

SMITH MIDLAND CORP
Form 10-Q
May 14, 2015

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 March 31, 2015

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 1-13752

Smith-Midland Corporation
(Exact name of Registrant as specified in its charter)
Delaware
(State or other jurisdiction of
incorporation or organization)

54-1727060
(I.R.S. Employer
Identification No.)

5119 Catlett Road, P.O. Box 300
Midland, VA 22728
(Address, zip code of principal executive offices)

(540) 439-3266
(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. (Check one):

Large accelerated filer Accelerated filer

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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.

Common Stock, \$.01 par value, outstanding as of May 5, 2015 : 4,852,628 shares, net of treasury shares

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SMITH-MIDLAND CORPORATION

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PART I — FINANCIAL INFORMATION

ITEM 1. Financial Statements

SMITH-MIDLAND CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

ASSETS	March 31, 2015	December 31, 2014
Current assets		
Cash and cash equivalents	\$2,269,445	\$3,572,405
Investment securities, available-for-sale, at fair value	1,019,633	1,013,417
Accounts receivable, net		
Trade - billed (less allowance for doubtful accounts of \$347,175 and \$267,985)	4,629,396	4,092,924
Trade - unbilled	194,032	240,635
Inventories		
Raw materials	538,149	353,089
Finished goods	1,366,974	1,373,455
Prepaid expenses and other assets	170,634	126,047
Refundable income taxes	1,000,727	722,948
Deferred taxes	496,000	441,000
Total current assets	11,684,990	11,935,920
Property and equipment, net	4,131,156	4,106,611
Other assets	307,072	255,385
Total assets	\$16,123,218	\$16,297,916

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

SMITH-MIDLAND CORPORATION
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Unaudited)

LIABILITIES AND STOCKHOLDERS' EQUITY	March 31, 2015	December 31, 2014
Current liabilities		
Accounts payable - trade	\$1,239,243	\$1,152,506
Accrued expenses and other liabilities	666,954	539,549
Accrued compensation	529,177	442,651
Current maturities of notes payable	364,204	363,821
Customer deposits	557,459	432,274
 Total current liabilities	 3,357,037	 2,930,801
Notes payable - less current maturities	2,138,374	2,230,364
Deferred tax liability	660,000	663,000
 Total liabilities	 6,155,411	 5,824,165
 Commitments and contingencies	 —	 —
Stockholders' equity		
Preferred stock, \$.01 par value; authorized 1,000,000 shares, none outstanding	—	—
Common stock, \$.01 par value; authorized 8,000,000 shares; 4,893,548 and 4,881,548 issued and outstanding	48,935	48,815
Additional paid-in capital	5,062,418	5,041,438
Accumulated other comprehensive loss, net	(9,303) (6,629)
Retained earnings	4,968,057	5,492,427
	10,070,107	10,576,051
Treasury stock, at cost, 40,920 shares	(102,300) (102,300)
 Total stockholders' equity	 9,967,807	 10,473,751
 Total liabilities and stockholders' equity	 \$16,123,218	 \$16,297,916

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

SMITH-MIDLAND CORPORATION
 CONDENSED CONSOLIDATED STATEMENTS OF LOSS
 (Unaudited)

	Three Months Ended March 31,	
	2015	2014
Revenue		
Products sales and leasing	\$3,268,737	\$4,070,338
Shipping and installation revenue	599,253	1,114,904
Royalties	332,135	452,166
Total revenue	4,200,125	5,637,408
Cost of goods sold	3,670,133	4,907,402
Gross profit	529,992	730,006
Operating expenses		