

CREDITRISKMONITOR COM INC
Form 10-Q
May 14, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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 March 31, 2018

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: 1-8601

CreditRiskMonitor.com, Inc.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

36-2972588

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

704 Executive Boulevard, Suite A

Valley Cottage, New York 10989

(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (845) 230-3000

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 (§232.405 of this chapter) 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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

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Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act).

Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date:

Common stock \$.01 par value – 10,722,401 shares outstanding as of May 4, 2018.

CREDITRISKMONITOR.COM, INC.
INDEX

Page

PART I. FINANCIAL
INFORMATION

Item 1. Financial Statements

Balance Sheets – March 31, 2018 (Unaudited) and December 31, 2017 2

Statements of Operations for the Three Months Ended March 31, 2018 and 2017 (Unaudited) 3

Statements of Cash Flows for the Three Months Ended March 31, 2018 and 2017 (Unaudited) 4

Condensed Notes to Financial Statements 5

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations 8

Item 4. Controls and Procedures 11

PART II. OTHER INFORMATION

Item 6. Exhibits 11

SIGNATURES 12

Index

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CREDITRISKMONITOR.COM, INC.

BALANCE SHEETS

MARCH 31, 2018 AND DECEMBER 31, 2017

	March 31, 2018 (Unaudited)	December 31, 2017 (Note 1)
ASSETS		
Current assets:		
Cash and cash equivalents	\$8,719,826	\$8,735,148
Accounts receivable, net of allowance	1,974,655	2,139,707
Other current assets	504,928	530,699
Total current assets	11,199,409	11,405,554
Property and equipment, net	399,426	437,216
Goodwill	1,954,460	1,954,460
Other assets	49,768	23,463
Total assets	\$ 13,603,063	\$ 13,820,693
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Deferred revenue	\$8,893,546	\$8,304,877
Accounts payable	145,578	58,901
Accrued expenses	756,506	1,344,526
Total current liabilities	9,795,630	9,708,304
Deferred taxes on income, net	439,281	514,333
Other liabilities	15,787	15,748
Total liabilities	10,250,698	10,238,385
Stockholders' equity:		
Preferred stock, \$.01 par value; authorized 5,000,000 shares; none issued	--	--
Common stock, \$.01 par value; authorized 32,500,000 shares; issued and outstanding 10,722,401 shares	107,224	107,224
Additional paid-in capital	29,585,277	29,559,784
Accumulated deficit	(26,340,136)	(26,084,700)
Total stockholders' equity	3,352,365	3,582,308
Total liabilities and stockholders' equity	\$ 13,603,063	\$ 13,820,693

See accompanying condensed notes to financial statements.

2

Index

CREDITRISKMONITOR.COM, INC.

STATEMENTS OF OPERATIONS

FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017

(Unaudited)

	2018	2017
Operating revenues	\$3,371,924	\$3,236,250
Operating expenses:		
Data and product costs	1,483,991	1,396,160
Selling, general and administrative expenses	2,188,124	2,113,245
Depreciation and amortization	47,048	50,006
Total operating expenses	3,719,163	3,559,411
Loss from operations	(347,239)	(323,161)
Other income, net	21,042	4,807
Loss before income taxes	(326,197)	(318,354)
Benefit from income taxes	70,761	74,061
Net loss	\$(255,436)	\$(244,293)
Net loss per share – Basic and diluted	\$(0.02)	\$(0.02)
Weighted average number of common shares outstanding – Basic and diluted	10,722,401	10,722,401

See accompanying condensed notes to financial statements.

Index

CREDITRISKMONITOR.COM, INC.

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017

(Unaudited)

	2018	2017
Cash flows from operating activities:		
Net loss	\$(255,436)	\$(244,293)
Adjustments to reconcile net loss to net cash used in operating activities:		
Deferred income taxes	(75,052)	(81,205)
Depreciation and amortization	47,048	50,006
Deferred rent	39	1,333
Stock-based compensation	25,493	35,001
Changes in operating assets and liabilities:		
Accounts receivable	165,052	168,812
Other current assets	25,771	127,295