

Ascent Solar Technologies, Inc.
Form 10QSB
November 13, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

(Mark One)

- QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2007

or

- TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from _____ to _____

-

Commission File No. 001-32919

Ascent Solar Technologies, Inc.

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(Exact name of small business issuer as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-3672603
(I.R.S. Employer
Identification No.)

8120 Shaffer Parkway
Littleton, CO 80127
(Address of principal executive offices)

303-285-9885
(Issuer's telephone number including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such report(s), 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 shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

At November 1, 2007, 11,283,651 shares of the registrant's Common Stock, par value \$0.0001 per share, were outstanding.

Transitional Small Business Disclosure Format: Yes No

ASCENT SOLAR TECHNOLOGIES, INC.

Quarterly Report on Form 10-QSB

Quarterly Period Ended September 30, 2007

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ASCENT SOLAR TECHNOLOGIES, INC.

(A Development Stage Company as Defined by SFAS No. 7)

BALANCE SHEET

(Unaudited)

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

	September 30, 2007
ASSETS	
Current Assets:	
Cash	\$ 1,546,355
Restricted cash	465,000
Short term investments	40,545,223
Accounts receivables	164,819
Related party receivable	124
Other current assets	334,101
Total current assets	43,055,622
Property & Equipment at Cost:	1,635,449
Less accumulated depreciation	(57,175)
	1,578,274
Other Assets	
Deposits on manufacturing equipment	4,976,716
Patents	65,065
	5,041,781
Total Assets	\$ 49,675,677
LIABILITIES AND STOCKHOLDERS EQUITY	
Current Liabilities:	
Accounts payable	\$ 522,246
Related party payable	202,720
Accrued expenses	328,064
Total current liabilities	1,053,030
Deferred Rent	17,494
Commitments and Contingencies (Note 9)	
Stockholders Equity:	
Preferred Stock, \$0.0001 par value, 25,000,000 shares authorized, no shares outstanding	
Common Stock, \$0.0001 par value, 75,000,000 shares authorized; 11,160,401 shares outstanding	1,116
Additional Paid in Capital	58,892,598
Deficit accumulated during the development stage	(10,288,561)
Total Stockholders Equity	48,605,153
Total Liabilities and Stockholders Equity	\$ 49,675,677

See accompanying notes to financial statements.

ASCENT SOLAR TECHNOLOGIES, INC.

(A Development Stage Company as Defined by SFAS No. 7)

STATEMENTS OF OPERATIONS

(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,		For the Period from inception (October 18, 2005) through
	2007	2006	2007	2006	September 30, 2007
Research & Development Revenues					
Contract Revenues	\$ 324,064	\$	\$ 739,732	\$	\$ 739,732
Related Party Revenues		1,781	27,519	11,958	27,519
Total Revenues	324,064	1,781	767,251	11,958	767,251
Costs and Expenses					
Research & Development	760,658	103,505	1,907,407	578,134	2,226,491
General and Administrative	2,147,443	897,520	4,685,313	1,690,312	8,946,026
Total Costs and Expenses	2,908,101	1,001,025	6,592,720	2,268,446	11,172,517
Loss from Operations	(2,584,037)	(999,244)	(5,825,469)	(2,256,488)	(10,405,266)
Other Income/(Expense)					
Interest Expense	(270)	(561,687)	(406)	(1,080,644)	(1,083,837)
Interest Income	518,909	100,890	925,460	100,890	1,200,542
	518,639	(460,797)	925,054	(979,754)	116,705
Net Loss	\$ (2,065,398)	\$ (1,460,041)	\$ (4,900,415)	\$ (3,236,242)	\$ (10,288,561)
Net Loss Per Share (Basic and diluted)	\$ (0.19)	\$ (0.30)	\$ (0.61)	\$ (1.12)	
Weighted Average Common Shares Outstanding					
(Basic and diluted)	10,609,460	4,827,272	8,017,084	2,881,639	

See accompanying notes to financial statements.

ASCENT SOLAR TECHNOLOGIES, INC.

(Development Stage Company as Defined by SFAS No. 7)

STATEMENTS OF STOCKHOLDERS EQUITY

For the Period from inception (October 18, 2005) through December 31, 2006 (Audited) and for the

Nine Months Ended September 30, 2007 (Unaudited)

	Common Stock		Preferred Stock		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-In Capital	Deficit	Stockholders Equity
Balance at inception, October 18, 2005							
Proceeds from sale of common stock (11/05 @ \$.04 per share)	972,000	\$ 97			\$ 38,783	\$	\$ 38,880
Stock Based Compensation:							
Founders Stock					933,120		933,120
Stock Options					26,004		26,004
Net loss						(1,207,234)	(1,207,234)
Balance, December 31, 2005	972,000	\$ 97			\$ 997,907	\$ (1,207,234)	\$ (209,230)
Transfer of assets at historical cost (1/06 @ \$0.03 per share)	1,028,000	103			31,097		31,200
Proceeds From IPO (7/06 @ \$5.50 per unit)	3,000,000	300			16,499,700		16,500,000
IPO Costs					(2,392,071)		(2,392,071)
Stock issued to Bridge Loan Lenders (7/06 @ \$2.75 per share)	290,894	29			799,971		800,000
Exercise of Stock Options (9/06 & 12/06 @ \$0.10 per share)	31,200	3			3,117		3,120
Stock Based Compensation-Stock options					348,943		348,943
Net loss						(4,180,912)	(4,180,912)
Balance, December 31, 2006	5,322,094	\$ 532			\$ 16,288,664	\$ (5,388,146)	\$ 10,901,050
Exercise of Stock Options (1/07, 3/07, 6/07, 8/07 & 9/07 @ \$0.10) (8/07, 9/07 @ \$4.25) (9/07 @ \$2.76)	70,713	7			35,289		35,296
Conversion of Class A Public Warrants at \$6.60	3,098,382	310			20,449,011		20,449,321
Redemption of Class A Public Warrants at \$0.25 per share					(48,128)		(48,128)
Conversion of Class B Public Warrants at \$11.00 per share	1,000				11,000		11,000
Stock Based Compensation-Stock options					1,633,361		1,633,361

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Proceeds from Private Placement:							
Common Stock (3/07 @ \$5.77 and 8/07 @ \$7.198)	2,534,462		254		15,962,003		15,962,257
Class B Public Warrants (8/07 @ \$1.91)					3,754,468		3,754,468
Private Placement Costs					(75,807)		(75,807)
Exercise of Representative Warrants (9/07 @ \$6.60 per unit)	133,750		13		882,737		882,750
Net loss						(4,900,415)	(4,900,415)
Balance, September 30, 2007	11,160,401	\$	1,116		\$ 58,892,598	\$ (10,288,561)	\$ 48,605,153

See accompanying notes to financial statements.

ASCENT SOLAR TECHNOLOGIES, INC.

(A Development Stage Company as Defined by SFAS No. 7)

STATEMENTS OF CASH FLOWS

(Unaudited)

	For the Nine Months Ended September 30,		For the Period from inception (October 18, 2005) through September 30, 2007
	2007	2006	
Operating Activities:			
Net loss	\$ (4,900,415)	\$ (3,236,242)	\$ (10,288,561)
Adjustments to reconcile net loss to cash used in operating activities:			
Depreciation and amortization	44,540	7,538	57,175
Stock based compensation	1,633,361	228,740	2,941,428
Charge off of deferred financing costs to interest expense		198,565	198,565
Charge off of bridge loan discount to interest expense		800,000	800,000
Changes in operating assets and liabilities:			
Accounts receivable	(164,819)		(164,819)
Related party receivables	4,316	(20)	(124)
Other current assets	(218,880)	(121,925)	(334,102)
Accounts payable	449,203	68,820	522,247
Related party payable	18,766	277,283	202,720
Deferred rent	7,582		17,494
Accrued expenses	206,428	(4,817)	328,063
Net cash used in operating activities	(2,919,918)	(1,782,058)	(5,719,914)
Investing Activities:			
Purchases of available-for-sale-securities	(84,822,394)	(15,305,000)	(131,066,844)
Maturities and sales of available for-sale securities	54,162,171	3,340,807	90,521,621
Purchase of equipment	(1,531,805)	(37,925)	(1,629,204)
Deposits on manufacturing equipment	(4,606,716)		(4,976,716)
Restricted cash for manufacturing equipment	(465,000)		(465,000)
Patent activity costs	(27,497)	(4,520)	(40,108)
Net cash used in investing activities	(37,291,241)	(12,006,638)	(47,656,251)
Financing Activities:			
Proceeds from bridge loan financing		1,600,000	1,600,000
Repayment of bridge loan financing		(1,600,000)	(1,600,000)
Payment of financing costs		(171,400)	(198,565)
Payment of IPO & private placement costs	(75,807)		