

PARK CITY GROUP INC  
Form 10-Q  
February 08, 2011

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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 December 31, 2010.

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 000-03718

PARK CITY GROUP, INC.  
(Exact name of small business issuer as specified in its charter)

Nevada  
(State or other jurisdiction of incorporation or organization)

37-1454128  
(IRS Employer Identification No.)

3160 Pinebrook Road; Park City, UT 84098  
(Address of principal executive offices)

(435) 645-2000  
(Registrant's telephone number)

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 and 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   
(Do not check if smaller reporting company)

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

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. Common Stock, \$0.01 par value: 11,260,615 shares as of February 8, 2011.

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Exhibit 31	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 32	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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PARK CITY GROUP, INC.  
Consolidated Condensed Balance Sheets

Assets	December 31, 2010 (unaudited)	June 30, 2010
Current assets:		
Cash and cash equivalents	\$1,231,020	\$1,157,431
Receivables, net of allowance of \$25,000 and \$72,000 at December 31, 2010 and June 30, 2010, respectively	1,188,696	1,031,020
Unbilled receivables	183,910	417,926
Prepaid expenses and other current assets	217,076	181,434
<b>Total current assets</b>	<b>2,820,702</b>	<b>2,787,811</b>
Property and equipment, net	444,342	544,576
Other assets:		
Deposits and other assets	24,026	23,287
Customer relationships	3,396,125	3,607,283
Goodwill	4,805,933	4,805,933
Capitalized software costs, net	438,496	281,686
<b>Total other assets</b>	<b>8,664,580</b>	<b>8,718,189</b>
<b>Total assets</b>	<b>\$11,929,624</b>	<b>\$12,050,576</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$308,840	\$574,847
Accrued liabilities	1,145,477	1,286,218
Deferred revenue	1,461,029	1,364,390
Capital lease obligations	132,728	132,184
Lines of credit	600,000	600,000
Note payable	2,290,889	766,705
<b>Total current liabilities</b>	<b>5,938,963</b>	<b>4,724,344</b>
Long-term liabilities:		
Notes payable, less current portion	1,098,975	2,920,602
Capital lease obligations, less current portion	83,383	148,749
<b>Total liabilities</b>	<b>7,121,321</b>	<b>7,793,695</b>
Commitments and contingencies		
Stockholders' equity:		

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Series A Convertible Preferred Stock, \$0.01 par value, 30,000,000 shares authorized; 664,019 and 648,396 shares issued and outstanding at December 31, 2010 and June 30, 2010, respectively	6,640	6,484
Series B Convertible Preferred Stock, \$0.01 par value, 30,000,000 shares authorized; 411,927 and 0 shares issued and outstanding at December 31, 2010 and June 30, 2010.	4,119	-
Common stock, \$0.01 par value, 50,000,000 shares authorized; 11,195,896 and 10,884,364 shares issued and outstanding at December 31, 2010 and June 30, 2010, respectively	111,959	108,844
Additional paid-in capital	35,076,890	29,881,977
Subscription payable for Series B Convertible Preferred Stock	-	4,119,273
Accumulated deficit	(30,391,305 )	(29,859,697 )
Total stockholders' equity	4,808,303	