

Edgar Filing: Liberty Tax, Inc. - Form 10-Q

Liberty Tax, Inc.  
Form 10-Q  
September 03, 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 July 31, 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 001-35588

Liberty Tax, Inc.  
(Exact name of registrant as specified in its charter)

Delaware  
(State of incorporation)

27-3561876  
(IRS employer identification no.)

1716 Corporate Landing Parkway  
Virginia Beach, Virginia 23454  
(Address of principal executive offices)  
(757) 493-8855  
(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 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

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(Do not check if a 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

The number of shares outstanding of the registrant's Common Stock, \$0.01 par value, at the close of business on August 27, 2014 was 11,813,565 shares.

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LIBERTY TAX, INC.

Form 10-Q for the Period Ended July 31, 2014

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PART I

ITEM 1  
FINANCIAL STATEMENTS

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## LIBERTY TAX, INC. AND SUBSIDIARIES

## Consolidated Balance Sheets

July 31, 2014 (unaudited), July 31, 2013 (unaudited), and April 30, 2014

(In thousands, except share data)

	July 31, 2014	July 31, 2013	April 30, 2014
Assets			
Current assets:			
Cash and cash equivalents	\$8,649	\$8,573	\$46,080
Receivables:			
Trade accounts	30,737	24,116	43,122
Notes	32,861	32,470	27,715
Interest, net	1,394	1,706	415
Allowance for doubtful accounts	(5,684)	(4,481)	(5,596)
Total receivables, net	59,308	53,811	65,656
Available-for-sale securities	—	4,001	—
Assets held for sale	5,425	—	4,413
Income taxes receivable	10,946	4,017	—
Deferred income taxes	3,636	3,375	4,058
Other current assets	3,058	2,469	5,325
Total current assets	91,022	76,246	125,532
Property, equipment, and software, net of accumulated depreciation of \$23,763, \$19,695, and \$22,311, respectively	38,866	34,805	38,343
Notes receivable, excluding current portion, net of allowance for doubtful accounts	15,575	25,106	15,824
Goodwill	3,009	6,992	2,997
Other intangible assets, net of accumulated amortization	12,786	13,277	14,295
Other assets	2,207	2,228	1,772
Total assets	\$163,465	\$158,654	\$198,763
Liabilities and Stockholders' Equity			
Current liabilities:			
Current installments of long-term debt	\$3,042	\$3,918	\$6,797
Accounts payable and accrued expenses	8,963	6,866	15,023
Due to ADs	9,207	9,900	18,236
Income taxes payable	—	—	9,676
Deferred revenue - short-term portion	6,796	6,822	6,051
Total current liabilities	28,008	27,506	55,783
Long-term debt, excluding current installments	21,103	23,635	21,691
Revolving credit facility	13,822	16,505	—
Deferred revenue - long-term portion	8,097	9,108	8,059
Deferred income taxes	4,657	600	3,045
Total liabilities	75,687	77,354	88,578
Commitments and contingencies			
Stockholders' equity:			