

INVESTOOLS INC
Form NT 10-K
March 17, 2005

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

FORM 12b-25

Commission File Number: 0-31226

NOTIFICATION OF LATE FILING

(Check one): Form 10-K Form 20-F Form 11-K Form 10-Q Form N-SAR Form N-CSR

For Period Ended: December 31, 2004

- Transition Report on Form 10-K
 - Transition Report on Form 20-F
 - Transition Report on Form 11-K
 - Transition Report on Form 10-Q
 - Transition Report on Form N-SAR
- For the Transition Period Ended:

Nothing in this form shall be construed to imply that the Commission has verified any information contained herein.

If the notification relates to a portion of the filing checked above, identify the Item(s) to which the notification relates:

PART I REGISTRANT INFORMATION

INVESTools Inc.

Full Name of Registrant

NA

Former Name if Applicable

585 East 1860 South

Address of Principal Executive Office (*Street and Number*)

Provo, Utah 84606

City, State and Zip Code

PART II RULES 12b-25(b) AND (c)

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the following should be completed. (Check box if appropriate)

- (a) The reason described in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense
- (b) The subject annual report, semi-annual report, transition report on Form 10-K, Form 20-F, Form 11-K, Form N-SAR or Form N-CSR, or portion thereof, will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report or transition report on Form 10-Q, or portion thereof, will be filed on or before the fifth calendar day following

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the prescribed due date; and

(c) The accountant's statement or other exhibit required by Rule 12b-25(c) has been attached if applicable.

PART III NARRATIVE

State below in reasonable detail the reasons why Forms 10-K, 20-F, 11-K, 10-Q, N-SAR, N-CSR, or the transition report or portion thereof, could not be filed within the prescribed time period.

As previously announced in its Current Report on Form 8-K dated February 18, 2005, the Company's management, in consultation with the Audit Committee and its independent public accounting firm, KPMG LLP, concluded that its consolidated financial statements for the years ended December 31, 2003 and 2002, and for the quarterly periods ended March 31, June 30, and September 30 of 2004 should no longer be relied upon and will be restated. The restatements reflect adjustments to appropriately and more precisely match the timing of revenue recognition to the period in which the Company delivers service to its customers in accordance with generally accepted accounting principles in the United States. The restatements also include the creation of a liability for potential sales tax adjustments and an adjustment for a 2003 sublease agreement entered into at a loss. The restatement is more fully discussed in a press release furnished by the Company on its Current Report on Form 8-K dated March 16, 2005.

The Company is in the process of reviewing the restatements and its financial statements for the year ended December 31, 2004. Consequently, the Company will be unable to file its Form 10-K for the year ended December 31, 2004 within the prescribed period because its final review of this matter and the audit of the financial results for the Company will not be completed in time to allow the Company to file such Form 10-K in a timely manner. The Company expects to file within the extension period.

SEC 1344 (07-03) **Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**
