

Wayside Technology Group, Inc.
Form 10-Q
May 04, 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 March 31, 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

13-3136104

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(State or other jurisdiction of
incorporation or organization)

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

1157 Shrewsbury Avenue, Shrewsbury, New Jersey 07702

(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 4,686,274 outstanding shares of common stock, par value \$.01 per share, (Common Stock) as of May 3, 2012, not including 598,226 shares classified as treasury stock.

PART I FINANCIAL INFORMATION

WAYSIDE TECHNOLOGY GROUP, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

	March 31, 2012 (Unaudited)	December 31, 2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 9,979	\$ 9,202
Marketable securities	4,834	5,375
Accounts receivable, net of allowances of \$1,432 and \$1,513, respectively	46,648	47,066
Inventory, net	1,234	1,240
Prepaid expenses and other current assets	1,305	1,997
Deferred income taxes	305	329
Total current assets	64,305	65,209
Equipment and leasehold improvements, net	435	458
Accounts receivable-long-term	8,956	8,889
Other assets	43	54
Deferred income taxes	250	251
Total assets	\$ 73,989	\$ 74,861
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities		
Accounts payable and accrued expenses	\$ 44,507	\$ 45,796
Current portion - capital lease obligation	76	76
Total current liabilities	44,583	45,872
Long-term portion- capital lease obligation	35	55
Total liabilities	44,618	45,927
Commitments and contingencies		
Stockholders equity		
Common Stock, \$.01 par value; 10,000,000 shares authorized, 5,284,500 shares issued; 4,670,985 and 4,679,878 shares outstanding, respectively	53	53
Additional paid-in capital	26,917	26,725
Treasury stock, at cost, 613,515 and 604,622 shares, respectively	(5,104)	(4,991)
Retained earnings	7,104	6,818
Accumulated other comprehensive income	401	329
Total stockholders equity	29,371	28,934
Total liabilities and stockholders equity	\$ 73,989	\$ 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)

	Three months ended	
	March 31,	
	2012	2011
Net sales	\$ 66,907	\$ 51,549
Cost of sales	61,340	46,724
Gross profit	5,567	4,825
Selling, general and administrative expenses	3,987	3,530
Income from operations	1,580	1,295
Interest income, net	124	86
Realized foreign exchange gain	1	
Income before income tax provision	1,705	1,381
Provision for income taxes	676	538
Net income	\$ 1,029	\$ 843
Net income per common share Basic	\$ 0.23	\$ 0.19
Net income per common share Diluted	\$ 0.22	\$ 0.18
Weighted average common shares outstanding Basic	4,427	4,414
Weighted average common shares outstanding Diluted	4,612	4,651
Dividends paid per common share	\$ 0.16	