

NV5 Holdings, Inc.
Form 10-Q
August 14, 2014

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 June 30, 2014

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 001-35849

NV5 Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware **45-3458017**
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

200 South Park Road, Suite 350 **33021**

Hollywood, Florida 33021 **(Zip Code)**
(Address of principal executive offices)

(954) 495-2112

(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 (§ 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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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

As of August 11, 2014, there were 5,723,624 shares outstanding of the registrant's common stock, \$0.01 par value.

NV5 HOLDINGS, INC.

INDEX

	Page
 PART I – FINANCIAL INFORMATION	
ITEM 1	FINANCIAL STATEMENTS 3
	Consolidated Balance Sheets as of June 30, 2014 (unaudited) and December 31, 2013 3
	Consolidated Statements of Comprehensive Income for the Three and Six Months Ended June 30, 2014 (unaudited) and June 30, 2013 (unaudited) 4
	Consolidated Statement of Changes in Stockholders' Equity for the Six Months Ended June 30, 2014 (unaudited) 5
	Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2014 (unaudited) and June 30, 2013 (unaudited) 6
	Notes to Consolidated Financial Statements (unaudited) 8
ITEM 2	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 20
ITEM 3	QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK 31
ITEM 4	CONTROLS AND PROCEDURES 31
 PART II – OTHER INFORMATION	
ITEM 1	LEGAL PROCEEDINGS 32
ITEM 1A	RISK FACTORS 32
ITEM 2	UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS 32
ITEM 3	DEFAULTS UPON SENIOR SECURITIES 32
ITEM 4	MINE SAFETY DISCLOSURES 32
ITEM 5	OTHER INFORMATION 33
ITEM 6	EXHIBITS 33
SIGNATURES	34

PART I – FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS.**

NV5 Holdings, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	June 30, 2014	December 31, 2013
	<i>(unaudited)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,655	\$ 13,868
Accounts receivable, net of allowance for doubtful accounts of \$1,219 and \$1,320 as of June 30, 2014 and December 31, 2013, respectively	25,104	16,722
Prepaid expenses and other current assets	1,017	509
Deferred income tax assets	1,004	1,004
Total current assets	32,780	32,103
Property and equipment, net	1,710	1,310
Intangible assets, net	5,708	2,993
Goodwill	10,755	7,106
Cash surrender value of officers' life insurance	522	521
Other assets	201	118
Deferred income tax assets	724	724
Total Assets	\$ 52,400	\$ 44,875
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 5,093	\$ 3,780
Accrued liabilities	5,219	4,189
Income taxes payable	396	765
Billings in excess of costs and estimated earnings on uncompleted contracts	322	401
Client deposits	72	111
Current portion of contingent consideration	629	333
Current portion of stock repurchase obligation	576	687
Current portion of notes payable	3,354	1,725
Total current liabilities	15,661	11,991
Contingent consideration, less current portion	318	638
Stock repurchase obligation, less current portion	758	935
Notes payable, less current portion	3,956	2,502

Total liabilities	20,693	16,066
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.01 par value; 5,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, \$0.01 par value; 45,000,000 shares authorized, 5,708,706 and 5,504,236 shares issued and outstanding as of June 30, 2014 and December 31, 2013, respectively	57	55
Additional paid-in capital	24,851	23,717
Retained earnings	6,799	5,037
Total stockholders' equity	31,707	28,809
Total liabilities and stockholders' equity	\$ 52,400	\$ 44,875

See accompanying notes to consolidated financial statements (unaudited).

NV5 Holdings, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(UNAUDITED)

(in thousands, except share data)

	Three Months		Six Months	
	Ended		Ended	
	June	June	June	June
	30,	30,	30,	30,
	2014	2013	2014	2013
Gross revenues	\$29,229	\$17,149	\$48,222	\$32,729