

HYDRON TECHNOLOGIES INC
Form 10-Q
June 22, 2009

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 March 31, 2009

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 000-06333

HYDRON TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction of
Incorporation or organization)

13-1574215
(I.R.S. Employer Identification Number)

4400 34th Street N, Suite F
Saint Petersburg, Florida
(Address of principal executive offices)

33714
(Zip Code)

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(727) 342-5050

(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 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input checked="" type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Number of shares of common stock outstanding as of March 31, 2009: 19,621,176

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HYDRON TECHNOLOGIES, INC.**Consolidated Balance Sheets**

	March 31, 2009 (Unaudited)	September 30, 2008 (1)
ASSETS		
Current assets		
Cash	\$ 143,203	\$ 439,000
Due from joint venture, net of \$114,845 allowance for doubtful accounts		
Assets of discontinued operations		579,933
Total current assets	143,203	1,018,933
Property and equipment, net discontinued operations		108,036
Deferred product costs, net	86,881	93,977
Intangible assets, net discontinued operations		128,359
Restricted cash	2,622	7,823
Investment in joint venture	258,782	
Total assets	\$ 491,488	\$ 1,357,128
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 17,482	\$ 21,466
Royalties payable	5,255	5,069
Accrued liabilities	265,536	293,032
Liabilities of discontinued operations		171,353
Total current liabilities	288,273	490,920
Minority interest in consolidated partnership	172,953	185,653
Shareholders' equity		
Preferred stock - \$.01 par value 5,000,000 shares authorized; no shares issued or outstanding		
Preferred stock Series A - \$100 par value 15,000 shares authorized; 13,000 shares, issued or outstanding	1,300,000	1,300,000
Common stock - \$.01 par value 30,000,000 shares authorized; 19,621,176 shares, issued and outstanding	196,211	196,211
Additional paid-in capital	22,172,884	22,164,254
Accumulated deficit	(23,631,017)	(22,972,094)
Treasury stock, at cost 10,000 shares	(7,816)	(7,816)
Total shareholders' equity	30,262	680,555
Total liabilities and shareholders' equity	\$ 491,488	\$ 1,357,128

See accompanying notes to unaudited consolidated financial statements.

HYDRON TECHNOLOGIES, INC.**Consolidated Statements of Operations**

(Unaudited)

	Three Months ended		Six Months ended	
	March 31,		March 31,	
	2009	2008	2009	2008
Net sales	\$	\$	\$	\$
Cost of sales				
Gross profit				
Expenses				
Royalty expense	5,255	1,439	10,844	1,439
Selling, general & administration	142,348	30,057	171,367	54,900
Amortization	2,937	4,168	7,096	9,221
Loss from interest in joint venture	120,203		172,740	
Loss on impairment of investment	258,781		258,781	
Total expenses	529,524	35,664	620,828	65,560