

PSYCHEMEDICS CORP
Form 10-Q
October 30, 2013

**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 September 30, 2013

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: 1-13738

PSYCHEMEDICS CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware
**(State or Other Jurisdiction of
Incorporation or Organization)**

58-1701987
(I.R.S. Employer Identification No.)

125 Nagog Park
Acton, MA
(Address of Principal Executive Offices)

01720
(Zip Code)

Registrant's telephone number including area code: (978) 206-8220

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, or a non-accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934).

Large accelerated filer Accelerated filer Non-accelerated filer Smaller Reporting Company
(Do not check if smaller reporting Company)

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes No

The number of shares of Common Stock of the Registrant, par value \$0.005 per share, outstanding at October 28, 2013 was 5,313,766.

PSYCHEMEDICS CORPORATION
FORM 10-Q FOR THE QUARTER ENDED SEPTEMBER 30, 2013

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PSYCHEMEDICS CORPORATION
CONDENSED BALANCE SHEETS
(UNAUDITED)

	September 30, 2013	December 31, 2012
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,842,741	\$ 3,065,785
Accounts receivable, net of allowance for doubtful accounts of \$179,915 in 2013 and \$121,583 in 2012	5,293,505	4,620,768
Prepaid expenses and other current assets	1,055,363	823,274
Income tax receivable		854,212
Deferred tax assets	365,094	209,877
Total Current Assets	9,556,703	9,573,916
Fixed Assets, net of accumulated amortization and depreciation of \$5,018,365 in 2013 and \$4,395,605 in 2012	4,954,481	4,201,409
Other assets	552,955	345,293
Total Assets	\$ 15,064,139	\$ 14,120,618
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 577,081	\$ 669,789
Accrued expenses	1,598,457	1,413,541
Total Current Liabilities	2,175,538	2,083,330
Deferred tax liabilities, long-term	814,619	814,619
Total Liabilities	2,990,157	2,897,949
Shareholders' Equity:		
Preferred-stock, \$0.005 par value, 872,521 shares authorized, no shares issued or outstanding		
Common stock, \$0.005 par value; 50,000,000 shares authorized 5,981,896 shares issued in 2013 and 5,940,558 shares issued in 2012	29,910	29,703
Additional paid-in capital	28,756,444	28,460,764
Accumulated deficit	(6,630,583)	(7,186,009)
Less - Treasury stock, at cost, 668,130 shares in 2013 and 2012	(10,081,789)	(10,081,789)
Total Shareholders' Equity	12,073,982	11,222,669
Total Liabilities and Shareholders' Equity	\$ 15,064,139	\$ 14,120,618

See accompanying notes to condensed financial statements

PSYCHEMEDICS CORPORATION
CONDENSED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(UNAUDITED)

Three Months Ended
September 30,
2013

Nine Months Ended
September 30,