

CENTURY CASINOS INC /CO/
Form 10-Q
August 09, 2006

**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 June 30, 2006

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 0-22290

CENTURY CASINOS, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of
incorporation or organization)

84-1271317

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

1263 Lake Plaza Drive Suite A, Colorado Springs, Colorado 80906

(Address of principal executive offices)

(Zip Code)

(719) 527-8300

(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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer

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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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Common stock, \$0.01 par value, 22,980,567 shares outstanding as of August 9, 2006

**CENTURY CASINOS, INC.
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CENTURY CASINOS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

<i>Amounts in thousands, except for share information</i>	<u>June 30, 2006</u>	<u>December 31, 2005</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 27,515	\$ 37,167
Restricted cash	1,918	947
Receivables, net	862	293
Prepaid expenses	1,033	518
Inventories	280	209
Other current assets	779	927
Deferred income taxes - foreign	122	72
Total current assets	32,509	40,133
Property and Equipment, net	103,355	69,602
Goodwill	18,731	8,662
Casino Licences	2,273	1,845
Deferred Income Taxes - foreign	470	380
Note Receivable (see Note 1)	4,751	-
Other Assets	2,587	2,941
Total	\$ 164,676	\$ 123,563
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	\$ 3,601	\$ 1,789
Accounts payable and accrued liabilities	10,884	5,504
Accrued payroll	1,337	1,149
Taxes payable	1,137	1,189
Other	8	8
Total current liabilities	16,967	9,639
Long-Term Debt, less current portion	45,707	17,934
Accrued Purchase Obligation - Newcastle (see Note 12)	697	-
Deferred Tax Liability - domestic	138	215
Minority Interest	6,248	4,444
Commitments and Contingencies		
Shareholders' Equity:		
Preferred stock; \$.01 par value; 20,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock; \$.01 par value; 50,000,000 shares authorized; 23,168,443 and 22,568,443 shares issued, respectively; 22,980,567 and 22,380,567 shares outstanding, respectively	232	226
Additional paid-in capital	69,588	68,571
Accumulated other comprehensive earnings	2,159	2,568
Retained earnings	23,365	20,391
	95,344	91,756

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Treasury stock - 187,876 shares at cost	(425)	(425)
Total shareholders' equity	94,919	91,331
Total	\$ 164,676	\$ 123,563

See notes to condensed consolidated financial statements.

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CENTURY CASINOS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (Unaudited)

<i>Amounts in thousands, except for share information</i>	For The Three Months Ended June 30,		For The Six Months Ended June 30,	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Operating Revenue:				
Casino	\$ 11,260	\$ 8,736	\$ 20,406	\$ 17,788
Hotel, food and beverage	1,272	941	2,354	2,169
Other	321	156	470	371
	12,853	9,833	23,230	20,328
Less promotional allowances	984	925	1,885	2,192
Net operating revenue	11,869	8,908	21,345	18,136
Operating Costs and Expenses:				
Casino	4,571	3,461	8,083	7,002
Hotel, food and beverage	786	588	1,401	1,355
General and administrative	4,516	3,033	7,559	5,475
Property write-downs and other write-offs, net of recoveries	7	-	15	(30)
Depreciation and amortization	933	937	1,705	1,790
Total operating costs and expenses	10,813	8,019	18,763	15,592
(Loss) from unconsolidated subsidiary	-	(12)	-	(109)
Earnings from Operations	1,056	877	2,582	2,435
Non-Operating Income (Expense):				