

QUOTESMITH COM INC
Form 10-Q
November 12, 2004

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

ý **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

for the quarterly period ended September 30, 2004.

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

for the transition period from to .

QUOTESMITH.COM, INC.

(Exact name of Registrant as specified in its charter)

Delaware

36-3299423

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(State or other jurisdiction
of incorporation or organization)

(I.R.S. Employer
Identification Number)

8205 South Cass Avenue, Suite 102

Darien, Illinois 60561

(630) 515-0170

(Address and telephone number, including

Area Code, of Registrant's principal executive offices)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(b) 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 Exchange Act Rule 12b-2). Yes No

The number of outstanding shares of the registrant's common stock was 7,327,468 net of treasury shares, on November 4, 2004.

INDEX

PART I. FINANCIAL INFORMATION

<u>Item 1.</u>	<u>Financial Statements (Unaudited)</u>
	<u>Balance Sheets</u>
	<u>Statements of Operations</u>
	<u>Statements of Stockholders' Equity</u>
	<u>Statements of Cash Flows</u>
	<u>Notes to Financial Statements</u>
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>
<u>Item 4.</u>	<u>Controls and Procedures</u>

PART II. OTHER INFORMATION

<u>Item 1.</u>	<u>Legal Proceedings</u>
<u>Item 2.</u>	<u>Changes in Securities and Use of Proceeds</u>
<u>Item 3.</u>	<u>Defaults Upon Senior Securities</u>
<u>Item 4.</u>	<u>Submission of Matters to a Vote of Security Holders</u>
<u>Item 5.</u>	<u>Other Information</u>
<u>Item 6.</u>	<u>Exhibits and Reports on Form 8-K</u>

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

QUOTESMITH.COM, INC.

BALANCE SHEETS

	September 30, 2004 (Unaudited)	December 31, 2003
ASSETS		
Cash and cash equivalents	\$ 1,071,555	\$ 676,728
Fixed maturity investments available for sale at fair value	1,976,500	4,204,150
Commissions receivable, less allowances (2004 \$404,000; 2003 \$176,000)	2,903,122	1,062,534
Other assets	533,999	423,715
Total current assets	6,485,176	6,367,127
Fixed maturity investments- available for sale at fair value	5,552,465	10,345,555
Land	830,000	
Building, less accumulated depreciation (2004 \$49,000)	4,621,354	
Furniture, equipment, and computer software at cost, less accumulated depreciation (2004 \$3,131,000; 2003 \$2,859,000)	383,931	375,177
Intangible assets at cost, less accumulated amortization (2004 \$1,620,000; 2003 \$995,000)	3,938,968	437,761
Goodwill	7,178,722	
Total assets	\$ 28,990,616	\$ 17,525,620
LIABILITIES AND STOCKHOLDERS EQUITY		
Accounts payable and accrued liabilities	\$ 1,193,666	\$ 760,005
Total current liabilities	1,193,666	760,005
Total liabilities	1,193,666	760,005
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$.003 par value; shares authorized: 60,000,000; shares issued: 2004 9,683,809; 2003 7,317,573	29,051	21,953
Additional paid-in capital	76,839,310	64,075,686
Retained-earnings deficit	(45,174,524)	(43,468,855)
Treasury stock at cost: 2,359,341 shares	(3,793,985)	(3,793,985)
Accumulated other comprehensive loss	(102,902)	(69,184)
Total stockholders' equity	27,796,950	16,765,615
Total liabilities and stockholders' equity	\$ 28,990,616	\$ 17,525,620

See accompanying notes.

QUOTESMITH.COM, INC.

STATEMENTS OF OPERATIONS

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
	(unaudited)		(unaudited)	
Revenues:				
Commissions and fees	\$ 4,713,555	\$ 2,427,146	\$ 11,455,515	\$ 7,495,510
Other		2,494	5,837	16,051
Total revenues	4,713,555	2,429,640	11,461,352	7,511,561
Expenses:				
Selling and marketing	1,847,905	1,076,034	5,208,056	3,734,994
Operations	1,988,613	753,302	4,766,391	