

INSIGNIA SOLUTIONS PLC
Form 10-Q
August 07, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended: June 30, 2009

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: 0-27012

Insignia Solutions plc

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

England and Wales
(State or other jurisdiction of incorporation
or organization)

Not applicable
(I.R.S. Employer Identification No.)

7575 E. Redfield Road
Suite 201
Scottsdale, AZ
(Address of principal executive offices)

85260
(Zip Code)

(480) 922-8155
(Issuer'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 for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of

Edgar Filing: INSIGNIA SOLUTIONS PLC - Form 10-Q

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.

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

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date: 129,254,116 ordinary shares as of August 3, 2009.

INSIGNIA SOLUTIONS PLC dba DOLLARDAYS INTERNATIONAL, INC.

Table of Contents

	Page
PART I – FINANCIAL INFORMATION	1
Item 1. Financial Statements:	2
Consolidated Balance Sheets (unaudited)	2
Consolidated Statements of Operations (unaudited)	3
Consolidated Statements of Cash Flows (unaudited)	4
Notes to Consolidated Financial Statements (unaudited)	5
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	9
Item 3. Quantitative and Qualitative Disclosure About Market Risk	13
Item 4T. Controls and Procedures	13
PART II – OTHER INFORMATION	14
Item 1. Legal Proceedings.	14
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	14
Item 3. Defaults Upon Senior Securities	15
Item 4. Submission of Matters to a Vote of Security Holders	15
Item 5. Other Information.	15
Item 6. Exhibits	16
SIGNATURES	17

PART I – FINANCIAL INFORMATION

Forward-Looking Information

Unless otherwise indicated, the terms “Insignia,” the “Company,” “we,” “us,” and “our” refer to Insignia Solutions plc and subsidiaries. In this Quarterly Report on Form 10-Q, we may make certain forward-looking statements, including statements regarding our plans, strategies, objectives, expectations, intentions and resources that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. We do not undertake to update, revise or correct any of the forward-looking information. The following discussion should also be read in conjunction with the audited consolidated financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2008.

The statements contained in this Quarterly Report on Form 10-Q that are not historical fact are forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995), within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements contained herein are based on current expectations that involve a number of risks and uncertainties. These statements can be identified by the use of forward-looking terminology such as “believes,” “expects,” “may,” “will,” “should,” “intend,” “plan,” “could,” “is likely,” or “anticipates,” or the negative thereof or other thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. The Company wishes to caution the reader that these forward-looking statements are not historical facts but only predictions. No assurances can be given that the future results indicated, whether expressed or implied, will be achieved. While sometimes presented with numerical specificity, these projections and other forward-looking statements are based upon a variety of assumptions relating to the business of the Company, which, although considered reasonable by the Company, may not be realized. Because of the number and range of assumptions underlying the Company’s projections and forward-looking statements, many of which are subject to significant uncertainties and contingencies that are beyond the reasonable control of the Company, some of the assumptions inevitably will not materialize, and unanticipated events and circumstances may occur subsequent to the date of this report. These forward-looking statements are based on current expectations and the Company assumes no obligation to update this information. Therefore, the actual experience of the Company and the results achieved during the period covered by any particular projections or forward-looking statements may differ substantially from those projected. Consequently, the inclusion of projections and other forward-looking statements should not be regarded as a representation by the Company or any other person that these estimates and projections will be realized, and actual results may vary materially. There can be no assurance that any of these expectations will be realized or that any of the forward-looking statements contained herein will prove to be accurate.

Item 1. Financial Statements.

Insignia Solutions plc dba DollarDays International, Inc.
Consolidated Balance Sheets
(unaudited)

	June 30, 2009	December 31, 2008
Assets		
Cash and cash equivalents	\$ 137,757	\$ 20,836
Certificates of deposit	1,429,810	2,118,933
Accounts receivable, net	58,008	75,457
Prepaid expenses and other current assets	106,358	78,723
Total current assets	1,731,933	2,293,949
Property and equipment, net	181,558	160,641
Deposits and other assets	23,899	33,899
Total assets	\$ 1,937,390	\$ 2,488,489
Liabilities and Shareholders' Equity		
Accounts payable	\$ 1,264,143	\$ 1,176,170
Accrued expenses	310,794	771,407
Deferred revenue	28,439	15,617
Liability for unauthorized, unissued shares	-	134,252
Other liabilities	5,276	4,652
Total current liabilities	1,608,652	2,102,098
Shareholders' equity:		
Ordinary shares, 1 pence par value, 300,000,000 shares authorized, 129,254,116 shares outstanding at June 30, 2009 and 126,682,430 to be issued and outstanding at December 31, 2008 (see Note 1)	2,539,175	2,503,878
Additional paid in capital	4,041,455	3,982,711
Accumulated deficit	(6,251,892)	(6,100,198)
Total shareholders' equity	328,738	386,391
Total liabilities and shareholders' equity	\$ 1,937,390	\$ 2,488,489

See accompanying notes to unaudited consolidated financial statements.

Insignia Solutions plc dba DollarDays International, Inc.
Consolidated Statements of Operations
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Net revenues	\$ 3,140,282	\$ 2,863,477	\$ 5,714,827	\$ 5,234,647
Cost of goods sold	2,082,917	2,035,087	3,783,196	3,708,590
Gross profit	1,057,365	828,390	1,931,631	1,526,057
Operating expenses:				