Waytronx, Inc. Form 10-Q May 08, 2009

### WAYTRONX, INC.

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549

#### FORM 10-Q

#### QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For quarter ended March 31, 2009

Commission File Number 0-29195

WAYTRONX, INC. (Name of Small Business Issuer in Its Charter)

Colorado (State or jurisdiction of incorporation or organization) (3990) (Primary Standard Industrial Classification Code Number) 84-1463284 (I.R.S. Employer Identification No.)

20050 SW 112th Avenue Tualatin, Oregon 97062 (503) 612-2300.

(Address and Telephone Number of Principal Executive Offices and Principal Place of Business)

William J. Clough, CEO/President Waytronx, Inc. 20050 SW 112th Avenue Tualatin, Oregon 97062 (503) 612-2300. (Name, Address and Telephone Number of Agent for Service)

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 x 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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES "NO x

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.

## Edgar Filing: Waytronx, Inc. - Form 10-Q

Large accelerated filer " Non-accelerated filer " (Do not check if a smaller reporting company) Accelerated filer " Smaller reporting company x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES " NO x

As of March 31, 2009, there were 166,698,406 shares of the Company's common stock outstanding, 50,543 shares of Series A Convertible Preferred Stock outstanding, no shares of Series B and Series C Convertible Preferred Stock outstanding.

# WAYTRONX, INC.

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# PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

# Waytronx, Inc. Condensed Consolidated Balance Sheets

Assets: Carrent Assets: Cash and cash equivalents \$ 168,891 \$ 599,200 Trade accounts receivable, net of allowance of \$135,000 2,549,035 2,762,416 Other accounts receivable, net of allowance of \$135,000 2,549,035 2,762,416 Other accounts receivable, net of allowance of \$135,000 2,549,035 2,762,416 Other accounts receivable, net of allowance of \$135,000 2,549,035 2,762,416 Inventories, net 3,629,464 4,077,367 Propaid expenses and other 3,78,72 1,86,520 Total current assets 7,226,287 7,931,439 Property and equipment, net 1,173,633 1,245,203 Other assets: Investment - equity method 112,441 120,499 Technology rights, net 4,074,574 4,134,202 Other assets, net 2,54,696 558,269 Other intangible assets, net 2,38,00 27,878 Deposits and other 1,448,291 1,1618,678 Deto other 1,4448,291 1,1618,678 Codowlil, net 2,248,095 32,221,148 Total other assets 38,697,716 38,963,110 Total assets \$ 47,097,636 \$ 48,139,752 Liabilities and stockholders' equity: Current liabilities: Laccounts payable \$ 665,136 \$ 1,106,114 Preferred stock dividends payable \$ 5,054 5,054 Detword inder \$ 20,934 Accrued expenses 1,880,382 1,912,592 Accrued expenses 1,880,382			Aarch 31, 2009 (unaudited)		December 31, 2008	
Cash and cash equivalents    \$    168,891    \$    599,200      Trade accounts receivable, net of allowance of \$135,000    2,549,035    2,762,416      Other accounts receivable, related party    195,193    110,952      Other accounts receivable, related party    195,193    194,984      Inventories, net    3,629,464    4,077,367      Prepaid expenses and other    3,78,572    186,520      Total current assets    7,226,287    7,931,439      Property and equipment, net    1,173,633    1,245,203      Other assets:	Assets:					
Trade accounts receivable, net of allowance of \$135,000    2,549,035    2,762,416      Other accounts receivable    305,132    110,952      Other accounts receivable, related party    195,133    1194,984      Inventories, net    3,629,464    4,077,367      Prepaid expenses and other    378,572    186,520      Total current assets    7,226,287    7,931,439      Property and equipment, net    1,173,633    1,245,203      Other assets:    112,441    120,499      Technology rights, net    4,074,574    4,134,202      Patent costs, net    23,800    27,878      Other assets.    23,800    27,878      Deposits and other    20,934    40,411      Notes receivable, net    182,025    182,025      Debt offering costs, net    38,697,716    38,963,110      Total assets    \$    4,709,763    \$    4,81,39,752      Liabilities and stockholders' equity:		¢	1 ( 0 0 0 1	¢	500.000	
Other accounts receivable, related party    305,132    110,952      Other accounts receivable, related party    195,193    194,984      Inventories, net    3629,464    4,077,367      Prepaid expenses and other    378,572    186,520      Total current assets    7,226,287    7,931,439      Property and equipment, net    1,173,633    1,245,203      Other assets:    1    12,441    120,499      Investment - equity method    112,441    120,499      Technology rights, net    4,074,574    4,134,202      Patent costs, net    554,696    558,269      Other intargible assets, net    23,800    27,878      Deposits and other    20,934    40,411      Notes receivable, net    182,025    182,025      Debt offering costs, net    1,448,291    1,618,678      Goodwill, net    32,280,955    32,281,148      Total other assets    \$    470,97,65    \$    4,8139,752      Liabilities:    Accounts payable    5,054    5,054    5,054      Demand notes payable		\$		\$		
Other accounts receivable, related party    195,193    194,984      Inventories, net    3,629,464    4,077,367      Prepaid expenses and other    378,572    186,520      Total current assets    7,226,287    7,931,439      Property and equipment, net    1,173,633    1,245,203      Other assets:    -    -      Investment - equity method    112,441    120,499      Technology rights, net    4,074,574    4,134,202      Patent costs, net    554,696    558,269      Other intangible assets, net    23,800    27,878      Deposits and other    20,934    40,111      Notes receivable, net    182,025    182,025      Debt offering costs, net    1,448,291    1,618,678      Goodwill, net    32,280,955    32,281,148      Total other assets    38,697,116    38,963,110      Total assets    \$    47,097,636    \$      Accounts payable    5,054    5,054      Demand notes payable    5,054    5,054      Demand notes payable, net of discounts of \$0 and \$0, res						
Inventories, net    3.629,464    4.077,367      Prepaid expenses and other    378,572    186,520      Total current assets    7,226,287    7,931,439      Property and equipment, net    1,173,633    1,245,203      Other assets:    112,441    120,499      Technology rights, net    4,074,574    4,134,202      Patent costs, net    554,696    558,269      Other intangible assets, net    20,934    40,411      Notes receivable, net    182,025    182,025      Debo fifering costs, net    1,448,291    1,618,678      Goodwill, net    32,280,955    32,281,148      Total other assets    \$    47,077,63    \$      Total assets    \$    47,077,63    \$    48,139,752      Liabilities and stockholders' equity:    Current liabilities:    3    3    42,911    1,91,893,93,110      Accounts payable    \$    665,136    \$    1,106,114      Preferred stock dividends payable    5,054    5,054    5,054      Demand notes payable, net of discounts of \$0 and \$0, respectivel						
Prepaid expenses and other    378,572    186,520      Total current assets    7,226,287    7,931,439      Property and equipment, net    1,173,633    1,245,203      Other assets:    112,441    120,499      Technology rights, net    4,074,574    4,134,202      Patent costs, net    554,696    558,269      Other assets, net    20,934    40,411      Notes receivable, net    182,025    182,025      Debo offering costs, net    182,025    182,025      Other assets    38,697,716    38,963,110      Total assets    38,697,716    38,963,110      Total assets    38,697,716    38,963,110      Total assets    \$47,097,636    \$48,139,752      Liabilities:    20,934    40,111      Notes assets    38,697,716    38,963,110      Total assets    38,697,716    38,963,110      Total assets    \$665,136    \$1,106,114      Preferred stock dividends payable    5,054    5,054      Demand notes payable    5,054    5,054						
Total current assets  7,226,287  7,931,439    Property and equipment, net  1,173,633  1,245,203    Other assets:  112,441  120,499    Investment - equity method  4,074,574  4,134,202    Patent costs, net  554,696  558,269    Other intangible assets, net  23,800  27,878    Deposits and other  20,934  40,411    Notes receivable, net  182,025  182,025    Debt offering costs, net  1,448,291  1,618,678    Goodwill, net  32,280,955  32,281,148    Total other assets  3,8,697,716  38,963,110    Total assets  \$  47,097,636  \$  48,139,752    Liabilities and stockholders' equity:     5,054  5,054    Current liabilities:   5,054  5,054  5,054  5,054  5,054    Accounts payable  5,054  5,054  5,054  1,212,993  3,202,001  1,373,993  3,262,101  1,373,993  3,262,110  1,373,993  3,262,110  1,373,993  4,200  1,06,114  4,92,000  1,510,210						
Property and equipment, net  1,173,633  1,245,203    Other assets:  112,441  120,499    Investment - equity method  112,441  120,499    Technology rights, net  4,074,574  4,134,202    Patent costs, net  554,696  558,269    Other intangible assets, net  23,800  27,878    Deposits and other  20,934  40,411    Notes receivable, net  182,025  182,025    Debt offering costs, net  1,448,291  1,618,678    Goodwill, net  32,280,955  32,281,148    Total other assets  38,697,716  38,963,110    Total assets  \$  47,097,636  \$ 48,139,752    Liabilities  \$  50,54  5.054    Accounts payable  \$  665,136  \$ 1,106,114    Preferred stock dividends payable  5,054  5.054  5.054    Demand notes payable  \$  50,54  5.054    Demand notes payable, current portion due  50,154  49,200    Notes payable, current portion due  50,154  49,200    Notes payable, net of discounts of S0 and S0, respectivel						
Other assets:    Investment - equity method    112,441    120,491      Investment - equity method    112,441    120,492      Pacennology rights, net    4,074,574    4,134,202      Patent costs, net    554,696    558,269      Other intangible assets, net    23,800    27,878      Deposits and other    20,934    40,411      Notes receivable, net    182,025    182,025      Debt offering costs, net    1,448,291    1,618,678      Goodwill, net    32,280,955    32,281,148      Total other assets    38,697,716    38,963,110      Total assets    38,697,716    38,963,110      Total assets    \$    47,097,636    \$    48,139,752      Liabilities:    Accounts payable    \$    5,054    5,054      Accounts payable    \$    665,136    \$    1,106,114      Preferred stock dividends payable    \$    5,054    5,054      Demand notes payable    \$    1,510,210    1,373,993      Accrued compensation    710,001    770,625	Total current assets		7,226,287		7,931,439	
Other assets:    Investment - equity method    112,441    120,491      Investment - equity method    112,441    120,492      Pacennology rights, net    4,074,574    4,134,202      Patent costs, net    554,696    558,269      Other intangible assets, net    23,800    27,878      Deposits and other    20,934    40,411      Notes receivable, net    182,025    182,025      Debt offering costs, net    1,448,291    1,618,678      Goodwill, net    32,280,955    32,281,148      Total other assets    38,697,716    38,963,110      Total assets    38,697,716    38,963,110      Total assets    \$    47,097,636    \$    48,139,752      Liabilities:    Accounts payable    \$    5,054    5,054      Accounts payable    \$    665,136    \$    1,106,114      Preferred stock dividends payable    \$    5,054    5,054      Demand notes payable    \$    1,510,210    1,373,993      Accrued compensation    710,001    770,625						
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Investment - equity method    112,441    120,499      Technology rights, net    4,074,574    4,134,202      Patent costs, net    554,696    558,269      Other intangible assets, net    23,800    27,878      Deposits and other    20,934    40,411      Notes receivable, net    182,025    182,025      Debt offering costs, net    1,448,291    1,618,678      Goodwill, net    32,280,955    32,281,148      Total other assets    38,697,716    38,963,110      Total assets    38,697,716    38,963,110      Total assets    \$ 47,097,636    \$ 48,139,752      Liabilities and stockholders' equity:						
Technology rights, net  4,074,574  4,134,202    Patent costs, net  554,696  558,269    Other intangible assets, net  20,934  40,411    Notes receivable, net  182,025  182,025    Debt offering costs, net  1,448,291  1,618,678    Goodwill, net  32,280,955  32,281,148    Total other assets  38,697,716  38,963,110    Total assets  \$  47,097,636  \$  48,139,752    Liabilities and stockholders' equity:						
Patent costs, net $554,696$ $558,269$ Other intangible assets, net $23,800$ $27,878$ Deposits and other $20,934$ $40,411$ Notes receivable, net $182,025$ $182,025$ Debt offering costs, net $1,448,291$ $1,618,678$ Goodwill, net $32,280,955$ $32,281,148$ Total other assets $38,697,716$ $38,963,110$ Total assets\$ $47,097,636$ \$Accounts payable\$ $665,136$ \$Liabilities: $5,054$ $5,054$ Accounts payable $5,054$ $5,054$ Demand notes payable $5,054$ $5,054$ Demand notes payable $1,510,210$ $1,373,993$ Accrued expenses $1,880,382$ $1,912,592$ Accrued compensation $710,001$ $770,625$ Notes payable, net of discounts of \$0 and \$0, respectively $1,350,000$ Total current liabilities $7,298,086$ $7,765,443$ Long term notes payable, net of current portion due of \$50,154 and \$49,200, $6,082,838$ $6,095,740$ Long term notes payable, net of current portion due of \$127,149 and \$13,057,013 $13,022,465$ $13,057,013$ $13,022,465$ Long term notes payable, net ade party, net of discounts of \$51,10,196 $12,389,804$ $11,788,605$						
Other intangible assets, net    23,800    27,878      Deposits and other    20,934    40,411      Notes receivable, net    182,025    182,025      Debt offering costs, net    1,448,291    1,618,678      Goodwill, net    32,280,955    32,281,148      Total other assets    38,697,716    38,963,110      Total assets    38,697,716    38,963,110      Total assets    47,097,636    \$ 48,139,752      Liabilities and stockholders' equity:						
Deposits and other    20,934    40,411      Notes receivable, net    182,025    182,025      Debt offering costs, net    1,448,291    1,618,678      Goodwill, net    32,280,955    32,281,148      Total other assets    38,697,716    38,963,110      Total assets    \$    47,097,636    \$    48,139,752      Liabilities and stockholders' equity:       5.054    5.054      Current liabilities:      5.054    5.054    5.054      Accounts payable     5.054    5.054    5.054    5.054      Demand notes payable     1,510,210    1,373,993    Accrued expenses    1,880,382    1,912,592      Accrued compensation    710,001    770,625    700,01    770,625    700,01    770,625      Notes payable, current portion due    50,154    49,200    49,200    1,127,149    1,197,865      Convertible notes payable, net of discounts of \$0 and \$0, respectively    1,350,000    1,350,000    1,350,000    1,350,000    1,350,000			,			
Notes receivable, net $182,025$ $182,025$ Debt offering costs, net $1,448,291$ $1,618,678$ Goodwill, net $32,280,955$ $32,281,148$ Total other assets $38,697,716$ $38,963,110$ Total assets\$ 47,097,636\$ 48,139,752Liabilities and stockholders' equity:Current liabilities:Accounts payable $5,054$ 5,054 $5,054$ Demand notes payable $5,054$ 5,054 $5,054$ Demand notes payable $1,510,210$ $1,880,382$ $1,912,592$ Accrued expenses $1,880,382$ $1,912,592$ Accrued compensation $710,001$ $770,625$ Notes payable, current portion due $50,154$ $49,200$ Notes payable, related party, current portion due $7,298,086$ $7,765,443$ Long term notes payable, net of discounts of \$0 and \$0, respectively $1,350,000$ $1,350,000$ Total current liabilities $7,298,086$ $7,765,443$ Long term notes payable, net of current portion due of \$50,154 and \$49,200, Long term notes payable, net of current portion due of \$50,154 and \$49,200, Long term notes payable, net of current portion due of \$50,154 and \$49,200, Long term notes payable, net of current portion due of \$50,154 and \$49,200, Long term notes payable, net of current portion due of \$50,154 and \$49,200, Long term notes payable, related party, net of current portion due of \$12,149 and \$197,865 and discounts of \$571,071 and \$638,255, <br< td=""><td>•</td><td></td><td>/</td><td></td><td></td></br<>	•		/			
Debt offering costs, net $1,448,291$ $1,618,678$ Goodwill, net $32,280,955$ $32,281,148$ Total other assets $38,697,716$ $38,963,110$ Total assets\$ 47,097,636\$ 48,139,752Liabilities and stockholders' equity: $$	•					
Goodwill, net $32,280,955$ $32,281,148$ Total other assets $38,697,716$ $38,963,110$ Total assets\$ 47,097,636\$ 48,139,752Liabilities and stockholders' equity: Current liabilities: Accounts payable\$ 665,136\$ 1,106,114Preferred stock dividends payable $5,054$ $5,054$ Demand notes payable $5,054$ $5,054$ Demand notes payable $1,510,210$ $1,373,993$ Accrued expenses $1,880,382$ $1,912,592$ Accrued compensation $710,001$ $770,625$ Notes payable, current portion due $5,0154$ $49,200$ Notes payable, net of discounts of \$0 and \$0, respectively $1,350,000$ $1,350,000$ Total current liabilities $7,298,086$ $7,765,443$ Long term notes payable, net of current portion due of \$50,154 and \$49,200, Long term notes payable, net of current portion due of \$127,149 and \$197,865 and discounts of \$571,071 and \$638,255, Long term convertible notes payable, related party, net of current portion due of \$12,149 and \$197,865 and discounts of \$571,071 and \$638,255, Long term convertible notes payable, related party, net of discounts of \$5,110,196 and \$5,711,395, respectively $12,389,804$ $11,788,605$						
Total other assets $38,697,716$ $38,963,110$ Total assets\$ $47,097,636$ \$ $48,139,752$ Liabilities and stockholders' equity: $Current liabilities:$ $V$ $V$ Accounts payable\$ $665,136$ \$ $1,106,114$ Preferred stock dividends payable $5,054$ $5,054$ $5,054$ Demand notes payable $5,054$ $1,510,210$ $1,373,993$ Accrued expenses $1,880,382$ $1,912,592$ Accrued compensation $710,001$ $770,625$ Notes payable, current portion due $50,154$ $49,200$ Notes payable, net of discounts of \$0 and \$0, respectively $1,350,000$ $1,350,000$ Total current liabilities $7,298,086$ $7,765,443$ Long term notes payable, net of current portion due of \$50,154 and \$49,200, $6,082,838$ $6,095,740$ Long term notes payable, related party, net of current portion due of \$127,149 and $13,007,013$ $13,022,465$ Long term convertible notes payable, related party, net of discounts of \$5,110,196 $12,389,804$ $11,788,605$						
Total assets  \$ 47,097,636  \$ 48,139,752    Liabilities and stockholders' equity:						
Liabilities and stockholders' equity: Current liabilities: Accounts payable $\$$ 665,136 $\$$ 1,106,114Preferred stock dividends payable $\$$ 5,054 $\$$ 5,054Demand notes payable $\$$ 1,510,2101,373,993Accrued expenses1,880,3821,912,592Accrued compensation710,001770,625Notes payable, current portion due $\$$ 1,127,1491,197,865Convertible notes payable, net of discounts of \$0 and \$0, respectively1,350,0001,350,000Total current liabilities7,298,0867,765,443Long term notes payable, net of current portion due of \$50,154 and \$49,200, Long term notes payable, related party, net of current portion due of \$127,149 and \$197,865 and discounts of \$571,071 and \$638,255, Long term convertible notes payable, related party, net of discounts of \$5,110,196 and \$5,711,395, respectively12,389,80411,788,605						
Current liabilities:  \$ 665,136 \$ 1,106,114    Preferred stock dividends payable  5,054 5,054    Demand notes payable  1,510,210 1,373,993    Accrued expenses  1,880,382 1,912,592    Accrued compensation  710,001 770,625    Notes payable, current portion due  50,154 49,200    Notes payable, related party, current portion due  1,127,149 1,197,865    Convertible notes payable, net of discounts of \$0 and \$0, respectively  1,350,000 1,350,000    Total current liabilities  7,298,086 7,765,443    Long term notes payable, related party, net of current portion due of \$127,149 and  \$197,865 and discounts of \$571,071 and \$638,255, 13,057,013 13,022,465    Long term convertible notes payable, related party, net of discounts of \$5,110,196 and \$5,711,395, respectively  12,389,804 11,788,605	Total assets	\$	47,097,636	\$	48,139,752	
Current liabilities:  \$ 665,136 \$ 1,106,114    Preferred stock dividends payable  5,054 5,054    Demand notes payable  1,510,210 1,373,993    Accrued expenses  1,880,382 1,912,592    Accrued compensation  710,001 770,625    Notes payable, current portion due  50,154 49,200    Notes payable, related party, current portion due  1,127,149 1,197,865    Convertible notes payable, net of discounts of \$0 and \$0, respectively  1,350,000 1,350,000    Total current liabilities  7,298,086 7,765,443    Long term notes payable, related party, net of current portion due of \$127,149 and  \$197,865 and discounts of \$571,071 and \$638,255, 13,057,013 13,022,465    Long term convertible notes payable, related party, net of discounts of \$5,110,196 and \$5,711,395, respectively  12,389,804 11,788,605						
Accounts payable  \$ 665,136  \$ 1,106,114    Preferred stock dividends payable  5,054  5,054    Demand notes payable  1,510,210  1,373,993    Accrued expenses  1,880,382  1,912,592    Accrued compensation  710,001  770,625    Notes payable, current portion due  50,154  49,200    Notes payable, related party, current portion due  1,127,149  1,197,865    Convertible notes payable, net of discounts of \$0 and \$0, respectively  1,350,000  1,350,000    Total current liabilities  7,298,086  7,765,443    Long term notes payable, related party, net of current portion due of \$50,154 and \$49,200,  6,082,838  6,095,740    Long term notes payable, related party, net of current portion due of \$127,149 and  13,057,013  13,022,465    Long term convertible notes payable, related party, net of discounts of \$5,110,196  12,389,804  11,788,605						
Preferred stock dividends payable $5,054$ $5,054$ Demand notes payable $1,510,210$ $1,373,993$ Accrued expenses $1,880,382$ $1,912,592$ Accrued compensation $710,001$ $770,625$ Notes payable, current portion due $50,154$ $49,200$ Notes payable, related party, current portion due $1,127,149$ $1,197,865$ Convertible notes payable, net of discounts of \$0 and \$0, respectively $1,350,000$ $1,350,000$ Total current liabilities $7,298,086$ $7,765,443$ Long term notes payable, net of current portion due of \$50,154 and \$49,200, $6,082,838$ $6,095,740$ Long term notes payable, related party, net of current portion due of \$127,149 and $$197,865$ and discounts of \$571,071 and \$638,255, $13,057,013$ $13,022,465$ Long term convertible notes payable, related party, net of discounts of \$5,110,196 $12,389,804$ $11,788,605$						
Demand notes payable  1,510,210  1,373,993    Accrued expenses  1,880,382  1,912,592    Accrued compensation  710,001  770,625    Notes payable, current portion due  50,154  49,200    Notes payable, related party, current portion due  1,127,149  1,197,865    Convertible notes payable, net of discounts of \$0 and \$0, respectively  1,350,000  1,350,000    Total current liabilities  7,298,086  7,765,443    Long term notes payable, net of current portion due of \$50,154 and \$49,200,  6,082,838  6,095,740    Long term notes payable, related party, net of current portion due of \$127,149 and  13,057,013  13,022,465    Long term convertible notes payable, related party, net of discounts of \$5,110,196  12,389,804  11,788,605		\$		\$		
Accrued expenses $1,880,382$ $1,912,592$ Accrued compensation $710,001$ $770,625$ Notes payable, current portion due $50,154$ $49,200$ Notes payable, related party, current portion due $1,127,149$ $1,197,865$ Convertible notes payable, net of discounts of \$0 and \$0, respectively $1,350,000$ $1,350,000$ Total current liabilities $7,298,086$ $7,765,443$ Long term notes payable, net of current portion due of \$50,154 and \$49,200, $6,082,838$ $6,095,740$ Long term notes payable, related party, net of current portion due of \$127,149 and $$197,865$ and discounts of \$571,071 and \$638,255, $13,057,013$ $13,022,465$ Long term convertible notes payable, related party, net of discounts of \$5,110,196 $12,389,804$ $11,788,605$						
Accrued compensation710,001770,625Notes payable, current portion due50,15449,200Notes payable, related party, current portion due1,127,1491,197,865Convertible notes payable, net of discounts of \$0 and \$0, respectively1,350,0001,350,000Total current liabilities7,298,0867,765,443Long term notes payable, net of current portion due of \$50,154 and \$49,200,6,082,8386,095,740Long term notes payable, related party, net of current portion due of \$127,149 and\$197,865 and discounts of \$571,071 and \$638,255,13,057,01313,022,465Long term convertible notes payable, related party, net of discounts of \$5,110,196and \$5,711,395, respectively12,389,80411,788,605						
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Notes payable, related party, current portion due1,127,1491,197,865Convertible notes payable, net of discounts of \$0 and \$0, respectively1,350,0001,350,000Total current liabilities7,298,0867,765,443Long term notes payable, net of current portion due of \$50,154 and \$49,200,6,082,8386,095,740Long term notes payable, related party, net of current portion due of \$127,149 and\$197,865 and discounts of \$571,071 and \$638,255,13,057,01313,022,465Long term convertible notes payable, related party, net of discounts of \$5,110,19612,389,80411,788,605	•					
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Total current liabilities7,298,0867,765,443Long term notes payable, net of current portion due of \$50,154 and \$49,200,6,082,8386,095,740Long term notes payable, related party, net of current portion due of \$127,149 and\$197,865 and discounts of \$571,071 and \$638,255,13,057,01313,022,465Long term convertible notes payable, related party, net of discounts of \$5,110,19612,389,80411,788,605						
Long term notes payable, net of current portion due of \$50,154 and \$49,200,6,082,8386,095,740Long term notes payable, related party, net of current portion due of \$127,149 and13,057,01313,022,465\$197,865 and discounts of \$571,071 and \$638,255,13,057,01313,022,465Long term convertible notes payable, related party, net of discounts of \$5,110,19612,389,80411,788,605			1,350,000			
Long term notes payable, related party, net of current portion due of \$127,149 and \$197,865 and discounts of \$571,071 and \$638,255,13,057,01313,022,465Long term convertible notes payable, related party, net of discounts of \$5,110,196 and \$5,711,395, respectively12,389,80411,788,605	Total current liabilities		7,298,086		7,765,443	
\$197,865 and discounts of \$571,071 and \$638,255,  13,057,013  13,022,465    Long term convertible notes payable, related party, net of discounts of \$5,110,196  12,389,804  11,788,605	Long term notes payable, net of current portion due of \$50,154 and \$49,200,		6,082,838		6,095,740	
Long term convertible notes payable, related party, net of discounts of \$5,110,196and \$5,711,395, respectively12,389,80411,788,605	Long term notes payable, related party, net of current portion due of \$127,149 and					
and \$5,711,395, respectively 12,389,804 11,788,605			13,057,013		13,022,465	
Total liabilities    38,827,741    38,672,253	and \$5,711,395, respectively		12,389,804		11,788,605	
	Total liabilities		38,827,741		38,672,253	

Commitments and contingencies

Stockholders' equity:

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