

CrowdGather, Inc.
Form 10-Q
December 04, 2013

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 October 31, 2013

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: 000-52143

CrowdGather, Inc.
(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation or organization)

20-2706319
(I.R.S. Employer
Identification No.)

20300 Ventura Blvd. Suite 330, Woodland Hills, California 91364
(Address of principal executive offices) (Zip Code)

(818) 435-2472
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Indicate by check mark whether the issuer (1) has 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. x Yes o No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). x Yes o No

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Indicate by check mark whether the registrant is a large accelerated file, 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	<input type="radio"/>	Accelerated filer	<input type="radio"/>
Non-accelerated filer	<input type="radio"/>	Smaller reporting company	<input checked="" type="radio"/>

(Do not check if a 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 December 3, 2013, there were 60,782,708 shares of the issuer’s \$.001 par value common stock issued and outstanding.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

CROWDGATHER, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS

	OCTOBER 31, 2013 (UNAUDITED)	APRIL 30, 2013
ASSETS		
Current assets		
Cash	\$ 445,005	\$ 375,512
Accounts receivable	186,666	214,931
Investments	28,570	28,570
Inventory	32,035	33,168
Prepaid expenses and deposits	63,828	50,561
Total current assets	756,104	702,742
Property and equipment, net of accumulated depreciation of \$427,459 and \$363,746, respectively	173,025	225,980
Intangible and other assets, net of accumulated amortization of \$0 and \$45,224, respectively	9,223,327	9,368,103
Goodwill	4,360,176	4,360,176
Total assets	\$ 14,512,632	\$ 14,657,001
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 8,000	\$ 8,000
Accrued vacation	53,124	63,838
Other accrued liabilities	91,097	69,138
Capital lease obligation, current portion	54,706	115,921
Total current liabilities	206,927	256,897
Capital lease obligation, net of current portion	-	9,267
Stockholders' equity		
Preferred Series B stock, \$0.001 par value, 1,000,000 shares authorized, 1,000,000 and 300,000 shares issued and outstanding, respectively	1,000,000	300,000
	60,913	58,503

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Common stock, \$0.001 par value, 975,000,000 shares authorized, 60,782,708 and 58,372,708 issued and outstanding, respectively			
Additional paid-in capital	29,498,906		29,070,716
Accumulated deficit	(16,232,684)		(15,016,952)
Accumulated other comprehensive loss	(21,430)		(21,430)
Total stockholders' equity	14,305,705		14,390,837
Total liabilities and stockholders' equity	\$ 14,512,632	\$	14,657,001

See accompanying notes to financial statements.

CROWDGATHER, INC.

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2013	2012	2013	2012
Revenue	\$ 425,348	\$ 423,732	\$ 837,039	\$ 1,014,934
Cost of revenue	1,868	669	2,622	19,216
Gross profit	423,480	423,063	834,417	995,718
Operating expenses				
Payroll and related expenses	322,874	461,133	671,164	917,197
Stock based compensation	320,600	158,000	430,600	