

CORINTHIAN COLLEGES INC

Form 10-Q

November 08, 2005

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2005

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 0-25283

**CORINTHIAN COLLEGES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of

Incorporation or organization)

**33-0717312**  
(I.R.S. Employer

Identification No.)

6 Hutton Centre Drive, Suite 400, Santa Ana, California

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(Address of principal executive offices)

92707

(Zip Code)

(714) 427-3000

(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 is an accelerated filer (as defined in Rule 12b-2 of the Act.) Yes  No

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

At November 1, 2005, there were 91,439,683 shares of Common Stock of the Registrant outstanding.

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CORINTHIAN COLLEGES, INC. AND SUBSIDIARIES

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## CORINTHIAN COLLEGES, INC. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2004	June 30, 2005	September 30, 2005
	(In thousands, except per share data)		
	(Restated) (Unaudited)		(Unaudited)
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 54,586	\$ 57,853	\$ 40,437
Restricted cash	10	10	10
Marketable securities		41,375	74,675
Accounts receivable, net of allowance for doubtful accounts of \$20,627, \$21,209 and \$20,680 at September 30, 2004, June 30, 2005 and September 30, 2005, respectively	56,921	52,555	58,796
Student notes receivable, net of allowance for doubtful accounts of \$537, \$537 and \$539 at September 30, 2004, June 30, 2005 and September 30, 2005, respectively	2,056	2,492	2,126
Deferred income taxes	25,717	18,162	18,162
Prepaid expenses and other current assets	29,968	57,518	51,372
	<u>169,258</u>	<u>229,965</u>	<u>245,578</u>
Total current assets	169,258	229,965	245,578
PROPERTY AND EQUIPMENT, net	158,603	175,901	178,272
<b>OTHER ASSETS:</b>			
Goodwill, net	209,999	205,982	209,225
Other intangibles, net	53,061	54,165	53,967
Student notes receivable, net of allowance for doubtful accounts of \$993, \$1,417 and \$1,697 at September 30, June 30, 2005 and September 30, 2005, respectively	2,169	3,277	2,645
Deposits and other assets	6,789	5,282	5,410
	<u>209,999</u>	<u>205,982</u>	<u>209,225</u>
TOTAL ASSETS	<u>\$ 599,879</u>	<u>\$ 674,572</u>	<u>\$ 695,097</u>
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$ 24,017	\$ 30,168	\$ 29,174
Accrued compensation and related liabilities	24,869	32,250	26,873
Accrued expenses	15,916	21,730	25,102
Prepaid tuition	58,624	55,209	62,756
Income tax payable	5,713		
Current portion of capital lease obligations	517	195	208
Current portion of long-term debt	149	155	149
	<u>129,805</u>	<u>139,707</u>	<u>144,262</u>
Total current liabilities	129,805	139,707	144,262
LONG-TERM CAPITAL LEASE OBLIGATIONS, net of current portion	12,360	12,198	12,138
LONG-TERM DEBT, net of current portion	48,244	54,243	57,175

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DEFERRED INCOME TAXES	27,150	28,513	28,513
OTHER LIABILITIES	25,316	29,086	30,684
COMMITMENTS AND CONTINGENCIES			
STOCKHOLDERS' EQUITY:			
Common Stock, \$0.0001 par value:			