

DOR BIOPHARMA INC
Form 10QSB
November 15, 2004

SEC SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

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

For the Quarterly Period Ended September 30, 2004

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

For the transition period from _____ to _____

Commission File No. 1-14778

DOR BIOPHARMA, INC.

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

DELAWARE

41-1505029

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

1691 Michigan Ave., Suite 435, Miami, FL 33139
(Address of principal executive offices) (Zip Code)

Issuer's telephone number, including area code (305) 534-3383

(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act during the past 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

At November 1, 2004, 42,042,943 shares of the registrant's common stock (par value, \$.001 per share) were outstanding.

Transitional Small Business Disclosure Format (check one):

Yes No

PART I. - FINANCIAL INFORMATION**ITEM 1 - FINANCIAL STATEMENTS**

DOR BioPharma, Inc.
(A Development Stage Company)
Consolidated Balance Sheets
(unaudited)

	September 30, 2004	December 31, 2003
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,137,830	\$ 4,117,539
Receivable	-	20,954
Prepaid expenses	69,405	155,844
Total current assets	3,207,235	4,294,337
Equipment, net of depreciation amortization of \$158,783 and \$141,650, respectively	49,335	60,795
Licenses and patent costs	1,946,349	1,896,934
Total assets	\$ 5,202,919	\$ 6,252,066
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 474,526	\$ 211,587
Accrued royalties	100,000	320,000
Accrued compensation and other expenses	103,458	116,638
Notes Payable	115,948	359,067
Total current liabilities	793,932	1,007,292
Shareholders' equity:		
Series B convertible preferred stock, \$.05 par value. Authorized 200,000 shares;		
126,488 issued and outstanding in 2003, at liquidation value	-	12,648,768
Common stock, \$.001 par value. Authorized 100,000,000 shares; 42,042,943 and		
34,893,765 issued; 41,870,601 and 34,721,423 outstanding	42,044	34,894
Additional paid-in capital	82,853,011	67,005,276
Deficit accumulated during the development stage	(78,017,802)	(73,975,897)
	4,877,253	5,713,041
Less: cost of 172,342 shares of common stock in treasury	(468,266)	(468,267)
Total shareholders' equity	4,408,987	5,244,774

Total liabilities and shareholders' equity	\$ 5,202,919	\$ 6,252,066
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See accompanying notes to consolidated financial statements.

DOR BioPharma, Inc.

(A Development Stage Company)

Consolidated Statement of Operations
(unaudited)

	Three Months Ended September 30,	
	2004	2003
Grant revenue	\$ -	\$ -
Expenses:		
Proprietary research and development	894,384	786,847
General and administrative	526,162	287,730
Total expenses	1,420,546	1,074,577
Loss from operations	(1,420,546)	(1,074,577)
Other income (expense):		
Interest income	16,514	4,287
Interest expense	(2,379)	(840)
Other income	-	(55,072)
Total other income (expense)	14,135	(51,625)
Net loss	(1,406,411)	(1,126,202)
Preferred stock dividends	-	(236,162)
Net loss applicable to common shareholders	\$ (1,406,411)	\$ (1,362,364)
Basic and diluted net loss per share applicable to common shareholders	\$ (0.03)	\$ (0.05)
Basic and diluted weighted average common shares outstanding	41,870,601	28,966,059

See accompanying notes to consolidated financial statements.

DOR BioPharma, Inc.
(A Development Stage Company)
Consolidated Statement of Operations
(unaudited)

	2004	Nine Months Ended September 30, 2003	Cumulative Period February 15, 1985 (inception) to September 30, 2004
Grant revenue	\$ 66,095	\$ -	\$ 249,912
Expenses:			
Cost of revenue	59,486	-	221,851
Proprietary research and development	2,583,431	1,923,515	25,560,154
General and administrative	1,503,360	2,144,386	22,041,949
Write-off of acquired in-process research and development	-	-	10,181,000
Total expenses	4,146,277	4,067,901	58,004,954
Loss from operations	(4,080,182)	(4,067,901)	(57,755,042)
Other income (expense):			
Interest income	55,357	14,284	3,655,360
Interest expense	(17,552)	(4,948)	(439,773)
Other income	525	(49,639)	237,025
Equity in joint ventures	-	-	(22,179,091)
Total other income (expense)	38,330	(40,303)	(18,726,479)
Net loss	(4,041,852)		