

IPARTY CORP
Form 10-Q
August 06, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period Ended June 27, 2009

OR

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 1-15611

IPARTY CORP.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

76-0547750
(I.R.S. Employer
Identification No.)

270 Bridge Street, Suite 301,
Dedham, Massachusetts
(Address of Principal Executive Offices)

02026
(Zip Code)

(781) 329-3952
(Registrant's Telephone Number, Including Area Code)

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 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). 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 definition of "large accelerated filer", "accelerated filer" and "smaller reporting

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company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☐ (Do not check if 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 July 30, 2009, there were 22,731,667 shares of common stock, \$.001 par value, outstanding.

iPARTY CORP.
QUARTERLY REPORT ON FORM 10-Q
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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

iPARTY CORP.
CONSOLIDATED BALANCE SHEETS (unaudited)

	Jun 27, 2009	Dec 27, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 59,750	\$ 60,250
Restricted cash	608,048	775,357
Accounts receivable	877,824	730,392
Inventories, net	13,557,515	13,022,142
Prepaid expenses and other assets	327,608	279,185
Total current assets	15,430,745	14,867,326
Property and equipment, net	3,197,971	3,646,481
Intangible assets, net	1,955,139	2,303,692
Other assets	266,066	177,774
Total assets	\$ 20,849,921	\$ 20,995,273
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and book overdrafts	\$ 6,421,906	\$ 4,048,833
Accrued expenses	2,294,169	2,495,955
Current portion of capital lease obligations	9,228	6,444
Current notes payable, net of discount \$34,092	2,698,730	2,876,182
Borrowings under line of credit	515,916	1,950,019
Total current liabilities	11,939,949	11,377,433
Long-term liabilities:		
Capital lease obligations, net of current portion	18,455	-
Notes payable	600,000	600,000
Other liabilities	1,448,490	1,200,174
Total long-term liabilities	2,066,945	1,800,174