

Edgar Filing: ELECTRONIC CLEARING HOUSE INC - Form 10-Q

ELECTRONIC CLEARING HOUSE INC

Form 10-Q

August 12, 2005

=====

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ Quarterly report pursuant to Section 13 or 15(d) of the Securities  
Exchange Act of 1934 FOR THE PERIOD ENDED JUNE 30, 2005

OR

☐ Transition report pursuant to Section 13 or 15(d) of the Securities  
Exchange Act of 1934

COMMISSION FILE NUMBER: 0-15245

-----

[GRAPHIC OMITTED]

ECHO

Electronic Clearing House

ELECTRONIC CLEARING HOUSE, INC.  
(Exact name of registrant as specified in its charter)

NEVADA  
(State or other jurisdiction of  
incorporation or organization)

93-0946274  
(I.R.S. Employer  
Identification No.)

730 PASEO CAMARILLO,  
CAMARILLO, CALIFORNIA 93010  
(Address of principal executive offices)

TELEPHONE NUMBER (805) 419-8700, FAX NUMBER (805) 419-8682  
WWW.ECHO-INC.COM  
(Registrant's telephone number, fax number, including area code; web site  
address)

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 is an accelerated filer (as  
defined in Rule 12b-2 of the Exchange Act).

Yes ☐

No ☒

As of July 26, 2005, there were 6,555,981 shares of the Registrant's Common  
Stock outstanding.

=====

ELECTRONIC CLEARING HOUSE, INC.

INDEX

-----

PART I. FINANCIAL INFORMATION

Page No.

-----

Item 1. CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED):

Consolidated Balance Sheets	3
June 30, 2005 and September 30, 2004	

Consolidated Statements of Operations	4
Three months and nine months ended	
June 30, 2005 and 2004	

Consolidated Statements of Cash Flows	5
Nine months ended June 30, 2005 and 2004	

Notes to Consolidated Financial Statements	6
--	---

Item 2. Management's Discussion and Analysis of	11
Financial Condition and Results of	
Operations	

Item 3. Quantitative and Qualitative Disclosures about Market Risk	23
--	----

Item 4. Controls and Procedures	23
---------------------------------	----

PART II. OTHER INFORMATION

Item 1. Legal Proceedings	24
---------------------------	----

Item 6. Exhibits and Reports on Form 8-K	24
--	----

Signatures	25
------------	----

# Edgar Filing: ELECTRONIC CLEARING HOUSE INC - Form 10-Q

## ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

### ELECTRONIC CLEARING HOUSE, INC. CONSOLIDATED BALANCE SHEETS (UNAUDITED)

ASSETS	JUNE 30, 2005	SEPTEMBER 30, 2004
Current assets:		
Cash and cash equivalents	\$ 6,800,000	\$ 7,576,000
Restricted cash	1,225,000	1,024,000
Settlement deposits	18,472,000	18,282,000
Settlement receivable less allowance of \$25,000 and \$22,000	835,000	451,000
Accounts receivable less allowance of \$126,000 and \$111,000	2,092,000	1,943,000
Prepaid expenses and other assets	393,000	368,000
Deferred tax asset	148,000	279,000
Total current assets	29,965,000	29,923,000
Noncurrent assets:		
Property and equipment, net	2,397,000	2,293,000
Software, net	8,510,000	6,844,000
Other assets, net	304,000	368,000
Total assets	\$41,176,000	\$ 39,428,000
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings and current portion of long-term debt and capital leases	\$ 552,000	\$ 878,000
Accounts payable	358,000	305,000
Settlement payable	19,519,000	18,733,000
Accrued expenses	1,979,000	2,003,000
Total current liabilities	22,408,000	21,919,000
Noncurrent liabilities:		
Long-term debt and capital leases	766,000	704,000
Deferred tax liability	714,000	565,000
Total liabilities	23,888,000	23,188,000
	-----	-----
Commitments and contingencies - see Note 7		
Stockholders' equity:		
Common stock, \$0.01 par value, 36,000,000 authorized: 6,554,481 and 6,451,331 shares issued; 6,516,212 and 6,413,062 shares outstanding	65,000	64,000
Additional paid-in capital	25,076,000	24,658,000
Accumulated deficit	(7,387,000)	(8,016,000)
Less treasury stock at cost, 38,269 common shares	(466,000)	(466,000)
	-----	-----

Edgar Filing: ELECTRONIC CLEARING HOUSE INC - Form 10-Q

Total stockholders' equity	17,288,000	16,240,000
	-----	-----
Total liabilities and stockholders' equity	\$41,176,000	\$ 39,428,000
	=====	=====