

BIOTIME INC
Form 10-Q
May 05, 2010

FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(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, 2010

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 1-12830

BioTime, Inc.

(Exact name of registrant as specified in its charter)

California

(State or other jurisdiction of incorporation or organization)

94-3127919

(IRS Employer Identification No.)

1301 Harbor Bay Parkway, Suite 100
Alameda, California 94502

(Address of principal executive offices)

(510) 521-3390

(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

Accelerated filer

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Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company T

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

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 33,996,017 common shares, no par value, as of April 26, 2010.

PART 1--FINANCIAL INFORMATION

Statements made in this Report that are not historical facts may constitute forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those discussed. Such risks and uncertainties include but are not limited to those discussed in this report under Item 1 of the Notes to Financial Statements, and in BioTime's Annual Report on Form 10-K filed with the Securities and Exchange Commission. Words such as "expects," "may," "will," "anticipates," "intends," "plans," "believes," "seeks," "estimates," and similar identify forward-looking statements.

Item 1. Financial Statements

BIOTIME, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2010 (unaudited)	December 31, 2009
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 11,173,062	\$ 12,189,081
Inventory	56,582	38,384
Prepaid expenses and other current assets	168,844	138,547
Total current assets	11,398,488	12,366,012
Equipment, net of accumulated depreciation of \$64,711 and \$54,291, respectively	155,465	131,133
Deferred license fees	1,095,000	880,000
Deposits	51,900	55,926
TOTAL ASSETS	\$ 12,700,853	\$ 13,433,071
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 503,060	\$ 530,958
Deferred grant income	263,397	263,397
Deferred license revenue, current portion	360,339	367,904
Total current liabilities	1,126,796	1,162,259
LONG-TERM LIABILITIES:		
Deferred license revenue, net of current portion	1,158,162	1,223,823
EQUITY		
Preferred Shares, no par value, authorized 1,000,000 shares; none issued	-	-
Common shares, no par value, authorized 75,000,000 shares; issued and outstanding shares: 33,911,603 and 33,667,659 at March 31, 2010 and December 31, 2009, respectively	60,403,249	59,722,318
Contributed capital	93,972	93,972
Accumulated deficit	(54,056,655)	(52,769,891)
Total shareholders' equity	6,440,566	7,046,399
Noncontrolling interest	3,975,329	4,000,590
Total equity	10,415,895	11,046,989
TOTAL LIABILITIES AND EQUITY	\$ 12,700,853	\$ 13,433,071

See accompanying notes to the condensed consolidated interim financial statements.

BIOTIME, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended	
	March 31, 2010	March 31, 2009
REVENUES:		
License fees	\$73,226	\$73,226
Royalties from product sales	297,000	222,667
Grant income	395,096	-
Other revenues	1,805	850
Total revenues	767,127	296,743
EXPENSES:		
Research and development	(1,159,951)	(525,824)
General and administrative	(933,298)	(682,174)
Total expenses	(2,093,249)	(1,207,998)
Loss from operations	(1,326,122)	(911,255)
OTHER INCOME/(EXPENSES):		
Interest expense	(58)	(608,027)
Interest and other income	14,155	1,068
Total other income (expenses), net	14,097	(606,959)
NET LOSS	(1,312,025)	(1,518,214)
Net loss attributable to the noncontrolling interest	25,261	-
Net loss attributable to BioTime, Inc.	\$(1,286,764)	\$(1,518,214)
BASIC AND DILUTED LOSS PER COMMON SHARE	\$(0.04)	\$(0.06)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING:		
BASIC AND DILUTED	33,719,203	25,303,963

See accompanying notes to the condensed consolidated interim financial statements.

BIOTIME, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 (Unaudited)

	Three months Ended	
	March 31, 2010	March 31, 2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$(1,286,764)	\$(1,518,214)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization of capital leased assets	10,420	8,152
Amortization of deferred license revenues	(73,226)	(73,226)
Amortization of deferred finance cost on lines of credit	-	513,836
Amortization of deferred consulting fees	-	32,793
Amortization of deferred rent	(1,894)	-
Stock-based compensation	138,826	31,538
Options issued as independent director compensation	85,817	-
Net loss allocable to noncontrolling interest	(25,261)	-
Changes in operating assets and liabilities:		