CREDITRISKMONITOR COM INC
Form 10-Q
November 14, 2012

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

FORM 10-Q

(Mark One)
þQUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2012

or

oTRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _________ to _________

Commission File Number: 1-8601

CreditRiskMonitor.com, Inc.
(Exact name of registrant as specified in its charter)

Nevada (State or other jurisdiction of incorporation or organization)	36-2972588 (I.R.S. Employer Identification No.)
704 Executive Boulevard, Suite A Valley Cottage, New York (Address of principal executive offices)	10989 (Zip Code)

Registrant’s telephone number, including area code: (845) 230-3000

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 þ No o

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 þ No o

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.

Large accelerated filer o	Accelerated filer o
Non-accelerated filer o	Smaller reporting company þ

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

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date:
Common stock $.01 par value – 7,943,462 shares outstanding as of November 5, 2012.

CREDITRISKMONITOR.COM, INC.
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PART I.FINANCIAL INFORMATION

Item 1.Financial Statements

CREDITRISKMONITOR.COM, INC.
BALANCE SHEETS
SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

	September 30, 2012 (Unaudited)	December 31, 2011 (Note 1)
ASSETS		
Current assets:		
Cash and cash equivalents	$7,689,332	$6,531,204
Marketable securities	1,754,534	1,753,072
Accounts receivable, net of allowance	1,244,477	1,551,213
Other current assets	264,705	451,143
Total current assets	10,953,048	10,286,632
Property and equipment, net	281,599	306,810
Goodwill	1,954,460	1,954,460
Prepaid and other assets	51,892	23,232
Total assets	$13,240,999	$12,571,134
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Deferred revenue	$6,620,644	$6,471,494
Accounts payable	86,022	60,941
Accrued expenses	735,901	1,087,163
Deferred taxes on income	430,676	157,385
Total current liabilities	7,873,243	7,776,983
Other liabilities	5,108	3,714
Total liabilities	7,878,351	7,780,697
Stockholders' equity:		
Preferred stock, $.01 par value; authorized 5,000,000 shares; none issued	--	--
Common stock, $.01 par value; authorized 25,000,000 shares; issued and outstanding 7,943,462 and 7,920,462 shares, respectively	79,434	79,204
Additional paid-in capital	28,731,187	28,597,679
Accumulated deficit	(23,447,973)	(23,886,446)

Total stockholders' equity	5,362,648	4,790,437
Total liabilities and stockholders' equity	$13,240,999	$12,571,134

See accompanying condensed notes to financial statements.

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CREDITRISKMONITOR.COM, INC.
STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011
(Unaudited)

	2012	2011
Operating revenues	$2,822,056	$2,580,339
Operating expenses:		
Data and product costs	914,186	816,906
Selling, general and administrative expenses	1,427,830	1,471,631
Depreciation and amortization	37,880	42,753
Total operating expenses	2,379,896	2,331,290
Income from operations	442,160	249,049
Other income, net	13,851	52,096
Income before income taxes	456,011	301,145
Provision for income taxes	(182,473)	(72,260)
Net income	$273,538	$228,885
Net income per share of common stock:		
Basic	$0.03	$0.03
Diluted	$0.03	$0.03
Weighted average number of common shares outstanding:		
Basic	7,943,462	7,914,462
Diluted	8,258,438	8,295,097

See accompanying condensed notes to financial statements.

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CREDITRISKMONITOR.COM, INC.

STATEMENTS OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011
(Unaudited)

	2012	2011
Operating revenues	$8,207,538	$7,559,650
Operating expenses:		
Data and product costs	2,777,343	2,470,323
Selling, general and administrative expenses	4,591,402	4,228,203
Depreciation and amortization	114,436	125,482
Total operating expenses	7,483,181	6,824,008
Income from operations	724,357	735,642
Other income, net	26,468	87,015
Income before income taxes	750,825	822,657
Provision for income taxes	(312,352)	(254,711)
Net income	$438,473	$567,946
Net income per share of common stock:		
Basic	$0.06	$0.07
Diluted	$0.05	$0.07
Weighted average number of common shares outstanding:		
Basic	7,939,474	7,904,851
Diluted	8,235,847	8,334,258

See accompanying condensed notes to financial statements.

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CREDITRISKMONITOR.COM, INC.
STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011
(Unaudited)

	2012	2011
Cash flows from operating activities:		
Net income	$438,473	$567,946
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	114,436	125,482
Deferred income taxes	273,291	245,969
Deferred rent	1,394	1,991
Stock-based compensation	110,738	100,806
Unrealized (gain) loss on marketable securities	12,067	(48,929)
Changes in operating assets and liabilities:		
Accounts receivable	306,736	181,912
Other current assets	186,438	158,535
Prepaid and other assets	(28,660)	(15,962)
Deferred revenue	149,150	478,709
Accounts payable	25,081	42,228
Accrued expenses	(351,262)	(342,632)
Net cash provided by operating activities	1,237,882	1,496,055
Cash flows from investing activities:		
Purchase of marketable securities	(13,529)	(512,711)
Purchase of property and equipment	(89,225)	(82,570)
Net cash used in investing activities	(102,754)	(595,281)
Cash flows from financing activities:		
Dividend paid to stockholders	--	(395,730)
Proceeds from exercise of stock options	23,000	15,000
Net cash provided by (used in) financing activities	23,000	(380,730)
Net increase in cash and cash equivalents	1,158,128	520,044
Cash and cash equivalents at beginning of period	6,531,204	5,642,568
Cash and cash equivalents at end of period	$7,689,332	$6,162,612

See accompanying condensed notes to financial statements.

CREDITRISKMONITOR.COM, INC.
CONDENSED NOTES TO FINANCIAL STATEMENTS
(Unaudited)

(1)Basis of Presentation

The accompanying unaudited condensed financial statements of CreditRiskMonitor.com, Inc. (the "Company") have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Certain information and footnote disclosures required by generally accepted accounting principles ("GAAP") in the United States for complete financial statements have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). In the opinion of management, the accompanying unaudited condensed financial statements reflect all material adjustments, including normal recurring accruals, necessary to present fairly the Company's financial position, results of operations and cash flows for the periods presented, and have been prepared in a manner consistent with the audited financial statements for the fiscal year ended December 31, 2011.

The results of operations for the three and nine months ended September 30, 2012 are not necessarily indicative of the results of a full fiscal year.

The December 31, 2011 balance sheet has been derived from the audited financial statements at that date, but does not include all disclosures required by GAAP. These financial statements should be read in conjunction with the audited financial statements and the footnotes for the fiscal year ended December 31, 2011 included in the Company's Annual Report on Form 10-K.

Certain prior year amounts have been reclassified to conform to the current year presentation.

(2)Stock-Based Compensation

The Company applies Accounting Standards Codification ("ASC") 718, "Compensation-Stock Compensation" ("ASC 718") to account for stock-based compensation.

The following table summarizes the stock-based compensation expense for stock options that was recorded in the Company's results of operations in accordance with ASC 718 for the three and nine months ended September 30:

	3 Months Ended September 30, 2012	2011	9 Months Ended September 30, 2012	2011
Data and product costs	$ 4,473	$ 5,437	$ 13,017	$ 13,608
Selling, general and administrative expenses	34,701	29,356	97,721	87,198
	$ 39,174	$ 34,793	$ 110,738	$ 100,806

(3)Other Recently Issued Accounting Standards

The Financial Accounting Standards Board and the SEC had issued certain accounting pronouncements as of September 30, 2012 that will become effective in subsequent periods; however, management does not believe that any of those pronouncements would have significantly affected our financial accounting measurements or disclosures had they been in effect during the interim periods for which financial statements are included in this quarterly report. Management also believes those pronouncements will not have a significant effect on our future financial position or results of operations.

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(4)Fair Value Measurements

The Company records its financial instruments that are accounted for under ASC 320, “Investments-Debt and Equity Securities” at fair value. The determination of fair value is based upon the fair value framework established by ASC 820, “Fair Value Measurements and Disclosures” (“ASC 820”). ASC 820 provides that a fair value measurement assumes that the transaction to sell an asset or transfer a liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability. The fair value hierarchy is broken down into three levels based on the source of inputs as follows: (a) Level 1 – valuations based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities; (b) Level 2 – valuations based on quoted prices in markets that are not active, or financial instruments for which all significant inputs are observable; either directly or indirectly; and (c) Level 3 – valuations based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable; thus, reflecting assumptions about the market participants.

The Company’s cash, cash equivalents and marketable securities are stated at fair value. The carrying value of accounts receivable, other current assets, accounts payable and other current liabilities approximates fair market value because of the short maturity of these financial instruments.

The Company’s cash equivalents and marketable securities are generally classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices. Marketable securities include U.S. government bonds.

The table below sets forth the Company’s cash and cash equivalents and marketable securities as of September 30, 2012 and December 31, 2011, respectively, which are measured at fair value on a recurring basis by level within the fair value hierarchy.

	September 30, 2012				December 31, 2011
	Level 1	Level 2	Level 3	Total	Total
Cash and cash equivalents	$ 7,689,332	$ -	$ -	$ 7,689,332	6,531,204
Marketable securities	1,754,534	-	-	1,754,534	1,753,072
Total	$ 9,443,866	$ -	$ -	$ 9,443,866	$ 8,284,276

The Company did not hold financial assets and liabilities which were recorded at fair value in the Level 2 or 3 categories as of either September 30, 2012 or December 31, 2011.

(5)Net Income per Share

Basic net income per share is based on the weighted average number of common shares outstanding. Diluted net income per share is based on the weighted average number of common shares outstanding and the dilutive effect of outstanding stock options:

	3 Months Ended September 30,		9 Months Ended September 30,	
	2012	2011	2012	2011

Weighted average number of common shares outstanding – basic	7,943,462	7,914,462	7,939,474	7,904,851
Potential shares exercisable under stock option plans	463,500	497,500	453,500	567,500
LESS: Shares which could be repurchased under treasury stock method	(148,524)	(116,865)	(157,127)	(138,093)
Weighted average number of common shares outstanding – diluted	8,258,438	8,295,097	8,235,847	8,334,258

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Business Environment

The continuing uncertainty in the worldwide financial system has negatively impacted general business conditions. It is possible that a weakening economy could adversely affect our clients' need for credit information, or even their solvency, but we cannot predict whether or to what extent this will occur.

Our strategic priorities and plans for 2012 and beyond are to continue to build on the improvement initiatives underway to achieve sustainable, profitable growth. Global market conditions, however, may affect the level and timing of resources deployed in pursuit of these initiatives in 2012.

Financial Condition, Liquidity and Capital Resources

The following table presents selected financial information and statistics as of September 30, 2012 and December 31, 2011 (dollars in thousands):

	September 30, 2012	December 31, 2011
Cash, cash equivalents and marketable securities	$ 9,444	$ 8,284
Accounts receivable, net	$ 1,244	$ 1,551
Working capital	$ 3,080	$ 2,510
Cash ratio	1.20	1.07
Quick ratio	1.36	1.26
Current ratio	1.39	1.32

The Company has invested some of its excess cash in debt instruments of the United States government. All highly liquid investments with an original maturity of three months or less when purchased are considered cash equivalents, while those with maturities in excess of three months when purchased are reflected as marketable securities.

As of September 30, 2012, the Company had $9.44 million in cash, cash equivalents and marketable securities, an increase of approximately $1.16 million from December 31, 2011. The principal component of this net increase for the last nine months was the cash generated by operating activities of approximately $1.24 million.

Additionally, the main component of current liabilities at September 30, 2012 is deferred revenue of $6.62 million, which should not require significant future cash outlay other than the cost of preparation and delivery of the applicable commercial credit reports which cost much less than the deferred revenue shown. The deferred revenue is recognized as income over the subscription term, which approximates twelve months. The Company has no bank lines of credit or other currently available credit sources.

The Company believes that its existing balances of cash, cash equivalents, marketable securities and cash generated from operations will be sufficient to satisfy its currently anticipated cash requirements through at least the next 12 months and the foreseeable future. Moreover, the Company has been cash flow positive for the last 7 fiscal years and has no long-term debt. However, the Company's liquidity could be negatively affected if it were to make an acquisition or license products or technologies, which may necessitate the need to raise additional capital through future debt or equity financing. Additional financing may not be available at all or on terms favorable to the Company.

Off-Balance Sheet Arrangements

The Company is not a party to any off-balance sheet arrangements.

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Results of Operations

	3 Months Ended September 30, 2012 Amount	% of Total Operating Revenues	2011 Amount	% of Total Operating Revenues
Operating revenues	$2,822,056	100.00 %	$2,580,339	100.00 %
Operating expenses:				
Data and product costs	914,186	32.39 %	816,906	31.66 %
Selling, general and administrative expenses	1,427,830	50.60 %	1,471,631	57.03 %
Depreciation and amortization	37,880	1.34 %	42,753	1.66 %
Total operating expenses	2,379,896	84.33 %	2,331,290	90.35 %
Income from operations	442,160	15.67 %	249,049	9.65 %
Other income, net	13,851	0.49 %	52,096	2.02 %
Income before income taxes	456,011	16.16 %	301,145	11.67 %
Provision for income taxes	(182,473)	(6.47 %)	(72,260)	(2.80 %)
Net income	$273,538	9.69 %	$228,885	8.87 %

Operating revenues increased $241,717, or 9%, for the three months ended September 30, 2012 compared to the third quarter of fiscal 2011. This overall revenue growth resulted from a $226,855, or 9%, increase in Internet subscription service revenue, attributable to increased sales to new and existing subscribers, as well as a $14,862, or 39%, increase in the Company’s third-party international credit report subscription service, attributable to higher usage by subscribers.

Data and product costs increased $97,280, or 12%, for the third quarter of 2012 compared to the same period of fiscal 2011. This increase was due primarily to higher salary and related employee benefits, including additional quality control personnel, the higher cost associated with the outsourcing of certain data entry tasks as more tasks have been outsourced as well as the higher cost of third-party content due to the purchase of additional data elements.

Selling, general and administrative expenses decreased $43,801, or 3%, for the third quarter of fiscal 2012 compared to the same period of fiscal 2011. This decrease was due to lower salary and related employee benefits, as the result of a decrease in commission expense, and lower professional and recruiting fees, offset by higher costs of attending trade shows and exhibitions, the cost of listing the Company’s common stock on the OTCQX in July 2012 and the higher cost of complying with the SEC’s requirement for tagging the Company’s footnotes in XBRL.

Depreciation and amortization decreased $4,873, or 11%, for the third quarter of fiscal 2012 compared to the same period of fiscal 2011. This decrease was due to a lower depreciable asset base reflecting the continued use of certain items that have been fully depreciated.

Other income, net decreased $38,245 for third quarter of fiscal 2012 compared to the same period last year. This decrease was due to a smaller mark-to-market adjustment recorded in this year’s second quarter.

Provision for income taxes increased $110,213 for the third quarter of fiscal 2012 compared to the same period of fiscal 2011. This increase was due to higher pre-tax income as well as higher payments made this year in connection with the filing of the Company’s 2011 tax returns versus payments last year in connection with the filing of the Company’s 2010 tax returns.

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	9 Months Ended September 30, 2012		2011	
	Amount	% of Total Operating Revenues	Amount	% of Total Operating Revenues
Operating revenues	$8,207,538	100.00 %	$7,559,650	100.00 %
Operating expenses:				
Data and product costs	2,777,343	33.84 %	2,470,323	32.68 %
Selling, general and administrative expenses	4,591,402	55.94 %	4,228,203	55.93 %
Depreciation and amortization	114,436	1.39 %	125,482	1.66 %
Total operating expenses	7,483,181	91.17 %	6,824,008	90.27 %
Income from operations	724,357	8.83 %	735,642	9.73 %
Other income, net	26,468	0.32 %	87,015	1.15 %
Income before income taxes	750,825	9.15 %	822,657	10.88 %
Provision for income taxes	(312,352)	(3.81 %)	(254,711)	(3.37 %)
Net income	$438,473	5.34 %	$567,946	7.51 %

Operating revenues increased $647,888, or 9%, for the nine months ended September 30, 2012 compared to the first nine months of fiscal 2011. This overall revenue growth resulted from a $670,124, or 9%, increase in Internet subscription service revenue, attributable to increased sales to new and existing subscribers, partially offset by a $22,236, or 12%, decrease in the Company's third-party international credit report subscription service, attributable to lower usage by subscribers.

Data and product costs increased $307,020, or 12%, for the first nine months of 2012 compared to the same period of fiscal 2011. This increase was due primarily to higher salary and related employee benefits, including additional quality control personnel, the higher cost associated with the outsourcing of certain data entry tasks as more tasks have been outsourced as well as the higher cost of third-party content due to the purchase of additional data elements.

Selling, general and administrative expenses increased $363,199, or 9%, for the first nine months of fiscal 2012 compared to the same period of fiscal 2011. This increase was primarily due to higher salary and related employee benefits.

Depreciation and amortization decreased $11,046, or 9%, for the first nine months of fiscal 2012 compared to the same period of fiscal 2011. This decrease was due to a lower depreciable asset base reflecting the continued use of certain items that have been fully depreciated.

Other income, net decreased $60,547 for the first nine months of fiscal 2012 compared to the same period last year. This decrease was due to the Company recording a negative mark-to-market adjustment in 2012 versus a positive a mark-to-market adjustment recorded in 2011.

Provision for income taxes increased $57,641 for the first nine months of fiscal 2012 compared to the same period of fiscal 2011. This increase was the result of higher payments made this year in connection with the filing of the Company's 2011 tax returns versus payments last year in connection with the filing of the Company's 2010 tax returns, partially offset by the lower pre-tax income because of the reasons enumerated above.

Future Operations

The Company over time intends to expand its operations by expanding the breadth and depth of its product and service offerings and introducing new and complementary products. Gross margins attributable to new business areas may be lower than those associated with the Company's existing business activities.

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As a result of the evolving nature of the markets in which it competes, the Company's ability to accurately forecast its revenues, gross profits and operating expenses as a percentage of net sales is limited. The Company's current and future expense levels are based largely on its investment plans and estimates of future revenues. To a large extent these costs do not vary with revenue. Sales and operating results generally depend on the Company's ability to attract and retain customers and the volume of and timing of customer subscriptions for the Company's services, which are difficult to forecast. The Company may be unable to adjust spending in a timely manner to compensate for any unexpected revenue shortfall. Accordingly, any significant shortfall in revenues in relation to the Company's planned expenditures would have an immediate adverse effect on the Company's business, prospects, financial condition and results of operations. Further, as a strategic response to changes in the competitive environment, the Company may from time to time make certain pricing, service, marketing or acquisition decisions that could have a material adverse effect on its business, prospects, financial condition and results of operations.

Achieving greater profitability depends on the Company's ability to generate and sustain increased revenue levels. The Company believes that its success will depend in large part on its ability to (i) increase its brand awareness, (ii) provide its customers with outstanding value, thus encouraging customer renewals, and (iii) achieve sufficient sales volume to realize economies of scale. Accordingly, the Company intends to continue to increase the size of its sales force and service staff, and to invest in product development, operating infrastructure, marketing and promotion. The Company believes that these expenditures will help it to sustain the revenue growth it has experienced over the last several years. We anticipate that sales and marketing expenses will continue to increase in dollar amount and as a percentage of revenues during the remainder of 2012 and future periods as the Company continues to expand its business on a worldwide basis. Further, the Company expects that product development expenses and data costs will also continue to increase in dollar amount and may increase as a percentage of revenues during the remainder of 2012 and future periods because it expects to employ more development personnel on average compared to prior periods, obtain additional data and build the infrastructure required to support the development of new and improved products and services. However, as these expenditures are largely discretionary in nature, the Company expects that the actual amounts incurred will be in line with its projections of future cash flows in order not to negatively impact its future liquidity and capital needs. There can be no assurance that the Company will be able to achieve these objectives within a meaningful time frame.

The Company expects to experience significant fluctuations in its future quarterly operating results due to a variety of factors, some of which are outside the Company's control. Factors that may adversely affect the Company's quarterly operating results include, among others, (i) the Company's ability to retain existing customers, attract new customers at a steady rate and maintain customer satisfaction, (ii) the Company's ability to maintain gross margins in its existing business and in future product lines and markets, (iii) the development of new services and products by the Company and its competitors, (iv) price competition, (v) the level of use of the Internet and online services and increasing acceptance of the Internet and other online services for the purchase of products such as those offered by the Company, (vi) the Company's ability to upgrade and develop its systems and infrastructure, (vii) the Company's ability to attract new personnel in a timely and effective manner, (viii) the level of traffic on the Company's website, (ix) the Company's ability to manage effectively its development of new business segments and markets, (x) the Company's ability to successfully manage the integration of operations and technology of acquisitions or other business combinations, (xi) technical difficulties, system downtime or Internet brownouts, (xii) the amount and timing of operating costs and capital expenditures relating to expansion of the Company's business, operations and infrastructure, (xiii) governmental regulation and taxation policies, (xiv) disruptions in service by common carriers due to strikes or otherwise, (xv) risks of fire or other casualty, (xvi) litigation costs or other unanticipated expenses, (xvii) interest rate risks and inflationary pressures, and (xviii) general economic conditions and economic conditions specific to the Internet and online commerce.

Due to the foregoing factors, the Company believes that period-to-period comparisons of its revenues and operating results are not necessarily meaningful and should not be relied on as an indication of future performance.

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Forward-Looking Statements

This Quarterly Report on Form 10-Q may contain forward-looking statements, including statements regarding future prospects, industry trends, competitive conditions and litigation issues. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, the words “believes”, “expects”, “anticipates”, “plans” or words of similar meaning are intended to identify forward-looking statements. This notice is intended to take advantage of the “safe harbor” provided by the Private Securities Litigation Reform Act of 1995 with respect to such forward-looking statements. These forward-looking statements involve a number of risks and uncertainties. Among others, factors that could cause actual results to differ materially from the Company’s beliefs or expectations are those listed under “Results of Operations” and other factors referenced herein or from time to time as “risk factors” or otherwise in the Company’s Registration Statements or Securities and Exchange Commission reports. The Company disclaims any intention or obligation to revise any forward-looking statement, whether as a result of new information, a future event or otherwise.

Item 4.Controls and Procedures

The Company’s management, with the participation of the Company’s Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company’s disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report. Based on that evaluation, the Company’s Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company’s disclosure controls and procedures are effective.

There have not been any changes in the Company’s internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II.OTHER INFORMATION

Item 6.Exhibits

31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial information from the Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, formatted in Extensible Business Reporting Language (XBRL): (i) the Balance Sheets, (ii) the Statements of Income, (iii) the Statements of Cash Flows, and (iv) the Notes to Financial Statements.*

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* Users of this data are advised pursuant to Rule 406T of Regulation S-T that this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CREDITRISKMONITOR.COM, INC.
(REGISTRANT)

Date: November 14, 2012	By: /s/	Lawrence Fensterstock
		Lawrence Fensterstock
		Chief Financial Officer &
		Principal Accounting Officer