

Wayside Technology Group, Inc.
Form 10-Q
November 02, 2012

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2012

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 No. 000-26408

Wayside Technology Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

13-3136104
(I.R.S. Employer Identification No.)

1157 Shrewsbury Avenue, Shrewsbury, New Jersey 07702

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(Address of principal executive offices)

(732) 389-8950

Registrant's Telephone Number

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 and 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, 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

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

There were 4,761,794 outstanding shares of common stock, par value \$.01 per share, (Common Stock) as of October 30, 2012, not including 522,706 shares classified as treasury stock

PART I FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

WAYSIDE TECHNOLOGY GROUP, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

	September 30, 2012 (Unaudited)	December 31, 2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 10,745	\$ 9,202
Marketable securities	4,585	5,375
Accounts receivable, net of allowances of \$1,666 and \$1,513, respectively	49,051	47,066
Inventory, net	1,509	1,240
Prepaid expenses and other current assets	1,115	1,997
Deferred income taxes	352	329
Total current assets	67,357	65,209
Equipment and leasehold improvements, net	333	458
Accounts receivable-long-term	10,183	8,889
Other assets	72	54
Deferred income taxes	201	251
Total assets	\$ 78,146	\$ 74,861
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities		
Accounts payable and accrued expenses	\$ 46,782	\$ 45,796
Current portion - capital lease obligation	76	76
Total current liabilities	46,858	45,872
Long- term portion- capital lease obligation		55
Total liabilities	46,858	45,927
Commitments and contingencies		
Stockholders equity		
Common Stock, \$.01 par value; 10,000,000 shares authorized, 5,284,500 shares issued; 4,761,794 and 4,679,878 shares outstanding, respectively	53	53
Additional paid-in capital	27,431	26,725
Treasury stock, at cost, 522,706 and 604,622 shares, respectively	(4,994)	(4,991)
Retained earnings	8,265	6,818
Accumulated other comprehensive income	533	329
Total stockholders equity	31,288	28,934
Total liabilities and stockholders equity	\$ 78,146	\$ 74,861

The accompanying notes are an integral part of these condensed consolidated financial statements.

WAYSIDE TECHNOLOGY GROUP, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited)

(In thousands, except per share data)

	Nine months ended September 30,		Three months ended September 30,	
	2012	2011	2012	2011
Net sales	\$ 211,610	\$ 175,951	\$ 75,534	\$ 63,741
Cost of sales	194,755	159,768	69,836	57,984
Gross profit	16,855	16,183	5,698	5,757
Selling, general and administrative expenses	11,148	10,635	3,611	3,465
Income from operations	5,707	5,548	2,087	2,292
Interest income, net	394	264	140	92
Realized foreign exchange gain	13	1	12	
Income before income tax provision	6,114	5,813	2,239	2,384