

GLOBAL PARTNERS LP
Form 10-Q
August 09, 2007

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2007

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 001-32593

Global Partners LP

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

74-3140887

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

**P.O. Box 9161
800 South Street**

Waltham, Massachusetts 02454-9161

(Address of principal executive offices, including zip code)

(781) 894-8800

(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

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer (as defined in Rule 12b-2 of the Exchange Act). (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

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

The issuer had 7,428,139 common units and 5,642,424 subordinated units outstanding as of August 1, 2007.

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Item 1. Financial Statements

GLOBAL PARTNERS LP
CONSOLIDATED BALANCE SHEETS

(In thousands, except unit data)

(Unaudited)

	June 30, 2007	December 31, 2006
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,527	\$ 3,861
Accounts receivable, net	272,993	202,580
Accounts receivable affiliates	5,506	1,988
Inventories	239,477	288,067
Available for sale securities		13,913
Brokerage margin deposits	4,591	625
Fair value of forward fixed contracts	944	66,115
Prepaid expenses and other current assets	10,563	18,924
Total current assets	536,601	596,073
Property and equipment, net	142,885	31,657
Intangible assets, net	8,360	9,076
Other assets	3,454	2,081
Total assets	\$ 691,300	\$ 638,887
Liabilities and partners equity		
Current liabilities:		
Accounts payable	\$ 232,898	\$ 222,034
Revolving line of credit current portion	98,100	188,700
Notes payable, other current portion	319	319
Environmental liabilities current portion	500	
Accrued expenses and other current liabilities	50,459	35,573
Income taxes payable		1,164
Obligations on forward fixed contracts and other derivatives	10,517	
Total current liabilities	392,793	447,790
Revolving line of credit less current portion	122,000	82,000
Notes payable, other less current portion	1,083	1,239
Environmental liabilities less current portion	7,500	
Accrued pension benefit cost	3,511	3,170
Deferred compensation	1,388	1,429
Other long-term liabilities	20	20
Total liabilities	528,295	535,648
Partners equity		
Common unitholders (7,428,139 units issued and outstanding at June 30, 2007 and 5,642,424 at December 31, 2006)	164,554	104,212
Subordinated unitholders (5,642,424 units issued and outstanding at June 30, 2007 and December 31, 2006)	(2,480)	(13,672)
General partner interest (230,303 equivalent units outstanding at June 30, 2007 and December 31, 2006)	(108)	(560)
Accumulated other comprehensive income	1,039	13,259
Total partners equity	163,005	103,239
Total liabilities and partners equity	\$ 691,300	\$ 638,887

The accompanying notes are an integral part of these financial statements.

GLOBAL PARTNERS LP
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per unit data)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2007	2006	June 30, 2007	2006
Sales	\$ 1,384,090	\$ 1,031,353	\$ 2,957,266	\$ 2,382,376
Cost of sales	1,362,468	1,010,709	2,893,392	2,329,515
Gross profit	21,622	20,644	63,874	52,861
Costs and operating expenses:				
Selling, general and administrative expenses	11,458	9,416	24,864	20,344
Operating expenses	6,310	5,266	12,200	10,817
Amortization expenses	358	406	716	812
Total costs and operating expenses	18,126	15,088	37,780	31,973
Operating income	3,496	5,556	26,094	20,888