

CYTRX CORP
Form 10-Q
November 07, 2008

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

Form 10-Q

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

For the quarterly period ended September 30, 2008

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 0-15327

CytRx Corporation
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

58-1642740
(I.R.S. Employer Identification No.)

11726 San Vicente Blvd., Suite 650
Los Angeles, CA
(Address of principal executive offices)

90049
(Zip Code)

(310) 826-5648
(Registrant's 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 R No

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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. (Check one):

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>
(Do not check if a smaller reporting company)			

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12(b)-2 of the Exchange Act). Yes No

Number of shares of CytRx Corporation common stock, \$.001 par value, issued and outstanding as of November 6, 2008: 93,344,632, exclusive of treasury shares.

CYTRX CORPORATION

FORM 10-Q

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PART I — FINANCIAL INFORMATION

Item 1. — Financial Statements

CYTRX CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2008 (Unaudited)	December 31, 2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 30,913,687	\$ 50,498,261
Short-term investments, at amortized cost	—	9,951,548
Accounts receivable	1,629,023	101,217
Prepaid expense and other current assets	708,922	930,596
Total current assets	33,251,632	61,481,622
Equipment and furnishings, net	1,823,906	1,573,290
Molecular library, net	126,261	193,946
Investment in affiliate – RXi Pharmaceuticals (see Note 9)	—	—
Goodwill	183,780	183,780
Other assets	357,008	713,398
Total assets	\$ 35,742,587	\$ 64,146,036
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 3,239,271	\$ 1,946,215
Accrued expenses and other current liabilities	2,470,860	3,700,866
Income taxes payable	632,000	—
Deferred revenue, current portion	3,131,679	8,399,167
Total current liabilities	9,473,810	14,046,248
Deferred revenue, non-current portion	7,595,945	7,167,381
Total liabilities	17,069,755	21,213,629
Minority interest (see Note 1)	—	2,708,368
Commitments and Contingencies		
Stockholders' equity:		
Preferred stock, \$.01 par value, 5,000,000 shares authorized, including 15,000 shares of Series A Junior Participating Preferred Stock; no shares issued and outstanding	—	—
Common stock, \$.001 par value, 175,000,000 shares authorized; 93,978,448 and 90,397,867 shares issued and outstanding at September 30, 2008 and December 31, 2007, respectively	93,978	90,398

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Additional paid-in capital	209,509,492	203,905,691
Treasury stock, at cost (633,816 shares held at September 30, 2008 and December 31, 2007)	(2,279,238)	(2,279,238)
Accumulated deficit	(188,651,400)	(161,492,812)
Total stockholders' equity	18,672,832	40,224,039
Total liabilities and stockholders' equity	\$ 35,742,587	\$ 64,146,036

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

CYTRX CORPORATION
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (Unaudited)

	Three Months Ended		Nine Months Ended,	
	September 30, 2008	2007	September 30, 2008	2007
Revenue:				
Service revenue	\$ 917,473	\$ 2,046,470	\$ 4,838,923	\$ 5,862,976
Grant revenue	—	—	—	116,070
Licensing revenue	—	—	—	1,000
	917,473	2,046,470	4,838,923	5,980,046
Expenses:				
Research and development	2,005,813	3,907,514	7,723,184	14,800,183
General and administrative	1,600,986	3,669,361	9,266,218	10,261,042
In-process research and development (See Note 11)	8,012,154	—	8,012,154	—