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MGC DIAGNOSTICS Corp

Form 10-Q

March 15, 2017

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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 January 31, 2017.

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 001-13543

MGC DIAGNOSTICS CORPORATION

(Exact name of registrant as specified in its charter)

Minnesota

(State or other jurisdiction of
incorporation or organization)

41-1579150

(IRS Employer
Identification No.)

350 Oak Grove Parkway, Saint Paul, Minnesota 55127-8599

(Address of principal executive offices)

Registrant's telephone number, including area code: **(651) 484-4874**

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 "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

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 Exchange Act): Yes
No

As of March 6, 2017, the Company had outstanding 4,409,924 shares of Common Stock, \$0.10 par value.

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(In thousands, except share and per share data)

	January 31, 2017	October 31, 2016
	(Unaudited)	
Assets		
Current Assets:		
Cash	\$ 7,782	\$ 7,265
Accounts receivable, net of allowance for doubtful accounts of \$122 and \$92, respectively	6,438	8,286
Inventories, net of obsolescence reserve of \$1,258 and \$1,281, respectively	5,479	4,916
Prepaid expenses and other current assets	495	586
Total current assets	20,194	21,053
Property and equipment, net of accumulated depreciation of \$4,865 and \$4,754, respectively	2,565	2,632
Intangible assets, net	4,280	4,211
Deferred income taxes	2,643	2,643
Other non-current assets	94	139
Total Assets	\$ 29,776	\$ 30,678
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable	\$ 2,352	\$ 2,876
	3,086	—
Employee compensation	1,374	1,550
Deferred income	4,094	4,007
Other current liabilities and accrued expenses	835	948
Total current liabilities	11,741	9,381
Long-term liabilities:		
Long-term deferred income and other	4,148	4,374
Total Liabilities		