

CAPRIUS INC
Form 10QSB/A
October 03, 2008

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United States
Securities and Exchange Commission
Washington, D.C. 20549

FORM 10-QSB/A-1

(Mark one)

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

For the Quarterly Period Ended June 30, 2008

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

Commission File Number: 0-11914

CAPRIUS, INC.

(Exact name of small business issuer as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

22-2457487
(I.R.S. Employer
Identification No.)

One University Plaza, Suite 400, Hackensack, NJ 07601
(Address of principal executive offices) (Zip Code)

Issuer's telephone number: (201) 342-0900

N/A

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

Indicate by check mark whether the registrant (1) filed all reports required to be filed under Section 13 or 15 (d) of the Exchange Act during the past 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 a checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

State the number of shares outstanding of issuer's classes of common equity, as of the latest practicable date.

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Class
Common Stock, Par Value \$0.01

Outstanding at August 7, 2008
4,776,902 shares

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CAPRIUS, INC. AND SUBSIDIARIES

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EXPLANATORY NOTE:

We are filing this Amendment on Form 10-QSB/A to our quarterly report on Form 10-QSB for the quarter ended June 30, 2008 to revise two calculations in regards to the recording of deemed dividends upon our prior issuances of our Series D and Series E Preferred Stock. These revisions are being made prospectively in our unaudited June 30, 2008 condensed consolidated financial statements, and to present the unaudited June 30, 2007 condensed consolidated statements as they were previously reported in the June 30, 2007 Form 10-QSB.

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CAPRIUS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

June 30, 2008

(Unaudited)

ASSETS

Current Assets:

Cash	\$ 1,446,220
Accounts receivable, net of allowance for doubtful accounts of \$76,180	877,779
Inventories	1,613,992
Other current assets	44,671
Total current assets	3,982,662

Property and Equipment:

Office furniture and equipment	311,644
Leasehold improvements	37,683
	349,327
Less: accumulated depreciation	228,240
Property and equipment, net	121,087

Other Assets:

Goodwill	285,010
Other	18,486
Total other assets	303,496

Total Assets	\$ 4,407,245
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LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:

Accounts payable	\$ 1,227,920
Advances from customers	18,279
Accrued expenses	100,302
Accrued compensation	348,690
Total current liabilities	1,695,191

Long-term Liabilities

Dividends Payable	333,323
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Total Liabilities	2,028,514
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Stockholders' Equity:

Preferred stock, \$.01 par value	
Authorized - 1,000,000 shares	
Issued and outstanding - Series A, none; Series B, none, Series C, none	
Series D, stated value \$12.40, convertible, 172,933 shares	1,729

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	Series E, stated value \$250, convertible, 9,200 shares	92
	Series F, stated value \$60, convertible, 78,334 shares	783
Common stock, \$.01 par value		
	Authorized - 50,000,000 shares, issued 4,778,027 shares and	
	outstanding 4,776,902 shares	47,780
	Additional paid-in capital	86,986,368
	Accumulated deficit	(84,655,771)
	Treasury stock (1,125 common shares, at cost)	(2,250)
	Total stockholders' equity	2,378,731
Total Liabilities and Stockholders' Equity		\$ 4,407,245

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

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CAPRIUS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the three months ended		For the nine months ended	
	June 30, 2008 Restated (Note 5)	June 30, 2007	June 30, 2008 Restated (Note 5)	June 30, 2007
Revenues:				
Product sales	\$ 795,492	\$ 646,216	\$ 2,584,165	\$ 1,699,812
Consulting and royalty fees	-	29,540	-	123,965
Total revenues	795,492	675,756	2,584,165	1,823,777
Operating Expenses:				
Cost of product sales	557,108	483,468	1,917,225	1,163,011
Research and development	85,695	58,577	219,637	207,142
Selling, general and administrative, includes stock-based compensation of \$ 72,828 and \$104,214 for the three months ended June 30, 2008 and 2007 and \$218,295 and \$208,764 for the nine months ended June 30, 2008 and 2007	1,525,454	1,112,665	3,984,369	3,009,442
Total operating expenses	2,168,257	1,654,710	6,121,231	4,379,595
Operating loss	(1,372,765)	(978,954)	(3,537,066)	(2,555,818)
Other income	-	500,000	-	500,000
Interest income, net	12,121	12,942	37,525	18,922
Net loss	(1,360,644)	(466,012)	(3,499,541)	(2,036,896)
Dividend - Convertible Preferred Stock	(123,467)	-	(333,323)	-
Deemed Dividend - Series D Convertible Preferred Stock	(1,236,805)	-	(1,236,805)	-
Deemed Dividend - Series E Convertible Preferred Stock	637,536	-	637,536	(2,346,938)
Deemed Dividend - Series F Convertible Preferred Stock	-	-	(2,370,300)	-
Net loss attributable to common stockholders	\$ (2,083,380)	\$ (466,012)	\$ (6,802,433)	\$ (4,383,834)
Net loss per basic and diluted common share	\$ (0.44)	\$ (0.12)	\$ (1.58)	\$ (1.19)
	4,776,902	3,791,673	4,302,313	3,681,490

Weighted average number of common
shares outstanding, basic and diluted

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

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CAPRIUS, INC. AND SUBSIDIARIES
 FOR THE NINE MONTHS ENDED JUNE 30, 2008
 CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
 (Unaudited)

	Series D		Series E		Series F		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Treasury Stock	
	Convertible Preferred Stock Number of Shares	Amount	Convertible Preferred Stock Number of Shares	Amount	Convertible Preferred Stock Number of Shares	Amount	Number of Shares	Amount			Number of Shares	Amount
Balance, October 1, 2007	194,933	\$ 1,949	10,000	\$ 100	-	\$ -	3,850,787	\$ 38,508	\$ 82,366,799	\$ (80,822,907)	1,125	\$ (2,250)