes [] No [X]

The aggregate market value of voting and non-voting common equity held by non-affiliates of the Registrant computed by reference to the price at which the common equity was sold or the average bid and asked prices as of September 25, 2010 was \$10,462,554.

There were a total of 4,994,157 shares of the Registrant's Common Stock outstanding as of May 18, 2011.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the following documents have been incorporated by reference into the parts indicated:

PART OF FORM 10-K
PART III

DOCUMENT
Registrant's PROXY STATEMENT for its 2011 Annual Meeting of Shareholders to be filed no later than 120 days after the close of the fiscal year ended March 26, 2011.

GIGA-TRONICS INCORPORATED
FORM 10-K/A
EXPLANATORY NOTE

This Amendment No. 3 to the annual report of Giga-tronics Incorporated on Form 10-K/A (“Form 10-K/A” or “Amended Filing”) amends our annual report on Form 10-K for the year ended March 26, 2011, which was originally filed on May 19, 2011 (“Original Form 10-K”). This amendment is being filed for the purpose of restating certain amounts in the Selected Financial Data in Item 6, Management’s Discussion and Analysis of Financial Condition and Results of Operations in Item 7, Financial Statements in Item 8, Controls and Procedures in Item 9A and Exhibits in Item 15.

Subsequent to filing the Company’s annual report on Form 10-K, for the year ended March 26, 2011, the Company determined that a full valuation allowance on its deferred tax asset should have been maintained as of March 26, 2011. Management determined that it was necessary to maintain the valuation allowance against its deferred tax assets after considering information that should have been used to measure the positive and negative evidence regarding the ultimate realization of the net deferred tax assets in the original assessment.

Realization of the net deferred tax asset is dependent upon the Company’s ability to generate future taxable income. In its reassessment, Management concluded that objective and verifiable negative evidence represented by historic losses outweighed more subjective positive evidence of anticipated future income. As a result, the Company determined it necessary to maintain a full valuation allowance against its net deferred tax asset and is restating its financial statements on this Amended Filing for the year ended March 26, 2011.

The results of this change on the Consolidated Balance Sheet as of March 26, 2011, Consolidated Statement of Operations for the year ended March 26, 2011, and Consolidated Statement of Cash Flows for the year ended March 26, 2011, are discussed under Note 2 to the Consolidated Financial Statements.

The restatement reflects non-cash adjustments and has no effect on previously reported operating income results

Pursuant to the rules of the SEC, Item 15, Part IV has also been amended to contain the currently dated certifications from the company’s principal executive officer and principal financial officer as required by Section 302 and 906 of the Sarbanes-Oxley Act of 2002. The certifications of the Company’s principal executive officer and principal financial officer are attached to this Amended Filing as Exhibits 31.1, 31.2, and 32.

This Form 10-K/A does not reflect events occurring after the filing of the Original Form 10-K, other than the restatement for the matter discussed above. Accordingly, this Form 10-K/A should be read in conjunction with the Original Form 10-K (except as amended hereby), as well as the Company’s other filings subsequent to the filing of the Original Form 10-K, including any amendments to those filings. Concurrent with the Form 10-K/A, the company will file amended Forms 10-Q for the first, second and third quarters of fiscal year ended March 31, 2012.

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ITEM 6. SELECTED FINANCIAL DATA

The following table sets forth selected financial data for the Company's last five fiscal years. This information is derived from the Company's audited consolidated financial statements, unless otherwise stated. This data should be read in conjunction with the consolidated financial statements, related notes, and other financial information included elsewhere in this report.

SELECTED CONSOLIDATED FINANCIAL DATA

Summary of Operations:

Years Ended

(In thousands except per share data)	As restated March 26, 2011	March 27, 2010	March 28, 2009	March 29, 2008	March 31, 2007
Net sales	\$ 21,029	\$ 19,057	\$ 17,421	\$ 18,331	\$ 18,048
Gross profit	8,929	8,435	7,504	7,748	7,546
Operating expenses	8,086	7,117	7,914	7,939	9,548
Interest income (expense), net	4	(16)	7	36	108
Pre-tax income (loss) from continuing operations	847	1,302	(403)	(201)	(1,894)
Provision for income taxes	31	2	2	2	1
Income (loss) from continuing operations	816	1,300	(405)	(203)	(1,895)
Income (loss) on discontinued operations, net of income taxes	-	-	75	(31)	28
Net income (loss)	\$ 816	\$ 1,300	\$ (330)	\$ (234)	\$ (1,867)
Basic earnings (loss) per share:					
From continuing operations	\$ 0.17	\$ 0.27	\$ (0.08)	\$ (0.04)	\$ (0.40)
On discontinued operations	-	-	0.01	(0.01)	0.01
Net earnings (loss) per share - basic	\$ 0.17	\$ 0.27	\$ (0.07)	\$ (0.05)	\$ (0.39)
Diluted earnings (loss) per share:					
From continuing operations	\$ 0.16	\$ 0.26	\$ (0.08)	\$ (0.04)	\$ (0.40)
On discontinued operations	-	-	0.01	(0.01)	0.01
Net earnings (loss) per share - dilutive	\$ 0.16	\$ 0.26	\$ (0.07)	\$ (0.05)	\$ (0.39)