

SHARPS COMPLIANCE CORP
Form 10-Q
February 13, 2009
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended December 31, 2008

TRANSITION REPORT UNDER SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____.

Commission File Number: 0-22390

SHARPS COMPLIANCE CORP.
(Exact name of small business issuer as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

74-2657168
(I.R.S. Employer Identification No.)

9220 Kirby Drive, Suite 500, Houston,
Texas
(Address of principal executive
offices)

77054
(Zip Code)

(713) 432-0300
(Issuer's telephone number)

Indicate by check mark if 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 is a large 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 Securities Exchange Act of 1934.

Large Accelerated
Filer

Accelerated
Filer

Non-accelerated
Filer
(Do not check if a
smaller reporting
company)

Smaller reporting
company

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

As of February 9, 2009, there were 12,921,280 outstanding shares of the Registrant's common stock, par value \$0.01 per share.

SHARPS COMPLIANCE CORP. AND SUBSIDIARIES

INDEX

	PAGE
PART I	FINANCIAL INFORMATION
Item 1.	Financial Statements
	Condensed Consolidated Balance Sheets 3
	Condensed Consolidated Statements of Income for the three months ended December 31, 2008 and 2007 4
	Condensed Consolidated Statements of Income for the six months ended December 31, 2008 and 2007 5
	Condensed Consolidated Statements of Cash Flows 6
	Notes to Condensed Consolidated Financial Statements 7
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations 9
Item 3.	Quantitative and Qualitative Disclosures About Market Risk 17
Item 4.	Controls and Procedures 17
PART II	OTHER INFORMATION
Item 1.	Legal Proceedings 19
Item 4.	Submission of Matters to a Vote of Security Holders 19
Item 6.	Exhibits 19
SIGNATURES	21

PART I
ITEM 1.FINANCIAL INFORMATION
FINANCIAL STATEMENTSSHARPS COMPLIANCE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	December 31, 2008 (Unaudited)	June 30, 2008
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,064,290	\$ 2,035,219
Restricted cash	-	10,010
Accounts receivable, net of allowance for doubtful accounts of \$14,985 and \$15,301, respectively	1,133,015	1,183,975
Inventory	830,640	580,861
Prepaid and other assets	343,638	359,894
Deferred income taxes	17,352	-
TOTAL CURRENT ASSETS	4,388,935	4,169,959
PROPERTY AND EQUIPMENT , net of accumulated depreciation of \$1,079,416 and \$933,129, respectively	1,809,641	1,375,657
DEFERRED INCOME TAXES , non current	3,106,390	-
INTANGIBLE ASSETS , net of accumulated amortization of \$153,748 and \$140,801, respectively	152,932	130,702
TOTAL ASSETS	\$ 9,457,898	\$ 5,676,318
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 696,002	\$ 778,423
Accrued liabilities	245,470	432,971
Deferred revenue	1,134,994	1,063,016
TOTAL CURRENT LIABILITIES	2,076,466	2,274,410
LONG-TERM DEFERRED REVENUE	633,178	516,372
TOTAL LIABILITIES	2,709,644	2,790,782
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Common stock, \$0.01 par value per share; 20,000,000 shares authorized; 12,841,280 and 12,580,183 shares issued and outstanding, respectively	128,413	125,802

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Additional paid-in capital	10,895,236	9,225,342
Accumulated deficit	(4,275,395)	(6,465,608)
TOTAL STOCKHOLDERS' EQUITY	6,748,254	2,885,536
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 9,457,898	\$ 5,676,318

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

3

SHARPS COMPLIANCE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME