

BIGLARI HOLDINGS INC.
Form 10-K/A
March 31, 2015

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

FORM 10-K/A

(Amendment No. 2)

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

For the fiscal year ended September 24, 2014

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 0-8445

BIGLARI HOLDINGS INC.
(Exact name of registrant as specified in its charter)

INDIANA
(State or other jurisdiction of incorporation)

37-0684070
(I.R.S. Employer Identification No.)

17802 IH 10, Suite 400
San Antonio, Texas
(Address of principal executive offices)

78257
(Zip Code)

(210) 344-3400
Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:
Title of each class Name of each exchange on which registered
Common Stock, stated value \$.50 per share New York Stock Exchange
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 Section 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

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 (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to

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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.

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

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

The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant as of April 9, 2014 was approximately \$662,300,256 based on the closing stock price of \$460.94 per share on that day.

As of March 5, 2015, 2,065,586 shares of the registrant's Common Stock, \$0.50 stated value, were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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EXPLANATORY NOTE

This Amendment No. 2 on Form 10-K/A (the “Amendment”) amends the Annual Report on Form 10-K of Biglari Holdings Inc. (“Biglari Holdings,” “we”, “us”, “our”, the “Company” or the “Corporation”) for the fiscal year ended September 2014, originally filed with the Securities and Exchange Commission (the “SEC”) on November 24, 2014 (the “Original Filing”), to include separate audited financial statements of The Lion Fund II, L.P. (the “Lion Fund II”) pursuant to Rule 3-09 of Regulation S-X (“Rule 3-09”) in Part IV, Item 15. The audited financial statements of the Lion Fund II (the “Lion Fund II Financial Statements”) were not available at the time of the Original Filing. In accordance with Rule 3-09(b)(2), the Lion Fund II Financial Statements are being filed as an amendment to the Original Filing within 90 days after the end of the Lion Fund II’s fiscal year.

In addition, in connection with the filing of this Amendment and pursuant to the rules of the SEC, we are including with this Amendment certain currently dated certifications. Accordingly, Item 15 of Part IV has also been amended to reflect the filing of these currently dated certifications.

This Form 10-K/A does not attempt to modify or update any other disclosures set forth in the Original Filing, except as required to reflect the additional information included in Part IV, Item 15 of this Form 10-K/A. Additionally, this Form 10-K/A, except for the additional information included in Part IV, speaks as of the filing date of the Original Filing and does not update or discuss any other Company developments subsequent to the date of the Original Filing. Accordingly, this Form 10-K/A should be read in conjunction with our filings made with the SEC subsequent to the Original Filing.

INDEPENDENT AUDITORS' REPORT

To the Partners of
The Lion Fund II, L.P.
San Antonio, Texas

We have audited the accompanying financial statements of The Lion Fund II, L.P., (a Delaware limited partnership) (the "Fund"), which comprise the statements of assets and liabilities, including the condensed schedules of investments, as of December 31, 2014 and 2013, and the related statements of operations, changes in partners' capital, and cash flows for the year ended December 31, 2014 and for the period from July 1, 2013 (date operations commenced) to December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Lion Fund II, L.P., as of December 31, 2014, and the results of its operations, changes in partners' capital, and its cash flows for the year ended December 31, 2014 and for the period from July 1, 2013 (date operations commenced) to December 31, 2013, in accordance with accounting principles generally accepted in the United States of America.

/s/ DELOITTE & TOUCHE LLP
Indianapolis, Indiana

March 31, 2015

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THE LION FUND II, L.P.
 (A Delaware Limited Partnership)

STATEMENT OF ASSETS AND LIABILITIES
 AS OF DECEMBER 31, 2014 AND 2013

	December 31, 2014	December 31, 2013
ASSETS:		
Investments in securities — at fair value	\$683,828,584	\$436,163,822
Cash	35,515,384	2,433
Total assets	\$719,343,968	\$436,166,255
LIABILITIES:		
Accounts payable	\$43,722	\$24,500
PARTNERS' CAPITAL	\$719,300,246	\$436,141,755

See notes to financial statements.

THE LION FUND II, L.P.
(A Delaware Limited Partnership)

CONDENSED SCHEDULE OF INVESTMENTS
AS OF DECEMBER 31, 2014 AND 2013

AS OF DECEMBER 31, 2014	Shares	Amount
INVESTMENTS IN COMMON STOCK AT FAIR VALUE:		
United States:		
Restaurant:		
Cracker Barrel Old Country Store, Inc. (92.7%)	4,737,794	\$ 666,891,883
Other		16,936,701
TOTAL SECURITIES OWNED (cost \$477,534,057) (95.1%)		
		\$ 683,828,584

Percentages shown are computed based on the classification value compared to partners' capital at December 31, 2014.

AS OF DECEMBER 31, 2013	Shares	Amount
INVESTMENTS IN COMMON STOCK AT FAIR VALUE:		
United States:		
Restaurant:		
Cracker Barrel Old Country Store, Inc. (cost \$386,365,067) (100.0%)	3,962,604	\$ 436,163,822

Percentages shown are computed based on the classification value compared to partners' capital at December 31, 2013.

See notes to financial statements.

THE LION FUND II, L.P.
 (A Delaware Limited Partnership)

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2014 AND
 FOR THE PERIOD FROM JULY 1, 2013
 (DATE OPERATIONS COMMENCED) TO DECEMBER 31, 2013

	2014	2013
INVESTMENT INCOME:		
Dividends	\$ 16,000,887	\$ 5,568,906
EXPENSES:		
Professional fees	48,180	30,020
NET INVESTMENT INCOME	15,952,707	5,538,886
UNREALIZED GAINS FROM INVESTMENTS:		
Net change in unrealized appreciation	156,495,772	49,798,755
NET INCREASE IN PARTNERS' CAPITAL RESULTING FROM OPERATIONS	\$ 172,448,479	\$ 55,337,641

See notes to financial statements.

THE LION FUND II, L.P.
(A Delaware Limited Partnership)

STATEMENT OF CHANGES IN PARTNERS' CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2014 AND
FOR THE PERIOD FROM JULY 1, 2013
(DATE OPERATIONS COMMENCED) TO DECEMBER 31, 2013

General
Partner

Limited
Partners

Total