

LIGHTPATH TECHNOLOGIES INC
Form 10-Q
February 03, 2011

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 December 31, 2010

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 000-27548

LIGHTPATH TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of incorporation or
organization)

86-0708398
(IRS Employer Identification No.)

http://www.lightpath.com
2603 Challenger Tech Ct. Suite 100
Orlando, Florida 32826

(Address of principal executive offices)
(ZIP Code)

(407) 382-4003

(Registrant's telephone number, including area code)

N/A

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(Former name, former address, and former fiscal year, if changed since last report)

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 and 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 website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the proceeding 12 months (or 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. (Check one):

Large accelerated Accelerated filer Non-accelerated Smaller reporting
filer filer filer company

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

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

9,706,596 shares of common stock, Class A, \$.01 par value, outstanding as of February 1, 2011.

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements

LIGHTPATH TECHNOLOGIES, INC.
Consolidated Balance Sheets

Assets	(unaudited) December 31, 2010	June 30, 2010
Current assets:		
Cash and cash equivalents	\$ 1,095,296	\$ 1,464,351
Trade accounts receivable, net of allowance of \$20,027 and \$22,930	1,659,382	1,804,063
Inventories, net	1,460,742	1,137,678
Prepaid interest expense	51,415	167,635
Current debt costs, net	44,036	—
Prepaid expenses and other assets	130,127	223,908
Total current assets	4,440,998	4,797,635
Property and equipment - net	2,565,809	2,344,692
Intangible assets - net	117,567	134,001
Debt costs, net	—	151,530
Other assets	27,737	27,737
Total assets	\$ 7,152,111	\$ 7,455,595
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 856,078	\$ 511,523
Accrued liabilities	345,320	179,370
Accrued payroll and benefits	277,105	396,863
8% convertible debentures to related parties, net of debt discount	239,537	—
8% convertible debentures, net of debt discount	751,672	—
Total current liabilities	2,469,712	1,087,756
Deferred rent	520,839	569,286
8% convertible debentures to related parties, net of debt discount	—	213,890
8% convertible debentures, net of debt discount	—	1,339,975
Total liabilities	2,990,551	3,210,907
Stockholders' equity:		
Preferred stock: Series D, \$.01 par value, voting; 5,000,000 shares authorized; none issued and outstanding	—	—
Common stock: Class A, \$.01 par value, voting; 40,000,000 shares authorized; 9,706,596 and 8,971,638 shares issued and outstanding, respectively	97,066	89,716
Additional paid-in capital	207,442,308	206,277,806
Foreign currency translation adjustment	(4,850)	23,466
Accumulated deficit	(203,372,964)	(202,146,300)
Total stockholders' equity	4,161,560	4,244,688
Total liabilities and stockholders' equity	\$ 7,152,111	\$ 7,455,595

The accompanying notes are an integral part of these consolidated statements.

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LIGHTPATH TECHNOLOGIES, INC.
Consolidated Statements of Operations
(Unaudited)

	Three months ended		Six months ended	
	December 31,		December 31,	
	2010	2009	2010	2009
Product sales, net	\$2,528,074	\$2,226,454	\$4,781,996	\$3,783,433
Cost of sales	1,527,941	1,268,531	2,955,415	2,156,874
Gross margin	1,000,133	957,923	1,826,581	1,626,559
Operating expenses:				
Selling, general and administrative	997,329	543,703	2,068,527	1,505,465
New product development	248,507	201,764	471,092	427,674
Amortization of intangibles	8,217	8,217	16,434	16,434
Gain on sale of property and equipment	-	-	(540)	-