

CleanTech Innovations, Inc.
Form 10-Q
November 14, 2011

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, 2011

OR

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

Commission file number: 001-35002

CLEANTECH INNOVATIONS, INC.
(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of incorporation
or organization)

98-0516425
(IRS Employer Identification No.)

C District, Maoshan Industry Park,
Tieling Economic Development Zone,
Tieling, Liaoning Province, China
(Address of principal executive offices)

112616
(Zip Code)

(86) 0410-6129922
(Registrant's telephone number, including area code)

Indicate by checkmark 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 last 90 days.

YES NO

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 (§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

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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,” “non-accelerated filer,” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

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

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date: 24,982,222 shares of common stock outstanding as of November 11, 2011.

Table of Contents

CleanTech Innovations, Inc.

Table of Contents

		Page
PART I. FINANCIAL INFORMATION		
Item 1.	<u>Financial Statements</u>	1
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	23
Item 3.	<u>Quantitative and Qualitative Disclosures about Market Risk</u>	31
Item 4.	<u>Controls and Procedures</u>	31
PART II. OTHER INFORMATION		
Item 1.	<u>Legal Proceedings</u>	32
Item 1A.	<u>Risk Factors</u>	32
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	32
Item 3.	<u>Defaults Upon Senior Securities</u>	32
Item 5.	<u>Other Information</u>	32
Item 6.	<u>Exhibits</u>	32
	<u>Signatures</u>	33
	<u>Exhibit Index</u>	34

Table of Contents

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CLEANTECH INNOVATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2011 (UNAUDITED) AND DECEMBER 31, 2010

	2011	2010
ASSETS		
CURRENT ASSETS:		
Cash and equivalents	\$ 1,548,213	\$ 13,308,568
Restricted cash	1,632,895	281,569
Accounts receivable, net	12,303,548	13,988,139
Other receivables and deposits	387,275	775,871
Retentions receivable	2,628,391	105,911
Prepayments	237,304	233,904
Advances to suppliers	10,466,220	852,518
Inventories	5,644,481	2,440,591
Notes receivable	608,633	75,498
Total current assets	35,456,960	32,062,569
NONCURRENT ASSETS:		
Retentions receivable	328,297	2,460,202
Long-term investment	94,415	90,597
Prepayments	323,600	315,392
Prepayment for construction	590,480	-
Deposit for land use right	421,846	-
Construction in process	516,223	-
Property and equipment, net	11,069,751	10,721,944
Land use right and patents, net	3,738,214	3,645,622
Total noncurrent assets	17,082,826	17,233,757
TOTAL ASSETS	\$52,539,786	\$49,296,326
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 3,857,908	\$ 1,960,401
Advances from customers	134,298	252,903
Other payables and accrued expenses	171,372	465,662
Taxes payable	310,481	921,767
Advances from shareholder	299,280	302,305
Short-term loans	13,776,613	3,865,493
Short-term payable, net of unamortized interest	385,526	369,937

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Total current liabilities	18,935,478	8,138,468
NONCURRENT LIABILITIES:		
Advances from shareholder	48,031	255,796
Long-term loan	-	10,000,000
Long-term payable, net of unamortized interest	1,312,503	1,217,241
Total noncurrent liabilities	1,360,534	11,473,037
TOTAL LIABILITIES	20,296,012	19,611,505
CONTINGENCY AND COMMITMENTS		
STOCKHOLDERS' EQUITY:		
Preferred stock, \$0.00001 par value, 100,000,000 shares authorized, no shares issued and outstanding as of September 30, 2011 and December 31, 2010, respectively	-	-
Common stock, \$0.00001 par value, 100,000,000 shares authorized, 24,982,822 and 24,963,322 shares issued and outstanding as of September 30, 2011 and December 31, 2010, respectively	250	250
Paid-in capital	20,644,738	20,514,442
Statutory reserve fund	1,092,180	890,122
Accumulated other comprehensive income	2,701,483	1,030,432
Retained earnings	7,805,123	7,249,575
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