

PERFECTDATA CORP
Form 10QSB
November 15, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-QSB

ý **Quarterly report pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934**

For the quarterly period ended September 30, 2004

o **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 0-12817

PERFECTDATA CORPORATION

(Exact Name of Small Business Issues as Specified in Its Charter)

CALIFORNIA
(State or Other Jurisdiction of
Incorporation or Organization)

95-3087593
(I.R.S. Employer
Identification Number)

1445 East Los Angeles Avenue
Suite 208
Simi Valley, California 93065
(Address of Principal Executive Offices)

(805) 581-4000
(Issuer's Telephone Number,
Including Area Code)

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Check whether the issuer (1) filed all reports required to be filed by 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

As of October 31, 2004, there were 6,209,530 shares of Common Stock outstanding.

Transitional Small Business Disclosure Format:

Yes No

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

PERFECTDATA CORPORATION

Balance Sheet

(Unaudited)

(Amounts in thousands except share amounts)

	September 30, 2004
Assets	
Current assets:	
Cash and cash equivalents	\$ 1,569
Accounts receivable, net of allowance of \$3	100
Prepaid expenses and other current assets	74
Total current assets	1,743
Property, plant and equipment, at cost, net	\$ 1,743
Liabilities	
Current liabilities:	
Accounts payable	\$ 354
Accrued compensation	28
Other accrued expenses	68
Total current liabilities	450
Shareholders' equity:	
Preferred Stock. Authorized 2,000,000 shares; none issued	
Common Stock, no par value. Authorized 10,000,000 shares; issued and outstanding 6,209,530 shares	11,258
Accumulated deficit	(9,965)
Total shareholders' equity	1,293
Total liabilities and shareholders' equity	\$ 1,743

See accompanying notes to financial statements.

PERFECTDATA CORPORATION

Statements of Operations

(Unaudited)

(Amounts in thousands, except per share information)

	Three Months Ended September 30,		Six Months Ended September 30,					
	2004	2003	2004	2003				
Net Sales	\$	\$	708	\$	326	\$	1,433	
Cost of goods sold			462		264		932	
Gross profit			246		62		501	
Selling, general, and administrative expenses		217	416		436		770	
Loss from operations		(217)	(170)		(374)		(269)	
Other income:								
Other, net		4	4		7		9	
Net loss		(213)	(166)		(367)		(260)	
Net loss per common share - basic and diluted	\$	(0.03)	\$	(0.03)	\$	(0.06)	\$	(0.04)
Weighted average shares outstanding - basic and diluted		6,209	6,193		6,209		6,176	

See accompanying notes to financial statements.

PERFECTDATA CORPORATION

Statements of Cash Flows

(Unaudited)

(Amounts in thousands)

	Six-Month Period Ended	
	September 30,	
	2004	2003
Cash flows from operating activities:		
Net loss	\$ (367)	\$ (260)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization		6
Stock issued for services		52
(Increase) decrease in accounts receivable	92	(151)
Decrease in inventory		97
Increase in prepaid expenses and other assets	(16)	(7)
Increase in accounts payable	29	170
Decrease in accrued expenses	(72)	(27)