

ELECTRO SENSORS INC
Form 10-Q
May 12, 2011

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 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 March 31, 2011

**o 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 0-9587

ELECTRO-SENSORS, INC.

(Exact name of registrant as specified in its charter)

Minnesota

41-0943459

(State or other jurisdiction of incorporation or
organization)

(IRS Employer Identification No.)

**6111 Blue Circle Drive
Minnetonka, Minnesota 55343-9108**

(Address of principal executive offices)

(952) 930-0100

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(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 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.

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 shares outstanding of the registrant's common stock, \$0.10 par value, on May 9, 2011 was 3,388,488.

ELECTRO-SENSORS, INC.

Form 10-Q

For the Period Ended March 31, 2011

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ELECTRO-SENSORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(in thousands except share and per share amounts)

	March 31, 2011 (unaudited)	December 31, 2010
ASSETS		
Current assets		
Cash and cash equivalents	\$ 548	\$ 583
Treasury bills	5,199	5,197
Available for sale securities	3,865	2,830
Trade receivables, less allowance for doubtful accounts of \$9	687	577
Inventories	1,089	1,057
Income tax receivable	0	54
Other current assets	116	81
Total current assets	11,504	10,379
Property and equipment, net	1,163	1,174
Total assets	\$ 12,667	\$ 11,553
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities		
Accounts payable	\$ 123	\$ 75
Accrued expenses	260	195

Deferred revenue	64	70
Accrued income tax	1	0
Total current liabilities	448	340
Deferred income tax liability	1,477	1,078
Commitments and contingencies		
Stockholders' equity		
Common stock par value \$0.10 per share; authorized 10,000,000 shares; issued and outstanding: 3,383,988 and 3,381,999 shares, respectively	338	338
Additional paid-in capital	1,547	1,541
Retained earnings	6,524	6,565
Accumulated other comprehensive income (unrealized gain on available for sale securities, net of income tax)	2,333	1,691
Total stockholders' equity	10,742	10,135
Total liabilities and stockholders' equity	\$ 12,667	\$ 11,553

See accompanying notes to condensed consolidated financial statements

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ELECTRO-SENSORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands except share and per share amounts)

(unaudited)

Three Months Ended
March 31,