

CORTEX PHARMACEUTICALS INC/DE/
Form 10-Q
December 15, 2014

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 30, 2013

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

Commission file number: 1-16467

CORTEX PHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

Delaware **33-0303583**
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification Number)

126 Valley Road, Suite C

Glen Rock, New Jersey 07452

(Address of principal executive offices)

(201) 444-4947

(Registrant's telephone number, including area code)

Not applicable

(Former name, former address and former fiscal year, if changed since last report)

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 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, or a non-accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Large accelerated filer Accelerated filer
Non-accelerated filer 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 June 30, 2013, the Company had 144,041,556 shares of common stock, \$0.001 par value, issued and outstanding.

Documents incorporated by reference: None

CORTEX PHARMACEUTICALS, INC.

AND SUBSIDIARY

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Forward-Looking Statements

This Quarterly Report on Form 10-Q contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. For example, statements regarding the Company's financial position, business strategy and other plans and objectives for future operations, and assumptions and predictions about future product demand, supply, manufacturing, costs, marketing and pricing factors are all forward-looking statements. These statements are generally accompanied by words such as "intend," "anticipate," "believe," "estimate," "potential(ly)," "continue," "forecast," "predict," "plan," "may," "will," "could," "would," "should," "expect," and the negative of such terms or other comparable terminology. The Company believes that the assumptions and expectations reflected in such forward-looking statements are reasonable, based on information available to it on the date hereof, but the Company cannot provide assurances that these assumptions and expectations will prove to have been correct or that the Company will take any action that the Company may presently be planning. However, these forward-looking statements are inherently subject to known and unknown risks and uncertainties. Actual results or experience may differ materially from those expected, anticipated or implied in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, regulatory policies, available cash, research and development results, competition from other similar businesses, and market and general economic factors. This discussion should be read in conjunction with the condensed consolidated financial statements (unaudited) and notes thereto included in Item 1 of this Quarterly Report on Form 10-Q and the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, including the section entitled "Item 1A. Risk Factors." The Company does not intend to update or revise any forward-looking statements to reflect new information, future events or otherwise.

PART I - FINANCIAL INFORMATION**ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****CORTEX PHARMACEUTICALS, INC.****AND SUBSIDIARY****CONDENSED CONSOLIDATED BALANCE SHEETS**

	June 30, 2013	December 31,
	(Unaudited)	2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$25,570	\$152,179
Deferred financing costs	13,328	—
Other current assets	15,090	17,002
Total current assets	53,988	169,181
Other	—	29,545
Total assets	\$53,988	\$198,726
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
Current liabilities:		
Accounts payable and accrued expenses	\$1,769,030	\$1,509,827
Accrued compensation and related expenses	1,480,264	885,180
Notes payable to Chairman, including accrued interest of \$1	25,001	—
Notes payable to related party, including accrued interest of \$49,460 and \$25,340 at June 30, 2013 and December 31, 2012, respectively	456,503	465,392
Project advance, including accrued interest of \$84,742 and \$82,722 at June 30, 2013 and December 31, 2012, respectively	332,042	330,022
Total current liabilities	4,062,840	3,190,421
Commitments and contingencies (Note 11)		
Stockholders' deficiency:		

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Series B convertible preferred stock, \$0.001 par value; \$0.6667 per share liquidation preference; aggregate liquidation preference \$25,001; shares authorized: 37,500; shares issued and outstanding: 37,500; common shares issuable upon conversion at 0.09812 per share: 3,679	21,703	21,703
Common stock, \$0.001 par value; shares authorized: 205,000,000; shares issued and outstanding: 144,041,556	144,041	144,041
Additional paid-in capital	125,183,892	125,183,892
Accumulated deficit	(129,358,488)	(128,341,331)
Total stockholders' deficiency	(4,008,852)	(2,991,695)
Total liabilities and stockholders' deficiency	\$53,988	\$198,726

See accompanying notes to condensed consolidated financial statements (unaudited).

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CORTEX PHARMACEUTICALS, INC.**AND SUBSIDIARY****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS****(Unaudited)**

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Grant revenues	\$—	\$48,309	\$—	\$48,309
Operating expenses:				
General and administrative	104,229	594,798	863,768	1,326,171
Research and development	74,993	264,295	158,671	467,276
Pier merger-related costs	—	161,247	—	161,247
Gain on settlement of office lease	(1,990)	—	(1,990)	—
Total operating expenses	177,232	1,020,340	1,020,449	1,954,694
Loss from operations	(177,232)	(972,031)	(1,020,449)	(1,906,385)
Interest income	—	34	—	91