

DAXOR CORP
Form 10-Q
May 11, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d) of the
Securities Act of 1934

FOR QUARTER ENDED March 31, 2010
Commission File Number 001-09999

DAXOR CORPORATION
(Exact Name as Specified in its Charter)

New York
(State or Other Jurisdiction of
Incorporation or Organization)

13-2682108
(I.R.S. Employer
Identification No.)

350 Fifth Ave
Suite 7120
New York, New York 10118
(Address of Principal Executive Offices & Zip Code)

Registrant's Telephone Number:
(Including Area Code)

(212) 244-0555

Indicate by check mark whether the registrant (1) has filed all reports required 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 such shorter period that the registrant was required to post and submit 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

Accelerated Filer

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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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

CLASS	4,246,418 OUTSTANDING AT May 7, 2010
COMMON STOCK	
PAR VALUE: \$.01 per share	

DAXOR CORPORATION AND SUBSIDIARY

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**DAXOR CORPORATION AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS**

	UNAUDITED March 31, 2010	December 31, 2009
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 73,898	\$ 277,088
Receivable from broker (held in money market accounts)	6,150,154	6,062,298
Available-for-sale securities, at fair value	52,328,692	53,270,726
Securities sold, not received, at fair value	23,397,636	10,567,129
Accounts receivable, net of allowance for doubtful accounts of \$92,421 in 2010 and \$92,421 in 2009	212,976	240,615
Inventory	448,846	454,407
Prepaid expenses and other current assets	129,537	104,431
Total Current Assets	82,741,739	70,976,694
Property and equipment, net	4,219,088	4,173,138
Other assets	37,158	37,158
Total Assets	\$ 86,997,985	\$ 75,186,990
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 377,097	\$ 533,631
Loans payable	401,252	—
Income taxes payable	2,522,671	943,075
Mortgage payable, current portion	44,238	43,431
Put and call options, at fair value	4,674,322	4,249,123
Securities borrowed, at fair value	23,803,986	10,771,279
Deferred revenue	37,572	46,902
Deferred income taxes	8,164,673	10,627,351
Total Current Liabilities	40,025,811	27,214,792
LONG TERM LIABILITIES		
Mortgage payable, less current portion	335,403	346,861
Total Liabilities	40,361,214	27,561,653
STOCKHOLDERS' EQUITY		
Common stock, \$.01 par value, Authorized - 10,000,000 shares Issued – 5,316,550 shares Outstanding – 4,246,418 and 4,250,318 shares at March 31, 2010 and December 31, 2009, respectively	53,165	53,165
Additional paid in capital	10,675,228	10,675,228

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Accumulated other comprehensive income	15,163,433	16,016,375
Retained earnings	32,149,178	32,241,597
Treasury stock, at cost, 1,070,132 and 1,066,232 shares at March 31, 2010 and December 31, 2009, respectively	(11,404,233)	(11,361,028)
Total Stockholders' Equity	46,636,771	47,625,337
Total Liabilities and Stockholders' Equity	\$ 86,997,985	\$ 75,186,990

See accompanying notes to unaudited condensed consolidated financial statements.

DAXOR CORPORATION AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS [UNAUDITED]
FOR THE THREE MONTHS ENDED

	March 31, 2010	March 31, 2009
REVENUES:		
Operating Revenues – equipment sales and related services	\$316,385	\$344,963
Operating Revenues – cryobanking and related services	79,887	89,074
Total Revenues	396,272	434,037
Cost of Sales:		
Cost of equipment sales and related services	185,961	140,039
Cost of cryobanking and related services	5,816	12,429
Total Cost of Sales	191,777	152,468
Gross Profit	204,495	281,569
OPERATING EXPENSES:		
Research and development expenses:		
Research and development-equipment sales and related services	836,863	565,178
Research and development-cryobanking and related services	55,102	47,379
Total Research and Development Expenses	891,965	612,557
Selling, General & Administrative Expenses:		
Selling, general, and administrative-equipment sales and related services	481,744	613,784
Selling, general, and administrative-cryobanking and related services	172,942	169,724
Total Selling, General & Administrative Expenses	654,686	783,508
Total Operating Expenses	1,546,651	1,396,065
Loss from Operations	(1,342,156)	(1,114,496)
Other Income (Expenses):		
Dividend income-investment portfolio	568,408	987,097
Realized gains on sale of securities, net	6,076,382	5,124,034
Mark to market of short positions	(4,772,764)	(6,318,524)
Other revenues	3,041	2,963
Interest expense, net of interest income of \$1,119 and \$6,526	(6,264)	(67,699)

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Administrative expense relating to portfolio investments	(34,974)	(31,886)
Total Other Income (Loss)	1,833,829	(304,015)
Income (Loss) before Income Taxes	491,673	(1,418,511)
Income Tax Expense	584,092	124,774
Net Loss	\$(92,419)	\$(1,543,285)
Comprehensive Loss:		
Net Loss	\$(92,419)	\$(1,543,285)
Unrealized Loss on Securities Held for Sale, Net of Deferred Income Taxes	(852,942)	(9,845,569)
Comprehensive Loss	\$(945,361)	\$(11,388,854)
Weighted average number of shares outstanding – basic and diluted	4,247,285	4,285,685