

AMERICAS CARMART INC
Form 10-Q
December 08, 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 October 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: 0-14939

AMERICA'S CAR-MART, INC.
(Exact name of registrant as specified in its charter)

Texas 63-0851141
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

802 Southeast Plaza Ave., Suite 200, Bentonville, Arkansas 72712
(Address of principal executive offices) (zip code)

(479) 464-9944
(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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Title of Each Class	Outstanding at December 3, 2014
Common stock, par value \$.01 per share	8,622,720

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements
Condensed Consolidated Balance Sheets
(Unaudited)
(Dollars in thousands except share and per share amounts)

America's Car-Mart, Inc.

	October 31, 2014	April 30, 2014
Assets:		
Cash and cash equivalents	\$ 257	\$ 289
Accrued interest on finance receivables	1,827	1,830
Finance receivables, net	319,040	293,299
Inventory	32,450	30,115
Prepaid expenses and other assets	3,756	3,496
Goodwill	355	355
Property and equipment, net	33,889	33,913
Total Assets	\$ 391,574	\$ 363,297
Liabilities, mezzanine equity and equity:		
Liabilities:		
Accounts payable	\$ 11,128	\$ 8,542
Deferred payment protection plan revenue	14,376	13,233
Deferred service contract revenue	8,635	4,234
Accrued liabilities	11,523	10,824
Income taxes payable, net	1,302	782
Deferred income tax liabilities, net	17,646	15,244
Revolving credit facilities	106,497	97,032
Total liabilities	171,107	149,891
Commitments and contingencies (Note J)		
Mezzanine equity:		
Mandatorily redeemable preferred stock	400	400
Equity:		
Preferred stock, par value \$.01 per share, 1,000,000 shares authorized; none issued or outstanding	-	-
Common stock, par value \$.01 per share, 50,000,000 shares authorized; 12,543,895 and 12,452,809 issued at October 31, 2014 and April 30, 2014, respectively, of which 8,571,720 and 8,735,842 were outstanding at October 31, 2014 and April 30, 2014, respectively	125	125
Additional paid-in capital	58,313	55,734
Retained earnings	279,107	264,348
Less: Treasury stock, at cost, 3,972,175 and 3,716,967 shares at October 31, 2014 and April 30, 2014, respectively	(117,578)	(107,301)
Total stockholders' equity	219,967	212,906
Non-controlling interest	100	100

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Total equity	220,067	213,006
Total Liabilities, Mezzanine Equity and Equity	\$ 391,574	\$ 363,297

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

2

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Condensed Consolidated Statements of Operations America's Car-Mart, Inc.

(Unaudited)

(Dollars in thousands except share and per share amounts)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2014	2013	2014	2013
Revenues:				
Sales	\$ 119,435	\$ 107,765	\$ 232,894	\$ 216,914
Interest and other income	14,399	13,666	28,316	27,061
Total revenue	133,834	121,431	261,210	243,975
Costs and expenses:				
Cost of sales, excluding depreciation shown below	68,156	62,823	133,627	125,445
Selling, general and administrative	20,655	19,581	41,475	39,395
Provision for credit losses	31,371	28,296	59,247	54,826
Interest expense	721	722	1,396	1,512
Depreciation and amortization	929	795	1,847	1,572
(Gain) loss on disposal of property and equipment	20	(2)	20	39
Total costs and expenses	121,852	112,215	237,612	222,789
Income before taxes	11,982	9,216	23,598	21,186