

PAID INC  
Form 10-Q  
August 14, 2013

**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  
COMMISSION FILE NUMBER 0-28720  
(Exact Name of Registrant as Specified in its Charter)**

**DELAWARE** **73-1479833**  
(State or Other Jurisdiction of Incorporation or Organization) (I.R.S. Employer Identification No.)

**40 Washington Street, Westborough, Massachusetts 01581**  
(Address of Principal Executive Offices) (Zip Code)

**(617) 861-6050**  
(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 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 filer	<input type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

(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  No

As of August 14, 2013, the issuer had outstanding 328,874,050 shares of its Common Stock, par value \$0.001 per share.

**PAID, INC.**  
**FORM 10-Q**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2013**

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**PART I - FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****PAID, INC.  
CONDENSED BALANCE SHEETS**

	June 30, 2013 (Unaudited)	December 31, 2012 (Audited)
<b>ASSETS</b>		
Current assets:		
Cash	\$ 1,009,300	\$ 1,433,000
Investments	237,600	142,800
Accounts receivable, net	350,800	348,800
Inventories	2,900	420,700
Prepaid expenses and other current assets	520,600	310,200
Advanced royalties	336,100	329,800
Total current assets	2,457,300	2,985,300
Property and equipment, net	170,200	212,900
Intangible asset, net	5,600	6,100
Prepaid facility costs	936,500	1,027,200
Total assets	\$ 3,569,600	\$ 4,231,500
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 579,700	\$ 728,000
Capital leases - current portion	23,900	26,300
Accrued expenses	1,193,800	1,512,800
Deferred revenues	161,100	230,500
Total current liabilities	1,958,500	2,497,600
Long-term liabilities:		
Capital leases - net of current	36,800	48,600
Commitments and contingencies		