

WORLD ACCEPTANCE CORP  
Form 10-Q  
November 02, 2012

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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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, 2012

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: 0-19599

WORLD ACCEPTANCE CORPORATION  
(Exact name of registrant as specified in its charter.)

South Carolina  
(State or other jurisdiction of incorporation or organization)

57-0425114  
(I.R.S. Employer Identification Number)

108 Frederick Street  
Greenville, South Carolina 29607  
(Address of principal executive offices)  
(Zip Code)

(864) 298-9800  
(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 shorter period than 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

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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   
Non-accelerated filer  (Do not check if a smaller reporting company)

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

The number of outstanding shares of the issuer’s no par value common stock as of October 29, 2012 was 12,925,134.

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WORLD ACCEPTANCE CORPORATION  
AND SUBSIDIARIES

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Introductory Note: As used herein, the “Company,” “we,” “our,” “us,” or similar formulations include World Acceptance Corporation and each of its subsidiaries, except that unless otherwise expressly noted or the context otherwise requires, when used with reference to the common stock or other securities described herein and in describing the positions held by management or agreements of the Company, it includes only World Acceptance Corporation. All references in this report to “fiscal 2013” are to the Company’s fiscal year ended March 31, 2013.

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WORLD ACCEPTANCE CORPORATION  
AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(Unaudited)

	September 30, 2012	March 31, 2012
<b>ASSETS</b>		
Cash and cash equivalents	\$ 12,704,365	10,768,176
Gross loans receivable	1,087,901,711	972,722,764
Less:		
Unearned interest and fees	(297,406,536 )	(257,637,819 )
Allowance for loan losses	(61,328,777 )	(54,507,299 )
Loans receivable, net	729,166,398	660,577,646
Property and equipment, net	24,319,436	23,485,435
Deferred income taxes	25,598,948	18,473,998
Other assets, net	10,348,397	10,527,420
Goodwill	5,896,288	5,690,934
Intangible assets, net	4,927,477	5,479,490
Total assets	\$ 812,961,309	735,003,099
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		
Liabilities:		
Senior notes payable	386,600,000	229,250,000
Junior subordinated note payable	-	50,000,000
Income taxes payable	6,626,266	11,528,236
Accounts payable and accrued expenses	22,345,114	25,349,850
Total liabilities	415,571,380	316,128,086
Shareholders' equity:		
Preferred stock, no par value Authorized 5,000,000, no shares issued or outstanding	-	-
Common stock, no par value Authorized 95,000,000 shares; issued and outstanding 12,924,334 and 13,898,265 shares at September 30, 2012 and March 31, 2012, respectively	-	-
Additional paid-in capital	73,895,896	65,630,753
Retained earnings	326,355,956	355,980,694
Accumulated other comprehensive loss	(2,861,923 )	(2,736,434 )
Total shareholders' equity	397,389,929	418,875,013
Commitments and contingencies		
Total liabilities and shareholders' equity	\$ 812,961,309	735,003,099

See accompanying notes to consolidated financial statements



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## WORLD ACCEPTANCE CORPORATION

## AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended September 30,		Six months ended September 30,	
	2012	2011	2012	2011
Revenues:				
Interest and fee income	\$121,817,856	116,232,521	237,117,052	223,581,026
Insurance commissions and other income	17,580,470	15,906,450	35,117,158	31,714,007
Total revenues	139,398,326	132,138,971	272,234,210	255,295,033
Expenses:				
Provision for loan losses	32,401,664	30,057,269	56,016,554	52,896,383
General and administrative expenses:				
Personnel				