

ALANCO TECHNOLOGIES INC  
Form 10-Q/A  
March 01, 2012

ALANCO TECHNOLOGIES, INC.

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-Q/A

Amendment No. 2

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934  
For the quarterly period ended September 30, 2011

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 0-9347

ALANCO TECHNOLOGIES, INC.  
(Exact name of registrant as specified in its charter)  
Arizona  
(State or other jurisdiction of incorporation or organization)

86-0220694  
(I.R.S. Employer Identification No.)

7950 E. Acoma Drive, Suite 111, Scottsdale, Arizona 85260  
(Address of principal executive offices) (Zip Code)

(480) 607-1010  
(Registrant's telephone number)

\_\_\_\_\_  
(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 in the past 90 days. X 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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated  
accelerated filer filer

Non-accelerated Smaller X  
filer reporting  
company

(Do not check if a 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 X No

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

As of November 10, 2011 there were 4,974,900 shares of common stock outstanding.

#### EXPLANATORY NOTE ON AMENDMENT

This Amendment No. 2 to Form 10-Q for the quarter ended September 30, 2011 is being filed for the purpose of updating the certifications of the Company's officers. In addition, the certifications were separated from the document and have been attached hereto as exhibits.

Except for the items described above, no other changes have been made to the original Form 10-Q, filed with the Securities and Exchange Commission on November 14, 2011 or the Form 10-Q/A Amendment No. 1, filed with the Securities and Exchange Commission on November 23, 2011 and this Form 10-Q/A Amendment No. 2 does not reflect events that may have occurred subsequent to the original filing date, and does not modify or update disclosures made in the original Form 10-Q.

ALANCO TECHNOLOGIES, INC.

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ALANCO TECHNOLOGIES, INC.

Except for historical information, the statements contained herein are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words “believe,” “may,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “could,” “target,” “potential,” “is likely,” “will,” “expect,” and other similar expressions, as they relate to the Company are intended to identify forward-looking statements within the meaning of the “safe harbor” provisions of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. From time to time, the Company may publish or otherwise make available forward-looking statements of this nature. All such forward-looking statements are based on the expectations of management when made and are subject to, and are qualified by, risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. These risks and uncertainties include, but are not limited to, the following factors, among others, that could affect the outcome of the Company's forward-looking statements: general economic and market conditions; the inability to attract, hire and retain key personnel; failure of an acquired business to further the Company's strategies; the difficulty of integrating an acquired business; unforeseen litigation; unfavorable result of current pending litigation; the ability to maintain sufficient liquidity in order to support operations; the ability to maintain satisfactory relationships with current and future suppliers; federal and/or state regulatory and legislative action; the ability to implement or adjust to new technologies and the ability to secure and maintain key contracts and relationships. New risk factors emerge from time to time and it is not possible to accurately predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any risk factor, or combination of risk factors, may cause results to differ materially from those contained in any forward-looking statements. Except as otherwise required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statements or the risk factors described in this Annual Report or in the documents we incorporate by reference, whether as a result of new information, future events, changed circumstances or any other reason after the date of this Quarterly Report on Form 10-Q.

## ALANCO TECHNOLOGIES, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS  
AS OF SEPTEMBER 30, 2011 AND JUNE 30, 2011

	September 30, 2011 (unaudited)	June 30, 2011
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 607,400	\$ 783,200
Accounts receivable, net	48,000	149,900
Marketable securities - restricted	5,407,200	6,637,100
Prepaid expenses and other current assets	50,600	39,500
Total current assets	6,113,200	7,609,700
<b>FURNITURE AND OFFICE EQUIPMENT, NET</b>	<b>6,000</b>	<b>6,700</b>
<b>TOTAL ASSETS</b>	<b>\$ 6,119,200</b>	<b>\$ 7,616,400</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 436,600	\$ 553,300
Note payable - related party	28,000	28,000
Total current liabilities	464,600	581,300
<b>LONG-TERM LIABILITIES</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>464,600</b>	<b>581,300</b>
Preferred Stock - Series B Convertible - 500,000 shares authorized, 125,700 and 122,600 issued and outstanding, respectively	1,243,800	1,213,300
<b>SHAREHOLDERS' EQUITY</b>		
<b>Preferred Stock</b>		
Preferred Stock - Series D Convertible - 500,000 shares authorized, none outstanding	-	-
Preferred Stock - Series E Convertible - 750,000 shares	-	-

	authorized, none		
	outstanding		
Common Stock			
	Class A - 75,000,000 no		
	par shares authorized,		
	4,974,900		
	and 4,874,100 shares		
	issued and outstanding at		
	September 30,		
	2011 and June 30, 2011,	108,851,500	108,696,500
	respectively		
	Class B - 25,000,000 no		
	par shares authorized,		
	none		
	outstanding	-	-
Accumulated Other		(763,400)	466,500
Comprehensive Income (Loss)			
Accumulated Deficit		(103,677,300)	(103,341,200)
Total shareholders' equity		4,410,800	5,821,800
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		<b>\$ 6,119,200</b>	<b>\$ 7,616,400</b>

See accompanying notes to the condensed consolidated financial statements

## ALANCO TECHNOLOGIES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF  
OPERATIONS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30,  
(unaudited)

	2011	2010
NET SALES	\$-	\$-
Cost of goods sold	-	-
GROSS PROFIT	-	-
OPERATING EXPENSES		
Corporate expenses	297,000	302,700
Amortization of stock-based compensation	7,800	189,800
Depreciation and amortization	700	200
	305,500	492,700
OPERATING LOSS	(305,500)	(492,700)
OTHER INCOME & EXPENSES		
Interest expense, net	(100)	(167,800)
Other income (expense), net	-	(300)
LOSS FROM CONTINUING OPERATIONS	(305,600)	(660,800)
LOSS FROM DISCONTINUED OPERATIONS	-	(622,500)
NET LOSS	(305,600)	(1,283,300)
Preferred stock dividends	(30,500)	(79,700)
NET LOSS ATTRIBUTABLE TO COMMON SHAREHOLDERS	\$ (336,100)	\$ (1,363,000)
NET LOSS PER SHARE - BASIC AND DILUTED		
Continuing operations	\$ (0.06)	\$ (0.13)
Discontinued operations	\$ 0.00	\$ (0.12)
	\$(0.01)	\$ (0.02)



Preferred stock dividends		
Net loss per share attributable to common shareholders	\$ (0.07)	\$ (0.27)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	4,951,900	5,094,800

See accompanying notes to the condensed consolidated financial  
statements

CONDENSED CONSOLIDATED STATEMENTS  
OF COMPREHENSIVE INCOME (LOSS)  
FOR THE THREE MONTHS ENDED  
SEPTEMBER 30, (unaudited)

	2011	2010
Net Loss	\$ (305,600)	\$ (1,283,300)
Gross Unrealized Loss on Marketable Securities, Net of Tax	(1,229,900)	-
Comprehensive Income (Loss)	\$ (1,535,500)	\$ (1,283,300)

See accompanying notes to the condensed  
consolidated financial statements

ALANCO TECHNOLOGIES, INC.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2011 (unaudited)

	SHARES	COMMON STOCK AMOUNT	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	ACCUMULATED DEFICIT	TOTAL
Balances, June 30, 2011	4,874,100\$	108,696,500\$	466,500 \$	(103,341,200)\$	5,821,800
Value of stock-based compensation	-	7,800	-	-	7,800
Shares issued for exercise of options	100,800	151,200			