

AVALON HOLDINGS CORP

Form 10-K/A

September 23, 2008

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2007

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10-K/A**

**AMENDMENT NO. 1**

**FOR ANNUAL AND TRANSITION REPORTS**

**PURSUANT TO SECTIONS 13 OR 15(D) OF THE**

**SECURITIES ACT OF 1934**

**x Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
For the fiscal year ended December 31, 2007**

**“ 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 1-14105**

# AVALON HOLDINGS CORPORATION

(Exact name of registrant as specified in its charter)

**Ohio**  
(State or other jurisdiction of  
incorporation or organization)

**34-1863889**  
(I.R.S. Employer  
Identification No.)

**One American Way, Warren, Ohio 44484-5555**  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(330) 856-8800**

## Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class                          | Name of Each Exchange on Which Registered |
|--|---|
| <b>Class A Common Stock, \$.01 par value</b> | <b>American Stock Exchange</b>            |

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 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):

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Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

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 Class A Common Stock held by non-affiliates of the registrant on February 13, 2008 was \$16.1 million. Assuming that the market value of Avalon Holdings Corporation's Class B Common Stock was the same as its Class A Common Stock by reason of its one-to-one conversion rights, the market value of Class B Common Stock held by non-affiliates of the registrant on February 13, 2008 was approximately \$7,500. The registrant had 3,190,786 shares of its Class A Common Stock and 612,545 shares of its Class B Common Stock outstanding as of March 11, 2008.

### Documents Incorporated by Reference

1. Portions of the Avalon Holdings Corporation Annual Report to Shareholders for the year ended December 31, 2007 (Parts I and II of Form 10-K).

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AVALON HOLDINGS CORPORATION AND SUBSIDIARIES

Amendment No. 1 to Form 10-K

Year Ended December 31, 2007

Explanatory Note

This Amendment No. 1 to the Annual Report on Form 10-K/A ( Amendment No. 1 ) is being filed to amend the Avalon Holdings Corporation's Annual report on Form 10-K for the fiscal year ended December 31, 2007, previously filed on March 20, 2008 (the Original Filing ) in order to revise Item 9A of Part II of the Annual Report, amend Management's Annual Report on Internal Control over Financial Reporting contained in Exhibit 13.1 and revise the certifications contained in Exhibits 31.1 and 31.2, which relate to the Company's internal control over financial reporting. Except for the foregoing amended information, this Amendment No. 1 on Form 10-K/A continues to describe conditions as of the date of the Original Filing. The disclosures contained herein have not been updated to reflect events that occurred at a later date. Accordingly, this Amendment No. 1 should be read in conjunction with the Company's SEC filings made subsequent to the Original Filing.

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AVALON HOLDINGS CORPORATION AND SUBSIDIARIES

As used in this report, the terms Avalon, Company, and Registrant mean Avalon Holdings Corporation and its wholly owned subsidiaries, taken as a whole, unless the context indicates otherwise.

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| <b>Note on Incorporation by Reference</b>      |             |

In this Amendment No. 1 to the Annual Report on Form 10-K/A, various information and data are incorporated by reference from Avalon's 2007 Annual Report to Shareholders (hereinafter referred to as the Annual Report to Shareholders). Any reference in this report to disclosures in the Annual Report to Shareholders shall constitute incorporation by reference of that specific material into this Form 10-K/A.

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PART II

**ITEM 9A. CONTROLS AND PROCEDURES**

As required by Rule 13a-15 under the Securities Exchange Act of 1934 (the Exchange Act ), Avalon s management conducted an evaluation, under the supervision and with the participation of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by the Annual Report in connection with the filing of this Amendment No. 1. For purposes of the foregoing, the term disclosure controls and procedures means controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission s ( SEC ) rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Avalon s disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives as outlined above. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that they believe that, as of December 31, 2007, our disclosure controls and procedures were effective at a reasonable assurance level.

**Changes in Internal Control over Financial Reporting.** There were no changes in our internal control over financial reporting during the fourth fiscal quarter ended December 31, 2007 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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**PART IV**

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Amendment No. 1 to the Annual Report on Form 10-K/A be signed on its behalf by the undersigned thereunto duly authorized, on the 23<sup>rd</sup> day of September, 2008.

AVALON HOLDINGS CORPORATION  
(Registrant)

By /s/ Timothy C. Coxson  
Timothy C. Coxson-Treasurer and Chief Financial  
Officer

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AVALON HOLDINGS CORPORATION AND SUBSIDIARIES

**EXHIBIT INDEX**

- Exhibit**
- 13.1 \*2007 Annual Report to Shareholders (Page 23 amended) Management's Report on Internal Control over Financial Reporting.
  - 21.1 Subsidiaries of Avalon Holdings Corporation
  - 31.1 \*Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
  - 31.2 \*Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
  - 32.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
  - 32.2 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

\* Filed herewith.