

INSPERITY, INC.
Form 10-Q
April 29, 2013

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

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2013.

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 No. 1-13998

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

Delaware
(State or other jurisdiction of incorporation or
organization)

76-0479645
(I.R.S. Employer Identification No.)

19001 Crescent Springs Drive
Kingwood, Texas
(Address of principal executive offices)

77339
(Zip Code)

(Registrant's Telephone Number, Including Area Code): (281) 358-8986

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 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 definition of "large accelerated filer," "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

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 April 22, 2013, 25,536,653 shares of the registrant's common stock, par value \$0.01 per share, were outstanding.

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PART I

ITEM 1. FINANCIAL STATEMENTS

INSPERITY, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

ASSETS

	March 31, 2013 (Unaudited)	December 31, 2012
Current assets:		
Cash and cash equivalents	\$ 227,432	\$ 264,544
Restricted cash	47,374	47,149
Marketable securities	51,397	16,904
Accounts receivable, net:		
Trade	2,465	6,931
Unbilled	196,141	181,040
Other	2,594	2,415
Prepaid insurance	16,887	15,620
Other current assets	13,759	9,651
Deferred income taxes	3,110	7,211
Total current assets	561,159	551,465
Property and equipment:		
Land	4,115	4,115
Buildings and improvements	69,012	68,583
Computer hardware and software	82,801	81,140
Software development costs	36,284	35,866
Furniture and fixtures	36,712	36,717
Aircraft	35,879	35,879
	264,803	262,300
Accumulated depreciation and amortization	(172,653)	(168,358)
Total property and equipment, net	92,150	93,942
Other assets:		
Prepaid health insurance	9,000	9,000
Deposits – health insurance	3,000	3,000
Deposits – workers’ compensation	67,528	64,201
Goodwill and other intangible assets, net	23,274	23,775
Other assets	4,600	4,817
Total other assets	107,402	104,793
Total assets	\$ 760,711	\$ 750,200

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INSPERITY, INC.
CONSOLIDATED BALANCE SHEETS (Continued)
(in thousands)

LIABILITIES AND STOCKHOLDERS' EQUITY

	March 31, 2013 (Unaudited)	December 31, 2012
Current liabilities:		
Accounts payable	\$2,202	\$3,660
Payroll taxes and other payroll deductions payable	183,511	178,534
Accrued worksite employee payroll cost	168,715	150,070
Accrued health insurance costs	7,484	13,942
Accrued workers' compensation costs	49,902	49,484
Accrued corporate payroll and commissions	15,523	23,537
Other accrued liabilities	15,348	12,478
Income taxes payable	4,774	4,054
Total current liabilities	447,459	435,759
Noncurrent liabilities:		
Accrued workers' compensation costs	65,702	64,536
Deferred income taxes	8,162	9,000
Total noncurrent liabilities	73,864	73,536
Commitments and contingencies		
Stockholders' equity:		
Common stock	308	308
Additional paid-in capital	133,898	133,207
Treasury stock, at cost	(144,998)	(133,950)
Accumulated other comprehensive income, net of tax	32	16
Retained earnings	250,148	241,324
Total stockholders' equity	239,388	240,905
Total liabilities and stockholders' equity	\$760,711	