

POKER MAGIC INC
Form 10-Q
November 03, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

- QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2010

OR

- TRANSITION REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number 0-16686

POKER MAGIC, INC.

(Exact name of registrant as specified in its charter)

Minnesota 20-4709758
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

130 West Lake Street, Suite 300, Wayzata, MN
(Address of Principal Executive Offices)

(952) 473-3442
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed from 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

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 (§232.405 of this chapter) 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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Smaller reporting company

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Non-accelerated filer (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

As of October 27, 2010 there were 10,433,224 shares of the issuer's common stock, \$0.001 par value, outstanding.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Poker Magic, Inc.
(A Development Stage Company)
Balance Sheets

	September 30, 2010 (unaudited)	December 31, 2009 (audited)
ASSETS		
Current Assets		
Cash	\$ 4,606	\$ 5,464
Inventory	1,621	1,621
Total Current Assets	6,227	7,085
Intangible assets, net of amortization	4,136	10,340
Total Assets	\$ 10,363	\$ 17,425
Liabilities and Shareholders' Deficit		
Current Liabilities		
Accounts payable	\$ 10,695	\$ 13,446
Accrued royalty	240	120
Note payable related party – short-term	91,200	40,000
Interest payable	5,930	873
Deferred revenue	-	975
Total Current Liabilities	108,065	55,414
Total Liabilities	108,065	55,414
Commitments and contingencies:		
Shareholders' Deficit		
Common Stock, \$.001 par value: Authorized 250,000,000 shares:		
Issued and outstanding 10,433,224 and 9,963,224 shares on September 30, 2010 and December 31, 2009, respectively.	10,433	9,963
Additional paid-in capital	680,407	644,877
Deficit accumulated during the development stage	(788,542)	(692,829)
Total Shareholders' Deficit	(97,702)	(37,989)
Total Liabilities and Shareholders' Deficit	\$ 10,363	\$ 17,425

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

Poker Magic, Inc.
 (A Development Stage Company)
 Statements of Operations
 (unaudited)

	Three months ended September 30, 2009	Three months ended September 30, 2009	Nine months ended September 30, 2009	Nine months ended September 30, 2009	Period from January 10, 2006 (inception) through September 30, 2010
Revenues	\$ 600	\$ 2,025	\$ 2,400	\$ 5,675	\$ 11,775
Cost of Revenues	2,098	2,587	6,324	10,829	56,013
Gross Loss	(1,498)	(562)	(3,924)	(5,154)	(44,238)
Operating Expenses:					