

Enterprise Informatics Inc  
Form 10-Q  
August 14, 2007

---

---

---

**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, 2007.**

**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 0-15935**

**ENTERPRISE INFORMATICS INC.**

(Exact name of registrant as specified in its charter)

**CALIFORNIA**  
(State or other jurisdiction of  
incorporation or organization)

**95-3634089**  
(I.R.S. Employer  
Identification No.)

**10052 MESA RIDGE COURT, SUITE 100, SAN DIEGO, CA 92121**

(Address of principal executive offices and zip code)

**(858) 625-3000**

(Registrants 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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act (Check one):

Edgar Filing: Enterprise Informatics Inc - Form 10-Q

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES  NO

Number of shares of Common Stock outstanding at August 14, 2007: 37,503,523

---

## ITEM 1. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

ENTERPRISE INFORMATICS INC.  
CONSOLIDATED BALANCE SHEET

	June 30, 2007 (Unaudited)	September 30, 2006
<b>ASSETS</b>		
Current assets:		
Cash	\$ 706,000	\$ 95,000
Receivables, net	681,000	854,000
Other current assets	217,000	190,000
Total current assets	1,604,000	1,139,000
Property and equipment, net	143,000	131,000
Computer software, net	347,000	425,000
Other assets	26,000	28,000
Total assets	\$ 2,120,000	\$ 1,723,000
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		
Current liabilities:		
Accounts payable	\$ 440,000	\$ 792,000
Payable to Spescom Ltd.	—	550,000
Notes and accrued interest payable to Spescom Ltd.	675,000	—
Preferred stock dividend payable to Spescom Ltd.	1,144,000	887,000
Accrued liabilities	1,348,000	1,446,000
Lease obligations— current portion	30,000	44,000
Deferred revenue	2,622,000	2,752,000
Series I redeemable preferred stock, par value \$0.01 per share; 2,450 shares authorized; 2,450 shares issued and outstanding at September 30, 2006	—	2,450,000
Total current liabilities	6,259,000	8,921,000
Notes and accrued interest payable to Spescom Ltd.	—	664,000
Lease obligations	—	16,000
Total liabilities	6,259,000	9,601,000
Shareholders' deficit:		
Convertible preferred stock, 243,239 remaining shares authorized		
Series F - par value \$1.00 per share; 5,291 shares authorized, issued and outstanding at June 30, 2007 and September 30, 2006	6,790,000	6,790,000
Series I - par value \$0.01 per share; 2,450 shares authorized; 2450 shares		

Edgar Filing: Enterprise Informatics Inc - Form 10-Q

issued and outstanding at June 30, 2007	2,450,000		
Common stock, no par value, 100,000,000 shares authorized; 37,503,523 and 37,144,494 shares	76,529,000	76,581,000	
outstanding at June 30, 2007 and September 30, 2006			
Common stock warrants	1,505,000	1,505,000	
Accumulated other comprehensive loss	(513,000)	(441,000)	
Accumulated deficit	(90,900,000)	(92,313,000)	
Total shareholders' deficit	(4,139,000)	(7,878,000)	
Total liabilities and shareholders' deficit	\$ 2,120,000	\$ 1,723,000	

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

ENTERPRISE INFORMATICS INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)

	For the three months ended		For the nine months ended	
	June 30,		June 30,	
	2007	2006	2007	2006
<b>Revenues:</b>				
Licenses	\$ 126,000	\$ 255,000	\$ 2,798,000	\$ 1,471,000
Services and other	1,638,000	1,278,000	4,474,000	3,954,000
<b>Total revenues</b>	<b>1,764,000</b>	<b>1,533,000</b>	<b>7,272,000</b>	<b>5,425,000</b>
<b>Cost of revenues:</b>				
Licenses	30,000	78,000	127,000	272,000
Services and other	605,000	542,000	1,869,000	1,803,000
<b>Total cost of revenues</b>	<b>635,000</b>	<b>620,000</b>	<b>1,996,000</b>	<b>2,075,000</b>
<b>Gross profit</b>	<b>1,129,000</b>	<b>913,000</b>	<b>5,276,000</b>	<b>3,350,000</b>
<b>Operating expenses:</b>				
Research and development	257,000	289,000	820,000	774,000
Marketing and sales	430,000	553,000	1,471,000	1,891,000
General and administrative	373,000	441,000	1,365,000	1,235,000
<b>Total operating expenses</b>	<b>1,060,000</b>	<b>1,283,000</b>	<b>3,656,000</b>	<b>3,900,000</b>
<b>Income (loss) from operations</b>	<b>69,000</b>	<b>(370,000)</b>	<b>1,620,000</b>	<b>(550,000)</b>
Interest and other income	—	—	—	4,000
Interest and other expense	(57,000)	(72,000)	(182,000)	(177,000)
<b>Net income (loss) before income taxes</b>	<b>12,000</b>	<b>(442,000)</b>	<b>1,438,000</b>	<b>(723,000)</b>
Provision for income taxes	—	—	(25,000)	—
<b>Net income (loss)</b>	<b>12,000</b>	<b>(442,000)</b>	<b>1,413,000</b>	<b>(723,000)</b>
Deemed preferred dividend	—	—	—	(1,000,000)
<b>Net income (loss) available after deemed preferred dividend</b>	<b>12,000</b>	<b>(442,000)</b>	<b>1,413,000</b>	<b>(1,723,000)</b>
Cumulative preferred dividends	(66,000)	(97,000)	(198,000)	(283,000)
<b>Net income (loss) available to common shareholders</b>	<b>\$ (54,000)</b>	<b>\$ (539,000)</b>	<b>\$ 1,215,000</b>	<b>\$ (2,006,000)</b>
<b>Earnings (loss) per share:</b>				
Basic	\$ 0.00	\$ (0.01)	\$ 0.03	\$ (0.05)
Diluted	\$ 0.00	\$ (0.01)	\$ 0.02	\$ (0.05)
<b>Weighted average shares outstanding:</b>				
Basic	37,504,000	36,895,000	37,264,000	36,869,000
Diluted	37,504,000	36,895,000	52,448,000	36,869,000

**Statement of Comprehensive Income (Loss)**

Net income (loss)	\$	12,000	\$	(442,000)	\$	1,413,000	\$	(723,000)
Other Comprehensive income (loss):								
Foreign currency translation adjustment		(14,000)		(55,000)		(72,000)		(35,000)
Comprehensive income (loss)	\$	(2,000)	\$	(497,000)	\$	1,341,000	\$	(758,000)