

ARBIOS SYSTEMS INC
Form 10-Q
September 21, 2009

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

FORM 10-Q

(MARK ONE)

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

For the quarterly period ended June 30, 2009

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE
EXCHANGE ACT

For the transition period from _____ to _____

Commission file number: 000-32603

ARBIOS SYSTEMS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

91-1955323
(I.R.S. Employer Identification No.)

530 South Lake Avenue, #363, Pasadena, CA
(Address of principal executive offices)

91101
(Zip Code)

(626) 795-4641
(Registrant's telephone number, including area code)

200 E. Del Mar Blvd., Suite 320, Pasadena, CA, 91105
(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

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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 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 definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(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

On September 14, 2009, there were 24,356,247 shares of common stock, \$.001 par value per share, issued and outstanding.

ARBIOS SYSTEMS, INC.
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PART I - FINANCIAL INFORMATION

ITEM 1. Condensed Financial Statements

ARBIOS SYSTEMS, INC.
(Debtor-in-Possession)
(A Development Stage Company)
CONDENSED BALANCE SHEETS

	June 30, 2009 (Unaudited)	December 31, 2008
ASSETS		
Current assets		
Cash	\$ 185,598	\$ 370,686
Restricted cash	199,112	-
Prepaid expenses	149,044	21,506
Total current assets	533,754	392,192
Receivable	-	200,000
Property and equipment, net	4,339	6,177
Investment	-	86,209
Other assets	750	750
Total assets	\$ 538,843	\$ 685,328
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
Current liabilities		
Accounts payable	\$ 393,863	\$ 194,046
Deposit from Arbios Acquisition Partners, LLC	199,112	-
Accrued expenses	530,000	286,888
Total current liabilities	1,122,975	480,934
Liabilities subject to compromise under reorganization proceedings	111,029	-
Long term contract obligations	-	150,000
Total liabilities	1,234,004	630,934
Stockholders' (deficit) equity		
Common stock, \$.001 par value; 100,000,000 shares authorized; 24,356,247 and 25,792,747 shares issued and outstanding at June 30, 2009 and December 31, 2008, respectively	24,356	25,792
Additional paid-in capital	21,618,511	21,617,075
Deficit accumulated during the development stage	(22,338,028)	(21,588,473)
Total stockholders' (deficit) equity	(695,161)	54,394
Total liabilities and stockholders' (deficit) equity	\$ 538,843	\$ 685,328

The accompanying notes are an integral part of these condensed financial statements.

ARBIOS SYSTEMS, INC.
 (Debtor-in-Possession)
 (A Development Stage Company)
 CONDENSED STATEMENTS OF OPERATIONS
 (Unaudited)

	For the three months ended June 30,		For the six months ended June 30,		Inception to June 30, 2009
	2009	2008	2009	2008	
Revenues	\$ -	\$ -	\$ -	\$ -	\$ 320,966
Operating expenses:					