

PROFIRE ENERGY INC
Form 10-Q
February 08, 2016

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 December 31, 2015

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 001-36378

PROFIRE ENERGY, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

20-0019425

(I.R.S. Employer Identification No.)

321 South 1250 West, Suite 1

Lindon, Utah

Address of principal executive offices)

84042

(Zip Code)

(801) 796-5127

(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. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.) Yes
[] No [X]

As of February 5, 2016 the registrant had 53,255,275 shares of common stock, par value \$0.001, issued and outstanding.

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PART I. FINANCIAL INFORMATION

Item 1 Financial Information

PROFIRE ENERGY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

ASSETS

	December 31, 2015 (unaudited)	March 31, 2015
CURRENT ASSETS		
Cash and cash equivalents	\$ 19,281,501	\$ 14,144,796
Accounts receivable, net	6,515,543	9,462,378
Inventories	10,840,598	11,766,535
Income tax receivable	113,978	-
Prepaid expenses & other current assets	312,547	112,741
Total Current Assets	37,064,167	35,486,450
LONG-TERM ASSETS		
Deferred tax asset	669,895	501,921
PROPERTY AND EQUIPMENT, net	8,449,492	9,275,965
OTHER ASSETS		
Goodwill	997,701	997,701
Intangible assets, net of accumulated amortization	501,490	594,019
Total Other Assets	1,499,191	1,591,720
TOTAL ASSETS	\$47,682,745	\$46,856,056
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 1,379,019	\$ 1,040,530
Accrued liabilities	594,236	332,229
Income taxes payable	396,089	347,486
Total Current Liabilities	2,369,344	1,720,245
LONG-TERM LIABILITIES		
Deferred income tax liability	616,735	631,353
TOTAL LIABILITIES	2,986,079	2,351,598
STOCKHOLDERS' EQUITY	-	-

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Preferred shares: \$0.001 par value, 10,000,000 shares authorized: no shares issued and outstanding

Common shares; \$0.001 par value, 100,000,000 shares authorized: 53,255,275 and 53,199,136 shares issued and outstanding, respectively

Additional paid-in capital

Accumulated other comprehensive income (loss)

Retained earnings

53,255	53,199
26,152,201	25,525,052
(3,122,872)	(1,888,981)
21,614,082	20,815,188

Total Stockholders' Equity

44,696,666	44,504,458
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TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

\$47,682,745	\$46,856,056
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The accompanying notes are a integral part of these condensed consolidated financials statements.

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PROFIRE ENERGY, INC. AND SUBSIDIARIES

Consolidated Statements of Operations and Other Comprehensive Income (Loss)

(unaudited)

	For the Three Months Ended December 31,		For the Nine Months Ended December 31,	
	2015	2014	2015	2014
REVENUES				
Sales of goods, net	\$6,515,584	\$11,695,016	\$20,019,400	\$38,640,246
Sales of services, net	1,038,671	821,683	2,509,392	2,742,219
Total Revenues	7,554,255	12,516,699	22,528,792	41,382,465
COST OF SALES				
Cost of goods sold-product	2,833,909	5,299,912	9,247,014	16,837,531
Cost of goods sold-services	722,288	674,192	1,941,819	2,015,796
Total Cost of Goods Sold	3,556,197	5,974,104	11,188,833	18,853,327
GROSS PROFIT	3,998,058	6,542,595	11,339,959	22,529,138
OPERATING EXPENSES				
General and administrative expenses	1,800,491	2,446,896	5,439,067	7,722,366