

JTH Holding, Inc.
Form 10-Q/A
January 31, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q/A

Amendment No. 1

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

For the quarterly period ended January 31, 2013

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 001-35588

JTH Holding, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation)

27-3561876
(IRS employer identification no.)

1716 Corporate Landing Parkway

Virginia Beach, Virginia 23454

(Address of principal executive offices)

(757) 493-8855

(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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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
(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 number of shares outstanding of the registrant's Common Stock, \$0.01 par value, at the close of business on March 8, 2013 was 12,080,854 shares.

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JTH HOLDING, INC.

Form 10-Q for the Period Ended January 31, 2013

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PART I

ITEM 1

FINANCIAL STATEMENTS

Explanatory Note

We are filing this Amendment No. 1 on Form 10-Q/A (the "Amended Filing") to our Quarterly Report on Form 10-Q for the quarterly period ended January 31, 2013 originally filed with the Securities and Exchange Commission ("SEC") on March 12, 2013 (the "Original Filing") to restate our condensed consolidated financial statements as of and for the three and nine months ended January 31, 2013 and 2012. Details regarding the restatement can be found in our Annual Report on Form 10-K for the year ended April 30, 2013, filed with the SEC on October 1, 2013.

Items Amended in This Filing

This Amended Filing amends and restates the following items of our Original Filing as of and for the quarterly period ended January 31, 2013 and 2012:

- Part I Item 1. Financial Statements (Unaudited),
- Part I Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations
- Part I Item 4. Controls and Procedures
- Part II Item 6. Exhibits

In accordance with applicable SEC rules, this Amended Filing includes new certifications as required by Rule 12b-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") from our Chief Executive Officer and Chief Financial Officer dated as of the date of filing of this Amended Filing.

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Pursuant to Rule 12b-15 under the Exchange Act, this Amended Filing contains only the items and exhibits to the Original Filing that are being amended and restated, and unaffected items and exhibits are not included herein. Except as noted herein, the information included in the Original Filing remains unchanged. This Amended Filing continues to describe the conditions as of the date of the Original Filing and, except as contained herein, we have not updated or modified the disclosures contained in the Original Filing to reflect any events that have occurred after the Original Filing. Accordingly, forward-looking statements included in this Amended Filing may represent management's views as of the Original Filing and should not be assumed to be accurate as of any date thereafter. This Amended Filing should be read in conjunction with our filings made with the SEC subsequent to the filing of the Original Filing, including any amendment to those filings.

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Condensed Consolidated Balance Sheets

January 31, 2013 and April 30, 2012 (unaudited)

(In thousands except share data)

	January 31, 2013 As Restated(1)	April 30, 2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 849	\$ 19,848
Receivables (note 2):		
Trade accounts	31,869	38,321
Notes	96,933	30,283
Interest, net	5,433	674
Allowance for doubtful accounts	(4,649)	(4,496)
Total receivables, net	129,586	64,782
Prepaid expenses and other current assets	18,675	5,328
Income tax receivable	12,611	286
Deferred income taxes	3,144	3,901
Total current assets	164,865	94,145
Property, equipment, and software, net of accumulated depreciation of \$18,286 and \$16,682 for January 31, 2013 and April 30, 2012, respectively	31,978	23,948
Notes receivable, excluding current portion, net of allowance for uncollectible amounts of \$846 and \$794 for January 31, 2013 and April 30, 2012, respectively, (note 2)	21,356	11,711
Goodwill (note 4)	5,721	5,400
Other intangible assets, net of accumulated amortization of \$3,847 and \$3,485 for January 31, 2013 and April 30, 2012, respectively, (note 4)	11,620	10,314
Deferred income taxes		4,093
Other assets, net	5,706	2,585
Total assets	\$ 241,246	\$ 152,196
Liabilities and Stockholders Equity		
Current liabilities:		
Current installments of long-term debt (note 6)	\$ 3,488	\$ 2,736
Accounts payable and accrued expenses (notes 7 and 13)	15,260	14,170
Due to area developers (note 2)	14,955	15,956
Income taxes payable		6,689
Deferred revenue - short-term portion	6,489	6,920
Total current liabilities	40,192	46,471
Long-term debt, excluding current installments (note 6)	132,880	26,249
Deferred revenue - long-term portion	9,935	12,411
Deferred income taxes	382	
Total liabilities	183,389	85,131
Commitments and contingencies (notes 5, 6, and 13)		
Stockholders' equity (notes 7, 9, 10, and 12):		
Class A preferred stock, \$0.01 par value per share, 190,000 shares authorized, 0 and 170,320 shares issued and outstanding January 31, 2013 and April 30, 2012, respectively		2,129
Special voting preferred stock, \$0.01 par value per share, 10 shares authorized, issued and outstanding		
Class A common stock, \$0.01 par value per share, 21,200,000 shares authorized, 12,078,854 and 10,343,957 shares issued and outstanding at January 31, 2013 and April 30, 2012, respectively	121	103

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Class B common stock, \$0.01 par value per share, 1,000,000 shares authorized, 900,000 shares issued and outstanding	9	9
Exchangeable shares, \$0.01 par value, 100,000 shares issued and outstanding	1	1
Additional paid-in capital	6,752	3,182
Accumulated other comprehensive income, net of taxes	810	676
Retained earnings	50,164	60,965
Total stockholders' equity	57,857	67,065
Total liabilities and stockholders' equity	\$ 241,246	\$ 152,196

(1) As restated - See Note 14 Restatement of Previously Issued Financial Statements of Notes to Condensed Consolidated Financial Statements.

See accompanying notes to condensed consolidated financial statements.

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JTH HOLDING, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Operations

Three months and nine months ended January 31, 2013 and 2012 (unaudited)

(In thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	January 31,		January 31,	
	2013	2012	2013	2012
	As Restated(1)		As Restated(1)	
Revenues:				
Franchise fees				