Retail Pro, Inc. Form 10-Q May 30, 2008

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

FORM 10-Q

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

For the quarterly period ended December 31, 2007

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

For the transition period from ______ to _____

Commission File Number: 0-23049

RETAIL PRO, INC. (Formerly known as Island Pacific, Inc.) (Exact name of registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation or organization) 33-0896617 (I.R.S. Employer Identification Number)

3252 Holiday Court, Suite 226, La92037 Jolla, CA (Address of principal executive(Zip Code) offices)

> (858) 550-3355 (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 x No o

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:)

Large accelerated filer o

Accelerated

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filer o

Non-accelerated filer x

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Common stock, \$0.0001 Par Value - 61,340,195 shares as of May 29, 2008.

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ITEM 1. FINANCIAL STATEMENTS

RETAIL PRO, INC. AND SUBSIDIARIES (Formerly known as Island Pacific, Inc.) CONSOLIDATED CONDENSED BALANCE SHEETS (in thousands, except share amounts)

	December 31, 2007 (Unaudited)			March 31, 2007	
Assets					
Current assets:	¢	2 (50	¢	ECE	
Cash and cash equivalents	\$	2,659	\$	565	
Accounts receivable, net of allowance for					
doubtful accounts of \$449 and \$386,		2718		2 0 1 2	
respectively Other receivables		2,718 98		2,913 136	
Note receivable				150	
		3,000 399		261	
Prepaid expenses and other current assets Total current assets				3,875	
Total current assets		8,874		5,875	
Property and equipment, net		303		307	
Goodwill, net		13,511		22,984	
Other intangible assets, net		8.197		12,574	
Deferred royalties and related maintenance				,	
inter-co's		1,168		-	
Other assets		411		315	
Total assets	\$	32,464	\$	40,055	
Liabilities and stockholders' equity					
Current liabilities:					
Notes payable	\$	675	\$	3,537	
Current portion of long-term debt	·	6,562		7,185	
Accounts payable		3,230		1,286	
Accrued audit fees		69		300	
Accrued interest and financing costs		685		1,202	
Accrued employment expenses		1,251		1,029	
Accrued accounts payable		2,302		801	
Other Accrued expenses		1,758		-	
Deferred revenue		3,452		5,599	
Income taxes payable		127		127	
Total current liabilities		20,111		21,066	
Debt due to stockholders, less current					
maturities		2,515		2,515	
Convertible debentures, less current maturities		_		2,520	
Deferred revenue		1,498		1,126	
Accrued price protection		1,737		1,736	
Deferred rent		212		206	

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Total liabilities	26,073	29,169
Stockholders' equity Preferred stock, \$0.0001 par value; 5,000,000		
shares authorized; Common stock, \$.0001 par value; 250,000,000	-	-
shares authorized; 60,043,297 and 59,842,047 shares issued and outstanding, respectively	6	6
Additional paid-in capital	92,963	92,859
Accumulated Deficit	(86,578)	(81,979)
Total stockholders' equity	6,391	10,886
Total liabilities and stockholders' equity	\$ 32,464	\$ 40,055

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

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RETAIL PRO, INC. AND SUBSIDIARIES (Formerly known as Island Pacific, Inc.) CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS (in thousands, except per share data)

Three Months Ended December 31, Nine Months Ended December 31,