

ADVANCED PHOTONIX INC
Form 10-Q
November 12, 2013

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 September 27, 2013
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
Commission File Number 1-11056

ADVANCED PHOTONIX, INC.
(Exact name of registrant as specified in its charter)

Delaware 33-0325826
(State or other jurisdiction of incorporation or (I.R.S. Employer Identification No.)
organization)

2925 Boardwalk, Ann Arbor, Michigan 48104
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code
(734) 864-5600

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 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 (§ 229.405 of this chapter) during the preceding 12 months (or for 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.

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 12b-2 of the Exchange Act).

YES NO

As of November 4, 2013, there were 31,244,740 shares of Class A Common Stock, \$.001 par value, outstanding.

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Advanced Photonix, Inc.
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 For the Quarter Ended September 27, 2013

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PART I -- FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

Advanced Photonix, Inc.
Condensed Consolidated Balance Sheets

	September 27, 2013 (Unaudited)	March 31, 2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 371,000	\$ 619,000
Receivables, net	5,662,000	4,988,000
Inventories	4,617,000	3,905,000
Prepaid expenses and other current assets	815,000	795,000
Total current assets	11,465,000	10,307,000
Equipment and leasehold improvements, net	3,111,000	3,415,000
Goodwill	4,579,000	4,579,000
Intangibles and patents, net	3,304,000	3,686,000
Other assets	178,000	229,000
Total Assets	\$ 22,637,000	\$ 22,216,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 2,233,000	\$ 1,829,000
Accrued compensation	1,302,000	729,000
Accrued subcontracting costs	450,000	427,000
Other accrued expenses	1,043,000	871,000
Current portion of long-term debt, PFG	714,000	714,000
Current portion of long-term debt – MEDC/MSF	564,000	553,000
Current portion of capital lease	8,000	--
Current portion of long-term debt - bank line of credit	1,251,000	--
Current portion of long-term debt - bank term loan	333,000	333,000
Total current liabilities	7,898,000	5,456,000
Long-term debt, less current portion – PFG, net of discount	1,061,000	1,322,000
Long-term debt, less current portion – MEDC/MSF	90,000	377,000
Long-term debt, capital lease	39,000	--
Long-term debt, less current portion – bank term loan	167,000	334,000
Warrant liability	381,000	292,000
Total liabilities	9,636,000	7,781,000
Commitments and contingencies		
Shareholders' equity:		
Class A Common Stock, \$.001 par value, 100,000,000 authorized;		
September 27, 2013 – 31,244,740 shares issued and outstanding,		
March 31, 2013 – 31,158,347 shares issued and outstanding	31,000	31,000
Additional paid-in capital	58,685,000	58,616,000
Accumulated deficit	(45,715,000)	(44,212,000)
Total shareholders' equity	13,001,000	14,435,000

Total Liabilities and Shareholders' Equity	\$ 22,637,000	\$ 22,216,000
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See notes to condensed consolidated financial statements.

Advanced Photonix, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended		Six Months Ended	
	September 27, 2013	September 28, 2012	September 27, 2013	September 28, 2012
Sales, net	\$ 7,536,000	\$ 5,586,000	\$ 14,614,000	\$ 11,802,000
Cost of products sold	4,747,000	3,612,000	8,898,000	7,584,000
Gross profit	2,789,000	1,974,000	5,716,000	4,218,000
Operating expenses:				
Research, development and engineering	1,234,000	1,342,000	2,726,000	2,713,000
Sales and marketing	640,000	496,000	1,227,000	1,001,000
General and administrative	1,202,000	1,119,000	2,326,000	2,172,000
Amortization expense	259,000			