

CrowdGather, Inc.
Form 10-Q
September 10, 2012

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 July 31, 2012

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or

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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"/>	(Do not check if a smaller reporting company)	Smaller reporting company	<input checked="" type="radio"/>

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 September 7, 2012, there were 58,272,708 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

	JULY 31, 2012 (UNAUDITED)	APRIL 30, 2012
ASSETS		
Current assets		
Cash	\$ 1,817,100	\$ 2,328,492
Accounts receivable	101,853	42,995
Investments	14,297	28,570
Inventory	34,096	35,132
Prepaid expenses and deposits	51,954	88,932
Total current assets	2,019,300	2,524,121
Property and equipment, net of accumulated depreciation of \$257,766 and \$241,569, respectively	331,959	131,175
Intangible and other assets, net of accumulated amortization of \$22,724 and \$15,224, respectively	9,390,603	9,333,928
Goodwill	4,360,176	4,360,176
Total assets	\$ 16,102,038	\$ 16,349,400
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 122,374	\$ 54,095
Accrued vacation	40,601	27,468
Other accrued liabilities	28,574	28,890
Capital lease obligation, current portion	100,523	-
Total current liabilities	292,072	110,453
Capital lease obligation, net of current portion	89,979	-
Stockholders' equity		
Preferred Series A stock, \$0.001 par value, 25,000,000 shares authorized, -0- shares issued and outstanding	-	-
Common stock, \$0.001 par value, 975,000,000 shares authorized, 58,272,708 and 58,234,216 issued and	58,273	58,234

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outstanding, respectively		
Additional paid-in capital	28,608,946	28,436,644
Accumulated deficit	(12,911,529)	(12,234,501)
Accumulated other comprehensive loss	(35,703)	(21,430)
Total stockholders' equity	15,719,987	16,238,947
Total liabilities and stockholders' equity	\$ 16,102,038	\$ 16,349,400

See accompanying notes to financial statements.

CROWDGATHER, INC.
 CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
 FOR THE THREE MONTHS ENDED JULY 31, 2012 AND 2011
 (UNAUDITED)

	2012	2011
Revenue	\$ 591,202	\$ 334,036
Cost of revenue	18,547	108,740
Gross profit	572,655	225,296
Operating expenses		
Payroll and related expenses	298,064	207,074
Stock Based Compensation	158,000	150,000
General and administrative	790,916	742,250
Total operating expenses	1,246,980	1,099,324
Loss from operations	(674,325)	(874,028)
Other income (expense), net		