

CREDITRISKMONITOR COM INC
Form 10QSB
August 09, 2007

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended: June 30, 2007

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT
For the transition period from _____ to _____

Commission file number 1-8601

CREDITRISKMONITOR.COM, INC.

(Exact name of small business issuer as specified in its charter)

Nevada

36-2972588

(State or other jurisdiction of
incorporation or organization)

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

704 Executive Boulevard, Suite A
Valley Cottage, New York 10989

(Address of principal executive offices)

(845) 230-3000

(Issuer's telephone number)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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.

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Yes No

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 ISSUERS INVOLVED IN BANKRUPTCY

PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.

Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

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

Common stock \$.01 par value -- 7,694,462 shares outstanding as of July 31, 2007.

Transitional Small Business Disclosure Format (check one): Yes No

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CREDITRISKMONITOR.COM, INC.

BALANCE SHEETS

JUNE 30, 2007 AND DECEMBER 31, 2006

	June 30, <u>2007</u> (Unaudited)	Dec. 31, <u>2006</u> (Note 1)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,716,662	\$ 2,467,520
Accounts receivable, net of allowance	882,308	647,484
Other current assets	145,840	297,267
	<u> </u>	<u> </u>

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Total current assets	3,744,810	3,412,271
Property and equipment, net	101,717	131,211
Goodwill	1,954,460	1,954,460
Prepaid and other assets	33,033	27,753
	<u> </u>	<u> </u>
Total assets	\$ 5,834,020	\$ 5,525,695
	<u> </u>	<u> </u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Deferred revenue	\$ 3,476,847	\$ 2,985,724
Accounts payable	59,003	78,364
Accrued expenses	234,034	415,645
Current portion of long-term debt	129,335	122,870
Current portion of capitalized lease obligations	4,094	18,437
	<u> </u>	<u> </u>
Total current liabilities	3,903,313	3,621,040
Long-term debt, net of current portion	220,614	286,940
Other liabilities	67,602	73,392
	<u> </u>	<u> </u>
Total liabilities	4,191,529	3,981,372
	<u> </u>	<u> </u>
Stockholders' equity:		
Preferred stock, \$.01 par value; authorized 5,000,000 shares; none issued	—	—
Common stock, \$.01 par value; authorized 25,000,000 shares; issued and outstanding 7,694,462 shares	76,944	76,944
Additional paid-in capital	28,197,818	28,177,684
Accumulated deficit	(26,632,271)	(26,710,305)
	<u> </u>	<u> </u>
Total stockholders' equity	1,642,491	1,544,323
	<u> </u>	<u> </u>
Total liabilities and stockholders' equity	\$ 5,834,020	\$ 5,525,695
	<u> </u>	<u> </u>

See accompanying condensed notes to financial statements.

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STATEMENTS OF OPERATIONS

FOR THE THREE MONTHS ENDED JUNE 30, 2007 AND 2006

(Unaudited)

	<u>2007</u>	<u>2006</u>
Operating revenues	\$ 1,233,177	\$ 1,058,406
Operating expenses:		
Data and product costs	408,046	372,611
Selling, general and administrative expenses	754,042	775,842
Depreciation and amortization	16,688	16,952
Total operating expenses	1,178,776	1,165,405
Income (loss) from operations	54,401	(106,999)
Other income	18,390	17,483
Interest expense	(9,889)	(13,648)
Income (loss) before income taxes	62,902	(103,164)
Provision for income taxes	5,014	89
Net income (loss)	\$ 57,888	\$ (103,253)
Net income (loss) per share of common stock:		
Basic	\$ 0.01	\$ (0.01)
Diluted	\$ 0.01	\$ (0.01)
Weighted average number of common shares outstanding:		
Basic	7,694,462	7,679,462
Diluted	8,142,415	7,679,462

See accompanying condensed notes to financial statements.

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CREDITRISKMONITOR.COM, INC.

STATEMENTS OF OPERATIONS

FOR THE SIX MONTHS ENDED JUNE 30, 2007 AND 2006

(Unaudited)

	<u>2007</u>	<u>2006</u>
Operating revenues	\$ 2,391,977	\$ 2,086,251
Operating expenses:		
Data and product costs	829,302	693,003
Selling, general and administrative expenses	1,457,186	1,491,779
Depreciation and amortization	33,327	33,203
Total operating expenses	2,319,815	2,217,985
Income (loss) from operations	72,162	(131,734)
Other income	36,780	31,363
Interest expense	(20,726)	