

CREDITRISKMONITOR COM INC
Form 10QSB
November 13, 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: September 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 October 31, 2007.

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

CREDITRISKMONITOR.COM, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CREDITRISKMONITOR.COM, INC.

BALANCE SHEETS

SEPTEMBER 30, 2007 AND DECEMBER 31, 2006

	Sept. 30, <u>2007</u> (Unaudited)	Dec. 31, <u>2006</u> (Note 1)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,954,452	\$ 2,467,520
Accounts receivable, net of allowance	633,077	647,484
Other current assets	132,744	297,267
	<u> </u>	<u> </u>

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Total current assets	3,720,273	3,412,271
Property and equipment, net	90,051	131,211
Goodwill	1,954,460	1,954,460
Prepaid and other assets	26,196	27,753
	<u> </u>	<u> </u>
Total assets	\$ 5,790,980	\$ 5,525,695
	<u> </u>	<u> </u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Deferred revenue	\$ 3,263,004	\$ 2,985,724
Accounts payable	81,274	78,364
Accrued expenses	243,916	415,645
Current portion of long-term debt	132,694	122,870
Current portion of capitalized lease obligations	—	18,437
	<u> </u>	<u> </u>
Total current liabilities	3,720,888	3,621,040
Long-term debt, net of current portion	186,154	286,940
Other liabilities	67,134	73,392
	<u> </u>	<u> </u>
Total liabilities	3,974,176	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	28,208,700	28,177,684
Accumulated deficit	(26,468,840)	(26,710,305)
	<u> </u>	<u> </u>
Total stockholders' equity	1,816,804	1,544,323
	<u> </u>	<u> </u>
Total liabilities and stockholders' equity	\$ 5,790,980	\$ 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 SEPTEMBER 30, 2007 AND 2006

(Unaudited)

	<u>2007</u>	<u>2006</u>
Operating revenues	\$ 1,273,983	\$ 1,084,838
Operating expenses:		
Data and product costs	367,944	316,397
Selling, general and administrative expenses	738,751	678,013
Depreciation and amortization	16,089	16,794
Total operating expenses	1,122,784	1,011,204
Income from operations	151,199	73,634
Other income	25,220	18,349
Interest expense	(8,858)	(12,674)
Income before income taxes	167,561	79,309
Provision for income taxes	4,129	517
Net income	\$ 163,432	\$ 78,792
Net income per share of common stock:		
Basic	\$ 0.02	\$ 0.01
Diluted	\$ 0.02	\$ 0.01
Weighted average number of common shares outstanding:		
Basic	7,694,462	7,679,462
Diluted	8,144,281	7,933,052

See accompanying condensed notes to financial statements.

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CREDITRISKMONITOR.COM, INC.

STATEMENTS OF OPERATIONS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007 AND 2006

(Unaudited)

	<u>2007</u>	<u>2006</u>
Operating revenues	\$ 3,665,960	\$ 3,171,089
Operating expenses:		
Data and product costs	1,197,246	1,009,400
Selling, general and administrative expenses	2,195,938	2,169,792
Depreciation and amortization	49,416	49,997
Total operating expenses	3,442,600	3,229,189
Income (loss) from operations	223,360	(58,100)
Other income	62,000	49,713
Interest expense	(29)	