

RICKS CABARET INTERNATIONAL INC
Form 10QSB
May 14, 2007

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

FORM 10-QSB

Quarterly report pursuant to Section 13 Or 15(d) of the Securities Exchange Act of 1934; For the quarterly period ended: March 31, 2007

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

Commission File Number: 0-26958

RICK'S CABARET INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction of incorporation or organization)

76-0458229
(IRS Employer Identification No.)

10959 Cutten Road
Houston, Texas 77066
(Address of principal executive offices, including zip code)

(281) 397-6730
(Registrant's telephone number, including area code)

Check whether the issuer: (i) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (ii) has been subject to such filing requirements for the past 90 days. Yes No

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

APPLICABLE ONLY TO CORPORATE ISSUERS

On May 7, 2007, there were 6,123,842 shares of common stock, \$.01 par value, outstanding (this amount excludes treasury shares).

Transitional Small Business Disclosure Format (check one): Yes No

RICK'S CABARET INTERNATIONAL, INC.

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Item 1. Financial Statements.

**RICK'S CABARET INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS**ASSETS

	March 31, 2007 (UNAUDITED)	September 30, 2006 (AUDITED)
CURRENT ASSETS:		
Cash and cash equivalents	\$ 6,510,683	\$ 854,932
Accounts receivable		
Trade	393,630	192,385
Other, net	170,114	186,554
Marketable securities	20,021	22,245
Inventories	352,385	291,623
Prepaid expenses and other current assets	463,577	140,428
Total current assets	7,910,410	1,688,167
PROPERTY AND EQUIPMENT:		
Buildings, land and leasehold improvements	18,354,030	17,537,381
Furniture and equipment	4,885,976	4,121,443
	23,240,006	21,658,824
Accumulated depreciation	(4,912,388)	(4,234,981)
Total property and equipment, net	18,327,618	17,423,843
OTHER ASSETS:		
Goodwill and indefinite lived intangibles	11,230,791	10,505,452
Definite lived intangibles, net	683,455	525,076
Other	405,772	460,337
Total other assets	12,320,018	11,490,865
Total assets	\$ 38,558,046	\$ 30,602,875

See accompanying notes to consolidated financial statements.

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CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

	March 31, 2007 (UNAUDITED)	September 30, 2006 (AUDITED)
CURRENT LIABILITIES:		
Accounts payable – trade	\$ 906,732	\$ 554,979
Accrued liabilities	1,015,453	1,118,974
Current portion of long-term debt	3,563,998	2,278,315
Total current liabilities	5,486,183	3,952,268
Other long-term liabilities	361,005	299,701
Long-term debt, less current portion	7,332,069	10,255,509
Long-term debt-related parties	2,067,165	1,386,909
Total liabilities	15,246,422	15,894,387
COMMITMENTS AND CONTINGENCIES	-	-
MINORITY INTERESTS	436,364	-
TEMPORARY EQUITY – Common stock, subject to put rights (215,000 and 160,000 shares, respectively)	1,450,000	800,000
PERMANENT STOCKHOLDERS' EQUITY:		
Preferred stock, \$.10 par, 1,000,000 shares authorized; none issued and outstanding	-	-
Common stock, \$.01 par, 15,000,000 shares authorized; 6,145,480 and 5,805,275 shares issued	61,455	58,053
Additional paid-in capital	16,911,364	15,586,233
Common stock to be issued	5,345,500	