

Edgar Filing: QUALITY SYSTEMS INC - Form 8-K

QUALITY SYSTEMS INC
Form 8-K
November 06, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

October 30, 2003
Date of Report
(Date of earliest event reported)

QUALITY SYSTEMS, INC.
(Exact name of registrant as specified in its charter)

CALIFORNIA
(State or other jurisdiction of incorporation)

0-13801 95-2888568
(Commission File No.) (IRS Employer Identification Number)

18191 Von Karman Avenue, Suite 450
Irvine, California 92612
(Address of Principal Executive Offices)

(949) 255-2600
(Registrant's Telephone Number, Including Area Code)

Item 7. Financial Statements and Exhibits

(c) Exhibits.

99.1 Transcript of conference call held on October 30, 2003.

Item 12. Results of Operations and Financial Condition

The information in this Form 8-K and the Exhibits attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

On October 30, 2003, Quality Systems, Inc. (referred herein to as the "Company," "Registrant" or "QSI") held a conference call concerning its financial performance for the quarter ended September 30, 2003. A transcript of the conference call is attached to this Form 8-K as Exhibit 99.1. The conference call contains forward-looking statements regarding QSI and includes cautionary statements identifying important factors that could cause actual results to differ materially from those anticipated.

Use of Non-GAAP Financial Measures

The Company from time to time discloses its Days Sales Outstanding ("DSO")

Edgar Filing: QUALITY SYSTEMS INC - Form 8-K

which is a non-GAAP financial measure. During the quarter ended September 30, 2003, DSO was 110 days. We calculate DSO as follows: Net revenue for the quarter is multiplied by four and then divided by 365 days to provide an average daily revenue amount. The balance of accounts receivable net of any reserves for bad debts is then divided by that average daily revenue amount resulting in a DSO figure. For the quarter ended September 30, 2003, the calculation was as follows:

Quarterly Revenue:	\$17,642,000	
Times 4:	\$70,568,000	
Divided by 365:	\$193,337	= Average daily revenue
Net Accounts Receivable :	\$21,240,000	
Divided by average daily revenue	\$193,337	
Equals	110 days (rounded)	

The Company believes the use of DSO provides useful information to investors regarding the Company's financial condition and results of operations because they provide more detailed information regarding the Company's financial results than the financial measures calculated and presented solely in accordance with GAAP. As used herein, "GAAP" refers to accounting principles generally accepted in the United States.

2

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 5, 2003

QUALITY SYSTEMS, INC.

By: /s/ Paul Holt

Paul Holt
Chief Financial Officer

3

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	Transcript of conference call held on October 30, 2003.

4