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RADIOSHACK CORP
Form 11-K
June 18, 2002

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 11-K

REPORT PURSUANT TO
SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 (FEE REQUIRED)

For the Calendar Year Ended December 31, 2001

TANDY EMPLOYEES
SUPPLEMENTAL STOCK PROGRAM
(full title of Program)

RADIOSHACK CORPORATION
100 Throckmorton Street, Suite 1800
Fort Worth, Texas 76102

(Name of issuer and address of principal executive offices)

Index to Exhibits is on sequential page number 13

TANDY EMPLOYEES
SUPPLEMENTAL STOCK PROGRAM

FORT WORTH, TEXAS

REPORT OF EXAMINATION

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DECEMBER 31, 2001

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CURTIS B MORRISON, CPA
5819 Chimney Wood Circle
Fort Worth, Texas 76112
(817) 429-3878

The Administrative Committee and Participants of
Tandy Employees Supplemental Stock Program
Fort Worth, Texas

Independent Auditors Report

I have audited the accompanying statement of financial condition of the Tandy Employees Supplemental Stock Program as of December 31, 2001 and 2000, and the related statement of income and changes in plan equity for the years ended December 31, 2001, 2000 and 1999. These financial statements are the responsibility of the Program's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform my audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable

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basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Tandy Employees Supplemental Stock Program as of December 31, 2001 and 2000, and results of its operations for the years ended December 31, 2001, 2000 and 1999 in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes is presented for purposes of complying with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is not a required part of the basic financial statements. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

CURTIS B MORRISON, CPA

Fort Worth, Texas
June 3, 2002

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TANDY EMPLOYEES
SUPPLEMENTAL STOCK PROGRAM
FORT WORTH, TEXAS

STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2001 AND 2000

PLAN ASSETS

	2001	2000
	----	----
Investment in Securities of Participating Employer (Note B):	\$20,447,833	\$34,110,451
Common Stock		
Contributions Receivable	0	0
TOTAL	\$20,447,833	\$34,110,451
	-----	-----

LIABILITIES AND PLAN EQUITY

Liabilities:	\$ 0	\$ 0
	-----	-----
Plan Equity:		
Participants Interest in Tandy	\$20,447,833	\$34,110,451
	=====	=====
Employees Supplemental Stock Program		

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

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TANDY EMPLOYEES SUPPLEMENTAL STOCK PROGRAM FORT WORTH, TEXAS

STATEMENT OF INCOME AND CHANGES IN PLAN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999

	2001 ----	2000 ----	1999 ----
Investment Income:			
Interest	\$ 0	\$ 0	\$ 0
Dividend	0	0	0
	----- 0	----- 0	----- 0
Realized Gain (Loss) on Securities (Note C):	\$ 0	\$ 0	\$ 0
Increase (Decrease) in Unrealized Appreciation of Investments (Note D)	\$ (14,138,611)	\$ (12,251,065)	\$ 19,219,248
Contributions (Note A):			
Participating Employees	\$ 2,048,352	\$ 2,364,245	\$ 1,585,286
Participating Employer	1,639,561	1,892,781	1,268,383
Other Contributions	152,746	183,514	224,922
	----- \$ 3,840,659	----- \$ 4,440,540	----- \$ 3,078,591
Less:			
Withdrawals of Participant's Interest	\$ 3,364,666	\$ 2,270,533	\$ 4,628,244
Net Increase (Decrease) in Plan for the Year Ended 12-31-01/00/99	\$ (13,662,618)	\$ (10,081,058)	\$ 17,669,595
Add Plan Equity at Beginning of Year 1-1/01/00/99	34,110,451	44,191,509	26,521,914
Plan Equity at End of Year 12-31-01/00/99	\$ 20,447,833 =====	\$ 34,110,451 =====	\$ 44,191,509 =====

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The accompanying notes are integral part of these financial statements.

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TANDY EMPLOYEES
SUPPLEMENTAL STOCK PROGRAM
FORT WORTH, TEXAS

STATEMENT OF INCOME AND CHANGES IN PLAN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999

NOTE A - DESCRIPTION OF THE PROGRAM

The following description of the Tandy Employees Supplemental Stock Program (the "Program") provides only general information. Participants should refer to the Program Prospectus for a more complete description of the Program's provisions.

General

The purpose of the Program is to assist the employees of RadioShack Corporation and its participating affiliates and associates (collectively called "Company") in building personal net worth and to encourage ownership in the Company by providing a Program for regular investment in the Company's common stock after an employee has reached a maximum salary deferral contribution limit under the Tandy Fund.

The Program is subject to Title I of the Employee Retirement Security Act of 1974 (ERISA) relating to the protection of employee benefit rights, but is not subject to Title IV, relating to plan termination insurance coverage, and such insurance will not be extended to participants in the Program in the future.

Contributions

Prior to January 1, 1996, through authorized payroll deduction a participant could contribute 5% of his or her gross salary or wages to the Program after reaching a maximum salary deferral contribution limit under the Tandy Employees Deferred Salary and Investment Plan. Effective January 1, 1996 the contribution percentage could vary from 1 to 8% of his or her gross salary or wages after reaching a maximum salary deferral contribution limit under the Tandy Fund.

The Company makes contributions to the Program equal to 80% of the participant's contribution.

Cash dividends are added to the participant's account as Other contributions paid on the shares of common stock credited to a participant's account. These Other contributions are not subject to matching contributions by the Company.

The participant's contributions and the Company matching contribution are a part of the employee's current compensation, and, as such, are subject to all applicable federal, state, and local income, federal insurance contributions act and other taxes. The

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TANDY EMPLOYEES
SUPPLEMENTAL STOCK PROGRAM

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FORT WORTH, TEXAS

STATEMENT OF INCOME AND CHANGES IN PLAN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999

NOTE A - DESCRIPTION OF THE PROGRAM (CONTINUED)

cash dividends allocated to a participant's account are taxable to the participant for the calendar year allocated.

As promptly as practicable after the end of each calendar quarter the participant's contribution, the Company contribution, and any Other contributions are used for the acquisition of the Company's common stock with shares being credited to the participant's account on the basis of the number of shares purchased at a price equal to the average of the closing prices of the Company common stock as reported for the New York Stock Exchange Composite Transactions for each trading day in the calendar month for which the contributions are made.

The following is a schedule of Employee, Company, and Other contributions:

	2001 ----	2000 ----	1999 ----
Employees	\$2,048,352 -----	\$2,364,245 -----	\$1,585,286 -----
Company	\$1,639,561 -----	\$1,892,781 -----	\$1,268,383 -----
Other	\$ 152,746 -----	\$ 183,514 -----	\$ 224,922 -----

Participants' Accounts

Each participant is mailed a quarterly statement showing his or her contributions to date, Company and Other contributions to date, the number of shares purchased and the average share price for shares purchased to date. Each participant is also mailed a copy of the annual report of the Company, any appendix to the prospectus, and the summary annual report.

Vesting

The participants' accounts are fully vested at the end of each calendar quarter.

Payment of Benefits

The distribution of the Company common stock to the participant is not a taxable event. Cash paid in lieu of stock upon withdrawal will, to the extent that it exceeds or is less than

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TANDY EMPLOYEES
SUPPLEMENTAL STOCK PROGRAM
FORT WORTH, TEXAS

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999

NOTE A - DESCRIPTION OF THE PROGRAM (CONTINUED)

the cost basis of the Company common stock, be treated as long or short term capital gain or loss, respectively.

A participant will recognize gain or loss on subsequent disposition of his or her common stock, measured by the difference between the amount realized and the cost basis.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Valuation of Securities

RadioShack common stock is valued at the closing price as reported on the New York Stock Exchange Composite Transactions.

SCHEDULE OF INVESTMENTS IN SECURITIES

OF PARTICIPATING EMPLOYER

	NO. OF SHARES -----	COST ----	VALUE 12-31-01 -----
COMMON STOCK			
RadioShack Corporation			
Common Stock	679,330	\$14,812,980	\$20,447,833
		-----	-----

Contributions

The contributions are accrued as incurred.

Income Tax Status

The Program is not a qualified plan under Section 401 of the Internal Revenue Code. All items of income and gains and losses are treated as received or incurred directly by the participants for federal income tax purposes.

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TANDY EMPLOYEES
SUPPLEMENTAL STOCK PROGRAM
FORT WORTH, TEXAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999

NOTE C - REALIZED GAIN ON SECURITIES

None (No sale of securities was made during the year).

NOTE D - UNREALIZED APPRECIATION

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	2001 ----	2000 ----	1999 ----
Unrealized Appreciation (Depreciation) at 12-31-01/00/99	\$ 5,634,853	\$ 19,773,464	\$32,024,529
Unrealized Appreciation (Depreciation) at 12-31-00/99/98	19,773,464 -----	32,024,529 -----	12,805,281 -----
Net Increase (Decrease) for Year ended 12-31-01/00/99	\$(14,138,611) =====	\$(12,251,065) =====	\$19,219,248 =====

The unrealized appreciation or depreciation of securities held for investment for financial statement reporting prepared in conformity with generally accepted accounting principles differ from that for income tax reporting.

Generally accepted accounting principles measure unrealized appreciation or depreciation as the difference between the securities market value at the plan's year end and its historical cost. The unrealized appreciation or depreciation for income tax reporting is the difference between the securities market value at the plan year end and its current value at the beginning of the plan year.

A participant's account is increased or decreased by the unrealized appreciation or depreciation recognized under generally accepted accounting principles.

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TANDY EMPLOYEES
SUPPLEMENTAL STOCK PROGRAM
FORT WORTH, TEXAS

ADDITIONAL INFORMATION
YEAR ENDED DECEMBER 31, 2001

ITEM 30a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

Issuer -----	Description of Investment -----	Cost ----	Current Value
RadioShack Corporation	Common Stock	\$14,812,980 -----	\$20,447,833 -----

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Administrative Committee has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

TANDY EMPLOYEES
SUPPLEMENTAL STOCK PROGRAM

by /s/ J. Bradley

J. Bradley
Administrative Committee Member

by /s/ R. Ray

R. Ray
Administrative Committee Member

by /s/ R. McInnis

R. McInnis
Administrative Committee Member

Date June 18, 2002

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Index to Exhibits

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23	Consent of Independent Accountant	14

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